

# NKT Cables Group A/S

DK-Vibeholms Allé 20  
2605 Brøndby

CVR no. 15 51 58 72

## Annual report 2022

The annual report was presented and approved  
at the Company's annual general meeting on

10 Juli 2023 \_

DocuSigned by:



Mark Skriver Nielsen

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Mark Skriver Nielsen  
Chairman

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of NKT Cables Group A/S for the financial year 1 January – 31 December 2022.

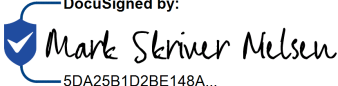
The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

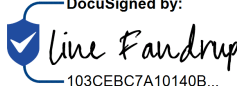
Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Brøndby, 10 July 2024  
Executive Board:

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Mark Skriver Nielsen  
Director

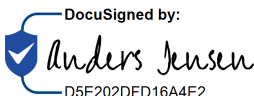
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Line Andrea Fandrup  
Director

Board of Directors:

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Claes Erik Svend Westerlind  
Chairman

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Anders Steffen Jensen

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Line Andrea Fandrup

## **Independent auditor's report**

**To the shareholders of NKT Cables Group A/S**

### **Opinion**

We have audited the financial statements of NKT Cables Group A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Independent auditor's report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the management review

Management is responsible for the management review.

Our opinion on the financial statements does not cover the management review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management review and, in doing so, consider whether the management review is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

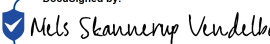
Moreover, it is our responsibility to consider whether the management review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management review.


Copenhagen, 10 July 2023

### Deloitte

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

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**Niels Skannerup Vendelbo**  
State Authorised Public Accountant  
Identification No (MNE) mne34532

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**Martin Pieper**  
State Authorised Public Accountant  
Identification No (MNE) mne44063

**NKT Cables Group A/S**  
Annual report 2022  
CVR no. 15 51 58 72

## **Management's review**

### **Company details**

NKT Cables Group A/S  
Vibeholms Allé 20  
2605 Brøndby  
Denmark

Telephone: +45 4348 2000  
Fax: +45 4396 1820  
Website: [www.nktcables.com](http://www.nktcables.com)  
E-mail: [nktcables@nktcables.com](mailto:nktcables@nktcables.com)

CVR no.: 15 51 58 72  
Established: 1 October 1991  
Registered office: Brøndby  
Financial year: 1 January – 31 December

### **Board of Directors**

Claes Erik Svend Westerlind, Chairman  
Anders Steffen Jensen  
Line Andrea Fandrup

### **Executive Board**

Mark Skriver Nielsen, Director  
Line Andrea Fandrup, Director

### **Auditor**

Deloitte  
Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
DK-2300 Copenhagen S  
CVR no. 33 96 35 56

## Management's review

### Financial highlights

EUR'000	2022	2021	2020	2019	2018
<b>Key figures</b>					
Gross profit	19,375	15,648	9,622	12,017	6,501
Ordinary operating loss	-25	-4,839	-10,212	-7,122	-8,181
Loss from financial income and expenses	-18,643	-17,986	-16,032	-4,000	-2,049
Loss for the year	-14,494	-17,033	-21,043	-8,695	-7,902
Total assets	1,079,231	1,172,922	526,960	774,504	803,497
Equity	142,772	153,885	169,390	190,433	199,128
Investment in property, plant and equipment	0	0	0	7	293
<b>Ratios</b>					
Return on invested capital	0.00%	-0.41%	-1.60%	-0.92%	-1.00%
Current ratio	3.83%	25.42%	-20.40%	2.91%	7.60%
Return on equity	-9.77%	-10.54%	-11.70%	-4.46%	-3.89%

The financial ratios have been calculated as follows:

Return on invested capital	$\frac{\text{Operating profit/loss}}{\text{Total assets}}$
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
Return on equity	$\frac{\text{Profit/loss from ordinary activities after tax}}{\text{Average equity}}$

## **Management's review**

### **Operating review**

#### **Principal activities**

NKT Cables Group A/S serves as holding company for the Group's activities and undertakes the tasks related thereto.

#### **Uncertainty regarding recognition and measurement**

There has been no uncertainty in recognition and measurement in the annual report.

#### **Unusual circumstances**

The Company's assets, liabilities and financial position at 31 December 2022 as well as the results of the Company's activities and cash flows for the year 2022 have not been affected by any unusual events. Further, neither Covid-19 nor the Russian invasion in Ukraine have had a significant impact on the activities of the Company.

#### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

#### **Development in activities and financial position**

The Company's income statement for 2022 shows a loss of EUR 14,494 thousand against EUR 17,033 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at EUR 142,772 thousand as against EUR 153,885 thousand at 31 December 2021. The result for the year was in line with the expectation. For 2023, Management expects a result lower than for 2022, impacted by increased interest expenses.

#### **Outlook**

As the transition to renewable energy gains pace globally, NKT expects the need for reliable high quality power transmission systems to continue increasing. Several countries both inside and outside Europe have launched carbon reduction initiatives, including introducing more offshore wind into the power mix. Entering 2023, progress continues on several tenders across market segments and geographies.

While the timing of future project awards is subject to uncertainty, particularly in the interconnector market, the prospective order awards are expected to continuously improve the supply and demand situation for power cable manufacturers in the years ahead.

Management recognizes the critical importance of maintaining adequate capital resources to support the Company's ongoing operations, investments, and growth initiatives. The availability of sufficient capital ensures the Company's ability to meet financial obligations, pursue strategic opportunities, and maintain a healthy financial position.

To support the capital resources of the Company, the parent company, NKT A/S, has provided a letter of support covering the period until 30<sup>th</sup> of June 2024. In the letter of support, NKT A/S states that it will make the necessary liquidity available for NKT Cables Group A/S, to allow for the Company to settle its liabilities as they fall due and continue as a going concern for the foreseeable future.



## **Management's review**

### **Operating review**

#### **Intellectual capital**

It is essential for NKT Cables Group A/S' continued growth to retain and develop employees; therefore, significant resources are allocated to these efforts. To ensure competitiveness and efficiency, new technology investments are made continuously alongside continued competence development.

#### **Environmental matters**

The company is committed to supporting the environment through sustainable business processes rooted in the business code of conduct. In 2022, the corporate sustainability journey continued with initiatives minimizing the environmental impact of its operations, driving a safety culture and promoting diversity and inclusion.

#### **Branches**

The Company has no branches.

#### **Financial instruments**

##### ***The Company's goals and policies for management of financial risks***

The goal for risk management is to identify, assess and prioritize risks followed by suitable reactions that mitigate, reduce or control the impact of unfortunate events. At NKT Cables Group A/S, risk management is a value-adding tool to raise awareness of risks and to focus on steering the business in the best way on a day-to-day basis and in line with strategy.

At NKT Cables Group A/S, the main revenue streams originate from separate markets with independent market dynamics. This provides a natural risk diversification. The Projects segment – driven by major infrastructure developments – is to a large extent decoupled from the short-term developments of the general economy, whereas sales in the Product segment is closely linked to cyclical construction activities.

## Financial statements 1 January – 31 December

### Income statement

EUR'000	Note	2022	2021
<b>Gross profit</b>		19,375	15,648
Staff costs	2	-18,970	-20,055
Depreciation, amortisation and impairment losses		-430	-432
<b>Operating loss</b>		-25	-4,839
Other financial income	3	10,659	1,250
Other financial expenses	4	-29,302	-19,236
<b>Loss before tax</b>		-18,668	-22,825
Tax on loss for the year		4,174	5,792
<b>Loss for the year</b>	5	-14,494	-17,033

## Financial statements 1 January – 31 December

### Balance sheet

EUR'000	Note	31/12/2022	31/12/2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	6		
Trademarks		23	32
Software		485	793
		<u>508</u>	<u>825</u>
<b>Property, plant and equipment</b>	7		
Land and buildings		308	368
Fixtures and fittings, tools and equipment		146	199
		<u>454</u>	<u>567</u>
<b>Investments</b>	8		
Equity investments in group entities		1,052,121	977,121
		<u>1,052,121</u>	<u>977,121</u>
<b>Total fixed assets</b>		<u>1,053,083</u>	<u>978,513</u>
<b>Current assets</b>			
<b>Receivables</b>			
Trade receivables		12	2
Receivables from group entities		7,889	172,375
Other receivables		1,859	965
Deferred tax asset	9	1,556	10,456
Corporation tax		13,074	9,361
Prepayments	10	1,758	1,250
		<u>26,148</u>	<u>194,409</u>
<b>Total current assets</b>		<u>26,148</u>	<u>194,409</u>
<b>TOTAL ASSETS</b>		<u><u>1,079,231</u></u>	<u><u>1,172,922</u></u>

## Financial statements 1 January – 31 December

### Balance sheet

EUR'000	Note	31/12/2022	31/12/2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital		26,939	26,939
Retained earnings		115,833	126,946
<b>Total equity</b>		<b>142,772</b>	<b>153,885</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Payables to group entities	11	253,000	253,000
Other payables		0	1,337
		<b>253,000</b>	<b>254,337</b>
<b>Current liabilities</b>			
Payables to credit institutions		8,351	0
Trade payables		3,323	4,984
Payables to group entities	11	667,037	752,092
Other payables		4,748	7,624
		<b>683,459</b>	<b>764,700</b>
<b>Total liabilities</b>		<b>936,459</b>	<b>1,019,037</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,079,231</b>	<b>1,172,922</b>
Contractual obligations, contingencies, etc.	12		
Related party disclosure	13		
Disclosure of events after the balance sheet date	14		

## Financial statements 1 January – 31 December

### Statement of changes in equity

EUR'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	26,939	126,946	153,885
Transferred over the distribution of loss	0	-14,494	-14,494
Other equity movements	0	3,381	3,381
<b>Equity at 31 December 2022</b>	<b>26,939</b>	<b>115,833</b>	<b>142,772</b>

Other equity movements include share-based payment movements for the year and other adjustments.

# Financial statements 1 January – 31 December

## Notes to the financial statements

### 1 Accounting policies

The annual report of NKT Cables Group A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The financial statements are presented in EUR'000.

#### Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of NKT Cables Group A/S and group entities are included in the consolidated financial statements of NKT A/S, Vibeholms Allé 20, 2605 Brøndby, CVR no. 62 72 52 14.

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of NKT A/S.

#### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

#### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Differences arising between the rates of exchange on the transaction date and on the date of payment are recognised in the income statement as financial items.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction and the one in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

# Financial statements 1 January – 31 December

## Notes to the financial statements

### 1 Accounting policies (continued)

#### Income statement

##### Gross profit

The items other operating income and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

##### Other operating income

Other operating income comprises income from intragroup transactions.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for the Company's staff.

##### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses comprise amortisation of intangible assets, depreciation of property, plant and equipment, and impairment charges of fixed assets for the year.

##### Financial income

Financial income comprises dividends, etc. received from other investments, interest income, including interest income from receivables from group entities, currency gains as well as tax relief under the Danish on-account tax scheme, etc.

##### Financial expenses

Financial expenses comprise interest expenses, including interest expenses from payables to group entities, currency losses as well as tax surcharges under the Danish on-account tax scheme, etc.

##### Income taxes

The Company is covered by the Danish regulations on compulsory joint taxation of the NKT Group's Danish companies.

The Parent Company, NKT A/S, serves as the administrative company in a joint taxation arrangement and consequently settles all payments of corporate income tax with the tax authorities.

The current Danish income tax is shared between the jointly taxed companies in proportion to their taxable incomes. Companies with tax losses receive joint contributions from companies that have been able to use these losses to reduce their own taxable incomes.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

# Financial statements 1 January – 31 December

## Notes to the financial statements

### 1 Accounting policies (continued)

#### Balance sheet

##### Intangible assets

Intangible assets includes software and are measured at cost less accumulated amortisation and impairment losses.

Intangible assets are amortised on a straight-line basis over the expected useful life which is:

Software	5 years
Trademarks	5 years

The useful life and residual value are reassessed annually with a scrap value of 0. Changes are treated as accounting estimates, and the effect on amortisation is recognised prospectively.

On completion of development of software, the software are amortised on a straight-line basis over their estimated useful life from the date the asset is available for use. The basis of amortisation is reduced by impairment losses.

##### Property, plant and equipment

Land and buildings and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life with a scrap value of 0. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	10–25 years
Fixtures and fittings, tools and equipment	4–8 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Depreciation is recognised in the income statement as depreciation, amortisation and impairment losses.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.



# Financial statements 1 January – 31 December

## Notes to the financial statements

### 1 Accounting policies (continued)

#### Investments in group entities

Investments in group entities are measured at cost and are written down to the lower of recoverable amount and carrying amount.

#### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write-downs for bad debts.

#### Deferred tax

Deferred tax is measured according to the balance-sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative taxation rules can be applied to determine the tax base, deferred tax is measured according to Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward, are recognized under other non-current assets at the expected value of their utilisation, either as a set-off against tax on future income or by set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is adjusted for elimination of unrealized intragroup profits and losses.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

#### Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

#### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

#### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually correspond to nominal value.

## Financial statements 1 January – 31 December

### Notes to the financial statements

#### 2 Staff costs

EUR'000	2022	2021
Wages and salaries	17,544	18,594
Pensions	1,331	1,350
Other social security costs	95	111
	<u>18,970</u>	<u>20,055</u>
Average number of full-time employees	<u>83</u>	<u>90</u>

Staff costs of the Company include wages and salaries of the Parent Company's Executive Board of EUR 720 thousand (2021: EUR 916 thousand) and pension of EUR 0 (2021: EUR 0).

#### 3 Financial income

EUR'000	2022	2021
Interest income from group entities	0	1,183
Other financial income	10,659	67
	<u>10,659</u>	<u>1,250</u>

#### 4 Financial expenses

EUR'000	2022	2021
Interest expense to group entities	29,214	19,130
Other financial costs	88	106
	<u>29,302</u>	<u>19,236</u>

#### 5 Proposed distribution of loss

EUR'000	2022	2021
Retained earnings	<u>-14,494</u>	<u>-17,033</u>

## Financial statements 1 January – 31 December

### Notes to the financial statements

#### 6 Intangible assets

EUR'000	Trademarks	Software	Total
Cost at 1 January 2022	46	1,546	1,592
Cost at 31 December 2022	46	1,546	1,592
Amortisation and impairment losses at 1 January 2022	-14	-753	-767
Amortisation for the year	-9	-308	-317
Amortisation and impairment losses at 31 December 2022	-23	-1,061	-1,084
<b>Carrying amount at 31 December 2022</b>	<b>23</b>	<b>485</b>	<b>508</b>

#### 7 Property, plant and equipment

EUR'000	Land and buildings	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2022	605	413	1,018
Cost at 31 December 2022	605	413	1,018
Depreciation and Impairment losses at 1 January 2022	-237	-214	-451
Depreciation for the year	-60	-53	-113
Depreciation and Impairment losses at 31 December 2022	-297	-267	-564
<b>Carrying amount at 31 December 2022</b>	<b>308</b>	<b>146</b>	<b>454</b>

## Financial statements 1 January – 31 December

### Notes to the financial statements

#### 8 Investments

EUR'000	Equity investments in group entities
Cost at 1 January 2022	983,906
Additions	75,000
Cost at 31 December 2022	1,058,906
Impairment losses at 1 January 2022	-6,785
Impairment losses at 31 December 2022	-6,785
<b>Carrying amount at 31 December 2022</b>	<b>1,052,121</b>

Name/legal form Subsidiaries:	Registered office	Voting rights and ownership interest	Equity EUR'000	Profit/loss for the year EUR'000
NKT (Denmark) A/S	Denmark	100%	65,287	4,911
NKT Group GmbH	Germany	100%	378,707	-21,009
NKT S.R.O.	Czech Republic	100%	23,528	3,705
NKT (Iberica) S.L.	Spain	100%	357	14
NKT Pty Ltd.	Australia	100%	5,802	604
NKT Lithuania UAB	Lithuania	100%	806	254
NKT HV Cables AB	Sweden	100%	607,677	63,359
NKT Inc.	USA	100%	769	1,317
NKT (Sweden) AB	Sweden	100%	-2,246	-13,363
NKT AS	Norway	100%	6,399	1,920
NKT HVC AS	Norway	100%	69,465	3,045
NKT HVC B.V.	Netherlands	100%	1,042	389
NKT HV Cables GmbH	Switzerland	100%	1,393	30
NKT HVC Ltd.	UK	100%	46	-597
NKT Operations India Private Limited	India	99.99%	129	258
			<u>1,159,161</u>	<u>44,837</u>

The figures above are stated in accordance with IFRS and are based on the enterprises' internal reporting. The disclosures above may therefore differ from the financial statements published by the companies concerned, which are presented in accordance with local accounting standards.

## Financial statements 1 January – 31 December

### Notes to the financial statements

#### 9 Deferred tax assets

EUR'000	2022	2021
Deferred tax at 1 January 2022	10,456	10,220
Deferred tax adjustment for the year in the income statement	-9,231	-131
Deferred tax adjustment concerning previous years	331	367
	<u>1,556</u>	<u>10,456</u>

#### 10 Prepayments

For both 2022 and 2021, the figures relate to prepaid costs.

#### 11 Payables to group entities

The figures include cash pool of EUR 589,017 thousand for 2022 and EUR 117,863 thousand for 2021. Non-current part of payables to group entities relates to loan of EUR 253,000 thousand to NKT A/S.

#### 12 Contractual obligations, contingencies, etc.

##### Guarantee Commitments and Contingent liabilities

In November 2021, the Parent Company of NKT Cables Group A/S, NKT A/S, entered into a revolving credit facility by which NKT Cables Group A/S became Original Guarantor. The agreement serves to provide a multi-currency revolving loan facility for the NKT Group, and is entered into with Danske Bank A/S, Nordea Danmark (filial of Nordea Bank Abp, Finland), Nykredit Bank A/S, Commerzbank AG and Skandinaviska Enskilda Banken AB.

##### Contingent liabilities

The Company is jointly registered for VAT with NKT (Denmark) A/S, NKT Photonics A/S and NKT A/S and is jointly liable for VAT liabilities.

The Company participates in a Danish joint taxation arrangement in which NKT A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable, from the financial year 2013, for income taxes, etc. of the jointly taxed entities and from 1 July 2012 for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for the jointly taxed entities. The total known net liability of the jointly taxed entities under the joint taxation arrangement is evident from the administration company's financial statements.

## Financial statements 1 January – 31 December

### Notes to the financial statements

#### 12 Contractual obligations, contingencies, etc. (continued)

##### Operating lease obligations

EUR'000	2022	2021
Rental obligations related to rent, IT equipment, cars and office building	99	130

#### 13 Related party disclosures

NKT Cables Group A/S' related parties comprise the following:

##### Control

NKT A/S, Vibeholms Allé 20, 2605 Brøndby.

NKT A/S holds the majority of the contributed capital in the Company.

NKT Cables Group A/S is part of the consolidated financial statements of NKT A/S, Vibeholms Allé 20, 2605 Brøndby, CVR no. 62 72 52 14.

##### Related party transactions

Intercompany transactions consists of other operating income of EUR 49,080 thousand (2021: EUR 47,846 thousand) and other operating expenses of EUR 18,184 thousand (2021: EUR 20,706 thousand). All other intercompany transactions and balances have been specified in the income statement, balance sheet as well as Note 3, 4, 8 and 11.

#### 14 Disclosure of events after the balance sheet date

No significant event has occurred after the end of the financial year.