

MT Højgaard Holding delivers on expectations for 2022 – positive financial outlook for 2023

MT Højgaard Holding A/S publishes the 2022 annual report and the outlook for 2023.

FULL-YEAR RESULTS

MT Højgaard Holding improved its operating result for 2022 for the fourth year in a row. The results slightly exceeded the most recently announced financial outlook for the year.

- Revenue increased by 24% to DKK 8.7 billion (expected: "around DKK 8.5 billion").
- Operating profit before special items rose by 60% to DKK 276 million (expected: "around DKK 260 million").
- The Danish companies recorded high growth and good earnings in spite of volatile prices of materials and energy, high inflation and rising interest rates. MT Højgaard Danmark multiplied its operating result by ten.
- The international activities recorded unsatisfactory results, and the restructuring process continues.
- The net profit for the year was affected by write-downs relating to goodwill, etc. in the North Atlantic region and a loss on discontinuing operations (Scandi Byg and Ajos).
- Cash flows improved, cash and cash equivalents were strengthened, and net interest-bearing debt was reduced.
- In 2022, the revenue from the Group's 38 sustainability certified or pre-certified projects rose to 33,8% (2021: 21.5%).
- The Group's external auditors have for the first time issued a statement providing limited assurance on some of the Group's ESG key figures.

ORDER INTAKE AND ORDER BOOK

Although demand in the Danish construction and civil engineering market declined, particularly in the second half of 2022, MT Højgaard Holding saw an increased order intake throughout the year:

- Order intake increased by 20% to DKK 11.9 billion, of which DKK 4.1 billion was contracted in the fourth quarter. This figure does not include MT Højgaard Danmark's share of the North Harbour Tunnel project, which is being constructed in a joint venture.
- 54% of order intake came from strategic construction partnerships and collaboration-oriented, phased projects. This percentage is increasing. Critical infrastructure and other civil engineering projects also contributed to growth.
- The order book rose by 30% to an all-time high of DKK 13.9 billion.
- To this figure should be added awarded but not yet contracted orders worth around DKK 1.4 billion and future contributions from strategic construction partnerships, which are expected to have a value of around DKK 5.5 billion.

OUTLOOK FOR 2023

MT Højgaard Holding expects continued growth in 2023 in spite of difficult market conditions. The outlook is supported by the high order book, strong partnerships and collaborations as well as good exposure to growth areas, such as civil engineering, infrastructure and the green transition.

- Revenue is expected to be around DKK 9,0-9,5 billion, corresponding to a growth of 4-10%.
- Operating profit before special items is expected to be DKK 300-325 million, corresponding to an increase of 9-18%.

"It is satisfactory that, in a difficult market, we delivered on our expectations for 2022 and improved our operating profit again. This shows that our construction and civil engineering business has become more robust. The Danish companies are performing well and are driven by a positive momentum as a result of our focus on close collaboration with customers and partnerships. On the other hand, we are challenged internationally, and our main task will be to bring the international activities back on track. We expect that the Group will continue to grow in 2023, and our strategy aims at providing healthy and stable growth and higher profitability in the period until 2025," says CEO Henrik Mielke.

CONTACT

CEO Henrik Mielke and CFO Rasmus Untidt can be contacted on telephone +45 22 70 93 65.