

# MT Højgaard Holding A/S: Continued double-digit growth in revenue and earnings

**The Board of Directors has today approved the audited annual report 2021, which can be summarised as follows:**

## HIGHLIGHTS IN 2021

Following a strong fourth quarter, the expectations of double-digit revenue and earnings growth were met:

- Revenue increased to DKK 7.2 billion following 25% growth, 18% of which was organic. Four of the five business units delivered double- or triple-digit growth.
- Operating profit before special items increased by 72% to DKK 179 million, reflecting higher activity, better utilisation of capacity, lower write-downs and proceeds from the sale of sites and projects. The operating margin was 2.5% versus 1.8% in 2020.
- Operating profit (EBIT) was DKK 127 million, up from DKK 33 million in 2020. The EBIT margin was 1.8% compared to 0.6% in 2020.
- Profit from continuing operations was DKK 134 million (2020: DKK 4 million). An amount of DKK 46 million from write-downs on a tax asset was reversed as future earnings are expected to increase.
- The three enterprises acquired made positive contributions to growth and earnings and a strengthened market position.
- Net interest-bearing debt (NIBD) decreased to DKK 668 million from DKK 823 million in 2020.
- The solvency ratio increased by 1.4 percentage points to 16.6%. Including a subordinated loan, solvency was 25.8%.

## ORDER BOOK

The order book increased by 35% to approx. DKK 10 billion and featured several orders in new forms of collaboration. The business units also won three large, multi-annual strategic construction partnerships:

- The portfolio of firm, unconditional orders increased to DKK 10.8 billion from DKK 8 billion at the end of 2020.
- The value of won but not yet contracted orders totalled approx. DKK 4 billion, which will not be included in the order book until the orders are contracted.
- In addition, future activity in the strategic construction partnerships with The Capital Region of Denmark, the City of Copenhagen and the housing associations KAB and Civica has a potential combined value of around DKK 7-8 billion.

## OUTLOOK FOR 2022

MT Højgaard Holding expects double-digit growth in revenue and operating profit again in 2022:

- Revenue is expected to be around DKK 8.0-8.2 billion, reflecting 11-14% growth.
- Operating profit before special items is expected to increase by 40-54% to DKK 250-275 million, driven by higher activity and improved margins due to higher utilisation of capacity and lower write-downs.
- Based on the known phasing of projects, the highest earnings are expected in the second half of 2022.

In October 2021, MT Højgaard Holding published a preliminary forecast of operating profit of around DKK 280 million in 2022. The reason for specifying the outlook was the sale of the last of Ajos' activities in December and greater clarity about the effect of price increases on building materials and labour.

*"We are reaping the benefits of our focus on competitiveness and collaborations. Operations and earnings are continually improving and order intake shows that more and more customers are willing to enter into collaborations in which clients, consultants and contractors are partners in optimising processes and avoiding conflicts. MT Højgaard Holding now stands on a stronger platform and, even though there is still plenty of work to be done, we are satisfied that our progress will continue in 2022. From 2023 an updated strategy will mark out the scope for our continued development,"* says President and CEO Morten Hansen.

## CONTACT:

Incoming CEO Henrik Mielke and CFO Martin Solberg can be contacted on telephone +45 2270 9365.

Henrik Mielke and Martin Solberg will be presenting the annual report at 10:00am CET today at a teleconference that will be livestreamed at <https://streams.eventcdn.net/mthjgaardholding/2021q4/>