

## COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S  
Company registration no. 58868728  
Quarterly report, three quarters of 2019/20  
(1 October 2019 – 30 June 2020)

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### Gabriel Holding A/S – three quarters of the 2019/20 financial year

#### Summary:

After three quarters, Gabriel Holding A/S has realised revenue growth of 7% to DKK 556 million (DKK 520 million) and profit before tax of DKK 34.5 million (DKK 49.1 million).

In the third quarter of the year, which was negatively affected by the outbreak of coronavirus (Covid-19), a 22% decrease in revenue and a loss before tax of DKK 2.2 million has been realised.

The results realised in the third quarter exceeded management's last expectations and the expectations for the last quarter of the year were adjusted upwardly as well. As a result here of, the total expectations for the full financial year were adjusted upward on 10 August 2020 in a separate company announcement.

The total expectations for the full financial year are thus revenue of DKK 715-725 million (DKK 708 million) and profit before tax of DKK 28-33 million (DKK 62.9 million).

#### Selected financial ratios:

- Revenue increased by DKK 36.1 million (7%) to DKK 556.3 million (DKK 520.2 million)
  - Revenue in the third quarter decreased by 22% to DKK 138.3 million (DKK 176.5 million)
- Operating profit (EBIT) decreased by 18% to DKK 40.4 million (DKK 49.3 million)
  - Operating profit (EBIT) in the third quarter was DKK 0.7 million (DKK 13.2 million)
- Net finance income and costs in the period were DKK -8.0 million (DKK -1.9 million), primarily due to currency movement and, to a lesser extent, to increased drawing on credit facilities and the effect of a change in IFRS 16
- Profit before tax decreased to DKK 34.5 million (DKK 49.1 million)
  - Profit before tax in the third quarter was DKK -2.2 million (DKK 12.7 million)
- Return on invested capital was 13.9% (20.5%)
- Operating margin was 7.3% (9.5%)

#### Expectations for the 2019/20 financial year:

- Revenue of DKK 715-725 million (DKK 708 million last year) and profit before tax of DKK 28-33 million (DKK 62.9 million last year) are expected for the full financial year 2019/20. The expectations were adjusted in a separate company announcement on 10 August 2020.

- A high level of uncertainty continues to surround these expectations, since the outbreak of coronavirus (Covid-19) in particular makes market prospects unclear.

| <b>GROUP</b>  |                 |          |                |         |           |
|---|-----------------|----------|----------------|---------|-----------|
| <b>Financial highlights, DKK million</b>                                  | <b>2019/20</b>  | 2018/19  | <b>2019/20</b> | 2018/19 | 2018/19   |
|   | <b>9 months</b> | 9 months | <b>Q3</b>      | Q3      | Full year |
| Net revenue   | <b>556.3</b>    | 520.2    | <b>138.3</b>   | 176.5   | 708.2     |
| Earnings before depreciation, amortisation and impairment losses (EBITDA) | <b>67.5</b>     | 63.0     | <b>10.1</b>    | 18.2    | 81.1      |
| Operating profit (EBIT)   | <b>40.4</b>     | 49.3     | <b>0.7</b>     | 13.2    | 61.9      |
| Share of profit after tax in joint venture                                | <b>2.0</b>      | 1.8      | <b>0.1</b>     | 0.7     | 2.3       |
| Net finance income and costs  | <b>-8.0</b>     | -1.9     | <b>-3.0</b>    | -1.2    | -1.3      |
| Profit before tax   | <b>34.5</b>     | 49.1     | <b>-2.2</b>    | 12.7    | 62.9      |
| Tax   | <b>-8.1</b>     | -10.6    | <b>-0.1</b>    | -2.6    | -13.9     |
| Profit for the period   | <b>26.3</b>     | 38.5     | <b>-2.3</b>    | 10.1    | 49.0      |
| Statement of financial position total                                     | <b>663.3</b>    | 565.6    |                |         | 562.3     |
| Equity  | <b>286.9</b>    | 283.6    |                |         | 281.2     |
| Invested capital  | <b>416.3</b>    | 360.3    |                |         | 349.1     |
| Working capital   | <b>167.1</b>    | 179.8    |                |         | 166.3     |
| Cash flows from operating activities                                      | <b>47.0</b>     | 13.1     | <b>32.1</b>    | -11.8   | 43.8      |
| Investments in property, plant and equipment                              | <b>6.4</b>      | 5.2      | <b>1.8</b>     | 4.7     | 25.2      |
| Depreciation, amortisation and impairment losses                          | <b>27.1</b>     | 13.8     | <b>9.4</b>     | 5.0     | 19.2      |
| Financial ratios:   |                 |          |                |         |           |
| Gross margin, %   | <b>37.6</b>     | 41.1     | <b>38.7</b>    | 40.8    | 40.1      |
| Operating margin (EBIT margin), %   | <b>7.3</b>      | 9.5      | <b>0.5</b>     | 7.5     | 8.7       |
| Return on invested capital (ROIC) before tax, %                           | <b>13.9</b>     | 20.5     | <b>0.8</b>     | 16.5    | 22.7      |
| Earnings per share (EPS), DKK   | <b>18.6</b>     | 27.2     | <b>-4.8</b>    | 21.4    | 25.9      |
| Return on equity, %   | <b>12.3</b>     | 21.2     | <b>-3.2</b>    | 16.7    | 18.5      |
| Price earnings (PE), DKK  | <b>40.7</b>     | 26.0     | <b>-157.0</b>  | 33.0    | 27.5      |
| Number of employees (average over the period)                             | <b>1,114</b>    | 769      | <b>1,026</b>   | 930     | 855       |
| - including production staff  | <b>795</b>      | 406      | <b>712</b>     | 452     | 645       |