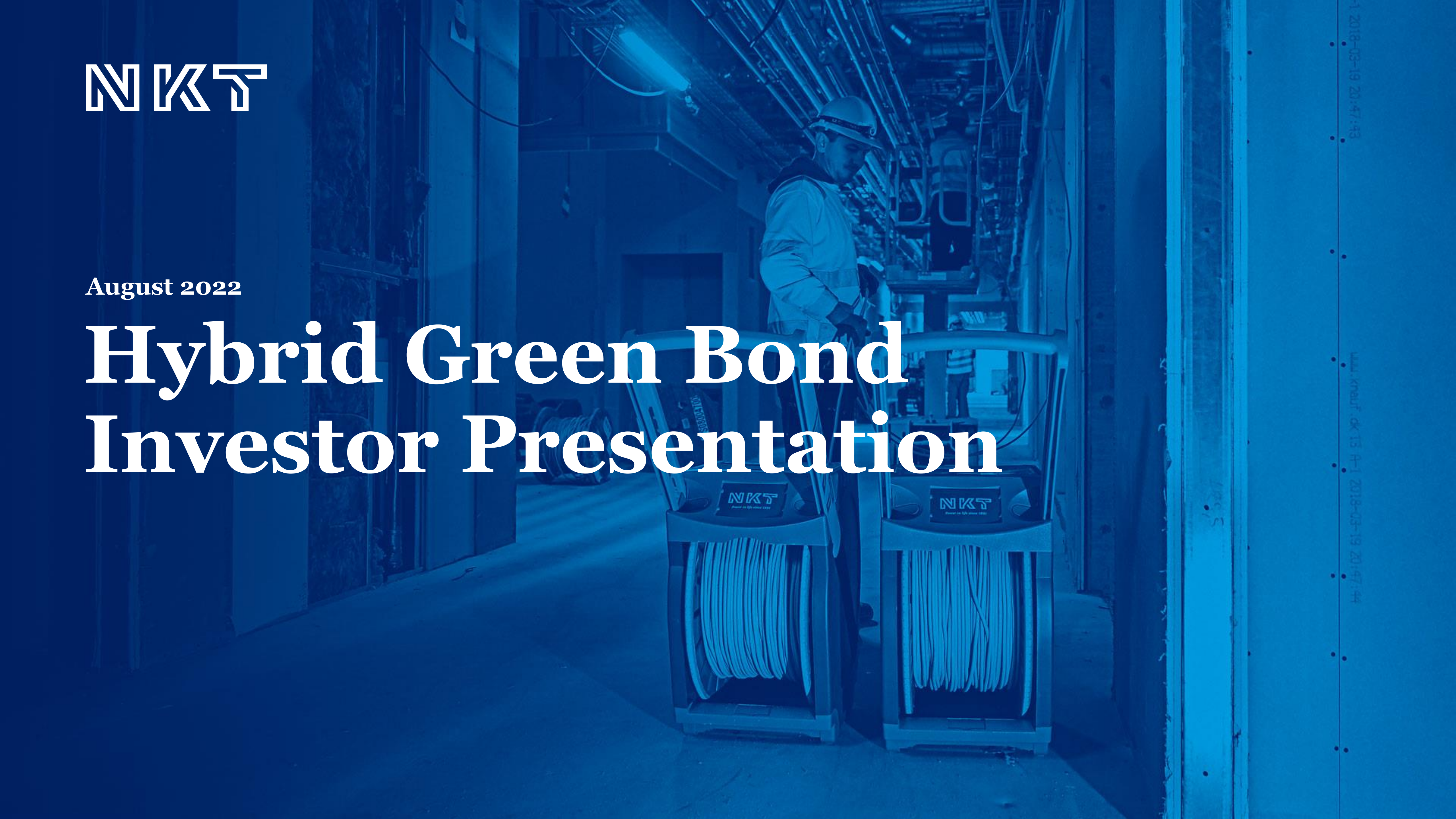


August 2022

Hybrid Green Bond Investor Presentation

Risk Factors

1. RISK FACTORS

1.1 Introduction

Prior to investing in the Securities, prospective investors should carefully consider risk factors associated with any investment in the Securities, the business of the Issuer and the industry in which it operates, including in particular the factors described below. Most of these factors are contingencies which may or may not occur.

Prospective Securityholders should be aware that the Securities are exposed to market conditions of a general nature. Accordingly, the market price of the Securities may be influenced by numerous factors that cannot be foreseen at the time of investment.

The Issuer believes that the occurrence of any of the following risks could adversely affect the Issuer or the Issuer's business, financial condition, revenue, cash flow and/or results of operations, and consequently have a negative effect on the Issuer and its ability to satisfy and fulfil its obligations under the Securities or may be material for the purpose of assessing the market risks associated with the Securities.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Securities may occur for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus, including any information incorporated by reference, and reach their own conclusions prior to making any investment decision. Prospective investors are recommended to seek independent advice concerning legal, accounting, tax and other issues relating to the specific circumstances of individual Securityholders before deciding whether or not to invest in the Securities.

References to a numbered "Condition" shall be to the relevant Condition in the Terms and Conditions of the Securities.

1.2 Risks related to the Issuer

1.2.1 Contracts related to large projects and turnkey projects

High voltage (HV) power cable projects are becoming increasingly large and complex, and HV, and to some extent also medium voltage (MV) and low voltage (LV), power cable projects are customised projects. The sales generated on such projects vary from one year to another and represent approximately 40-60 per cent. of total consolidated sales at Std. Metal Prices (copper set at EUR/tonne 1,550 and aluminium set at EUR/ tonne 1,350). The performance of a complex, customised and/or large project demands specialists and employees with a high level of expertise and involves many challenges, including complying with the specific requirements and specifications for the project as well as with general international and local standards and regulations, including the EU Construction Products Regulation. As power cables produced by NKT increase in length, this increases both the potential impact and the likelihood of risk involved in the cascading process, which is vulnerable, e.g. to variances in quality of materials or production processes – the effects of which may not be identified during production, but only when the power cable is being installed or is in use – delays in materials from suppliers, variances in production processes or equipment breakdown, just as claims and losses arising in case of quality issues or damages caused to the power cables during storage, transportation and installation, will be higher. Further, subsequent defect not present at time of production for a specific product – either power cable or accessories products – may occur, which could impact NKT depending on the contractual obligations, including in the form of significant penalties; costs of replacement of defective products; damage claims; and extension of warranty periods.

In order to enter the tender phase and be eligible to bid for certain projects NKT and other participating cable producers have to pass certain types of prequalification tests to show the suitability and durability of the relevant cable technology. With the development of new cable technologies and custom-designed cables to meet customer needs and requirements, there is a risk that such type tests may fail and need to be re-done, potentially impacting NKT's ability to participate in a tender due to time constraints.

These factors, the risk of which NKT considers to be relatively low, may consequently materially and adversely affect NKT's operations or financial condition and cause harm to NKT's reputation if the risk was to materialise.

1.2.2 Competition in the market

The LV and MV cable industry is still very fragmented both regionally and internationally, whereas the HV/project segment is less fragmented. The cable and cabling system markets are extremely competitive. The number and size of competitors of the Group's operating companies vary depending on the market, geographical area and product line concerned. Consequently, the Group's operating companies have several and strong competitors in each of their businesses.

Furthermore, for some businesses and in certain regional markets, the main competitors of the Group's operating companies may have a stronger position or have access to greater know-how or resources, including financial resources.

Also, for the LV and MV cable industry, wholesale buyers have a level of bargaining power. The Group faces pricing pressures in each of its markets as a result of significant competition. While the Group continually works towards reducing costs to respond to the pricing pressures that may continue, the Group may not be able to achieve proportionate reductions in costs. As a result of economic and industry downturn, pricing pressures have generally increased. Further pricing pressures, without offsetting cost reductions, could adversely affect the financial results.

In addition to large-scale global competitors, new market players are increasingly emerging, drawing on low-cost production equipment and organizational structures and therefore creating additional capacity and an extremely competitive environment (in both domestic and international markets). Industry players seeking to establish themselves in the power cable markets may bid with prices and on other terms which NKT cannot or will not match and which may cause NKT to lose orders and market position. These players have emerged over the last ten years and are growing rapidly.

Additionally, industry consolidation, technological advances and large equipment investments may generate competitors with financial, technical and other resources superior to those of NKT which may make it increasingly difficult for NKT to compete effectively, in particular for large and complex HV power cable projects. A number of takeovers, acquisitions, mergers and other consolidating transactions in the power cable markets have occurred over the past few years and may occur in the future. Such industry consolidations shift market positions among competitors and may occur without NKT being involved or not being able or willing, for regulatory, financial or other reasons, to compete for the acquisition targets.

Further, two of NKT's main competitors, Prysmian and Nexans, have last year each completed the construction of new advanced cable laying vessels (Prysmian's Leonardo da Vinci completed in 2021 and Nexan's CLV Aurora also completed in 2021), strengthening their off-shore cable installation capabilities, increasing competition for the operations of NKT's cable laying vessel, NKT Victoria.

A materialisation of any of these risks, which is considered possible, may materially and adversely affect NKT's operations or financial condition.

1.2.3 Insufficient projects or framework contracts may be won

The Group's activities span across a broad range of businesses, encompassing cables for the infrastructure, building and industry markets for both energy and telecommunication purposes, lasers and fibers and it has many different types of end-customers – including distributors, installers, equipment manufacturers, general manufacturers and operators of public energy, transport and telecommunications networks – in a wide variety of countries. In some countries, a customer may represent a significant portion of a particular production unit's business, and the loss of one such customer could have a significant impact on a local level, potentially leading to the closure of certain manufacturing lines. In addition, given the level of operating income involved, the loss of one customer, particularly in markets with a small number of players could affect the Group's earnings. Lastly, the demand for certain products depends on the economic environment of the related business sector, such as in the renewable energy industry or the oil & gas or mining industries. If the Issuer fails to win sufficient projects and framework contracts from customers, the Issuer may face over-capacity and under-utilization of its manufacturing and installation assets, including the vessel NKT Victoria.

Additionally, the availability and size of orders in the power cable markets in which NKT operates fluctuates from year to year and low activity may lead to, among others, price pressure and over-capacity at the production sites.

A materialisation of any of these risks may materially and adversely affect NKT's operations or financial condition.

1.2.4 Dependency on suppliers and supply chain interruptions

Interruptions of supplies from NKT's key suppliers – the majority of which have their production facilities located in Europe – including as a result of the COVID-19 pandemic or other future pandemics or epidemics, acts of war or other significant economic or geopolitical events, such as the Russian aggression in Ukraine, and the surge in energy prices and potential challenges with natural gas availability and/or rationing in Europe, could disrupt production or impact the ability to increase production and sales. Any unanticipated problems with supply of key critical materials could have a material adverse effect on the business. As a high-volume consumer of energy intensive raw materials (primarily metals), the current increased volatility on the natural gas market in Europe increases the likelihood of these risks materializing to some extent.

Additionally, NKT uses a limited number of sources for most of the raw materials and is in some cases in a single source of supply position and NKT may have limited options in the short-term for alternative supply if these suppliers fail to continue the supply of material or components for any reason, including their business failure, trade embargoes, inability to obtain raw materials, lack of energy availability or financial difficulties. Moreover, identifying and accessing alternative sources may increase NKT's costs.

A materialisation of any of these risks may materially and adversely affect NKT's operations or financial condition.

1.2.5 General economic conditions, government policies and the transition towards renewable energy and other macroeconomic developments

The Group has a significant European footprint and dependency of the European market with approximately 95 per cent. of its sales in 2021 coming from Europe. NKT expects that a large number of offshore and interconnector projects will be tendered across Europe over the course of the next five years. Fueled in particular by the European Union's investments in renewable energy (the "Fit for 55" plan), installed offshore wind capacity in Europe is expected to increase significantly over the next ten years.

However, these expectations are subject to many uncertainties and risks that are outside NKT's control. The level of spending by NKT's existing and potential customers in the HV and MV power cable markets in which NKT operates is influenced by general economic conditions in such countries and also the timing and direction of political decision making.

As many of NKT's customers, particularly its large customers, are European companies, economic conditions globally and within Europe and political direction may affect the demand for NKT's solutions and services and the pricing it is able to obtain in respect of its contracts. Such factors may also result in investments in renewable energy being delayed or cancelled. Currently, such external macroeconomic conditions include the consequences of the COVID-19 pandemic, the Russian aggression in Ukraine, the sharply rising inflation and interest rates and the possibility of a general economic recession.

As a provider to public and semi-public sector customers, NKT is also impacted by financial, budgetary, regulatory and political constraints, and changes in government policy and public spending constraints which could have a significant impact on the size, scope, timing and duration of contracts and orders placed by them and, therefore, on the level of business which NKT will derive from such customers.

A decrease in demand for NKT's products and solutions will result in decreased revenue, cash flow and, if and then to the extent NKT is not able to lower its short-term fixed and variable costs in response to a decrease in order in-take, profitability, which may impair its ability to maintain operations and fund its obligations to others.

A materialisation of any of these risks may materially and adversely affect NKT’s operations or financial condition and cause harm to NKT’s reputation.

1.2.6 Volatility in the price of copper, aluminium, other raw materials and energy

NKT is dependent on the availability of raw materials for its operations, namely aluminium, copper, oil byproducts (plastics), powders compounds, tapes used as cable insulation, halogen free flame retardant materials (HFFR) and gas/oil in its production of power cables and operation of its factories. NKT relies on a limited number of key suppliers for the supply of these raw materials.

The cost of both copper and aluminum, the most significant raw materials used by NKT, has been subject to significant volatility over the past few years, driven partly by global supply chain disruptions following the COVID-19 pandemic and with a further sharp acceleration as a direct consequence of the Russian aggression in Ukraine, where comprehensive trade sanctions and embargoes imposed on Russia has severely impacted the availability and supply of raw material such as aluminum, steel and timber and also energy, specifically in terms of natural gas and oil. Volatility in the price and general availability of polyethylene, petrochemicals, and other raw materials, as well as fuel, natural gas and energy, may in turn lead to significant fluctuations in cost of sales and decrease the Group’s margins if it fails to adequately pass on the increase in raw material and energy prices unto its customers. Sharp increases in the price of raw materials can also reduce demand if customers decide to postpone or delay their purchases of cable products, delay their investments or seek to purchase substitute products.

The Group generally hedges price developments in the raw materials most used in NKT, i.e. aluminium, copper and oil by-products, through hedging activities in financial instruments; however, such hedging may prove to be insufficient to mitigate price increases or the Group may choose not to hedge adverse developments in certain raw materials. In addition, the failure of one or more counterparties to hedging arrangements to fulfill or renew their obligations could adversely affect the results of operations.

Failure to secure the supply of the raw materials required for NKT's operations in the necessary quantity, quality and on acceptable commercial conditions and within a timeframe needed for NKT to meet its obligations towards the customers could adversely affect the completion or cost of NKT's products and solutions.

1.2.7 IT and cyber risks

NKT is subject to IT and cyber risks, such as systems being subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, catastrophic events, cyber-attacks and user errors. Specifically regarding the risks of cyber attacks, these include (i) systems may be hacked and data locked, and the hackers then demand a ransom to release the data; (ii) hackers attack with the intention to harm or even destroy NKT's IT infrastructure with no obvious monetary benefit; or (iii) hackers attack with the intent to obtain sensitive data, such as confidential industrial information, bank details or personal data, in order to gain monetary benefits by selling or misappropriating such data. While the vast majority of these attacks do not reach a level of sophistication that could pose a threat to NKT or its customers, NKT may not be able to stop cyberattacks. In addition, NKT may not be able to adapt to new threats. Given the general increase of activities of such cyber-attacks, the likelihood of this risk materializing is also considered to be increasing.

NKT, as most other companies of similar size and scope of operations, relies heavily on IT systems to maintain over business operations and also our production processes. Hence, material errors, breakdowns or interruptions of IT systems, whether caused by cyber-attacks or other causes, could result in the loss of existing or potential business relationships, interruption to production at one or more sites, and/or give rise to regulatory investigations and potential sanctions, including fines. Such incident may result from a failure by the Group or by external third parties, on which the Group relies to supply and service some of its IT hardware and software, to timely and adequately maintain and update the Group's IT systems, causing its operations to be vulnerable and inefficient.

A materialisation of any of these risks may materially and adversely affect NKT's operations or financial condition and cause harm to NKT's reputation.

1.2.8 Dependency on key assets

The NKT submarine cables business is heavily dependent on certain key assets, such as the Karlskrona plant in Sweden, the Cologne plant in Germany and the "NKT Victoria" cable laying vessel due to their very specified technical capabilities, which are hard to replace in the market, and their critical role in executing on HV projects, which are a material business segment for NKT. Any material unanticipated or prolonged interruption of operations of such assets could materially affect the Issuer's ability to meet its obligations towards customers. The likelihood of such occurrence of material unanticipated or prolonged interruption or loss of these assets is considered low, but if they were to materialize the impact on NKT could be significant.

1.2.9 Interruption of production

The production of NKT's products is spread out over multiple sites, with the highest number of sites dedicated to the LV and MV part of the business. As part of the continuous assessment and recalibration of the overall production footprint and efficiency, parts of production are from time to time moved from one production site to another, or existing sites may be expanded, to consolidate production footprint and gain efficiency. Such movement of production capacity and production lines and/or expansion of existing production sites risk facing unanticipated challenges, errors or other adverse impact resulting in unanticipated or prolonged interruption of production and operations, which could materially affect NKT's ability to meet its obligations towards customers. If the affected production is also supplying its products to other business lines of NKT, the impact may have a consequencial impact on such other business lines.

A materialisation of any of these risks may materially and adversely affect NKT's operations or financial condition.

1.2.10 Compliance

Various laws and regulations associated with NKT's current international operations are complex and increase the cost of doing business. Furthermore, these laws and regulations expose NKT to fines and penalties if NKT fails to comply with them. The Group's business is therefore subject to various risks, many of which are magnified by its presence in many jurisdictions and the effects of which may, as a result of such presence, be more pronounced, including multiple national and local regulatory and compliance requirements from different labor, health, safety and environment, anti-corruption, personal data protection, export control and sanctions and other regulatory regimes; potential adverse tax consequences (including related to transfer pricing); corporate (including, e.g. rules requiring local ownership or employee ownership); an inability to enforce legal rights in certain jurisdictions; geopolitical and social conditions in certain sectors of relevant markets; and local rules and regulations favouring established players in new markets to the disadvantage of the Group.

Any non-compliance with such laws and regulations could subject NKT to civil or criminal penalties, including substantial fines or prohibitions on its ability to offer cable products and projects in one or more countries. It may also negatively impact NKT's reputation and result in being barred from participating in public or private tenders. A materialisation of any of these risks may materially and adversely affect NKT's operations or financial condition.

1.2.11 Environmental risks and liabilities

NKT is subject to local and foreign environmental protection laws and regulations governing its operations and the use, handling, disposal and remediation of hazardous substances. A risk of environmental liability is inherent in NKT and its affiliates' current and former manufacturing activities in the event of a release or discharge of a hazardous substance generated by NKT or its affiliates. Under certain environmental laws, NKT could be held jointly and severally responsible for the remediation of any hazardous substance contamination at its facilities and at third party waste disposal sites and could also be held liable for any consequences arising out of human exposure to such substances or other environmental damage. Such incidents may also lead to a need for initiating remedial environmental measures or to suspension or shut down of operations.

Moreover, the Group is subject to local and foreign environmental laws and regulations. These laws and regulations impose increasingly strict environmental standards, particularly concerning emissions to air, water and land, wastewater disposal, the emission, use and handling of toxic waste and materials, waste disposal methods and site clean ups, and the failure to comply with such laws and regulations could subject the Group to material claims.

There is also the risk that environmental laws and regulations may force the Group to stop its production or installation of products for longer or shorter periods of time.

These risks may have a material adverse effect on the Group's business, financial conditions and results of operations.

1.2.12 Competition law

The Group is subject to competition law in Europe and every other country in the world in which it operates, each with more or less strict rules on the civil, administrative and criminal liability of the perpetrators of anti-competitive practices. In the last decade, local competitive authorities have shown increasing attention to commercial activities by market players. The geographical distribution of employees, the lack of knowledge at times of local regulations as well as market dynamics, make it difficult to monitor anti-competitive conduct by third parties like suppliers and competitors, exposing the Group to the risk of incurring economic sanctions with extremely high negative repercussions for the Group's reputation. See section 1.2.13 (Fines and legal proceedings) for an overview of recent competition law investigations and cases involving the Group.

1.2.13 Fines and legal proceedings

NKT is from time to time party to various disputes and litigations and enquiries from public authorities related to competition laws and regulations.

On 2 April 2014, NKT received a fine of EUR 3.9 million following the investigation conducted by the European Commission into alleged price-fixing activities with regard to HV power cable projects delivered several years earlier. While the European Commission assessed that NKT's role had been substantially limited and the fine was considerably smaller than those imposed on other power cable manufacturers, NKT disagreed with the Commission's decision and therefore filed an appeal. On 14 May 2020, the European Court of Justice ruled partly in favour of NKT, resulting in a EUR 0.2 million lower fine and a narrower scope of NKT infringement. As a consequence of the European Commission's decision, NKT faces exposure to claims for damages in proceedings brought by customers or other third parties, which could have a substantial influence on NKT's financial results. A number of such third party claims have already been settled.

In 2022, the Group was informed to be included in a class action claim in the UK. The claim has not yet been quantified or documented. The Group understands that there are several cable manufacturers among the defendants and the distribution of a potential claim between these is uncertain.

In January 2022, unannounced inspections were carried out at NKT’s two main German sites by the German Federal Cartel Office (FCO) on suspicions that power cable and wire manufacturers potentially have coordinated calculations of industry-standard metal surcharges in Germany. Investigation is ongoing. It is not related to the 2014 cartel case or the above mentioned potential class action claim. It is not possible yet to assess how the outcome of this inspection may affect the Group’s business, financial conditions and results of operations.

In June 2022, an unannounced inspection was carried out at NKT’s site in Kladno in the Czech Republic by the Czech competition authorities as part of an investigation into market practices of telecommunication and power cable manufactures on the Czech market. The investigation is ongoing. It is not related to the 2014 cartel case or the above mentioned potential class action claim. It is not possible yet to assess how the outcome of this inspection may affect the Group’s business, financial conditions and results of operations.

1.2.14 Retention of key employees

The Group’s business and the implementation of its strategy is dependent upon its ability to attract and retain highly qualified and talented individuals to management positions and to other positions in key business areas, who oversee the Group's day-to-day operations, strategy and growth of its business. The Group specifically relies on highly specialised engineers to develop its products and solutions as well as electricians, machine operators and other blue-collar employees for the development, manufacturing and installation of the Group’s products and services. High-skilled engineers and other groups of employees are limited in the Group's markets, and the Group competes with many others to attract the qualified candidates in sufficient numbers.

The loss of several key employees at the same time, without a properly executed transition plan, could have an adverse effect on NKT's business. The loss of key employees who have intimate knowledge of NKT’s core processes could lead to increased competition to the extent that those employees are hired by a competitor and are able to recreate NKT's processes. Future success will also depend in part upon NKT's continuing ability to attract and retain highly qualified personnel, who are in great demand.

With respect to reorganizations, the Group may negotiate restructuring plans whose final costs might exceed the related provisions initially set aside. Furthermore, although the restructuring plans implemented by the Group are carried out in compliance with the applicable laws and regulations, it cannot be ruled out that the employees affected by the plans may take legal action. The total compensation claimed in this type of lawsuit can represent material amounts, especially when the restructuring concerns a site closure.

1.2.15 Product liability

Many of the Group's products expose it to product liability risks or allegations that such products could cause harm to persons and property, with potential civil and criminal liabilities to clients and third parties in the countries where the Group operates.

A judgment against a Group Company in such a liability claim could result in a loss of reputation and marketability for the Group.

A materialisation of any of these risks may materially and adversely affect NKT’s operations or financial condition and cause harm to NKT’s reputation.

1.2.16 Technologies used

If the Group does not adapt, expand and develop its products, services and solutions in response to changes in technology or customer demand, e.g. in respect of NKT for power cables to be integrated into the customers' complex operations, or if competitors develop new technologies leading to superior products or to more efficient and cost-reduced production, the Group's ability to develop and maintain a competitive advantage could be negatively affected. Moreover, the development of or otherwise exclusive access to ground-breaking technologies by competitors of the Group, or the failure by the Group to adequately protect its intellectual property rights pertaining to its technologies could make it impossible or increasingly costly for the Group to compete effectively on the markets.

The technological demands in the power cable markets in which NKT operates are increasing, especially in the market for HV power cables. Project requirements often demand project specific developed power cables, leading to a need for a specific type of power cables and factory tests. Any delays in development of the power cables, lack of passing type and/or factory tests, may cause significant delay or loss of contract.

Other factors potentially impacting NKT's ability to develop competitive solutions include new regulatory requirements on national or regional level related to environmental standards and the growing demand for low-energy consumption, recyclable and less polluting products as well as value-for-money solutions. These factors may require use of new materials and development of new production methods, which in turn may adversely affect NKT's operations if NKT is unable to develop competitive solutions based on the new requirements. At the same time, the increasing pressure of developing more advanced and innovative solutions increases the risks of new innovations revealing technical issues, problems or shortcomings once implemented. Such issues could lead to contractual liability and damage claims by the customer and third parties.

The Group takes steps to protect its innovations by filing patent applications in strategic market segments. However, if it does not obtain intellectual property rights in countries where there are market development prospects, or if it is unable to defend its rights, its competitors could develop and use similar technologies and products to those developed by the Group's operating subsidiaries which are insufficiently protected.

Moreover, despite the ongoing monitoring of potentially competitive technologies, there is no guarantee that the technologies currently used by the Group will not be subject to claims for alleged patent infringement. In the event of a patent infringement case, the Group could be compelled to stop using the technologies protected by the disputed intellectual property rights and be compelled to pay damages to the third party which may be in a material amount.

These factors may consequently materially and adversely affect NKT's operations or financial condition and cause harm to NKT's reputation.

1.2.17 Labor agreements

Labor agreements are generally negotiated at regular intervals and the risk exists that labor agreements may not be renewed at all or on reasonably satisfactory terms. NKT cannot predict what issues may be raised by the collective bargaining units representing employees and, if raised, whether negotiations concerning such issues will be successfully concluded. A protracted work stoppage could result in a disruption of operations with significant financial losses as a result.

Further, there could be industrial unrest for other reasons that could lead to lengthy operational stoppages which could in turn materially and adversely affect the Issuer's operations or financial condition and cause harm to NKT's reputation.

1.2.18 Growth by acquisitions, joint ventures, partnerships and divestments

The Group carries out transactions as part of its overall expansion strategy. These include acquiring new business activities and companies, setting up joint ventures and entering into partnerships. Most recently, the Group acquired Ventcroft Ltd., which is a U.K.-based market leading manufacturer of fire-resistant building wires with 29 employees.

Aside from the difficulties involved in carrying out acquisitions or forging partnerships under satisfactory conditions, the Group may encounter difficulties with integrating acquired companies or in realizing the full potential of acquisitions, joint ventures or partnerships (notably in terms of synergies). In turn, this can limit the benefits expected from such transactions or even lead the Group to withdraw from them.

The Group is party to a certain number of partnership agreements, including consortiums. These agreements can only work if the partners have the same objectives, and there is always a risk that these objectives may diverge, leading to operational difficulties for the entities concerned.

Further, guarantees and warranties provided by NKT or other members of the Group to third parties in agreements relating to divestments of companies in previous years might materialize at a later point.

These factors may consequently materially and adversely affect NKT's operations or financial condition and cause harm to NKT's reputation.

1.2.19 Impairment of long-lived assets and goodwill

The Group's assets include substantial long-lived assets, such as factories, equipment and the cable-laying vessel NKT Victoria, and intangible assets, primarily goodwill. Significant negative industry or economic trends, disruptions to the business of NKT, unexpected significant changes or planned changes in use of the assets, divestitures and market capitalization declines may result in impairments to goodwill and other long-lived assets. The Group assesses annually, and when certain events occur that require a more current valuation, whether there has been an impairment in the value of its long-lived assets and goodwill. Future impairment charges could significantly affect the results of operations in the period recognized.

1.2.20 Sources of financing

The Group has committed credit facilities and various uncommitted facilities including guarantee facilities, credit- and derivatives lines. The uncommitted facilities may be terminated at will by the credit providers.

The contractual documentation relating to the committed credit facilities contains financial and non-financial covenants with which the Group must comply. Furthermore, although the above restrictions are subject to materiality exceptions and qualifications, breach of any of the covenants could result in an event of default under the relevant contractual documentation.

If the uncommitted facilities are terminated or if an event of default occurs under the committed credit facilities, the indebtedness under such facilities may be accelerated at no or short notice, which could also trigger cross defaults under other facilities leading such facilities to also become due and payable. Whether the Group would be able to repay its indebtedness in such case depends on the amounts outstanding at the time, but there is a risk that this would not be possible. This would materially and adversely affect the Group's financial condition. In addition, it would cause harm to NKT's reputation if NKT defaults on its payment obligations towards its lenders.

In addition, further financial resources may be needed, if the market develops significantly better or worse than anticipated by NKT. NKT's ability to secure new financing or to refinance existing debt through the bank or capital markets may be materially adversely affected by, among other factors, NKT's creditworthiness, a global financial crisis, or a crisis affecting a specific geographic region, industry or economic sector. For these and other reasons, the cost of financing may be significantly increased or, if financing proves to be unavailable even on unattractive terms, NKT may not be able to raise the liquidity required to finance its business activities or to refinance existing debt.

These risks may materially and adversely affect NKT's operations or financial condition and cause harm to NKT's reputation.

1.2.21 Credit risk

NKT faces risk from exposure to potential losses arising from the failure of trade or financial counterparties to discharge their obligations. While NKT does not have significant concentrations of credit risk, were a significant counterparty to default such risk could negatively affect the Group's financial condition and results of operations.

1.2.22 Exchange rate fluctuations

The Group operates internationally and is therefore exposed to exchange rate risk in respect of the various currencies in which it operates (being principally euro, British pound, Swedish krona and Czech krona; however, the Group also has exposure to, inter alia, the U.S. dollar, Norwegian krona and Polish Zloty). The Group's principal currency exposure is transaction risk related to sales and purchases in currencies other than the functional currency applied by the respective Group company. A significant portion of the Group's raw material purchases, in particular aluminium, copper and PVC Compound, are priced by reference to benchmarks quoted in U.S. dollars.

The Group seeks to hedge transaction risks based on an assessment of the likelihood of completion of the future transaction and whether the associated currency risk is significant, and these assessments require assumptions and estimates that may prove to be incorrect. The failure of one or more counterparties to hedging arrangements to fulfill or renew their obligations could adversely affect the results of operations.

The Company publishes its consolidated financial statements in euro. There is a risk that fluctuations in the exchange rates used to translate financial statements of subsidiaries, which were originally calculated in a foreign currency, in preparing consolidated financial statements of the Group could adversely affect the Group's financial conditions and results of operations.

1.3 Risks related to the Securities

1.3.1 The Securities are subordinated obligations

The Securities will be subordinated obligations of the Issuer and the Securities will rank pari passu with each other in a bankruptcy of the Issuer. Upon the occurrence of any winding-up of the Issuer, payments on the Securities will be subordinated in right of payment to the prior payment in full of all creditors of the Issuer, except for payments in respect of any Parity Securities, any Junior Securities or Issuer Shares. The obligations of the Issuer under the Securities are intended to be senior only to its obligations to the holders of any Junior Securities or the Issuer Shares.

Securityholders are advised that unsubordinated liabilities of the Issuer may also arise out of events that are not reflected in the financial statements of the Issuer, including, without limitation, the issuance of guarantees on an unsubordinated basis. Claims made under such guarantees will become unsubordinated liabilities of the Issuer which, in a winding-up of the Issuer, will need to be paid in full before the obligations under the Securities may be satisfied.

Although subordinated debt securities may pay a higher rate of interest than comparable debt securities which are not subordinated, there is a real risk that an investor in subordinated securities such as the Securities will lose all or some of his investment should the Issuer become insolvent.

The Issuer deems that the probability of the risks mentioned above to be low. However, the potential negative impact if the risks were to materialise would be high.

1.3.2 The Securities are long-dated securities

The Securities will mature on the Maturity Date. The Issuer is under no obligation to redeem or repurchase the Securities prior to such date, although it may elect to do so in certain circumstances. Securityholders have no right to call for the redemption of the Securities and the Securities will only become due and payable in certain circumstances relating and limited to payment default and a liquidation of the Issuer. Securityholders should therefore be aware that they may be required to bear the financial risks associated with an investment in long-term securities.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be medium to high.

1.3.3 Early redemption risk

The Issuer may redeem all but not some only of the Securities on the First Call Date or on any Interest Payment Date thereafter, at their principal amount together with any accrued interest in respect of the immediately preceding Interest Period and any Outstanding Payments. In addition, upon the occurrence of certain other specified events (for taxation reasons, for accounting reasons, on the occurrence of a Replacing Capital Event or on the occurrence of a Change of Control Event, all as set out in the Conditions), the Issuer shall have the option to redeem the Securities at the prices set out in the Conditions, in each case together with any accrued interest to the redemption date and any Outstanding Payments. Finally, the Securities may be redeemed at the option of the Issuer in whole, but not in part, if the Issuer or any of its subsidiaries has purchased and holds and/or has cancelled Securities with an aggregate principal amount of equal to or greater than 80 per cent. of the aggregate principal amount of the Securities issued at any time.

During any period when the Issuer may elect to redeem the Securities, the market value of the Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem the Securities when its cost of borrowing, generally or in respect of instruments which provide similar benefits to the Issuer, is lower than the interest payable on the Securities. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest payable on the Securities being redeemed and may only be able to reinvest the redemption proceeds at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Issuer deems the probability of the above-described risks to be high and the potential negative impact to be low.

1.3.4 The trading market for debt securities may be volatile and may be adversely impacted by many events

The market for debt securities issued by the Issuer is influenced by a number of interrelated factors, including economic, financial and political conditions and events in the Kingdom of Denmark as well as economic conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialized countries. There can be no assurance that events in Denmark, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Securities or that economic and market conditions will not have any other adverse effect. Accordingly, the price at which a holder will be able to sell his Securities may be at a discount, which could be substantial, from the issue price or the purchase price paid by such holder.

The Issuer deems the probability of the above-described risks to be high and the potential negative impact to be medium.

1.3.5 Optional Interest Deferral

The Issuer may elect to defer any interest payment for any period of time. Payment of such deferred interest payment, together with any interest accrued thereon, may be subject to certain conditions.

Any such deferral of interest payments will not constitute a default for any purpose. Any deferral of interest payments will likely have an adverse effect on the market price of the Securities. In addition, as a result of the interest deferral provision of the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferral and may be more sensitive generally to adverse changes in the Issuer's financial condition.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.6 Dependence on Subsidiaries as a Holding Company

As the Issuer is the parent and holding company of the Group, it is dependent on the operation and results of its subsidiaries, in particular NKT Cables Group A/S (and its subsidiaries). The Issuer is accordingly dependent on dividends, distributions and other payments from its subsidiaries to make payments under the Securities.

The Issuer deems the probability of this risk to be low to medium, but the potential negative impact to be high.

1.3.7 Fixed Rate Securities

The Securities bear interest at a fixed rate until the First Call Date (and thereafter will be subject to a reset of the initial fixed rate on every Reset Date as set out in the Conditions).

A holder of a fixed interest rate security is exposed to the risk that the price of such security may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate security is fixed during the life of such security or during a certain period of time, the current interest rate on the capital market (the "**Market Interest Rate**") typically changes on a daily basis. As the Market Interest Rate changes, the price of such security tends to change in the opposite direction (barring other factors influencing the price). If the Market Interest Rate increases, the price of such security typically falls. If the Market Interest Rate falls, the price of a fixed interest rate security typically increases. Securityholders should be aware that during the period in which the Securities bear interest at a fixed rate, movements of the Market Interest Rate can adversely affect the price of the Securities and can lead to losses for the Securityholders if they sell Securities.

The Issuer deems the probability of the above-described risks to be medium and the potential negative impact to be medium.

1.3.8 Exchange rate risk and exchange controls

The Issuer will pay principal and interest on the Securities in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currencies (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (a) the Investor's Currency equivalent yield on the Securities, (b) the Investor's Currency equivalent value of the principal payable on the Securities and (c) the Investor's Currency equivalent market value of the Securities. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The Issuer deems the probability of the above-described risks to be medium and the potential negative impact to be medium.

1.3.9 Risks relating to the reset of interest rates linked to the 4-year swap rate

From and including the First Call Date to but excluding the Maturity Date or the date on which the Issuer redeems the Securities in whole pursuant to the Conditions, the Securities bear interest at a rate which will be determined on each Interest Determination Date at the 4-year Swap Rate (the "**4-year Swap Rate**") for the relevant Reset Period plus the relevant Margin for the relevant Reset Period. Potential investors should be aware that the performance of the 4-year Swap Rate and the interest income on the Securities cannot be anticipated. Due to varying interest income, potential investors are not able to determine a definite yield of the Securities at the time they purchase them, therefore their return on the investment cannot be compared with that of investments having longer fixed interest periods. In addition, after Interest Payment Dates, Securityholders are exposed to the reinvestment risk if market interest rates decline. That is, Securityholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Potential investors in the Securities should bear in mind that neither the current nor the historical level of the 4-year Swap Rate is an indication of the future development of such 4-year Swap Rate during the term of the Securities. Furthermore, during each Reset Period, it cannot be ruled out that the price of the Securities may fall as a result of changes in the Market Interest Rate, as the Market Interest Rate fluctuates. During each of these periods, the Securityholders are exposed to the risks, please see Section 1.3.7 (Fixed Rate Securities).

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.10 Risks associated with the reform of EURIBOR and other interest rate benchmarks

The EURIBOR and other interest rate indices which are deemed to be benchmarks are subject to recent international reform. On 30 June 2016, the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") entered into force. Subject to various transitional provisions, the Benchmark Regulation applied from 1 January 2018. The scope of the Benchmark Regulation is wide and, in addition to so-called 'critical benchmark' indices such as EURIBOR, will apply to many other interest rate indices, which could also include the 4-year Swap Rate. Accordingly, Securities linked to a benchmark whose administrator does not obtain authorization or meet the other requirements in the Benchmark Regulation could be de-listed, adjusted, re-deemed prior to maturity or otherwise impacted.

Any of the international or national proposals for reform of benchmarks could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the disappearance of certain benchmarks. The disappearance of a benchmark or changes in the manner of administration of a benchmark could result in adjustment to the Conditions, delisting or other consequence in relation to Securities linked to such benchmark.

The Conditions provide for certain fallback arrangements if a Benchmark Event should occur, including the Issuer appointing an Independent Adviser to assist the Issuer with the determination of a Successor Rate or an Alternative Rate for future Reset Periods. If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Rate prior to an Interest Determination Date in accordance with the Conditions, the 4-year Swap Rate applicable to the next succeeding Reset Period shall be equal to the last observable mid swap rate for euro swap transactions with a maturity of 4 years all as determined by the Calculation Agent in accordance with the Conditions. Further, if an Independent Adviser (in consultation with the Issuer) or the Issuer determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate and such Adjustment Spread is determined by the Independent Adviser or the Issuer, that Adjustment Spread shall be applied. Furthermore, the if Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with the Conditions and the Issuer, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, determines (i) that amendments to the Conditions are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread and (ii) the terms of such Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with the Conditions, without any requirement for the consent or approval of Securityholders, vary the Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

The use of any Successor Rate or Alternative Rate with the application of an Adjustment Spread may still result in the Securities performing differently (which may include payment of a lower Reset Fixed Rate for such Reset Period) than they would if the Original Reference Rate were to continue to apply in its current form.

Notwithstanding the fallback provisions relating to Benchmark Events discussed above, no Successor Rate or Alternative Rate will be adopted, nor will the applicable Adjustment Spread be applied, nor will any other related Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the recording of the Securities as “equity” in the consolidated financial statements of the Issuer pursuant to the Accounting Principles or any other accounting principles that may replace the Accounting Principles for the purposes of preparing the annual consolidated financial statements of the Issuer.

If the Issuer is unable to appoint an Independent Adviser or the Independent Adviser fails to determine a Successor Rate or Alternative Rate or, in either case, the applicable Adjustment Spread for the life of the Securities, or if the circumstances set out the previous paragraph arise, this could result in the Securities, in effect, becoming fixed rate securities.

Due to the uncertainty concerning the availability of Successor Rates and Alternative Rates, the involvement of an Independent Advisor and the potential for further regulatory developments, there is a risk that the relevant fallback provisions set out in the Conditions may not operate as intended at the relevant time. Prospective Securityholders should consult their own independent advisors and make their own assessment about the potential risks imposed by benchmark reforms (including the Benchmark Regulation) before making any investment decision with respect to the Securities.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.11 No limitation on issuing senior or pari passu securities

There is no restriction on the amount of securities or other liabilities which the Issuer may issue, guarantee or incur and which rank senior to, or pari passu with, the Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Securityholders on a winding-up of the Issuer and/or may increase the likelihood of a deferral of interest payments under the Securities.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.12 Default and limited remedies

The only remedy against the Issuer available to the Securityholders for recovery of amounts which have become due in respect of the Securities will be the institution of proceedings for bankruptcy of the Issuer and/or proving in such bankruptcy and/or claiming in the liquidation of the Issuer. Accordingly, the Securityholders would have limited remedies available for recovery of such amounts, which will increase the risk that Securityholders would suffer a loss in respect of the Securities.

The Issuer deems the probability of the above-described risk to be low and the potential negative impact to be medium to high.

1.3.13 Absence of prior public markets

The Securities constitute a new issue of securities by the Issuer. Prior to such issue, there will have been no public market for the Securities. Although applications have been made for the Securities to be listed, there can be no assurance that an active public market for the Securities will develop and, if such a market were to develop, neither the Joint Lead Managers nor any other person is under any obligation to maintain such a market. The liquidity and the market prices for the Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and the Group and other factors that generally influence the market prices of securities. Illiquidity may have an adverse effect on the market value of the Securities.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.14 Green bond classification

The Issuer intends to apply the net proceeds of the Securities to finance or refinance tangible assets (with no specific age restriction) and operational expenditures (with a lookback period of up to two preceding financial years before the issuance of the Securities) (the "**Green Projects**") as further described in the Issuer's green finance framework (the "**Green Finance Framework**") in force as at the Issue Date and which is based on the Green Bond Principles issued by the International Capital Market Association. The Green Finance Framework is available on the Issuer's website at https://investors.nkt.com/green-financing.

There is a risk that the application of the net proceeds of the Securities in accordance with the Green Finance Framework may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether according to any present or future applicable law or regulations or by such investor's own by-laws or other governing rules or investment portfolio mandates.

There is currently no generally applicable legally binding definition of what constitutes a "green" project nor is there any clear market consensus in terms of what is specifically required for a project to be defined as "green" or equivalently labelled. Moreover, market conditions for green bonds are rapidly changing. Accordingly, there is a risk that the Green Projects described in the Green Finance Framework will not meet current or future investor expectations regarding such "green" or equivalently labelled performance objectives.

The EU Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088) provides criteria for determining whether an economic activity qualifies as "environmentally sustainable" for the purposes of establishing the degree to which an investment is environmentally sustainable. The EU taxonomy is subject to further development by way of the implementation by the European Commission, through delegated regulations, of technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. In June 2021, the European Commission adopted the text of the EU Taxonomy Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139) which sets out the technical screening criteria in relation to climate change mitigation and climate change adaption. Although the Issuer intends for the Green Finance Framework to be aligned with the EU taxonomy on a best efforts basis, there can be no assurance that the Green Finance Framework will comply with all criteria of the EU taxonomy.

In July 2021, the European Commission published a proposal for a regulation to create a "European Green Bond Standard" or "EUGBS", and it is expected that during the life of the Securities, the EUGBS will be finalised and adopted. There is a risk that the Issuer's Green Finance Framework and the Securities will not qualify as "green" pursuant to the EUGBS, which in turn may have a negative impact on the pricing of the Securities.

The Issuer considers that the probability of the Issuer facing adverse effects relating to the labelling of the Securities as “green” is low. If the effects would materialise, the Issuer considers the potential negative impact as low.

1.3.15 Failure to comply with Green Finance Framework

While it is the Issuer's intention to comply with the Green Finance Framework, any failure to do so does not constitute a default under the Conditions. The Securityholders do not have any put option or other right of early redemption in case of any failure by the Issuer to comply with the Green Finance Framework. Any failure by the Issuer to comply with the Green Finance Framework may have a material adverse effect on the value of the Securities and/or result in adverse consequences for individual investors, including (but not limited to) investors with portfolio mandates to invest in securities to be used for a particular purpose.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be medium.

1.3.16 Second party opinion

The Issuer has engaged Cicero Shades of Green to provide a second party opinion on the Green Finance Framework. The second party opinion is dated 22 August 2022 and is available on the Issuer's website at https://investors.nkt.com/green-financing.

Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight and therefore no assurance can be given as to the suitability or reliability of such opinion or certification.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

1.3.17 Listing on green segment

The Issuer expects that the Securities will be listed and admitted to trading on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S. There is a risk that such listing and admission may not satisfy, in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. The criteria for such listing and admission to trading may vary from one stock exchange or securities market to another.

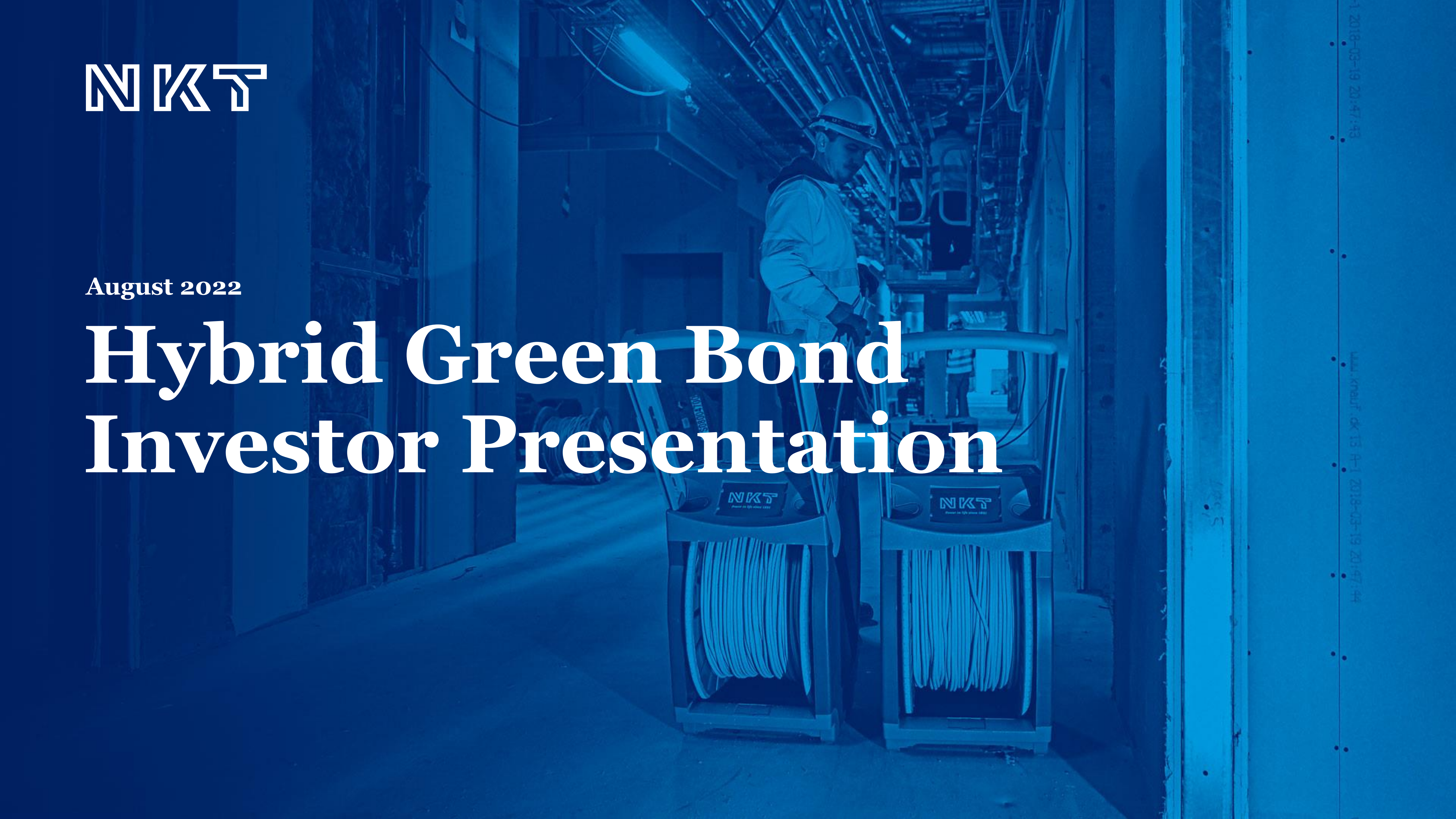
Any failure for the Securities to be listed and admitted to trading (or ceasing to be listed and admitted to trading) on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S as described above does not constitute a default under the Conditions. The Securityholders do not have any put option or other right of early redemption in case of any failure to obtain or maintain a listing on the "Nasdaq Sustainable Bond Market" segment of Nasdaq Copenhagen A/S, which may have an adverse effect on the value of the Securities and/or result in adverse consequences for individual investors, including (but not limited to) investors with portfolio mandates to invest in securities to be used for a particular purpose.

The Issuer deems the probability of the above-described risks to be low and the potential negative impact to be low.

NKT

August 2022

Hybrid Green Bond Investor Presentation



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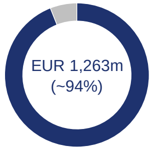
Agenda

NKT is leading the green transformation with innovative solutions and services

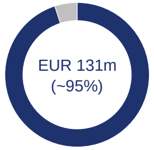
Company overview and structure

Listed entity	NKT A/S
Underlying businesses	NKT; NKT Photonics
Key highlights	• NKT is among the leading AC and DC high-voltage power cables suppliers • Strong market positions in selected European low- and medium-voltage power cables markets • Well-positioned within power cable service & accessories segments to capture future growth opportunities • Agreement signed to divest of NKT Photonics on 24 June 2022 to Photonics Management Europe S.R.L, a subsidiary of Hamamatsu Photonics K.K. • Closing of transaction is subject to regulatory approvals being obtained and is expected to take place latest by Q1 2023 • Treated as discontinued operations
ESG ratings	Low Risk – SUSTAINALYTICS; AA – MSCI; Platinum – ecovadis; A- – CDP
Key financials (2021)[1]	NKT: Revenue[2] EUR 1,263m (~94%); Oper. EBITDA EUR 131m (~95%) NKT Photonics: Revenue EUR 80.1m (~6%); Oper. EBITDA EUR 7.5m (~5%)

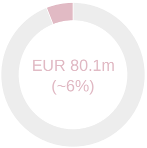
Revenue[2]



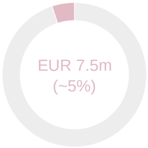
Oper. EBITDA



Revenue

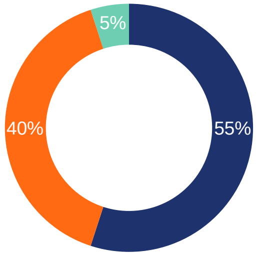


Oper. EBITDA



Shareholders

Shareholder structure[3]



- Registered Danish shareholders
- Registered non-Danish shareholders
- Nonregistered shareholders

Holders owning 5% to 9.99% of NKT A/S[3]

- ATP (Denmark)
- Greenvale Capital LLP (UK)

Executive management team

Alexander Kara
President & CEO
Joined NKT in 2019

Previous employment:
ABB

Line Fandrup
CFO
Joined NKT in 2020

Previous employment:
ROCKWOOL, COWI, novozymes

[1] Before group level eliminations
[2] Std. metal prices
[3] As of end-2021
Source: Annual Report 2021

Key Credit Highlights

- NKT is a pure play electrical power cable producer
- Strong underlying megatrends driving continued market growth
- Broad product portfolio to facilitate the renewable energy transition
- Strong market positions with a solid pipeline within power cables
- Technologically leading with state-of-the-art production facilities
- Record high HV[1] order backlog providing future visibility

[1] High-voltage

Agenda

A history of innovation and acquisitions for +130 years

1891
The Dane Hans Peter Prior founded Nordisk Elektrisk Ledningstråd og kabelfabrik, later known as NKT

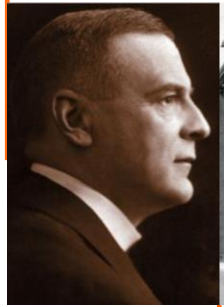
1986
Delivers the power cable system for the world's first offshore wind farm in Vindeby, Denmark

2011
Introduction of Quaddy®, a unique cable drum and trolley in one

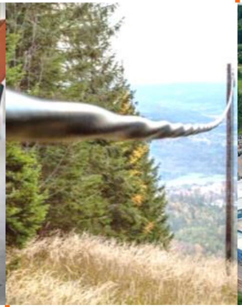
2017
Acquisition of ABB HV Cables

Launch of the world's first tested and qualified 640 DC underground cable

2020
NKT signed up for the Science Based Target initiative to become a net-zero emissions company









1960
NKT develops the first methods to recycle cable scrap

1995
Introduction of a new range of PVC and halogen-free cables and cord to meet environmental and safety requirements

2013
Acquisition of Ericsson power cable operations, Sweden

2019-2020
Reenergized management to execute on the ReNew strategy

2020-2021
NKT initiated investment programme to strengthen its high-voltage manufacturing facilities in Karlskrona and Cologne

Source: www.nkt.com

NKT is a proxy for sustainability

EUR 1.83bn

2021 revenue (EUR 1.26bn in std. metal prices[1])

EUR 131.1m

2021 operational EBITDA

3,948 full-time employees

By end-2021

Strong pipeline of upcoming projects

Building on record order backlog in high-voltage segment

Leading power cable producer

With strong position in HVDC[2] power cable market globally

34% decrease in corporate emissions[3]

Compared to 2020

Top tier ESG ratings

NKT is rated “low risk” by Sustainalytics, “AA” by MSCI, “A-” by CDP and “Platinum” by Ecovadis

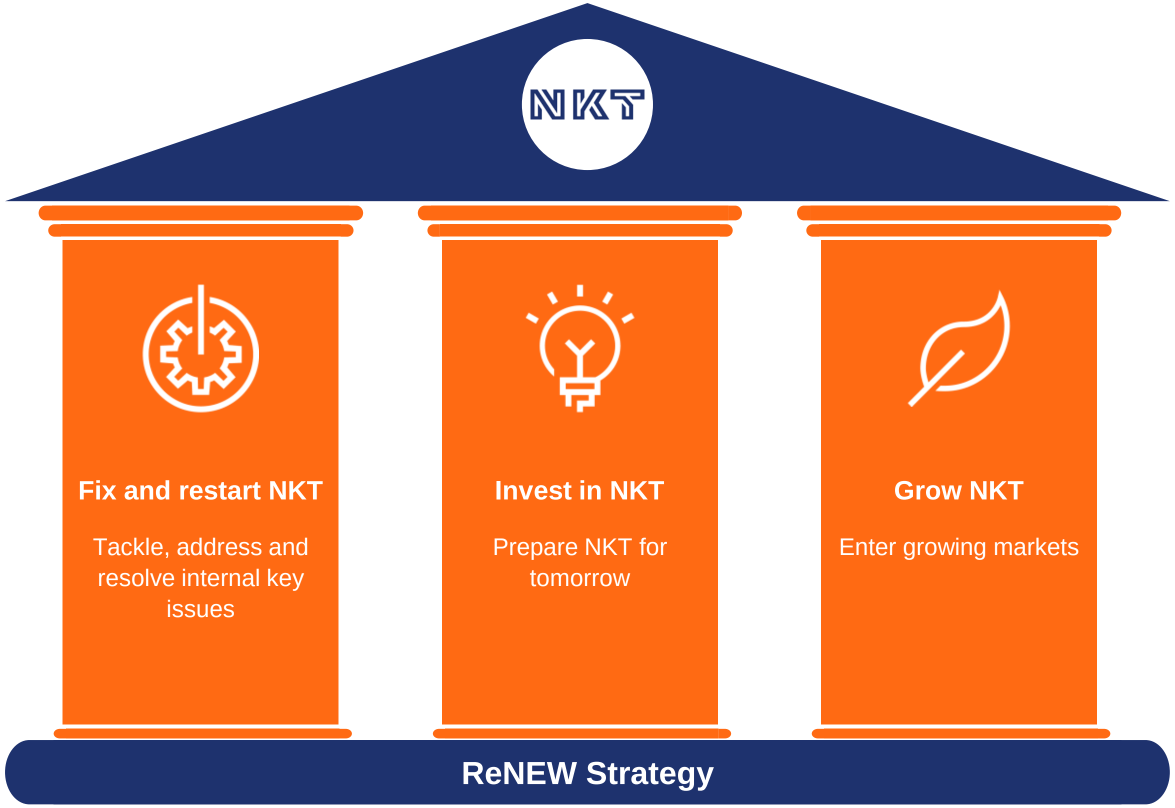
Cost-effective manufacturing facilities

Operating at the highest technological level and powered by green electricity

[1] Revenue at std. metal prices for copper and aluminium is set at EUR/tonne 1,550 and EUR/tonne 1,350 respectively
[2] HVDC = High-voltage direct current
[3] Scope 1 and 2 for NKT
Source: Annual Report 2021 & Sustainability Report 2021

ReNEW strategy contains the building blocks for NKT to connect a greener world

ReNEW foundation for updated business line strategies



Key focus areas for 2022

Solutions – investing for the future

Continue to secure new projects, execution of order backlog and finalizing investment program in Karlskrona and Cologne

Applications – performing through customer focus

Develop customer relations and profitability. With profit stabilizing at a higher level, growth initiatives will also become increasingly relevant

Service & Accessories – focus on growth

Service: Prepare for and execute on future growth opportunities

Accessories: Capacity expansion and strengthening of competitiveness

Source: Annual Report 2021

Nordic heritage with a global footprint

NKT operates with sales offices globally but has a stronghold in Northern Europe where production is located

- Solutions production sites
- Applications production sites
- Accessories production sites
- Service hubs
- Technology consulting
- Headquarters

Largest geographies by revenue[1] (2021)

Germany 34%	Sweden 8%
UK 16%	Denmark 7%
Poland 11%	Norway 6%

[1] Total group revenue, of which NKT was ~94%
Source: Annual report 2021

Global megatrends are key drivers for the development of the power cable industry

NKT

Sustainability

Projected market impact

- High-voltage
- Low- and medium-voltage
- Services

Urbanization

Projected market impact

- High-voltage
- Low- and medium-voltage
- Services

Energy Transition

Projected market impact

- High-voltage
- Low- and medium-voltage
- Services

Digitization

Projected market impact

- High-voltage
- Low- and medium-voltage
- Services

In an increasingly power-dependent world, NKT has identified four megatrends as primary factors influencing the future market direction of the power cable industry

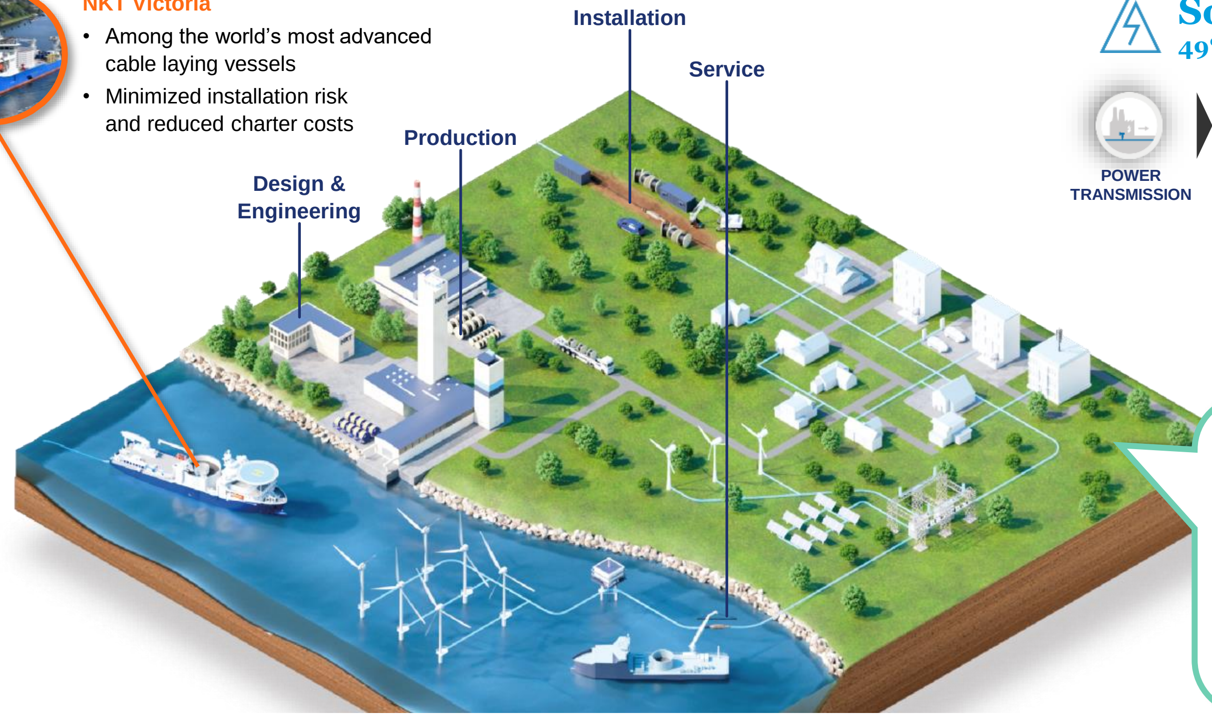
Low impact | Medium impact | High impact

Source: Annual Report 2021

Business lines covering the path of electricity –
Connects a greener world

NKT Victoria

- Among the world's most advanced cable laying vessels
- Minimized installation risk and reduced charter costs



Solutions
49% of revenue[1]

POWER TRANSMISSION
- High-voltage onshore cables
- High-voltage offshore cables
- CIS[2] solutions (turnkey)

Applications
35% of revenue[1]

POWER DISTRIBUTION
- 1kV cables
- Medium-voltage cables
- Telecom power cables

CONSTRUCTION
- Building wires
- Low-voltage cables
- Support solutions

Service & Accessories
16% of revenue[1]

- High-voltage accessories
- Medium-voltage accessories
- Service & installation

A greener world

Sustainability is at the heart of NKT, with a strong focus on connecting a greener world and achieving net-zero emissions by 2050

[1] Based on 2021 revenue (std. metal prices) and excluding elimination of transactions between segments
[2] Cable, Installation and Service
Source: Annual Report 2021

Solutions: Leading partner within high-voltage power cable solutions for both off- and onshore

At a glance

- Leading supplier of premium off- and onshore high-voltage power cable systems
- NKT is among the technology leading companies across both HVAC[1] and HVDC[1]
- State-of-the-art HV[1] production facilities recently upgraded to increase DC capacity
- Complete offering of design, manufacturing, installation, and service
- Have long-lasting, close customer relationships based on reliable project execution
- Solutions saw growth in revenue and profitability in H1 2022, and with contract awards of more than EUR 2bn in Q2 2022
- Organic growth in revenue was driven by execution of orders awarded over recent years covering most power cable types in H1 2022

Customer segments

HV offshore DC cables

HV onshore DC cables

HV offshore AC cables

HV onshore AC cables

Notable recent order wins

Name	Announced	Size (EURm)	Type
CHPE[3]	Jun 2022	>1,400	Interconnector
SuedOstLink 2nd system	May 2022	<700	Interconnector
Dogger Bank C	Jun 2021	~280	Offshore wind
Troll West	Apr 2021	~95	Power from shore
SuedLink	Jun 2020	>1,000	Interconnector

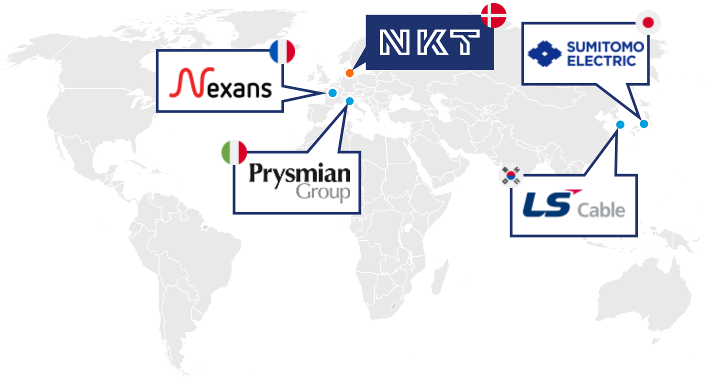
Key financials – H1 2022

347m
Revenue[2] EUR
(H1 2021: EUR 323m)

9%
Organic growth
(H1 2021: 23%)

54.7m
Oper. EBITDA EUR
(H1 2021: EUR 42.5m)

Selected competitors within Solutions

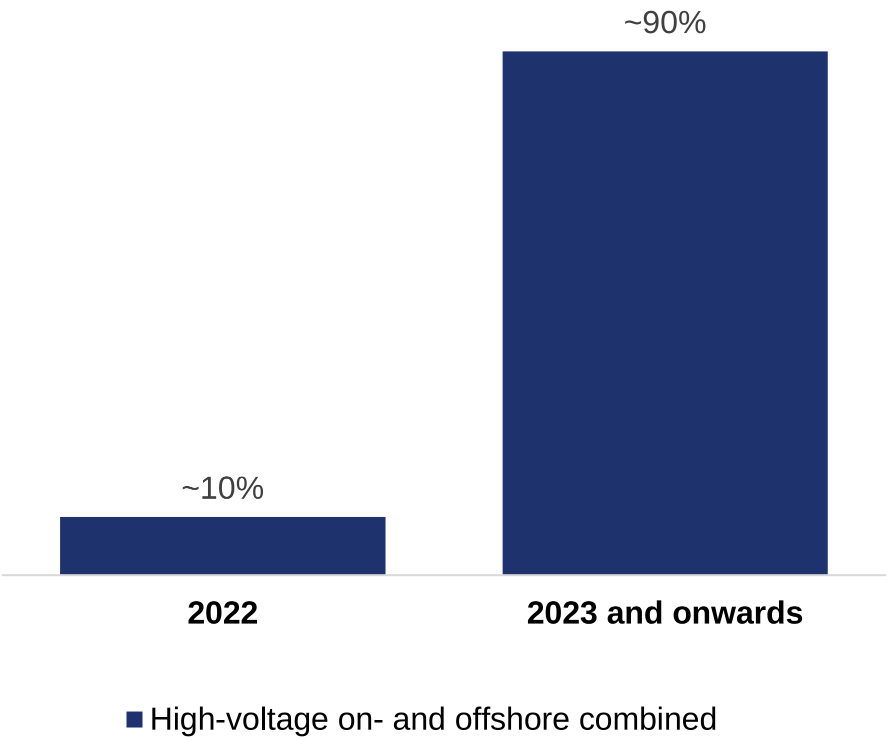


[1]HVAC = High-voltage alternating current, HVDC = High-voltage direct current, HV= High-voltage
[2] Std. metal prices [3] CHPE: Champlain Hudson Power Express
Source: Annual Report 2021, Interim Report Q2 2022, Interim Report Q2 2021, www.nkt.com

Solutions: High-voltage order backlog at a record level of EUR 4.6bn[1] at end-Q2 2022, up from EUR 2.8bn at end-Q1 2022

Solutions | Applications | Serv. & Acc.

Order backlog providing future coverage…



… and diverse across application and commissioning

OFFSHORE WIND	Ostwind 2	2022
	Dogger Bank A & B	2023
	BorWin5	2025
	Dogger Bank C	2026
INTERCONNECTORS	Beckomberga-Bredäng	2023
	Viking Link	2023
	Attica-Crete	2023
	Shetland	2024
	SuedOstLink 1st system	2025
	SuedLink	2026
	Champlain Hudson P.E.	2026
	SuedOstLink 2nd system	2027
POWER FROM SHORE	Johan Sverdrup 2	2022
	Troll West	2023

[1] Market prices (EUR 4.0bn in std. metal prices)
Source: Interim Report Q2 2022, Annual Report 2021

Solutions: Growing market volumes supported by strong underlying growth drivers

NKT
Solutions | Applications | Serv. & Acc.

Supportive geographical mega trends

EU Investment program

EU target of net zero emission by 2050 with an intermediate ambition to cut emissions by at least 55% by 2030 (the "Fit for 55" plan)

US as next frontier for renewables

The total offshore wind capacity is expected to increase rapidly towards 2035

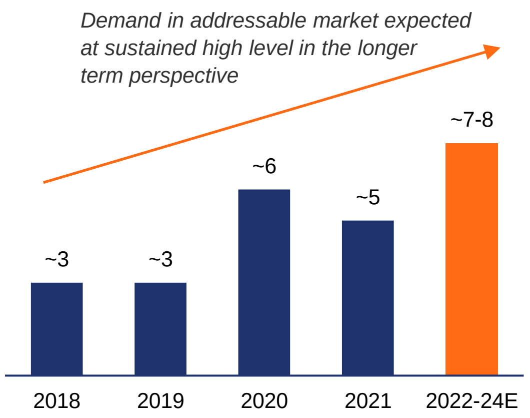
Attractive market outlook

Addressable HV power cable projects[1]

- NKT foresees a growing market in the coming years driven by underlying megatrends, with an expected market size of EUR 7-8bn on average per year in 2022-24
- Decline in 2021 driven by high baseline due to allocation of German corridor projects in 2020

Addressable HV power cable market size

EURbn



[1] NKT's assessment of HV addressable market is projects larger than EUR 5m
Source: NKT Annual Report 2019 & 2021 and European Commission

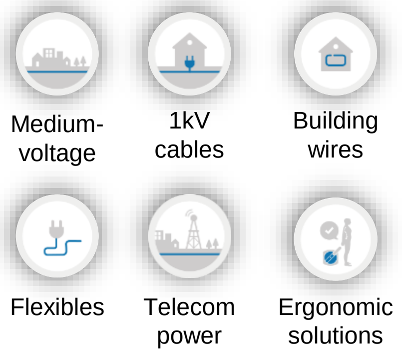
Applications: Strong market positions in selected European LV[1] and MV[2] power cables markets

Solutions | Applications | Serv. & Acc.

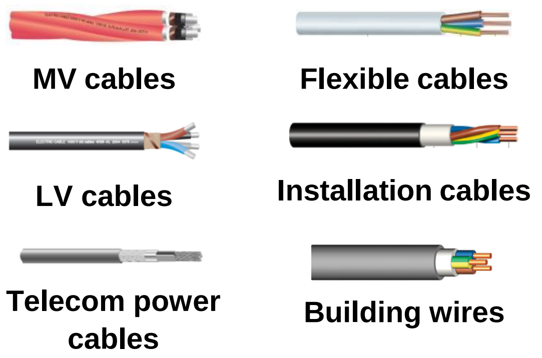
Brief description

- Market leading position in selected European countries for MV power cables, 1kV power cables as well as building wires
- Acquired Ventcroft Ltd., a specialist in fire-resistant building wires and low-voltage cables in January 2022
- Several efficiency initiatives have been implemented translating to improved earnings performance
- In H1 2022 Applications delivered broad-based revenue growth and improved operational EBITDA
- Slowdown in some European market segments compared to recent quarters. This comes after a period of strong growing markets, but volumes remained at a high level in Q2 2022

Customer offerings



Full range of products



Key financials – H1 2022

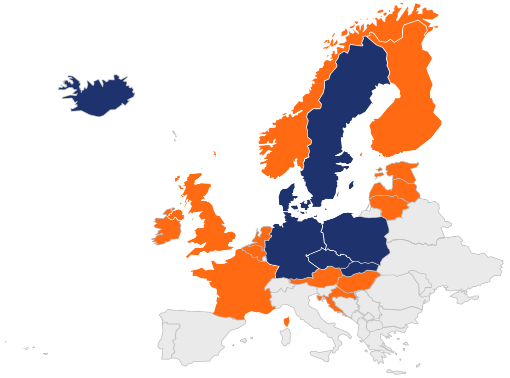
279m
Revenue[3] EUR
(H1 2021: EUR 219m)

23%
Organic growth
(H1 2021: 4%)

17.6m
Oper. EBITDA EUR
(H1 2021: EUR 13.1m)

Strong European footprint

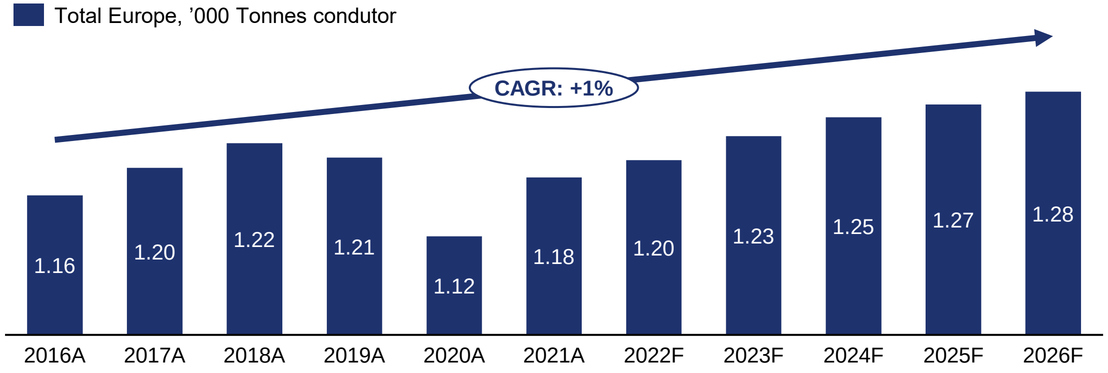
Market leading platform
Growth platform



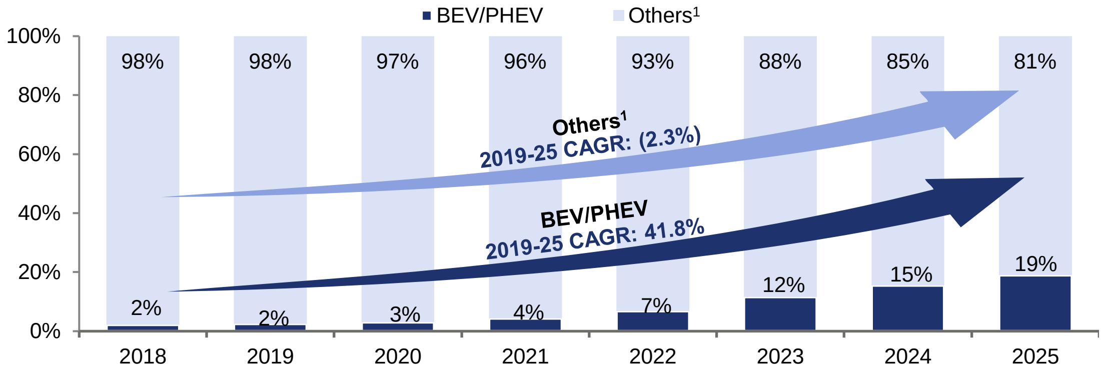
[1] Low-voltage, [2] Medium-voltage, [3] Std. metal prices
Source: Annual Report 2021, Interim Report Q2 2022, Interim Report Q2 2021

Applications: To benefit from structural demand drivers and efficiency initiatives

European LV energy cable market growth



Annual vehicle production



Applications growth drivers

- Demand in the LV and MV market has historically been aligned with the macroeconomic development; however, structural growth trends emerge
- The LV market is mainly driven by construction activity supported by urbanization and further electrification of homes
- The green transformation impact MV markets positively with ongoing expansions and upgrades

[1] ICE and HEV, vehicles that do not rely on charging points; ICE stands for internal combustion engine, HEV stands for hybrid electric vehicles, BEV stands for battery electric vehicles, PHEV stands for plug-in hybrid electric vehicles
Source: Annual Report 2021, CRU wire & cable report June 2022, Frost and Sullivan, European Commission

Service & Accessories: Growing segments with additional opportunities and attractive margins

Solutions | Applications | Serv. & Acc.

Brief description

- Unique position as one-stop-shop, offering all services related to cables from a single source, where a NKT service level agreement can reduce downtimes by 30-60 days and save 70% of overall costs
- The overall focus area is to maintain growth momentum. To be achieved through various initiatives such as geographical expansion in new and existing markets
- New service business hub in Gdynia, Poland, to prepare for future growth
- Invested in Nordenham factory in Germany to increase output and automating processes
- A decrease in revenue and earnings in H1 2022 as expected on high comparison base in H1 2021. As such, operational EBITDA decreased to EUR 5.5m in H1 2022 against EUR 22.4m in H1 2021
- Additionally, the cost level was temporarily higher in the Accessories business in H1 2022

Customer offerings

High-voltage accessories

Medium-voltage accessories

Service & installation

Accessories product portfolio

Terminations
Connects cable ends to consumers or overhead lines

Joints
Connects two cable ends

Connectors
Connects cable ends to switchgear or transformer

OEM busbar systems
Connects switchgear busbar to busbars

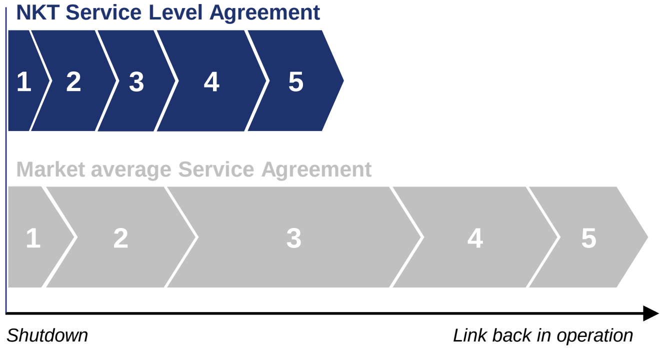
Key financials – H1 2022

91m
Revenue[1] EUR
(H1 2021: EUR 111m)

-26%
Organic growth
(H1 2021: 87%)

5.5m
Oper. EBITDA EUR
(H1 2021: EUR 22.4m)

NKT Service agreement



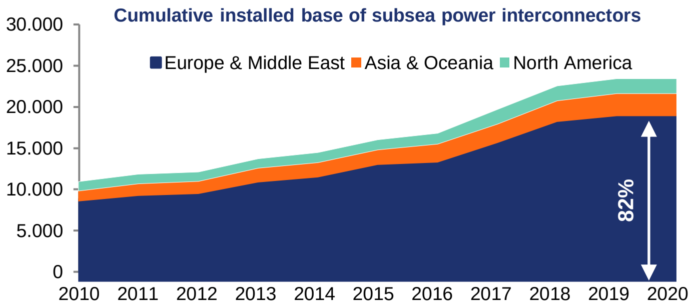
1. **Engineering and documentation** – where is the cable located and what is its design
2. **Fault location** – find the fault
3. **Mobilisation** – resources, equipment and spare parts
4. **Repair and jointing**
5. **Cable testing and deployment**

[1] Std. metal prices
Source: Annual Report 2021, Interim Report Q2 2022, Interim Report Q2 2021, www.nkt.com

Service & Accessories: Growth in installed cable base underpins growing demand within the segment

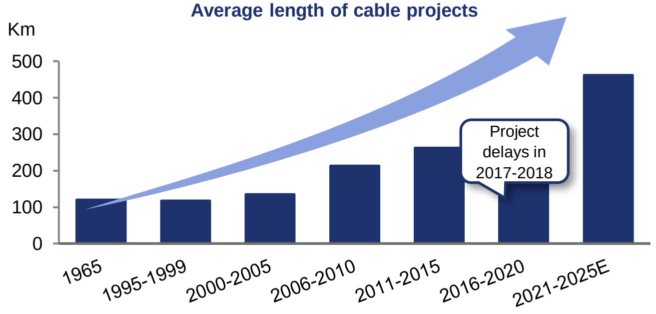
Key trends and developments for service business

1 Increasing installation base of subsea power cables



- Growing installation base of HV power cables and interconnectors a key driver for the service market
- Older cables are requiring extensive maintenance & decommissioning or replacement
- Continued need for modernization as legacy technologies such as gas- and oil-filled cables are still in use

2 Increasing cable installation complexity



- Legacy technology know-how is becoming increasingly scarce
- Few companies able to provide a comprehensive service offering, especially in the offshore segment
- Urgency is high and the need for quality service is key as the power cables are part of the infrastructure

Key trends in the accessories market

Safety and reliability

Continuous product development is needed in order to meet requirements, including environmental lifecycle design considerations

Customised cable requirements

Increasing trend of longer cable projects onshore and unprecedented underwater depth offshore. As the installation settings are increasing in complexity, more customized solutions are needed

International standards and complexity

There is an increasing need for accessories being developed to optimize grid performance and meet national and international standards. This adds further complexity which necessitates higher-quality accessories

Renewable energy

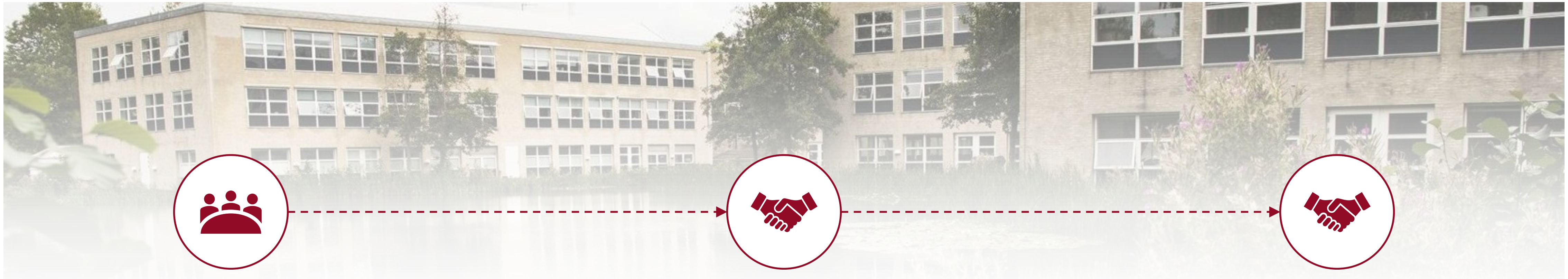
The green agenda and continued electrification of society drives demand for power cable accessories similarly as seen for the demand for HV and MV cables. The HV market is especially driven by offshore investments

Source: Annual report 2021, 4cOffshore

Agenda

NKT Photonics: Divestment agreement signed on 24 June 2022

Strategic review process of NKT Photonics



July 2021

The Board of Directors resumed the strategic review of NKT Photonics to assess the preferred path to maximum value creation

March 2022

NKT Photonics divested its LIOS sensing division to the American company Luna Innovations, for a consideration of approx. EUR 20m

June 2022

NKT A/S entered into an agreement to divest NKT Photonics. The transaction has a total enterprise value of approx. EUR 205m. Closing is expected to take place latest by Q1 2023

Strategic review process concluded with agreement to fully divest NKT Photonics (including LIOS) for a total enterprise value of approx. EUR 225m. The divesture allows NKT to fully focus on its core business within power cable solutions. Proceeds from the divestment will be used to strengthen NKT's balance sheet and enable strategic, organic growth opportunities

Source: www.nkt.com

Agenda

NKT ImpACT: NKT's sustainability strategy

Climate action: Be a leader in driving the green transformation of the power cable industry by reducing corporate carbon footprint and entering partnerships that address and resolve climate challenges

Circularity: Create a sustainable value proposition by ensuring environmental stewardship through the lifecycle of products and solutions. Also, actively pursue zero waste through transformation of own waste into other products

Social: Be a fair, inclusive and safe workplace empowering trust and engagement within the organization, the industry and in local communities

Responsible business: NKT conducts business operations as a trusted partner and employer and sustainability risk are integrated in business processes and the overall business

Source: Sustainability Report 2021

Journey and targets: NKT's sustainability contribution

Our sustainability journey

1960 Develop the first methods to recycle cable scrap

1995 Market first PVC and halogen free cables and cords

2011 Introduction of Qaddy®, a unique cable drum and trolley in one

2019 Deliver the cable system for the Kriegers Flak Combined Grid Solution – connecting Denmark and Germany via offshore wind farms

2020 Commit to the Science Based Target initiative for Business Ambition for 1.5°C scenario

SCIENCE BASED TARGETS

2021 Improved ESG ratings: NKT recognized for sustainability practices

Long-term sustainability targets

Climate action

To progressively reduce corporate CO_2e emissions to net-zero by 2050[1]

Circularity and recycling

Generate zero waste by the transition to total material recycling, thereby also eliminating landfill[2]

Diversity and inclusion

No less than 30% female representation on the Board of Directors[3], the Group Leadership Team and the Extended Leadership Team by 2024

[1] This goal is in alignment with NKT's commitment to the Science Based Targets in correspondence with the 1.5°C pathway
[2] Target year for reaching zero waste will be decided during 2022
[3] Members elected at the Annual General Meeting
Source: Sustainability Report 2021

Highlights 2021: Sustainable business processes are an integrated part of all NKT's operations

NKT

[1] Scope 1 and 2
[2] Max score possible is 100
Source: Annual Report 2021

Environmental, Social and Governance ratings

CDP
DISCLOSURE INSIGHT ACTION

- NKT is rated in the Leadership (A-) band
- NKT is among the 21% of companies reaching Leadership level in the group "Electrical and electronic equipment"

D-	D	C-	C	B-	B	A-	A
						2021	

MSCI ESG RATINGS

- NKT is rated AA in the MSCI ESG Ratings assessment in 2021

CCC	B	BB	BBB	A	AA	AAA
			2020		2021	

PLATINUM Top 1% 2021 ecovadis Sustainability Rating

- NKT scored 75 out of 100 in 2021 and was awarded a Platinum rating in the industry "Manufacture of wiring and wiring devices"
- It places NKT among the top 1% of companies.

0 - 44	Bronze 45 -53	Silver 54 - 65	Gold 66 - 72	Platinum 73 -100
		2020		2021

SUSTAINALYTICS

- NKT was rated 16.8 in September 2021 and was therefore assessed to be at low risk of experiencing material financial impacts from ESG factors
- This places NKT in top 25% of companies in the "Electrical Equipment industry" assessed by Sustainalytics

Negl. Risk 0 - 10	Low risk 10 -20	Medium risk 20 - 30	High risk 30 - 40	Severe risk 40+
	2021	2020		

NKT is continuously increasing sustainability in all activities which was recognized in ESG ratings provided by four independent agencies in 2021.

Green finance framework

Use of Proceeds

NKT will use green proceeds **to finance or re-finance CAPEX and OPEX** relating to the production of power cables to connect renewable energy production sites to the grid or 'interconnectors' where the project is deemed to predominantly **ensure a higher proportion of renewable energy**

Process for Project Evaluation and Selection

The evaluation, selection and prioritisation of Eligible Green Assets and Expenditures is managed by a dedicated group, **the Green Finance Committee** ("GFC")

Members of the GFC consists of senior employees from NKT

Management of Proceeds

Proceeds from green financing instruments are managed in accordance with **strict internal procedures** and will be **tracked** through the use of a **Green Financing Register**

Reporting

NKT will on an annual basis **issue a Green Finance Report** specifying the allocation and environmental impact of the assets and expenditures financed under the Green Finance Framework

The first report will be made available to investors approx. **12 months after the issuance** of NKT's inaugural bond transaction under the Green Finance Framework

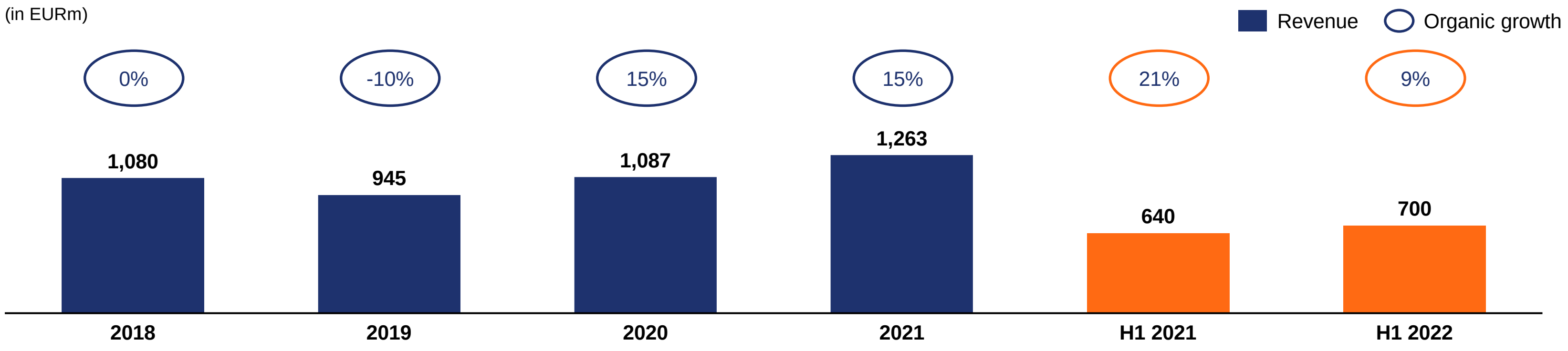
°CICERO Shades of Green

NKT's Green Finance Framework has been reviewed by CICERO and received a Medium Green shading

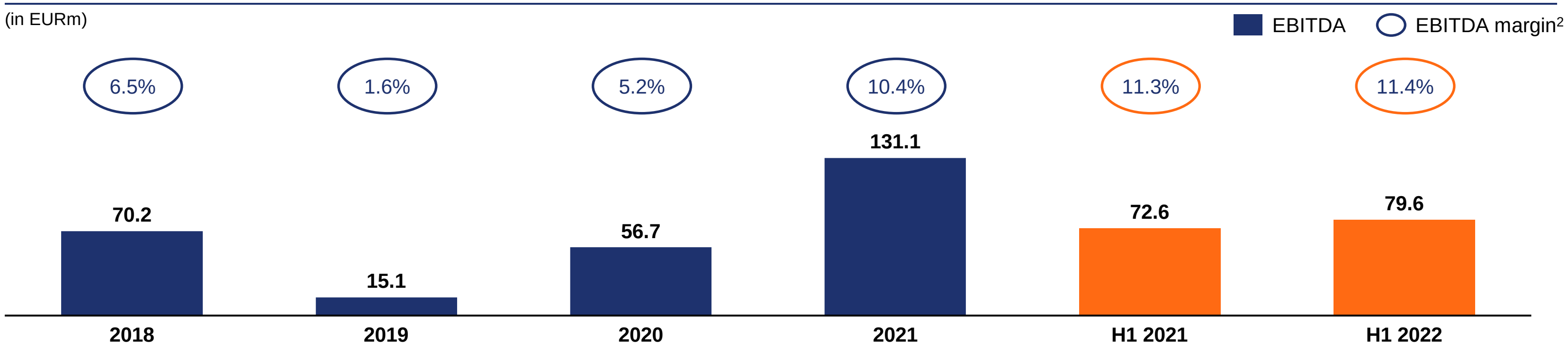
Agenda

Income statement: Improved revenue driven by Solutions and Applications

Revenue development[1]



Operational EBITDA development



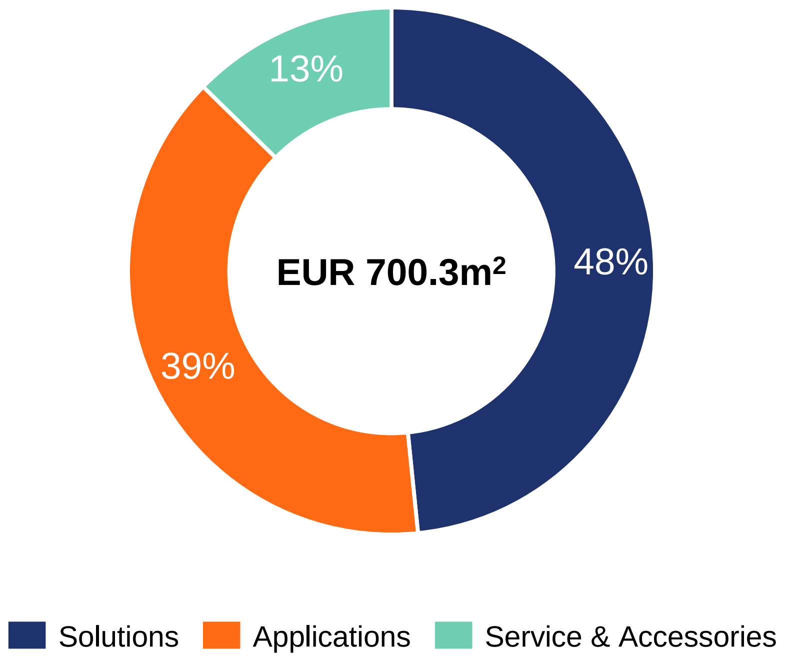
Comments

- NKT has continued generating growth in revenue with 9% organic growth in H1 2022 with positive contributions from Solutions and Applications
- H1 2022 operational EBITDA outperformed H1 2021 due to increased profitability margins in Solutions and Applications
- For NKT Photonics Q2 2022 revenue grew organically by 18%. The EBITDA of EUR -5.8m was negatively impacted by transaction costs related to the divestment. Costs of EUR 6.1m associated with the divestment have been included in the net results

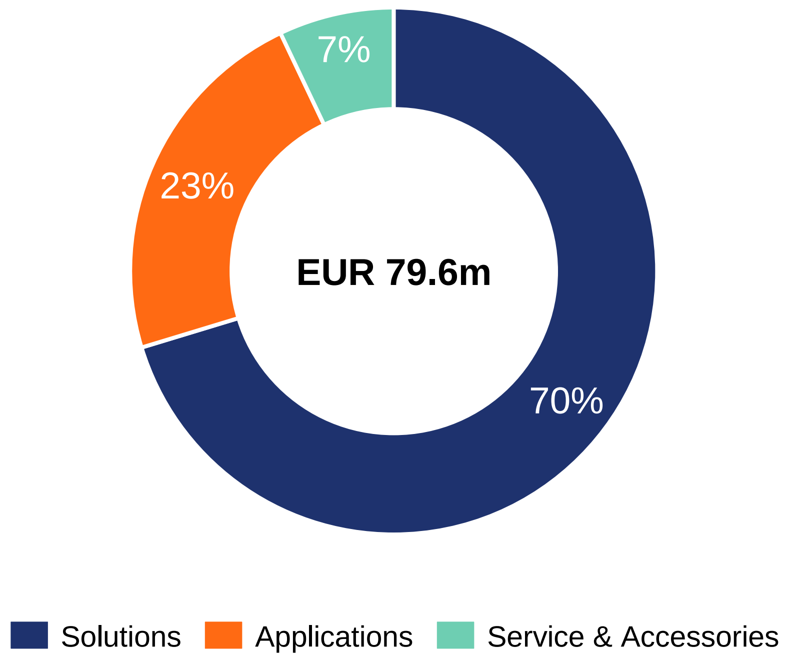
[1] Std. metal prices [2] Operational EBITDA Margin %, LTM, std. metal prices
Note: For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022, as such NKT Photonics is not included in the above graphs
Source: Annual Report 2021, Interim Report Q2 2022

Solutions is the biggest contributor to both revenue and operational EBITDA

H1 2022 revenue by segment[1]



H1 2022 operational EBITDA by segment[1]



[1] The distributions are based on revenue before eliminations, [2] Std. metal prices
Note: For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022.
Source: Interim Report Q2 2022

Cash Flow: Positive free cash flow driven by earnings and working capital development

Cash flow statement[1]

EURm	2021 FY	2021 H1	2022 H1	2021 Q2	2022 Q2
Earnings before interest, tax, depreciation and amortization (EBITDA)	118.4	74.4	79.7	42.4	40.9
Change in provisions, gain and loss on sale of assets, etc.	48.5	3.7	-15.8	1.7	-0.7
Changes in working capital	50.7	-196.7	47.4	-143.7	105.6
Net financial items paid	-8.0	-4.9	-10.1	-2.1	-4.9
Net income tax paid	-0.8	1.1	-5.1	2.0	-3.9
Cash flow from operating activities, continuing operations	208.8	-122.4	96.1	-99.7	137.0
Acquisition of businesses	0.0	0.0	-15.7	0.0	-0.4
Divestment of business	2.1	2.1	0.0	0.0	0.0
Investments in property, plant and equipment	-184.5	-68.0	-73.9	-46.2	-42.1
Disposal of property, plant and equipment	0.1	0.0	0.7	0.0	0.0
Intangible assets and other investments, net	-28.9	-12.7	-14.0	-6.2	-6.8
Cash flow from investing activities, continuing operations	-211.2	-78.6	-102.9	-52.4	-49.3
Free cash flow, *continuing operations*	**-2.4**	**-201.0**	**-6.8**	**-152.1**	**87.7**
Cash flow from financing activities, continuing operations	-36.6	-13.2	5.4	-2.0	-6.7
Net cash flow from discontinued operations	0.3	0.1	0.5	0.2	0.2
Net cash flow	**-38.7**	**-214.1**	**-0.9**	**-153.9**	**81.2**
Cash at bank and in hand at the beginning of the period	239.2	239.2	200.5	178.9	118.5
Currency adjustments	0.0	0.1	-1.0	0.2	-1.1
Net cash flow	-38.7	-214.1	-0.9	-153.9	81.2
Cash at bank and in hand at the end of the period	**200.5**	**25.2**	**196.2**	**25.2**	**196.2**
Of which classified as Assets held for sale	0.0	0.0	2.4	0.0	2.4

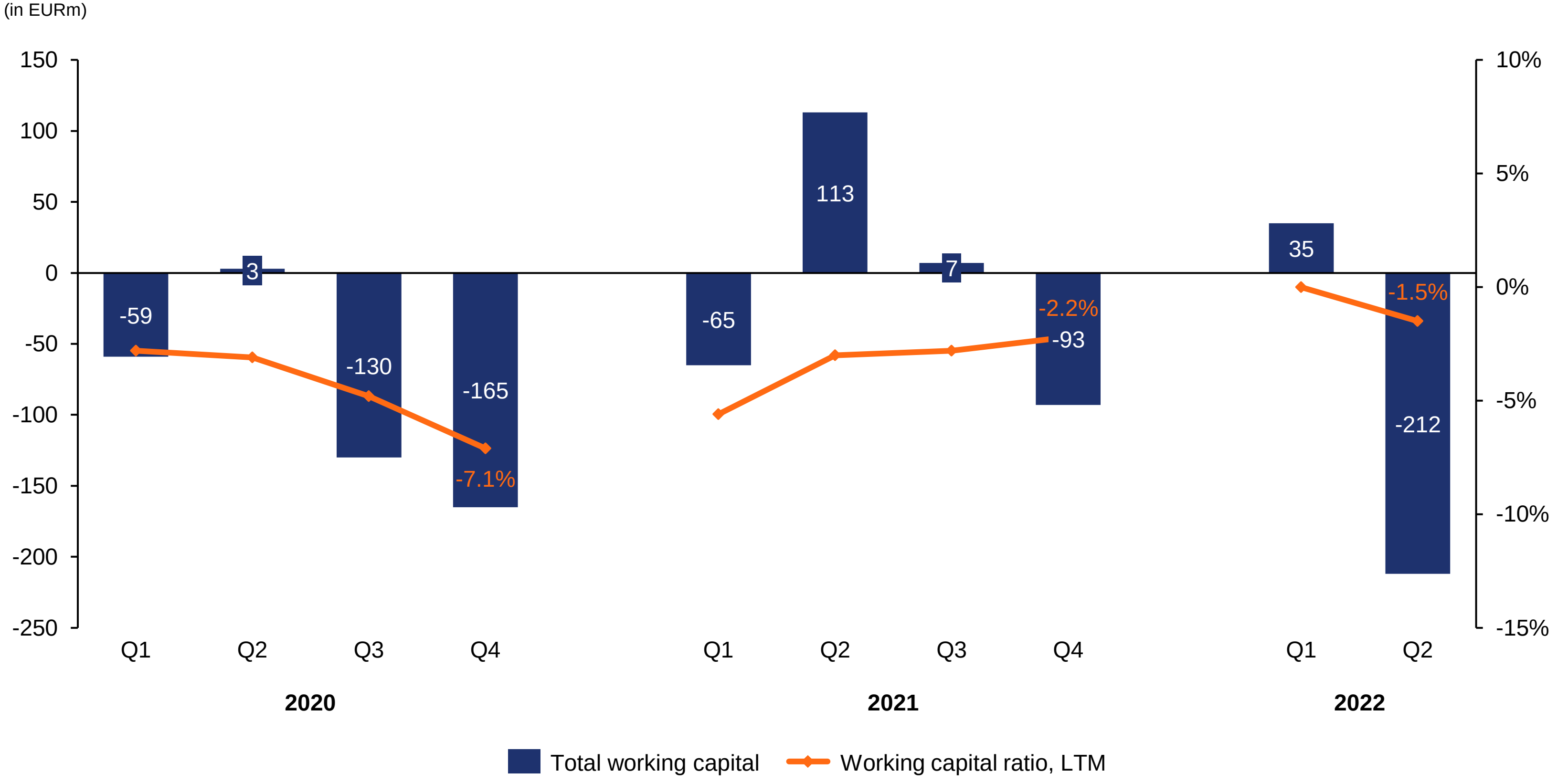
Comments

- During 2021FY the cash flow generation was positively impacted by the improved financial performance, but free cash flow was slightly negative due to execution of planned investments
- The cash flow from investing activities during 2021FY was primarily driven by upgrades and expansion of the production sites in Karlskrona and Cologne
- The free cash flow was positively impacted in H1 2022 by positive EBITDA and improved working capital driven by Solutions
- Cash flow from investing activities impacted by the ongoing investments, mainly within Solutions as the planned investment programme to upgrade the high-voltage production sites was further progressed

[1] For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022. All (NKT) cash flows reported for continuing operations.
Source: Annual Report 2021, Interim Report Q2 2022

Balance sheet: Significant improvement in working capital

Working capital development



Comments

- Significant improvement in working capital during Q2 2022
- The changes in working capital are largely driven by Solutions due to the phasing of prepayments and milestone payments related to new and existing projects
- At end-Q2 2022, working capital amounted to EUR -212m. This was a significant improvement from EUR 34.6m at end-Q1 2022

Note: For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022.
Working capital: Current assets minus current liabilities (excluding interest-bearing items and provisions)
Source: Interim Report Q2 2022

Capital structure targets and ratios

Net debt target and capital allocation

Leverage ratio target

Net interest-bearing debt relative to operational EBITDA of up to 1.0x

Solvency ratio target

Solvency ratio target of minimum 30%

Dividend policy

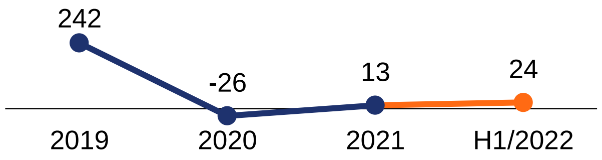
Pay-out ratio of approx. 1/3 of profit for the year

Comments

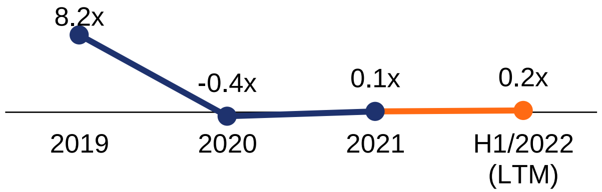
- NKT Group aims for a capital structure within defined medium-term targets for a **leverage ratio of up to 1.0x**
- And a **solvency ratio of minimum 30%**
- The company's **dividend policy is still to target pay-out of approx. one third** of profit for the year, provided the capital structure allows for it

Capital structure ratios

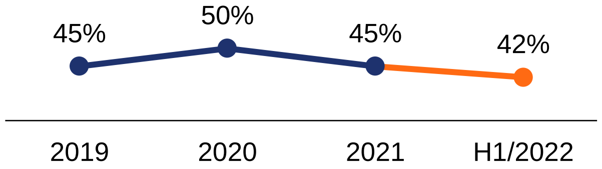
NIBD, EURm



NIBD/Operational EBITDA[1]



Solvency ratio, %



[1]Note: For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022
Source: Annual Report 2021, Interim Report Q2 2022

Inflation and supply chain impact – NKT is well-prepared

Inflation

Supply chain

Key Credit Highlights

- NKT is a pure play electrical power cable producer
- Strong underlying megatrends driving continued market growth
- Broad product portfolio to facilitate the renewable energy transition
- Strong market positions with a solid pipeline within power cables
- Technologically leading with state-of-the-art production facilities
- Record high HV[1] order backlog providing future visibility

[1] High-voltage

Agenda

Key Terms & Conditions for the Hybrid Green Bond

Issuer:	NKT A/S
Country:	Denmark
Rating:	Unrated
Size:	EUR minimum 100,000,000
Maturity:	1,000 years (non call 3.8 years)
Status:	Deeply subordinated. Senior only to junior instruments and ordinary shares
Call Schedule:	After 3.8 years and every Interest Payment Date thereafter
Step-up:	5.00 per cent. per annum
Initial Margin:	[•] per cent. per annum
Interest Rate:	Fixed, annually in arrears (act/act). From the First Call Date the interest rate resets every 4 years to the then prevailing 4-year EUR swap rate plus the initial credit spread plus step-up
Interest Deferral:	At the issuer's option on any interest payment date. Cumulative interest deferrals
Compulsory Payment Event:	Mandatory payment of deferred interest upon payment of dividends to shareholders or parity instrument or share or parity instrument repurchase incl. payments on junior instruments
Change of Control:	Issuer call option if Change of Control Event @ 101% prior to the First Call Date / @ 100% on or after the First Call Date. Coupon step-up 500bps if the securities are not redeemed in full
Other Call Provisions:	Tax Event (interest deductibility and withholding tax), Accounting Event, Replacing Capital Event (call @ 103% with net proceeds from an equity issue)
Clean-up Call:	At repurchases equal to or greater than 80% of the total outstanding amount
Docs:	Standalone documentation, Danish law
Denomination:	EUR 1k with minimum trading amount of EUR 100k
Clearing:	VP Securities A/S
Listing:	To be listed on Nasdaq Copenhagen no later than 31 December 2022
Use of Proceeds:	To be used towards financing purposes that are in accordance with the Issuer's Green Finance Framework
Joint Books:	Danske Bank, Nordea, Nykredit
Target Market:	Eligible counterparties, professional clients and certain retail investors (contact Bookrunners for full target market assessment) A PRIIPs KID in English, Danish and Swedish language have been prepared and made available

Q&A

Agenda

NKT A/S: Income Statement and Balance Sheet Full Year

Income statement

Income Statement, EURm	2020FY	2021FY
Revenue	1,470.2	1,906.7
Other operating income	12.0	32.7
Work performed by the Group and capitalized	33.1	40.7
Costs of raw materials, consumables and goods for resale	-961.4	-1,269.3
Staff costs	-299.6	-355.0
Other costs	-204.9	-229.9
Earnings before interest, tax, depreciation and amortization (EBITDA)	**49.4**	**125.9**
Depreciation and impairment of PP&E	-70.5	-74.9
Amortisation and impairment of intangibles	-26.8	-34.2
Earnings before interest and tax (EBIT)	**-47.9**	**16.8**
Financial income	51.6	63.1
Financial expenses	-68.3	-75.5
Earnings before tax (EBT)	**-64.6**	**4.4**
Tax	-9.9	-0.3
Net Result	**-74.5**	**4.1**

Balance sheet

Balance Sheet, EURm	2020FY	2021FY
Intangible assets	626.9	621.7
Property, plant and equipment	657.6	782.9
Other investments and receivables	1.0	0.8
Deferred tax	23.1	24.9
Total non-current assets	**1,308.6**	**1,430.3**
Inventories	243.6	287.4
Receivables incl. Tax	333.2	528.9
Contract assets	21.3	97.3
Income tax receivable	4.6	8.8
Interest-bearing receivables	0.1	0.2
Cash at bank and in hand	239.2	200.5
Total current assets	842.0	1,123.1
Total assets	**2,150.6**	**2,553.4**
Total equity	1,076.4	1,159.9
Deferred tax	40.9	71.8
Provisions and pension liabilities	67.1	62.5
Interest bearing loans and borrowings	200.6	196.4
Non-current liabilities	308.6	330.7
Interest bearing loans and borrowings	12.8	17.5
Trade payables	273.2	341.8
Other liabilities	168.0	170.4
Contract liabilities	296.5	459.3
Income tax payable	2.1	10.5
Provisions	13.0	63.3
Current liabilities	765.6	1,062.8
Total liabilities	**1,074.2**	**1,393.5**
Total equity and liabilities	**2,150.6**	**2,553.4**

Source: Annual Report 2021

NKT: Income Statement and Balance Sheet Quarterly Report

Income statement

Income Statement, EURm	2021FY	2021 H1	2022 H1	2021 Q2	2022 Q2
Revenue	1,827.9	912.0	1,067.5	498.0	578.0
Revenue in std. metal prices	1,263.1	640.2	700.3	344.2	381.1
Operational EBITDA	131.1	72.6	79.6	42.4	41.3
One-off items	-12.7	1.8	0.1	0.0	-0.4
EBITDA	118.4	74.4	79.7	42.4	40.9
Depreciation and impairment of PP&E	-68.9	-31.5	-31.2	-15.8	-15.9
Amortisation and impairment of intangibles	-25.6	-11.1	-8.6	-5.6	-4.3
EBIT	23.9	31.8	39.9	21.0	20.7
Financial items, net	-8.2	-5.0	-9.8	-2.1	-4.4
EBT	15.7	26.8	30.1	18.9	16.3
Tax	-3.8	-6.0	-4.1	-4.0	-2.1
Net result, continuing operations	11.9	20.8	26.0	14.9	14.2
Net result, discontinued operations	-7.8	-8.0	-6.0	-3.8	-9.1
Net result	**4.1**	**12.8**	**20.0**	**11.1**	**5.1**

Balance sheet

Balance Sheet, EURm	30 June 2022	30 June 2021	31 Dec. 2021
Intangible assets	537.7	626.6	621.7
Property, plant and equipment	808.3	698.0	782.9
Other investments and receivables	0.8	1.0	0.8
Deferred tax	28.5	36.1	24.9
Total non-current assets	1,375.3	1,361.7	1,430.3
Inventories	308.5	294.0	287.4
Receivables	505.5	540.2	528.9
Contract assets	102.5	178.3	97.3
Income tax receivable	4.2	5.4	8.8
Interest-bearing receivables	0.2	0.2	0.2
Cash at bank and in hand	196.2	25.2	200.5
Assets held for sale	135.7	0.0	0.0
Total current assets	1,252.8	1,043.3	1,123.1
Total assets	**2,628.1**	**2,405.0**	**2,553.4**
Equity attributable to equity holders of NKT A/S	944.8	1,005.6	1,007.5
Hybrid capital	156.4	156.4	152.4
Total equity	**1,101.2**	**1,162.0**	**1,159.9**
Deferred tax	48.1	66.9	71.8
Provisions and pension liabilities	61.9	72.7	62.5
Borrowings	200.5	198.5	196.4
Non-current liabilities	310.5	338.1	330.7
Borrowings	14.7	13.0	17.5
Trade payables	400.5	329.7	341.8
Other liabilities	241.3	177.6	170.4
Contract liabilities	474.2	350.4	459.3
Income tax payable	16.4	21.6	10.5
Provisions	45.7	12.6	63.3
Liabilities associated with assets held for sale	23.6	0.0	0.0
Current liabilities	1,216.4	904.9	1,062.8
Total liabilities	**1,526.9**	**1,243.0**	**1,393.5**
Total equity and liabilities	**2,628.1**	**2,405.0**	**2,553.4**

Source: Interim Report Q2 2022

Cash flow statement

Cash flow statement[1]

EURm	2020FY (NKT A/S)	2021FY (NKT A/S)	2021FY (NKT)	2021Q2 (NKT)	2022Q2 (NKT)
Earnings before interest, tax, depreciation and amortization (EBITDA)	49.4	125.9	118.4	42.4	40.9
Change in provisions, gain and loss on sale of assets, etc.	-11.7	47.9	48.5	1.7	-0.7
Changes in working capital	114.5	46.6	50.7	-143.7	105.6
Net financial items paid	-17.0	-12.2	-8.0	-2.1	-4.9
Net income tax paid	1.1	-0.4	-0.8	2.0	-3.9
Cash flow from operating activities	136.3	207.8	208.8	-99.7	137.0
Acquisition of businesses	0.0	0.0	0.0	0.0	-0.4
Divestment of business	0.0	2.1	2.1	0.0	0.0
Investments in property, plant and equipment	-65.5	-191.3	-184.5	-46.2	-42.1
Disposal of property, plant and equipment	0.4	0.2	0.1	0.0	0.0
Intangible assets and other investments, net	-42.3	-36.5	-28.9	-6.2	-6.8
Cash flow from investing activities	-107.4	-225.5	-211.2	-52.4	-49.3
Free cash flow	**28.9**	**-17.7**	**-2.4**	**-152.1**	**87.7**
Cash flow from financing activities	203.7	-21.0	-36.6	-2.0	-6.7
Net cash flow from discontinued operations	-	-	0.3	0.2	0.2
Net cash flow	**232.6**	**-38.7**	**-38.7**	**-153.9**	**81.2**
Cash at bank and in hand at the beginning of the period	6.9	239.2	239.2	178.9	118.5
Currency adjustments	-0.3	0.0	0.0	0.2	-1.1
Net cash flow	232.6	-38.7	-38.7	-153.9	81.2
Cash at bank and in hand at the end of the period	**239.2**	**200.5**	**200.5**	**25.2**	**198.6**
Of which classified as Assets held for sale	-	-	0.0	0.0	2.4

[1] Photonics included in NKT A/S for 2020 and 2021. For accounting and reporting purposes, NKT Photonics is presented as discontinued operations and assets held for sale as of Q2 2022. All (NKT) cash flows reported for continuing operations.
Source: Annual Report 2021, Interim Report Q2 2022

NKT