

Company Announcement

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Announcement No. 16

NKT A/S

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NKT A/S Q1 2025 Interim Report: 11% organic growth and EBITDA of EUR 81m

NKT CEO Claes Westerlind says:

- In Q1 2025, NKT continued the execution of high-voltage projects, and we delivered organic revenue growth of 11% and operational EBITDA of EUR 81m. We executed on our ongoing investments across production sites and announced the completion of the medium-voltage capacity expansions in Falun and Velke Mezirici. Additionally, in April we concluded Q1 negotiations and signed a supply agreement with Hydro, strengthening our European value chain and ensuring security of aluminium supply until 2033. These steps underscore our commitment to business excellence and our strategic focus on supporting the energy transition and enhancing value for both our customers and shareholders.

Financial highlights

EURm	Q1 2025	Q1 2024
Revenue*	630	534
Organic growth	11%	27%
Operational EBITDA	81	75
Operational EBITDA margin*	12.9%	14.1%

* Std. metal prices

Financial outlook for 2025

The financial outlook remains unchanged from Company Announcement No.11 of 21 February 2025. Revenues (in std. metal prices) is expected to be approximately EUR 2.37-2.52bn and operational EBITDA is expected to be approx. EUR 330-380m. The financial outlook is based on several assumptions, including:

- Satisfactory execution of high-voltage investments and projects to deliver on expected profitability margins
- Satisfactory operational execution across business lines
- Stable market conditions for Applications and Service & Accessories
- Normalised offshore power cable repair work activity
- Stable supply chain with limited disruptions and access to the required labour, materials, and services
- Stable development in the global economy, foreign currency, and metal prices

11% organic growth and operational EBITDA of EUR 81m

In Q1 2025, NKT's revenue (in std. metal prices) amounted to EUR 630m, an increase of EUR 96m compared to Q1 2024, corresponding to 11% organic growth. In Solutions, the growth was driven by high activity level and overall satisfactory project execution, while the increased revenue in Applications was mainly due to the acquisition of SolidAI in June 2024, and organic growth driven by additional medium-voltage production capacity. In Service & Accessories, revenue was below the level of Q1 2024, which included a large scope of offshore repair work on a legacy service agreement.

Operational EBITDA increased to EUR 81m in Q1 2025 from EUR 75m in Q1 2024. The increase was driven by higher revenue. The operational EBITDA margin was 12.9% in Q1 2025, representing a decrease of 1.2 %-points compared to Q1 2024. All three business lines contributed to the increased operational EBITDA, while the decline in operational EBITDA-margin was mainly due to natural fluctuations in the project business.

At end-Q1 2025, the high-voltage order backlog was EUR 10.7bn (EUR 9.4bn in std. metal prices) compared to EUR 10.6bn (EUR 9.3bn in std. metal prices) at end-Q4 2024. During the quarter, NKT supplemented its high-voltage order backlog with a number of relatively smaller orders, including variation orders to existing projects.

Free cash flow amounted to EUR -308m in Q1 2025 driven by the ongoing investments and a negative contribution from changes in working capital due to the phasing between milestone payments and project execution in Solutions. At end-Q1 2025, NKT maintained a robust balance sheet, with net interest-bearing debt of EUR -953m.

Execution of the high-voltage investment programme progressed as planned during Q1 2025. At the expansion of the site in Karlskrona, Sweden, several work streams were in intense execution phases and, among others, NKT progressed with work inside the new extrusion tower, construction of surrounding production buildings and installation of machinery. The new production capacity and the new cable-laying vessel, NKT Eleonora, are expected to be operational from 2027.

Segment key financial highlights Q1 2025

EURm	Revenue*		Operational EBITDA		Op. EBITDA margin*	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Solutions	388	321	57	52	14.7%	16.2%
Applications	203	153	18	16	8.9%	10.5%
Service & Accessories	70	74	13	6	19.3%	8.1%
Eliminations between segments and non-allocated costs	-31	-14	-7	1		
NKT	630	534	81	75	12.9%	14.1%

*Std. Metal prices

Teleconference

NKT A/S hosts a teleconference for investors and financial analysts at 10:00am CEST on 9 May 2025. The presentation to be used during the call will be available before the start of the teleconference. To attend, please register and access on investors.nkt.com

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