

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S
Company registration no. 58868728
Q2 report 2024/2025
(1 October 2024 – 31 March 2025)

Gabriel Holding A/S – first half of 2024/25 financial year

Gabriel Holding A/S delivers an increase in profit in the second quarter and maintains its expectations for the 2024/25 financial year.

Summary (comparative figures in parentheses)

- All units except the North American FurnMaster business delivered increases in revenue and profit in the first half of the year.
- Total operations delivered: in the first half-year.
 - Revenue grew DKK 7.8 million to 476.8 million (DKK 469.0 million).
 - EBITDA was DKK 44.7 million (DKK 35.0 million), EBIT was DKK 16.0 million (DKK 10.5 million) and profit before tax was DKK 9.2 million (DKK 1.2 million).
 - In the second quarter, revenue increased by 3% to DKK 248.7 million (DKK 241.3 million). EBITDA was DKK 30.8 million (DKK 19.1 million), EBIT was DKK 15.6 million (DKK 7.3 million) and profit before tax was DKK 11.9 million (DKK 4.2 million).
- The Group's furniture manufacturing activities – FurnMaster – are still for sale and reported as discontinued operations.
- Continuing operations delivered revenue growth of 9% and an increase in operating profit (EBIT) to DKK 20.9 million compared to DKK 4.2 million in the first half of 2024/25 financial year.
 - Revenue was DKK 261.5 million (DKK 240.9 million).
 - EBITDA was DKK 41.0 million (DKK 22.1 million), operating profit (EBIT) was DKK 20.9 million (DKK 4.4 million) and profit before tax was DKK 18.5 million (DKK -4.0 million).
 - In the second quarter, revenue increased by 10% to DKK 138.1 million (DKK 125.0 million). EBITDA was DKK 27.1 million (DKK 12.9 million), EBIT was DKK 16.8 million (DKK 4.0 million) and profit before tax was DKK 12.4 million (DKK 1.6 million).

Gabriel Holding A/S Hjulmagervej 55
9000 Aalborg, Denmark
Phone: +45 9630 3117
Contact: Anders Hedegaard Petersen, CEO

- The external (forensic) investigation initiated as a result of the irregularities in Mexico continues:
 - Provisional conclusions based on analyses of a very large amount of data including emails and chat conversations indicate no evidence of fraudulent activity or asset misappropriation.
 - Management will provide further information when the final report is available.
 - Based on the knowledge the Group now has about the operations of the Mexican FurnMaster unit, adaptation of the business in Mexico was initiated in the first half of 2024/25, where loss-making commercial contracts are now being discontinued. The half-year is therefore negatively affected by non-recurring restructuring costs of adapting the unit. In addition, the Group has paid non-recurring advisory costs which affect both discontinued and continuing operations.

Expectations for the full year 2024/25

Management expects that the challenging market conditions affecting the furniture industry will continue in the second half of 2024/25 as a result of continued geopolitical risks and uncertainty about tariffs, inflation, currencies and interest rate trends.

However, the continuing operations have delivered firm growth in revenue and profit in the first half year and management expects that this trend will continue.

After the first half-year, the expectations for revenue of DKK 485 – 530 million (0 – 10% growth) and operating profit (EBIT) of DKK 20 – 30 million (DKK 19.7 million) from the continuing operations are maintained.

However, a high level of uncertainty continues to surround these expectations as a result of the above-mentioned market risks.

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Financial highlights for the Group

	Continuing operations					Group		
	2024/25 H1	2023/24 H1	2024/25 Q2	2023/24 Q2	2023/24 Full year	2024/25 H1	2023/24 H1	2023/24 Full year
Net revenue	261.5	240.9	138.1	125.0	483.5	476.8	469.0	912.3
Earnings before depreciation, amortisation and impairment losses (EBITDA)	41.0	22.1	27.1	12.9	56.8	44.7	35.0	63.8
Operating profit (EBIT)	20.9	4.4	16.8	4.0	19.7	16.0	10.5	10.9
Share of profit after tax in joint venture	1.0	-0.5	0.1	-0.2	0.9	1.0	-0.5	0.9
Net finance income and costs	-3.4	-7.9	-4.6	-2.2	-16.6	-7.7	-8.8	-19.7
Profit/loss before tax	18.5	-4.0	12.4	1.6	4.0	9.2	1.2	-7.9
Tax	0.6	-0.9	-0.5	0.0	-5.5	-0.9	-0.9	-7.8
Profit/loss after tax	19.1	-4.8	11.9	1.6	-1.5	8.2	0.3	-15.7
Statement of financial position total ¹	809.1	779.7			777.2			
Equity ¹	273.9	277.7			261.6			
Invested capital	369.1	363.6			362.6	555.1	581.3	542.9
Working capital	150.8	155.8			156.9	248.2	261.8	261.4
Cash flows from operating activities ¹	51.5	17.7			37.3			
Investments in property, plant and equipment ¹	4.9	8.5			13.9			
Depreciation, amortisation and impairment losses	20.1	17.6	10.3	8.9	37.1	28.7	24.6	52.9
Financial ratios:								
Gross margin, %	54.4	49.3	55.5	48.5	51.7	37.0	35.0	35.5
EBIT margin, %	8.0	1.8	12.2	3.2	4.1	3.4	2.2	1.2
Return on invested capital, %	11.4	2.4	18.3	4.5	4.4	5.8	3.9	3.6
Earnings/loss per share (EPS), DKK	20.2	-5.1	25.2	3.4	-0.8	8.7	0.4	-8.3
Return on equity, %	14.3	-3.2			-0.5	6.2	0.2	-5.8
Market price at period end, DKK	148.0	254.0			270.0	0.0		
Price Earnings (PE), DKK	8.9	-51.5	5.9	73.7	-337.5	17.0	697.8	-32.5
Equity ratio, %	37.4	38.5			36.7	33.8	35.6	33.7
Average number of employees	390	388	391	387	389	1,084	1,218	1,184
Average number of employees in production	174	169	175	171	171	754	868	839

¹ Highlights disclosed for the total activities in the Group