

## Bladt emerges stronger from 2019 despite negative result

**An extraordinary write-down of DKK 85m involving a pending arbitration case led to a loss of DKK 42m after tax for Bladt Industries. However, the Management is satisfied with progress due to its healthy core business, record-high order book and absence of accidents at work.**

A range of well-implemented projects, additional employees, a historically strong order book, zero accidents at work and strengthened competitiveness ensured that 2019 was a good year for Bladt Industries. And although the profit after tax ended at minus DKK 42m, one accounting write-down regarding a single project was the only obstacle to a positive bottom line.

“Aside from the write-down, we are very satisfied with the results achieved by Bladt’s core business. Our healthy and customer-focused company is developing in the right direction,” says CEO Klaus Steen Mortensen.

As a consequence of the reduced book equity caused by the write-down, in 2019, Bladt’s owners chose to invest and inject DKK 150m of additional equity to bolster the company and support its continued growth plans.

“We are very pleased that our owners demonstrated such great faith in us in 2019 by increasing their investments in Bladt. That reinforces our robustness and shows that our owners have full confidence in the company. It also ensures that we can continue developing Bladt in an offshore wind power market with expected annual growth rates of more than 20% for as far as the eye can see,” says Klaus Steen Mortensen.

More and larger projects combined with deliveries of steel and components also meant that Bladt raised its revenue by an impressive 49% in 2019. At the same time, 220 additional colleagues joined the workforce in 2019, bringing the company’s total to 495 permanent full-time employees at the end of 2019.

### **Bladt prepared for growth**

It was also – and *is* – necessary to prepare for the future. According to Wood Mackenzie, a global leader in data analytics, demand for offshore foundations for the wind power industry will double every four or five years for many years ahead – growth that is expected to spread from Europe to the whole world. The growth in 2019 also reflects and supports Bladt’s own expectations of double-digit annual growth rates in almost all its markets.

“Growth rates like these accompany tougher competition, fewer subsidies and more comprehensive delivery requirements for suppliers. Consequently, in 2019, we made extensive efforts to increase efficiency and prepare the company to compete in a more modern industry without subsidies – not only in Denmark and the Nordic countries, but also in the global market,” says Klaus Steen Mortensen.

In the Asian market, Bladt Industries in Taiwan completed preparatory works together with a local joint venture partner, and in the US market, in 2019, Bladt signed contracts for two substations that will be produced in Denmark and shipped to the USA.

“Our capacity to produce in Denmark and then ship the finished components to the USA shows that we are competitive and in a strong position regarding the growing market,” says Klaus Steen Mortensen, who has been at the helm of Bladt Industries for three years.

However, for health reasons, Klaus Steen Mortensen has chosen to replace his CEO title with a seat on the board at the company. His replacement as CEO will be the former head of offshore activities at Vestas, Anders Sjøe-Jensen.

“Under Klaus’ management, we have worked to develop and future-proof Bladt Industries, so that we can secure our share of the very positive future market. I am now looking forward to continuing this work with Anders Sjøe-Jensen as our new CEO, and Klaus on the Board of Directors,” says Chairman of the Board Bjarne Moltke Hansen.

**Read more about the change of CEO below.**

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## **Press Release – change of CEO (supplement)**

### **Bladt Industries welcomes a new CEO**

An exceptionally experienced offshore profile will be leading Aalborg-based Bladt Industries into the future – 58-year-old Anders Sjøe-Jensen, the former head of both Vestas Offshore Wind and most recently GE Offshore Wind.

“Bladt Industries is a fantastic company with enormous potential that I am looking forward to unleashing – in close cooperation with my new colleagues, business partners and not least Bladt’s many Danish and international customers,” says Anders Sjøe-Jensen.

After almost three years in charge, Klaus Steen Mortensen has decided to step aside as CEO due to a chronic but not life-threatening heart condition.

While in office, Klaus Steen Mortensen worked on preparing Bladt for a future without state subsidies – while simplifying and stabilising the company, which, for some years, had been characterised by major workforce fluctuations and the resulting inefficient work procedures.

“My prime focus has been on creating a far more efficient, predictable and stable company that can compete without subsidies. We have achieved those aims with great success,” says Klaus Steen Mortensen, who will concentrate on working on the Board of Directors and spending more time with his family.

Chairman of the Board Bjarne Moltke Hansen believes that Bladt Industries is strongly equipped for the future.

“Bladt has experienced an exciting period featuring many changes. However, although it has sometimes been an uphill climb the Management, led by Klaus, has succeeded in creating an important international focus

while improving efficiency at the company. And Anders Sjøe-Jensen is clearly the right person to continue that development,” says Chairman of the Board Bjarne Moltke Hansen.

### **Facts: 2019 in brief**

- The result for the year totalled minus DKK 42m after tax as a result of a technical write-down concerning a pending arbitration case.
- Excluding one-off costs relating to the pending arbitration case, the gross result totalled DKK 86m.
- Revenue at Bladt Industries rose by 49% thanks to a range of activities despite the negative effect from the postponement of the Vesterhav Nord and Vesterhav Syd offshore wind farms.
- During 2019, Bladt Industries expanded its workforce of both hourly paid and permanent staff while also extending its production facilities.
- To support Bladt’s growth ambitions, Bladt’s owners increased its equity capital by DKK 150m via a capital injection.

### **About Bladt Industries**

*Bladt Industries is an international steel contractor specialising in large-scale and highly complex steel structures. Bladt operates in three key areas of business, providing steel solutions for the wind and renewable energy sector, for the oil and gas industry and for infrastructural projects. Additional information about Bladt Industries is available on [www.bladt.dk](http://www.bladt.dk).*