

## **COMPANY ANNOUNCEMENT AND PRESS RELEASE**

Gabriel Holding A/S  
Company registration no. 58868728  
Q1 report 2024/2025  
(1 October 2024 – 31 December 2024)

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### **Gabriel Holding A/S – first quarter of the 2024/25 financial year**

#### **Summary:**

#### **Continuing operations:**

Gabriel's continuing operations deliver 6% revenue growth to DKK 123.5 million in the first quarter of the year compared to DKK 116 million in the same period last year. The North American and Asian markets contribute a solid increase in revenue in the quarter, while other units were on a par with the first quarter of 2023/24. Operating profit (EBIT) from continuing operations increased to DKK 4.1 million, compared to DKK 0.4 million in the same period last year.

#### **Total operations:**

Total operations including discontinued operations deliver revenue of DKK 228.1 million compared to DKK 227.7 million in the same period last year, and operating profit (EBIT) of DKK 0.3 million compared to DKK 3.2 million in the same period last year.

The FurnMaster business units are being carved out and are expected to be sold during the 2024/25 financial year. As in the annual report for 2023/24, they are consequently treated as discontinued operations. The items for the FurnMaster business units are therefore presented on separate lines in the income statement and statement of financial position.

#### **Discontinued operations:**

The discontinued operations (the FurnMaster business units) delivered a negative result of DKK 9.4 million after tax (DKK 2.3 million in the first quarter of 2023/24). The European FurnMaster business units delivered revenue on a par with the same period in 2023/24 and a positive result. In Mexico, the development, both of revenue and results, was negative.

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As stated in the annual report for the 2023/24 financial year, an external (forensic) investigation has been launched following the irregularities identified and recognised in the presentation of the 2023/24 financial statements for the Mexican company. This work is ongoing and proceeding as planned.

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 quarter of 2024/25, where loss-making contracts are now being discontinued. Both discontinued and continuing operations in the quarter are therefore negatively affected by non-recurring restructuring costs of adapting the unit and by advisory costs.

### **Selected financial highlights and comments:**

#### Continuing operations:

- Revenue was DKK 123.5 million (DKK 116.0 million), the equivalent of 6% growth
- Earnings before depreciation, amortisation and impairment losses (EBITDA) were DKK 13.8 million (DKK 9.1 million)
- Operating profit (EBIT) was DKK 4.1 million (DKK 0.4 million)
- Profit before tax was DKK 6.1 million (DKK -5.6 million)
- Cash flow from operating activities (total operations) was DKK 33.8 million (DKK 26.6 million)
- EBITDA margin was 11.3% (7.9%)
- EBIT margin was 3.3% (0.3%)
- Return on invested capital (ROIC) stood at 4.5% (0.4%)

#### Total operations (discontinued and continuing operations):

- Revenue was DKK 228.1 million (DKK 227.7 million)
- EBITDA was DKK 13.9 million (DKK 15.9 million)
- EBIT was DKK 0.3 million (DKK 3.2 million)
- Loss before tax was DKK -2.7 million (DKK -3.0 million)

- As stated, restructuring of the FurnMaster unit in Mexico negatively affected the quarter

### **Expectations for the full year 2024/25**

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

However, the continuing operations delivered growth in revenue and profit for the 2023/24 financial year and management expects that this trend will continue.

After the first quarter, Gabriel Holding A/S maintains the announced 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 continuing operations.

A high level of uncertainty surrounds the expectations for the 2024/25 financial year, primarily as a result of the above-mentioned market risks.

**Financial highlights for the Group – continuing operations:**

<b>Financial highlights, DKK million</b>	<b>2024/25</b>	<b>2023/24</b>	<b>2023/24</b>
	<b>Q1</b>	<b>Q1</b>	<b>Full year</b>
Net revenue	<b>123.5</b>	116.0	483.5
Earnings before depreciation, amortisation and	<b>13.9</b>	9.1	56.8
Operating profit (EBIT)	<b>4.1</b>	0.4	19.7
Share of profit after tax in joint venture	<b>0.8</b>	-0.2	0.9
Net finance income and costs	<b>1.2</b>	-5.7	-16.6
Profit/loss from continuing operations before tax	<b>6.1</b>	-5.6	4.0
Tax	<b>1.1</b>	-0.9	-5.5
Profit/loss for the period from continuing operations after	<b>7.2</b>	-6.5	-1.5
Profit/loss for the period from discontinued operations	<b>-9.4</b>	2.3	-14.2
Loss for the period	<b>-2.2</b>	-4.2	-15.7
Statement of financial position total <sup>1</sup>	<b>801.5</b>	756.0	777.2
Equity <sup>1</sup>	<b>263.4</b>	272.3	261.6
Invested capital	<b>366.0</b>	353.7	362.6
Working capital	<b>142.5</b>	143.1	156.9
Cash flow from operating activities <sup>1</sup>	<b>33.8</b>	26.6	37.3
Investments in property, plant and equipment <sup>1</sup>	<b>2.8</b>	4.7	13.9
Depreciation, amortisation and impairment losses	<b>9.8</b>	8.8	37.1
Financial ratios:			
Gross margin, %	<b>53.1</b>	50.2	51.7
EBIT margin, %	<b>3.3</b>	0.3	4.1
Return on invested capital (ROIC), %	<b>4.5</b>	0.4	0.9
Loss per share (EPS), DKK	<b>-4.6</b>	-8.8	-8.3
Profit/loss per share from continuing operations, DKK	<b>15.3</b>	-13.7	-0.8
Return on equity, %	<b>10.8</b>	-9.4	-0.5
Market price at end of period, DKK	<b>180</b>	264	270
Price earnings (PE), DKK	<b>11.8</b>	-19.3	-32.5
Equity ratio, %	<b>32.9</b>	36.0	33.7
Equity ratio, continuing operations, %	<b>35.8</b>	38.3	36.7
Average number of employees	<b>389</b>	389	389
– including production staff	<b>172</b>	167	171

<sup>1</sup> Financial highlights are shown for the Group's total activities

