

Company Announcement

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NKT is selected exclusive supplier of export cable system for Inch Cape offshore wind farm project

NKT has signed an export cable Pre-Construction Agreement (PCA) for delivery and installation of export cable system to the prospective UK offshore wind farm project Inch Cape. The project is being developed by Inch Cape Offshore Wind Farm Ltd, a subsidiary of Red Rock Power Ltd. The PCA is signed in a consortium with Boskalis Subsea Cables & Flexibles.

The PCA nominates the consortium as the exclusive supplier and installer for the export cable system. Furthermore, the PCA is a key step towards a final order which is conditional upon final contract negotiations and the project owners providing NKT a notice to proceed. These milestones are expected during second half 2020 if the project is successful in the next UK Contracts for Difference (CfD) auction, which is likely to take place in Q2 2019.

The Inch Cape project will comprise the manufacture of approx. 170 km of 220 kV AC offshore export cables at one of NKT's two high-voltage power cable plants, as well as installation by Boskalis. Such type of project typically has a NKT contract value in the range of EUR 80-120m (DKK 600-900m) in market prices, equivalent to a range of EUR 70-110m (DKK 520-820m) in standard metal prices. Conditional on the abovementioned steps, the cables will be delivered for installation in 2022-2023.

NKT Interim CEO Roland M. Andersen says:

- Being the exclusive supplier of the export cable systems for the prospective Inch Cape offshore wind, confirms our forefront market position in the offshore wind segment. Furthermore, the current activity level within offshore wind supports our view that the business is picking up again on project awards and realization.

The Inch Cape offshore wind farm is to be situated in the North Sea, off the east coast of Scotland.

Contact

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