ANNUAL REPORT 2023-24

Gabriel Holding A/S

Gabriel

The English text is a translation. In case of any discrepancies, the Danish text shall prevail.

Irregularities in the Group's Mexican FurnMaster company influence the 2023/24 financial year negatively and lead to corrections of previous years' figures. Revenue for the year is DKK 912 million, and operating profit (EBIT) is DKK 10.9 million.

Summary

On 14 November 2024, Gabriel Holding A/S announced that publication of the annual report for 2023/24 had to be postponed due to challenges with the financial reporting in the Group's Mexican FurnMaster company.

In consequence, detailed verification of the historical financial reporting was carried out. The verification was made difficult because the people who, historically, had prepared the financial reporting had left the company in August 2024. The verification process identified material errors, including in the valuations of inventories in previous years. The process involved great efforts internally and by the Group's auditor. Additional external experts and advisers were also called in. The common purpose was to provide information and data to ensure and support accurate financial reporting, now and for the future. In addition, an investigation has been launched, involving professional advisers, to establish whether the irregularities were caused by fraudulent activity.

The identified errors have been corrected in the current year's results. The correction significantly influences the financial statements for the year. The correction negatively affects the fourth quarter of the year and thus the EBIT figure for the year by DKK 7.9 million. Significant corrections have also been made to previous years' figures, which means that the comparative figures have also been restated. Equity for the 2022/23 financial year was thus corrected by DKK 39.2 million and for 2021/22 by DKK 11.6 million. Please see the Financial Review and note 29 for further details and a separate description.

In the 2023/24 financial year, all Gabriel business activities delivered revenue of DKK 912 million and operating profit (EBIT) of DKK 10.9 million.

In the annual report covering the 2022/23 financial year, management stated that it expected revenue of the order of DKK 850-900 million and operating profit (EBIT) of DKK 0-10 million for the 2023/24 financial year. After four months of the financial year, these expectations were upwardly adjusted to revenue of DKK 880-930 million and operating profit (EBIT) of DKK 8-15 million.

Apart from the above irregularities, the financial year was driven by the global fabric business, including the SampleMaster business unit, which was strengthened during the financial year and delivered growth in both revenue and profit.

During the financial year, the European FurnMaster business recorded an expected, but limited, decrease in revenue and despite this delivered growth in operating profit.

As part of a new growth strategy for the Gabriel Group, management announced in August 2024 that it would intensify the development of the Gabriel Fabrics and SampleMaster business units and that a carve-out of the FurnMaster business units had been initiated.

Management expects to complete the divestment during the 2024/25 financial year. In the consolidated financial statements and parent company financial statements for 2023/24, the FurnMaster business units will consequently be accounted for as discontinued operations in the income statement, and assets and liabilities held for sale will be shown as a separate line item in the statement of financial position.There has been satisfactory interest in taking over the ownership of the Group's FurnMaster business since the process started. However, the dialogue with potential buyers is not yet sufficiently advanced to form the basis for estimating the effect on the Group of a completed divestment.

Activities that are not sold during the process will in future be accounted for as continuing operations in the Group.

The continuing operations comprise the Group's global fabric business, which delivered the following selected financial highlights in the 2023/24 financial year:

- Revenue increased by 6.4% to DKK 483.5 million (2022/23: DKK 454.5 million)
- Gross margin was 51.7% (2022/23: 51.4%)
- Earnings before depreciation, amortisation and impairment losses (EBITDA) were DKK 56.8 million (2022/23: DKK 46.9 million)
- EBITDA margin was 11.7% (2022/23: 10.3%)
- Operating profit (EBIT) was DKK 19.7 million (2022/23: DKK 13.1 million)
- EBIT margin was 4.1% (2022/23: 2.9%)
- Profit before tax was DKK 4.0 million (2022/23: DKK 3.1 million)
- Results after tax were a negative of DKK 1.5 million (2022/23: a negative of DKK 1.4 million).
- Results after tax including discontinued operations were a negative of DKK 15.7 million (2022/23: a negative of DKK 44.1 million).

It should be noted that the continuing operations are not affected at EBIT level by the correction in Mexico, whereas results after tax was affected by the secondary consequences as described in this annual report.

Expectations for the future

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 inflation, currencies and interest rate trends.

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

On this basis, revenue of DKK 485-530 million (0-10% growth) and operating profit (EBIT) of DKK 20-30 million (2023/24: DKK 19.7 million) are expected 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.

The Board of Directors recommends the following to the general meeting of Gabriel Holding A/S, to be held on 29 January 2025:

- Approval of the annual report for 2023/24
- Submission of the remuneration report for an advisory vote
- Approval of the remuneration of the Board of Directors for the current financial year
- Re-appointment of Søren Mygind Eskildsen, Hans O. Damgaard, Søren B. Lauritsen and Randi Toftlund Pedersen as board members. Chair of the Board Jørgen Kjær Jacobsen wishes to stand down.
- Re-appointment of KPMG Statsautoriseret Revisionspartnerselskab as auditors.

The official annual report is published on the company's website. As part of the Group's sustainability efforts, there will be no printed version of the report.

Picture on cover: Parcel Loop

Financial highlights

for the Group

FINANCIAL HIGHLIGHTS	Unit	2023/24	2022/23 (restated)	2021/22[1] (restated)	2020/21[1]	2019/20[1]
Revenue	DKK million	**483.5**	454.5	1,065.0	809.7	727.3
Growth[2]	%	**6.4**	-57.3	31.5	11.3	2.7
of which exports	DKK million	**447.3**	423.1	884.6	688.0	629.0
Export percentage	%	**93**	93	83	85	86
Earnings before depreciation, amortisation and impairment losses (EBITDA)	DKK million	**56.8**	46.9	96.0	96.5	80.3
Operating profit (EBIT)	DKK million	**19.7**	13.1	53.5	58.6	41.9
Net finance income and costs	DKK million	**-16.6**	-10.4	15.5	-2.8	-12.8
Profit from continuing operations before tax	DKK million	**4.0**	3.1	69.1	58.8	32.0
Tax	DKK million	**-5.5**	-4.6	-22.4	-12.6	-7.0
Profit/loss from continuing operations after tax	DKK million	**-1.5**	-1.4	46.7	46.2	25.0
Loss from discontinued operations after tax	DKK million	**-14.2**	-42.7			
Profit/loss for the year	DKK million	**-15.7**	-44.1	46.7	46.2	25.0
Cash flows from:						
Operating activities	DKK million	**37.3**	26.5	9.1	39.4	57.2
Investing activities	DKK million	**-20.9**	-34.8	-41.1	-36.6	-30.5
Financing activities	DKK million	**-15.9**	-27.6	-45.2	-32.0	-18.1
Cash flows for the year	DKK million	**0.5**	-52.2	-77.2	-29.2	8.6
Investments in property, plant and equipment	DKK million	**13.9**	23.7	32.2	27.8	22.7
Depreciation, amortisation and impairment losses	DKK million	**37.1**	33.8	42.6	37.9	38.4
Equity[2]	DKK million	**261.6**	275.7	347.1	322.1	283.4
Statement of financial position total[2]	DKK million	**777.2**	773.7	861.0	731.2	645.5
Invested capital	DKK million	**362.6**	538.3	569.2	474.7	411.3
Working capital	DKK million	**156.9**	258.1	299.6	223.8	172.3
Average number of employees	Number	**389**	396	1,358	1,163	1,151
Revenue per employee	DKK million	**1.2**	1.1	0.8	0.7	0.6
FINANCIAL RATIOS						
Gross margin	%	**51.7**	51.4	32.5	36.4	37.6
EBITDA margin	%	**11.7**	10.3	9.0	11.9	11.0
EBIT margin	%	**4.1**	2.9	5.0	7.2	5.8
Return on invested capital (ROIC) before tax	%	**0.9**	0.6	15.3	13.3	8.4
Return on invested capital (ROIC) after tax	%	**-0.3**	-0.3	11.0	10.4	6.6
Earnings/loss per share (EPS)	DKK	**-8.3**	-23.4	24.7	24.4	13.2
Loss per share from continuing operations	DKK	**-0.8**	-0.7			
Return on equity	%	**-0.5**	-0.5	17.1	15.3	8.9
Equity ratio	%	**33.7**	35.6	40.3	44.1	43.9
Equity ratio, continuing operations	%	**36.7**				
Book value per share at year end	DKK	**138**	146	184	170	150
Market price at year end	DKK	**270**	306	515	630	690
Price/book value	DKK	**2.0**	2.1	2.8	3.7	4.6
Price earnings (PE)	DKK	**-32.5**	-13.1	20.8	25.8	52.2
Price cash flow (PCF)	DKK	**13.7**	21.8	107.1	30.3	22.8
Proposed dividends per DKK 20 share	DKK	**0.00**	0.00	10.75	9.75	5.00
Dividend yield	%	**0.0**	0.0	2.1	1.5	0.7
Payout ratio	%	**0**	0	35	40	38

Please see page 79 for definitions of financial ratios.

The figures for the years 2021/22 and 2022/23 have been restated due to corrections of material errors. See also note 29.

[1] No restatement regarding discontinued operations was made to the financial highlights for the years 2019/20 – 2021/22.

[2] No restatement regarding discontinued operations was made to the financial highlights for the years 2019/20 – 2022/23.

Contents

The Executive Board of Gabriel Holding A/S.
CEO Anders Hedegaard Petersen (left) and CCO Claus Møller.

Gabriel profile

Mission
Innovation and value-adding partnerships are fundamental values of Gabriel's mission statement.

Gabriel is a niche company which, in the entire value chain from concept to furniture user, develops, manufactures and sells upholstery fabrics, components, upholstered surfaces and related products and services. Gabriel develops its services to be used in fields of application where product features, design and logistics have to meet invariable requirements, and where quality and environmental management must be documented.

Vision
Gabriel is to be the preferred development partner and supplier to selected leading international manufacturers and major users of upholstered furniture, seats and upholstered surfaces.

Gabriel will achieve Blue Ocean status through an innovative business concept, patents, licences, exclusivity agreements or similar rights.

Gabriel will have the status of an attractive workplace and partner company for competent employees and companies.

Financial targets
Gabriel aims, under normal market conditions, to achieve:
- return on invested capital (ROIC) averaging at least 15% before tax;
- an increasing average operating (EBIT) margin;
- an average annual increase in earnings per share of at least 15%; and
- an average annual increase in revenue of at least 15%.

In years with acquisitions or major business start-ups, management accepts a temporary decrease in the achievement of its financial targets, provided that the company on average meets the targets over a five-year period.

Strategy
Gabriel is growing with the largest market participants. Gabriel's growth is based on a global strategy of close development partnerships and trading relations with approximately 70 selected major leading customers.

Gabriel strives to win the largest possible share of the selected strategic customers' purchase of furniture fabrics, related components and services in the value chain. The FurnMaster Business Unit realises the commercial potential of the links of the value chain deriving from furniture fabrics, e.g. cutting, sewing and upholstering of furniture components.

As announced earlier in the year, Gabriel has initiated a carve-out process in which the FurnMaster business will be fully or partly divested. Even though FurnMaster has developed into a market leader over the years, it no longer falls within the defined scope of the Gabriel Group's growth strategy. Focus after the carve-out will be on developing the two other business units: Gabriel Fabrics and SampleMaster.

Human resources
Gabriel must be able globally to attract and retain staff who have the right skills and knowledge to create innovation and drive growth. Gabriel prioritises the use, development and sharing of knowledge and skills by everyone.

All employees are familiarised with Gabriel's vision, strategy, targets and activity plans and regularly updated on their work situation. This takes place at meetings and in employee development dialogues. It ensures that all employees work towards clear goals and in defined areas of responsibility, and stimulates their professional and personal development.

Company structure
The Gabriel Group consists of three operating companies and the property company Gabriel Ejendomme A/S.

The three operating companies, Gabriel A/S in Europe, Gabriel Asia Pacific in Asia and Gabriel North America Inc. in North America ensure that the Group's overall goals of innovating and adding value are achieved with appropriate regional adjustments.

The three operating companies implement the same four core processes based on the Group's strategy. Key performance indicators (KPIs) have been set for each process:
- Key Account Management (KAM)
- Logistics
- Product and process innovation
- Price competitiveness

The activities of the Gabriel Group companies are described below:

Gabriel Holding A/S
Gabriel Holding A/S is the Group's parent company and responsible for general management. The Group has traded as three independent operating companies since 2015. As a consequence, group central functions were transferred from the operating company, Gabriel A/S, with effect from 1 October 2016.

The Executive Board of Gabriel Holding A/S consists of CEO Anders Hedegaard Petersen and CCO Claus Møller. Gabriel Holding A/S is also responsible for the general management of the core areas of design, product development, quality, CSR and business development.

Gabriel Asia Pacific
Gabriel Asia Pacific was established in 2003. Trading as Gabriel (Tianjin) International Trading Co. Ltd., it is engaged in development of the APAC region. Gabriel Asia Pacific is an important part of the total strategy: to service global contract furniture manufacturers and distributors and make innovative and competitive products for all markets. The company also works closely with the region's interior decoration and design companies by providing services to construction projects, including the supply of fabric for motor vehicles, retail chains, hotels, airports, offices, ships, schools, theatres, opera houses and concert halls. In addition to the company's Regional Head Office in Beijing, there have been offices in Bangkok, Tianjin, Chengdu, Chongqing, Guangzhou, Hangzhou, Hong Kong, Manila, Xi'an, Shanghai, Shenzhen, as well as Singapore, for a number of years.

There is strong focus on continuing recruiting and, in particular, on expanding product development and sales resources in Greater China and the APAC region as a whole.

In the year under review, new products were developed and regular deliveries established to new strategic customers. New development projects and potential customers are in the pipeline, and local efforts are intensified continuously.

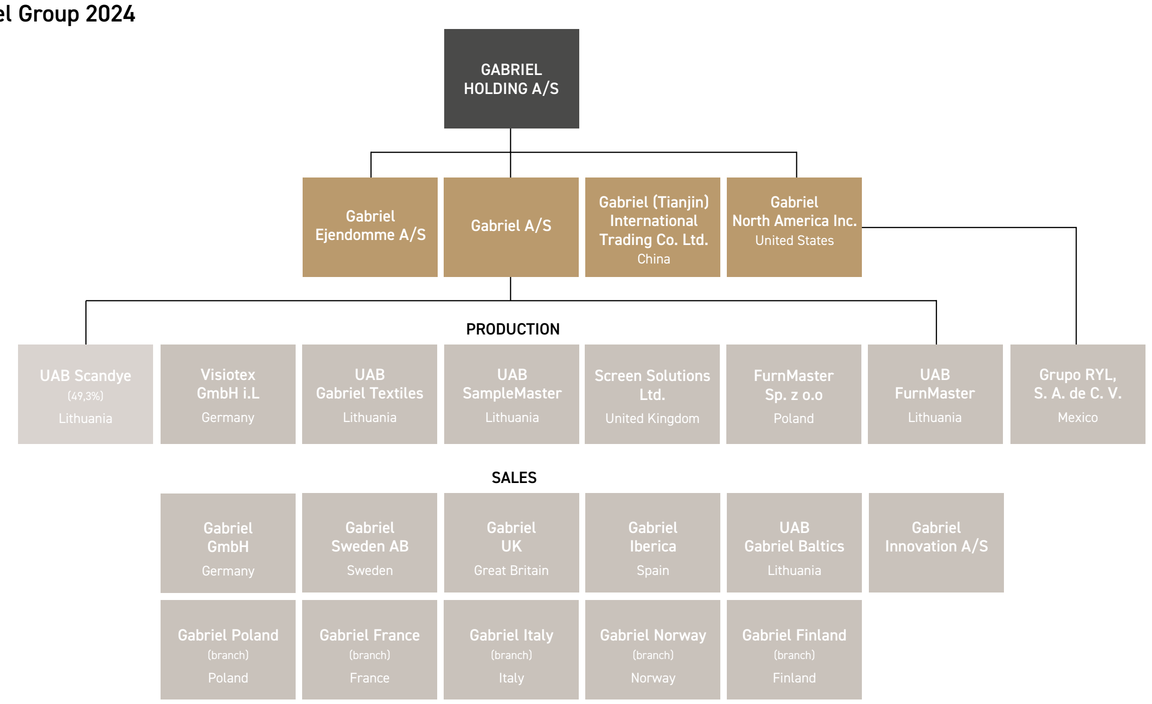
Gabriel Asia Pacific has achieved a strong position in the region in the niche for highly improved furniture fabrics and related textile products. These have to meet indispensable design and quality requirements. Product environmental and climate-related sustainability must be documented. Prices must be competitive, and delivery times short.

Gabriel North America Inc.
Gabriel North America Inc. was established in spring 2015 as part of the Group's growth strategy. The company is a natural consequence of the Group's increasing level of activity on the North American market. Prior to the establishment of the operating company, Gabriel had set up storage and distribution facilities in the USA in 2014.

Gabriel North America Inc. was established with headquarters in Grand Rapids, Michigan, where key support functions, storage and distribution were set up later. The sales presence has been strengthened continuously with dedicated key account managers and field sales managers and showrooms in Chicago, Illinois, and New York.

Gabriel A/S
Gabriel A/S undertakes the Group's European sales and development activities and a range of group functions. The vision of Gabriel A/S is to be the preferred development partner and supplier to selected leading international manufacturers and major users of upholstered furniture, seats and upholstered surfaces. To ensure that vision becomes reality, Gabriel A/S has established independent sales companies in Germany, the United Kingdom, Sweden, Spain and Lithuania and branches in Norway, France, Italy, Finland and Poland. In addition, Gabriel is represented by dedicated key account managers on the industry's other core markets in Europe.

Gabriel Group 2024



Visiotex GmbH i.L.

In December 2019, Gabriel A/S acquired the share capital of the German manufacturer, which designs and produces textile solutions in one process, without subsequent cutting and sewing.

Following the acquisition, the activities of Visiotex were integrated into the Group with innovation centres in Bingen, Germany, Grand Rapids, Michigan, USA and Aalborg, Denmark, as well as in UAB Gabriel Textiles, Lithuania, where the primary production of the solutions takes place. Visiotex is consequently in liquidation.

Screen Solutions Ltd

In November 2016, Gabriel A/S acquired 100% of the share capital of the screen manufacturer Screen Solutions Ltd in England.

Screen Solutions Ltd is recognised as one of the European furniture industry's leading suppliers of screens, office partitions etc. It traded primarily under the established brands Screen Solutions and Acoustic Comfort. The company underwent a transformation with a view to utilising its dynamic development and production platform and is today a strong partner for Gabriel's key customers.

The purchase of the shares in the British company was part of the Group's increased focus on expanding the services and products offered globally to its primary customer segments. The purchase also supported the continued strengthening of Gabriel's presence in the United Kingdom.

UAB Gabriel Textiles

Gabriel A/S acquired the company UAB Baltijos Tekstilė during the 2018/19 financial year. Gabriel A/S and UAB Baltijos Tekstilė have worked together since 1998, when Gabriel's looms were transferred to UAB Baltijos Tekstilė in connection with outsourcing of production from Aalborg, Denmark.

The aim of purchasing the shares in the Lithuanian company was to support the Group's growth in both the fabric business and SampleMaster and to ensure continuous, highly reliable supply and competitiveness.

Since the takeover, the company has been divided for the purpose of combining fabric production in the company UAB Gabriel Textiles, development and production of sales promotion materials in the company UAB SampleMaster and the sales activities in the Baltic region in the sales company UAB Gabriel Baltics.

UAB SampleMaster

Following the purchase of the partner company UAB Baltijos Tekstilė, the Group's SampleMaster production activities were hived off into a separate company, UAB SampleMaster. This operation combined the Group's European sales, development and production of sample materials under the management of the Danish SampleMaster business unit.

Gabriel Ejendomme A/S – Gabriel Erhvervspark

Gabriel Ejendomme A/S was established as an independent unit in 2011, and the Group's head office building in Aalborg was transferred to the company. The main activity is to develop the office facilities in Aalborg and let them to internal and external tenants.

The dye works, UAB Scandye

UAB Scandye was established in 2003, and in 2006 Gabriel A/S became co-owner of the company. UAB Scandye is the Gabriel Group's main dye works and finishing plant in Europe, and Gabriel's ownership interest is 49.3%. Scandye performs dyeing, finishing and inspection for Gabriel and a number of external customers.

Activities held for sale – the FurnMaster business unit

The FurnMaster business unit was established in 2003 for the purpose of adding OEM furniture production to the value proposition. From 2003 to 2012, FurnMaster was based on an outsourced production model. With the establishment of the subsidiary UAB FurnMaster in Lithuania, the model changed to a higher degree of in-house production. In 2014, FurnMaster was expanded with the establishment of the subsidiary FurnMaster Sp. z o.o. in Poland.

In 2018/19, the Gabriel Group purchased the Mexican furniture manufacturer Grupo RYL S.A. de C.V., and since 2022 all production activities relating to FurnMaster in North America have been combined in Grupo RYL S.A. de C.V.

In 2024, FurnMaster was a leading OEM supplier with three factories in Poland, Lithuania and Mexico, over 750 employees and a group of leading employees in Gabriel A/S.

Gabriel's locations 2024

Gabriel

Head office
Aalborg, Denmark

Sales offices
Copenhagen, Denmark
Stockholm and Gothenburg, Sweden
Helsinki, Finland
Oslo, Norway
Vilkaviškis, Lithuania
Bingen, Hamburg and Munich, Germany
Paris, France
London and Peacehaven, United Kingdom
Barcelona and Madrid, Spain
Milan, Italy
Grand Rapids, Chicago and New York, USA
Beijing, Shanghai, Guangzhou, Chengdu, Shenzhen,
Xi'an, Chongqing, Hangzhou, Hong Kong and Tianjin, China
Manila, Philippines
Bangkok, Thailand
Singapore

Production
Vilkaviškis, Lithuania
Telšiai, Lithuania

FurnMaster

Head office
Aalborg, Denmark

Sales offices
Grand Rapids, USA
Bingen, Germany

Production
Marijampolė, Lithuania
Świebodzin, Poland
Monterrey, Mexico

SampleMaster

Head office
Aalborg, Denmark

Sales office
Bingen, Germany

Production
Marijampolė, Lithuania
Grand Rapids, USA

SALES AND EVENTS

The fabric business delivered solid growth in revenue in 2023/24 and completed a record number of activities with the industry's leading players.

Financial review

Irregularities in the financial reporting in the Mexican subsidiary Grupo RYL

In ca nection with the financial reporting for the fourth quarter, management identified irregularities in the financial reporting in the Mexican subsidiary Grupo RYL. Management therefore initiated a detailed review of the financial reporting from Grupo RYL. The review was made difficult because the employees who had previously prepared the financial reporting had left the company in August 2024.

The detailed review identified material errors in Grupo RYL's reporting, primarily in relation to the valuations of the company's inventories in 2022/23 and previous years. Results of the Gabriel Group for the 2022/23 financial year must consequently be corrected by DKK 31.4 million before tax, and previous capitalisation of deferred tax of DKK 8.5 million must be reversed. The total correction for the 2022/23 financial year after tax thus amounts to DKK 39.8 million. The correction for the years before 2022/23 totals DKK 11.6 million. The Group's equity was consequently reduced by DKK 50.9 million, from DKK 326.6 million to DKK 275.7 million at 1 October 2023.

As a result of the identified irregularities, management has initiated an in-depth external investigation.

The errors found have been corrected by restating the affected items in the income statement and statement of financial position, and equity at 1 October 2023 has been corrected by the total negative effect of DKK 50.9 million. The statement of financial position at 1 October 2022 was also significantly affected and is presented in accordance with the provisions of IAS 1.

The corrections influence the consolidated financial statements for previous periods as follows (increase/reduction):

tDKK	2022/23
Income statement	
Cost of sales	-27,308
Staff costs	-1,078
Depreciation, amortisation and impairment losses	-1,112
Operating profit (EBIT)	-29,498
Finance costs	-1,860
Profit before tax	-31,358
Tax on profit for the year	-8,462
Profit for the year	-39,820

tDKK	2022/23
Statement of comprehensive income	
Profit for the year from discontinued operations after tax	-39,820
Profit for the year	-39,820
Other comprehensive income	
Exchange rate adjustment on translation of foreign entities	559
Total comprehensive income	-39,261

tDKK	2022/23	1 October 2022
Statement of financial position		
Inventories	-19,403	-6,474
Leasehold improvements	-253	-
Development projects	-868	-
Deferred tax asset	-8,534	-
Receivables	-3,447	-1,072
Total assets	-32,505	-7,544
Trade payables	3,359	4,093
Other payables	3,397	-
Total liabilities	6,756	4,093
Retained earnings, net	-39,820	-11,457
Translation reserve	559	-180
Effect on equity, net	-39,261	-11,637

We also refer to note 29 to the financial statements.

New growth strategy

The Gabriel Group published a new growth strategy in August 2024, which will intensify the development of the Gabriel Fabrics and SampleMaster business units and initiate divestment of the Group's FurnMaster units.

Management expects that the divestment will be completed in the 2024/25 financial year, which means that the FurnMaster business units are classified as discontinued operations and assets held for sale in these consolidated financial statements and parent company financial statements. See note 9 for a description of the discontinued operations.

Development in total activities

The development in the Gabriel Group's total activities can be summarised as follows:

In the annual report covering the 2022/23 financial year, management stated that it expected revenue of the order of DKK 850 -900 million and operating profit (EBIT) of DKK 0-10 million in 2023/24. It also expected that finance income and costs would continue to be negative in 2023/24, resulting in a negative result before tax. A positive cash flow was expected.

After four months of the financial year, the expectations for revenue and profits were upwardly adjusted to revenue of DKK 880-930 million and operating profit (EBIT) of DKK 8-15 million.

The Gabriel Group delivered revenue of DKK 912 million in 2023/24 (2022/23: DKK 931 million), a decrease of 2%. The decrease in revenue is related to the FurnMaster business units (discontinued operations), whereas the continuing operations delivered solid growth. Actual operating profit (EBIT) was DKK 10.9 million (continuing and discontinued operations in total) (2022/23: A negative of DKK 13.6 million).

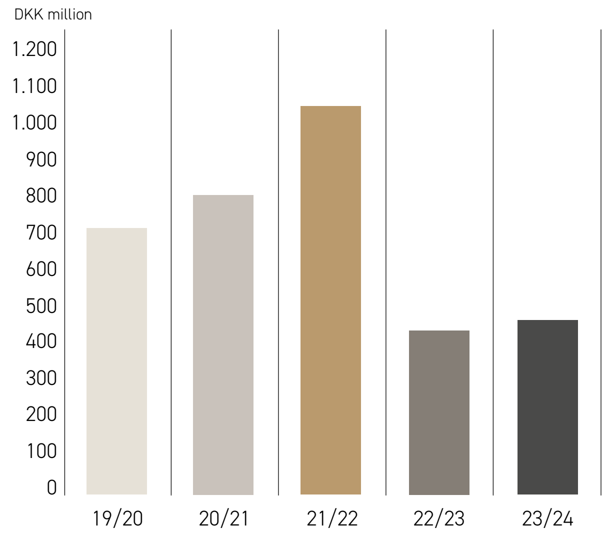
In the fourth quarter, the Gabriel Group delivered revenue of DKK 212.4 million (Q4 2023: DKK 215.9 million) and operating profit/loss (EBIT) of a negative of DKK 8.2 million (Q4 2023: DKK 31.8 million), which were negatively affected by:
- correction of the above irregularities amounting to DKK 7.9 million regarding the subsidiary Grupo RYL (both the fourth quarter of 2023/24 and the fourth quarter of the comparative year 2022/23 were corrected);
- advisory costs for the ongoing sale of the FurnMaster business units;
- one-off provision for bad debts because a customer in England became insolvent.

Priority was given in the year to continuing the adjusted strategy execution which had been initiated at the beginning of the 2022/23 financial year. It meant that the Group temporarily departed from the growth strategy and shifted its focus to implementing a strategy of consolidation. The shift in focus was intended to ensure continual reduction of the Group's cost base to improve gross profit and reduce external costs and staff costs.

As part of the consolidation strategy, priority was also given to initiatives to improve the Group's cash flow through restrictive investing activities and reduction of the Group's working capital, etc. Because the Mexican company delivered primary key figures below expectations – even before the above correction – the Group did not quite manage to fulfil the ambition of improving the Group's cash flow and reducing the working capital in the financial year.

The overall strategy plan was executed in 2023/24, while the sales and product development efforts for the continuing operations were unremitting.

Revenue by year



No restatement was made of the financial highlights for the years 2019/20 – 2021/22 regarding discontinued operations.

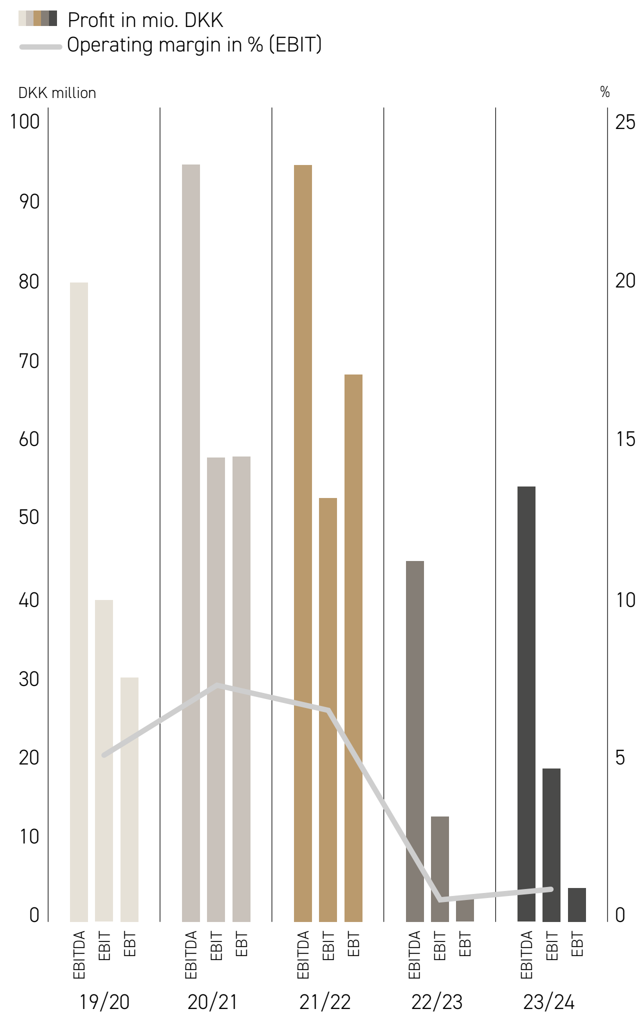
Financial review for the continuing operations

Revenue and earnings

In 2023/24, the continuing operations delivered revenue of DKK 483.5 million (DKK 454.5 million), equivalent to 6% growth. The revenue growth was realised as a result of increases in all three verticals (North America, Europe and Asia). Globally, the European fabric business and the SampleMaster business unit together deliver the biggest share of realised growth.

The continuing operations delivered the following selected financial highlights (2022/23):
- Earnings before depreciation, amortisation and impairment losses (EBITDA) were DKK 56.8 million (DKK 46.9 million)
- EBITDA margin was 11.7% (10.3%)
- Operating profit (EBIT) was DKK 19.7 million (DKK 13.1 million)
- EBIT margin was 4.1% (2.9%)
- Profit before tax was DKK 4.0 million (DKK 3.1 million)
- Results after tax were a negative of DKK 1.5 million (a negative of DKK 1.4 million).

Operating results



No restatement was made of the financial highlights for the years 2019/20 – 2021/22 regarding discontinued operations.

EBITDA in the fourth quarter was DKK 17.9 million (Q4 2023: DKK 10.0 million), EBIT was DKK 7.8 million (Q4 2023: DKK 0.7 million) and results before tax were DKK 2.1 million (Q4 2023: a negative of DKK 0.7 million). The positive operating results for the fourth quarter of the year were primarily attributable to the above-mentioned revenue growth realised in the quarter and to general productivity improvement.

Cost of sales – gross margin

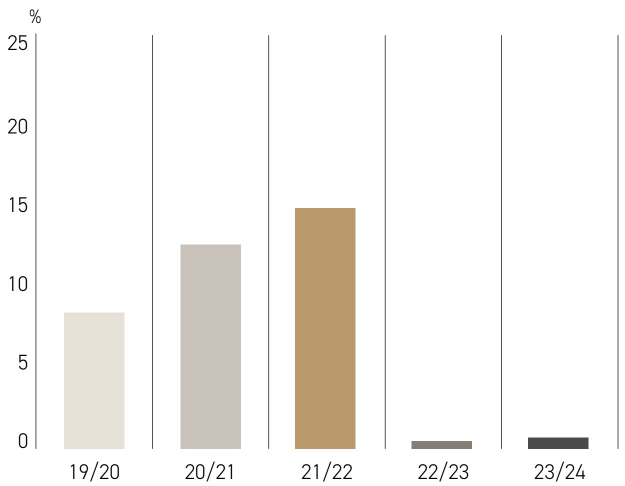
The continuing operations realised a gross margin of 51.7% (51.4%) for the full financial year. Realised gross margin in the fourth quarter was 55.0% (48.8%).

Gross profit increased to DKK 250.1 million (2022/23: DKK 233.5 million) as a result of realised growth.

Payroll costs for the Group's employees in production are included in cost of sales and specified in notes 3 and 5. At the end of the year there were 172 production employees in continuing operations compared to 168 at the beginning of the year. Production was relocated from Screen Solutions to FurnMaster during the year, which reduced the number of production employees at Screen Solutions, while new employees joined SampleMaster as a result of the increased level of activity.

Return on invested capital (ROIC) before tax

Return on invested capital in %



No restatement was made of the financial highlights for the years 2019/20 – 2021/22 regarding discontinued operations.

Other external costs

Other external costs in the continuing operations increased by 11% to DKK 71.6 million (2022/23: DKK 64.3 million), primarily as a result of costs related to the showrooms that were added during the previous financial year and an increase in the Group's IT security and marketing costs. One-off external costs of DKK 4.8 million were paid in Screen Solutions, partly in connection with close-down of production in England and partly for provisions for bad debts in the fourth quarter. In the fourth quarter, the Group's external costs were DKK 18.4 million (Q4 2023: DKK 14.1 million), an increase of 30%.

Staff costs

The Group's staff costs for continuing operations increased by 0.6% to DKK 122.9 million (2022/23: DKK 122.2 million). The Group's staff costs in the fourth quarter were DKK 30.0 million (Q4 2023: DKK 30.6 million), a decrease of 2%.

The average number of employees in continuing operations for the financial year was 389 (396), 171 (168) of whom were in production, 139 (150) in sales/development and 79 (78) in administration. The number of employees in the continuing operations at the end of the 2023/24 financial year was 387 (390), of whom 172 (168) were in production, 137 (145) in sales/development and 78 (77) in administration.

Depreciation, amortisation and impairment losses

Consolidated depreciation, amortisation and impairment losses in the continuing operations increased to DKK 37.1 million (DKK 33.8 million), primarily due to investments in new showrooms.

Share of profit after tax in joint venture

Profit for the year includes a total DKK 0.9 million share of the profit on the investment in UAB Scandye (2022/23: DKK 0.4 million). The increase was primarily attributable to a higher level of activity and the resulting productivity improvement.

Finance income and costs

Net finance income and costs for continuing operations were DKK 16.6 million, compared to DKK 10.4 million in the same period last year.

Finance costs increased as a result of a slightly increasing interest burden and the effect of the decrease in the dollar rate on the intragroup financing of the American and Mexican subsidiaries.

See notes 6 and 7 for further specification.

Tax on profit for the year

Tax on profit for the year was DKK 5.5 million (DKK 4.6 million), equivalent to a tax rate of 136%. The reason for the high tax rate is that management has judged that deferred tax assets regarding tax losses arising in the year cannot be expected to be realised.

See note 19 for a further specification.

Statement of financial position

The consolidated statement of financial position total was DKK 777.2 million, compared to DKK 773.7 million at 30 September 2023. In the following, the comparative figures in 2022/23 have been restated for reclassification to assets held for sale.

Intangible assets were DKK 67.1 million at 30 September 2024, most of which (DKK 27.0 million) consisted of goodwill from the acquisitions of Screen Solutions Ltd, UAB Baltijos Tekstilė and Visiotex GmbH.

Property, plant and equipment amounted to DKK 169.8 million at 30 September 2024, compared to DKK 178.5 million in the previous year (adjusted for reclassification of a negative of DKK 55.5 million to assets held for sale). The development is primarily attributable to ordinary depreciation and limited investment in land and buildings, leasehold improvements, plant, fixtures and fittings and equipment, and lease assets.

Other non-current assets amounted to DKK 40.3 million on 30 September 2024, compared to DKK 40.1 million at 30 September 2023 (adjusted for reclassification of a negative of DKK 6.9 million to assets held for sale). Non-current assets were thus DKK 277.3 million at 30 September 2024, compared to DKK 286.8 million at the same time last year (adjusted for reclassification of a negative of DKK 97.8 million to assets held for sale).

The Group's inventories amounted to DKK 116.4 million at 30 September 2024, compared to DKK 114.0 million at 30 September 2023 (adjusted for reclassification of DKK -83.9 million to assets held for sale), an increase of 2%.

The Group's receivables amounted to DKK 78.1 million at 30 September 2024, compared to DKK 69.5 million at 30 September 2023 (adjusted for reclassification of DKK -50.0 million to assets held for sale), an increase of 12.4%.

The net working capital at 30 September 2024 equals 32.4% of revenue for the year, compared to 34.6% at 30 September 2023.

The implemented reduction of receivables corresponds to an equivalent reduction in creditors due to a smaller purchased volume up to the date of the statement of financial position. The decline in working capital is therefore limited, and the lower revenue means that the proportional figure is below management's expectations.

The aim is to continuously reduce the relative working capital through targeted efforts to improve purchasing processes and contractual bases and to use reduction tools for inventory reductions. Management expects that the activities initiated and partly completed will help to improve the proportional figure in 2024/25.

The Group's equity amounted to DKK 261.6 million at 30 September 2024, compared to DKK 275.7 million at 30 September 2023. Non-current liabilities were DKK 71.5 million, compared to DKK 84.1 million at 30 September 2023. Current liabilities were DKK 444.1 million at 30 September 2024, compared to DKK 414.0 million at 30 September 2023. Total liabilities were thus DKK 515.6 million at 30 September 2024, compared to DKK 498.0 million at 30 September 2023. The increase was 3.5% and primarily attributable to an increase in external financing and amounts owed to the joint venture.

No distribution of dividends for the 2023/24 financial year is proposed.

Financial review for discontinued operations

The Group's discontinued operations comprise the FurnMaster units located in Lithuania, Poland and Mexico, which are managed by a global management team in Denmark.

FurnMaster was directly affected in 2023/24 by the continued challenging conditions for revenue growth which have affected the market in general in recent years. As expected, the FurnMaster business units therefore experienced a decline in revenue. The European FurnMaster business realised a small decline in revenue, but nevertheless delivered a reasonable profit, which also exceeds profit in 2022/23. The decline in revenue in Mexico was more significant and resulted in a major productivity loss.

Revenue and earnings

In 2023/24, discontinued operations delivered revenue of DKK 429.1 million (DKK 476.8 million), equivalent to a 9% decrease.

Discontinued operations delivered the following selected financial highlights (2022/23):

- Earnings before depreciation, amortisation and impairment losses (EBITDA) were DKK 7.1 million (a negative of DKK 11.1 million)
- EBITDA margin was 1.6% (a negative of 2.3%)
- Operating loss (EBIT) was a negative of DKK 8.8 million (a negative of DKK 26.7 million)
- EBIT margin was a negative of 2.0% (a negative of 5.6%)
- Loss before tax was a negative of DKK 11.9 million (a negative of DKK 31.9 million)
- Loss after tax was a negative of DKK 14.2 million (a negative of DKK 42.7 million).

Statement of financial position

During the financial reporting, management reviewed the carrying amounts of assets and liabilities in the FurnMaster units. The review did not result in any impairment. We refer to the impairment test below regarding goodwill and deferred tax assets.

We also refer to note 9.

Intangible assets were DKK 35.1 million at 30 September 2024, most of which (DKK 25.1 million) consisted of goodwill from the acquisitions of Screen Solutions Ltd and Grupo RYL.

Property, plant and equipment amounted to 63.6 million at 30 September 2024, compared to DKK 55.5 million in the previous year. The development was primarily due to reinvestments in lease assets.

Other non-current assets were DKK 6.5 million at 30 September 2024, compared to DKK 6.9 million at 30 September 2023. Non-current assets were thus DKK 105.2 million at 30 September 2024, compared to DKK 97.8 million at the same time last year.

The inventories in discontinued operations amounted to DKK 87.0 million at 30 September 2024, compared to DKK 83.9 million at 30 September 2023, an increase of 3.6%.

Receivables amounted to DKK 58.9 million at 30 September 2024, compared to DKK 60.4 million at 30 September 2023, a decrease of 2.6%.

Liabilities related to assets held for sale amounted to DKK 63.7 million (2022/23: DKK 53.8 million). The increase was primarily related to an increase in lease commitments arising mainly from lease extensions.

The Group's sales activities

Management is of the opinion that the global market for contract furniture experienced a decrease in demand in 2023/24. Despite this, Gabriel achieved satisfactory growth as a consequence of several years' targeted investment in sales promotion activities.

For a number of years, the Group has pursued a growth strategy of "growing with the largest market participants", which continues the targeted effort towards selected key accounts. Execution of the strategy secures the Group a strong position in the fabric programmes that are an integral part of the furniture manufacturers' standard product offers. It also ensures that new products are largely developed in close collaboration with these furniture manufacturers.

For several years, management has given high priority to investing in increases in sales resources and customer-facing activities and in increasing our structural global presence. Dedicated Key Account Managers are responsible for developing customer relationships with the world's leading furniture manufacturers and ensure the involvement of the Group's other competences within design, marketing, quality, logistics, etc.

The strategy is working and continually strengthens Gabriel's position on the market, with the establishment of showrooms, increased digitalised marketing activities, personal sales development from Field Sales Managers and global customer service.

In 2023/24, the group gave priority to implementing a strategy of consolidation. This means that no significant resources were added to the Group's sales processes in the past year. The Group nevertheless increased its efforts and strengthened its market position. The resources added were allocated to only a few, but significant areas and supplemented by an increased effort in the marketing process. This has made the Group's sales processes more efficient and product and brand communication more targeted and precise.

The European business delivered growth in the year under review as a result of increases on almost all markets. The growth is a result of several years' investments in sales development and marketing position throughout Europe and a highly satisfactory execution of the Group's sales strategy. The SampleMaster business unit continued developing its business in Europe, delivering the usual annual growth, which was firmly into double digits in the financial year.

In 2023/24, the North American market delivered a small, positive increase in revenue, but this does not fulfil management's ambitious expectations for development on the American market. Targeted sales and marketing efforts are being made to increase the success rate and the Group's position on the market, and the growth ambitions are expected to be fulfilled in the short and longer term.

For several years, the Group has added resources to develop the Asian market, with China as the hub. The Asian market has generally proved challenging in recent years, but it is still attractive to those who are capable of utilising the constant changeability to their advantage. A small increase was delivered in the 2023/24 financial year, which lends weight to the expectation of an upturn after several years of revenue decreases.

Management assesses that realised growth is the result of a strengthened market position following increased efforts and a satisfactory execution of the sales and marketing strategy. The total efforts made during 2023/24 are realistic grounds for expectations of continued growth.

Product development, business development and innovation

Gabriel's "product and process innovation" system from concept to upholstered product continued to be a high-priority core process in 2023/24. Investments in innovation and development (which are recognised under intangible assets in the statement of financial position) were DKK 6.9 million for continuing operations in the 2023/24 financial year (DKK 8.9 million in the previous year), equivalent to 1.4% of revenue (2.0% in the previous year).

The decrease in capitalised development costs should be seen in the light of the prioritisation of development tasks in 2023/24 with a focus on shorter development times. In addition, relatively large investments had been made in fundamental innovation in the previous year, including the ShapeKnit technology, while these investments were targeted more on implementation in 2023/24.

New products and solutions are being developed in coordination with the Group's most important customers. Customers' future needs are identified through research and analyses of market trends that form the basis for both technological and product development. These coordinated initiatives increase the accuracy of targeting and reduce the time to market of products, solutions and services to be launched.

Product development and innovation are coordinated centrally but take place in the three operating companies and in all of Gabriel's strategic business units, which collectively support the Group's core process for product and process innovation. A structured and documented development process is applied to identify the individual products' market potential. The process exploits the value of a coordinated joint effort targeted on the market's leading furniture manufacturers.

For a number of years, Gabriel has set targets for launching a substantial number of new fabrics on the world market. In 2023/24, the portfolio of globally competitive fabrics was further expanded. Six new fabrics were thus launched and three existing products updated with a view to securing further growth. SampleMaster forged a major number of new customer partnerships, many as a result of development work. The target for new products' share of revenue is at least 30%, but amounted to only 17% because several major projects reached their five-year age limit.

The accuracy of targeting is generally high for the products launched, which means that they live up to pre-launch expectations. However, there are big differences in the potential of the products launched and the speed at which they penetrate the markets and consequently contribute their share of revenue as new products. The core process and efforts are adjusted on an ongoing basis to ensure more constant achievements of targets.

Two of the newly launched fabrics are based on Gabriel's innovative circular "Gabriel Loop" product platform. Gabriel Loop is both product and value chain innovation. The products are not only designed to be recycled, but are also produced in a unique collaboration along the value chain where the customers' textile waste is taken back and turned into new yarns and fabrics. The Gabriel Loop concept, or product family, currently comprises six fabrics and is recognised in the market as a major contribution to the sustainable transformation of the industry. One of the products in the loop concept, "Amaze Loop", is illustrated on pages 26-27 of this annual report. In addition, Gabriel Loop won the Danish Design Award 2024 for its innovative concept.

The DesignMaster business unit in Aalborg and the development department in Beijing regularly engage in design-based development and consultancy based on customers' and end-users' wishes and needs. This requires a thorough understanding of the market and targeted research.

The ShapeKnit business area offers unique customised solutions through an innovative three-dimensional knitting technology. The design and development process is based in innovation centres in Bingen and Aalborg and at UAB Gabriel Textiles. Production takes place mostly in the last-mentioned company.

Based on Gabriel's total strategy for design and product development, innovation and sustainability, the work of developing new products is carried out across disciplines. The Group also works on production innovation projects that enable increased differentiation of the value offer. These projects often have a longer time horizon and comprise both internal research and collaboration with external partners, universities and research centres. In 2023/24, a few such projects were in progress, primarily focusing on technology and sustainability. It is regularly assessed whether the portfolio of the more basic innovation projects is appropriate.

The innovation projects offer significant – yet uncertain – potential earnings and focus mainly on the development of technical solutions, new fabrics and related products intended for use on Gabriel's existing value chain.

Targeted communication of Gabriel's innovation and development strategy has forged and retained close relationships with selected furniture manufacturers' designers, development teams and decision makers.

Please see www.gabriel.dk for product news or to sign up for Gabriel's newsletters.

Outlook

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 the potential effect that inflation and uncertainty about interest rate trends may have on international demand.

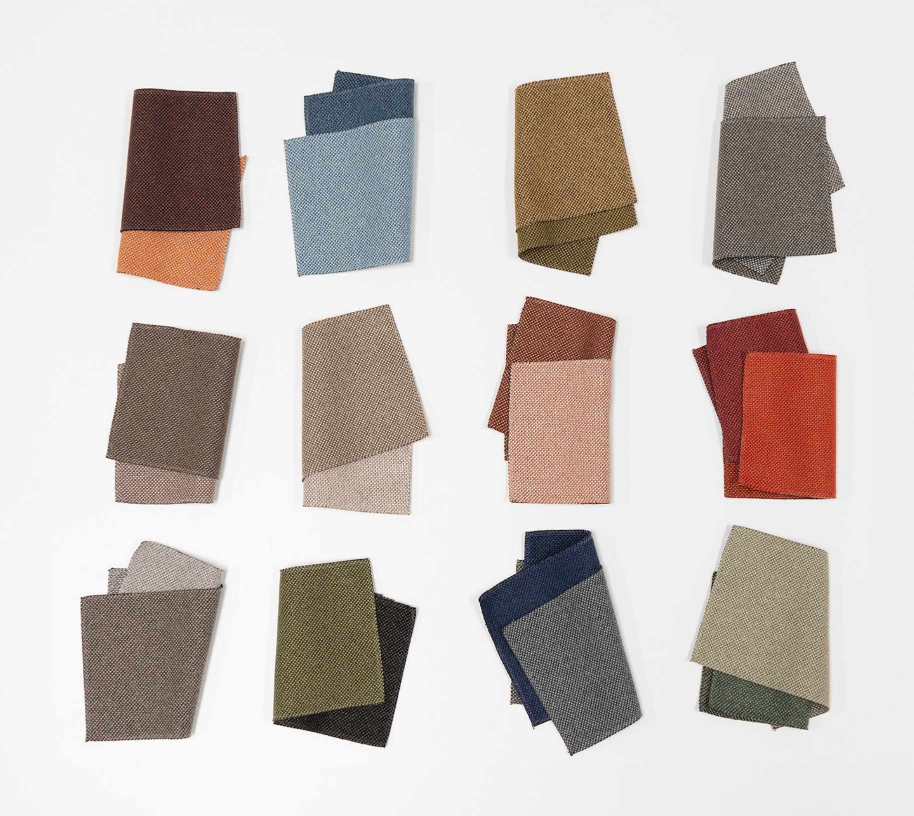
However, continuing business operations delivered growth in revenue and profit for the 2023/24 financial year and management expects that this trend will continue.

On this basis, revenue of DKK 485-530 million (0-10% growth) and operating profit (EBIT) of DKK 20-30 million (DKK 19.7 million in 2023/24) are expected.

The sale of FurnMaster is proceeding as planned and expected to be completed during 2024/25.

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

PARCEL LOOP



Parcel Loop is part of Gabriel's unique "Gabriel Loop" family. It is more than just a fabric – it is a statement of intent. It showcases how circularity can be seamlessly integrated into modern design without compromising on style or functionality.

The fabric is made of 100% recycled polyester in a combination of textile waste from our customers and post-consumer recycled polyester from plastic bottles: a unique take-back system where textile offcuts are collected and re-integrated into the production process.

Special risks

The nature of Gabriel's business area entails a number of commercial and financial risks of importance to the Group's future. Management makes an effort to counter and minimise any risks manageable by the Group's own actions. Gabriel's policy is also not to engage in active speculation in financial instruments. Risk management only hedges against risks arising directly from the Group's operations, investments and financing.

The competitive situation

Gabriel is a niche company, primarily concerned with customers and areas of use where product features and design have to meet invariable requirements and where quality and environmental management must be documented. Gabriel is a well-known global brand within its niche. Gabriel's activities are constantly directed towards developing and consolidating a position as the preferred development partner and supplier of upholstery fabrics and associated components to strategically selected international contract furniture manufacturers. This is done via a consistent development of Blue Ocean products and services along the value chain. The company constantly strives to strengthen its competitiveness via ongoing development of the corporate model. This places Gabriel in the best possible position to satisfy the market's requirements and structural development.

Customers and markets

Gabriel targets its product and concept development at selected global key account customers, and the result is high export revenue. Exports go mainly to countries in Europe, but increasingly overseas, to countries such as the USA and China.

The Group is not generally susceptible to special customer risks, and its revenue is well-diversified.

Products

Relying on its corporate model, Gabriel aims at diversifying risks by offering new product solutions along a large part of the value chain. This takes place in co-operation with strategically designated key account customers by developing furniture fabrics and components, as well as services, for future use.

Raw materials

To accommodate any fluctuations in raw material prices during the year Gabriel strives to meet its projected future production requirements by entering into short or long-term supply agreements with the Group's primary suppliers.

Currency risk

The Group monitors its currency exposure to the primary currencies on an ongoing basis. The Group is seeking to reduce its risk exposure as far as possible, by minimising its net positions in EUR, USD, GBP and RMB in particular.

Please see note 23 for a more detailed description of currency risks.

Interest rate risks

The Group's bank debt is an open floating-rate operating credit, while mortgage lending to Gabriel Ejendomme A/S consists mainly of a long-term fixed-rate loan denominated in DKK.

Please see note 23 for a more detailed description of interest rate risks.

Credit risks

In line with Group credit risk policy, all major customers and other business partners are regularly credit rated and insured if possible. Credit risk management is based on internal credit lines for customers. Group trade receivables are distributed across numerous customers, countries and markets, ensuring a very broad risk diversification.

Financial resources

The Group regularly assesses the need for adjusting its capital structure. The Group continues to have undrawn lines of credit with its banks and the possibility of increasing them if necessary. The Group is thus deemed to have adequate liquidity to ensure the ongoing financing of future operations and investments. We also refer to note 23.

Places of business

The Group performs a large part of its activities outside Denmark, including in China. Trading in China may involve risks which are not normally present on European and American markets. Fiscal and other legislation changes frequently, which can result in risks. The Group is seeking to minimise these risks via regular contact with its partners and use of local advisers.

Insurance

Gabriel's rule is to take out insurance against risks of material importance to the financial position of the Group. The Group sets guidelines in insurance matters. The Group and its brokers assess the Group's insurable risks annually and make any changes prompted by recommendations deriving from analyses performed in partnership with the insurance brokers. The Group is considered to be adequately covered. Insurance has been taken out against operating losses, product liability, etc. The company has also taken out all-risk insurance covering the Group's property, plant, equipment and inventories in Denmark and abroad.

Environmental risks

Certifications for the Environmental Management Standard ISO 14001, the Quality Management Standard ISO 9001 and environmental and health certifications including EU Ecolabel and OEKO-TEX® STANDARD 100 ensure that neither the activities nor the company's products are associated with any significant environmental risks. The objectives of Gabriel's environmental policy are to prevent spillage/accidents and to ensure that the company's products do not contain any substances which are hazardous to health.

IT risks

The Group has chosen to outsource the operation of its IT platform to external service partners, ensuring regular updating of security systems and minimising the risk of major operational breakdown.

In addition, a Digitalisation and Cybersecurity Committee has been appointed, and measures have been taken to protect the Group's IT security.

The Committee's role is to make recommendations to the Board of Directors and to assist the Board in other ways with its business development and optimisation tasks within digitalisation. The Committee assists the Board in its efforts and oversight of IT and cybersecurity.

Trade risks

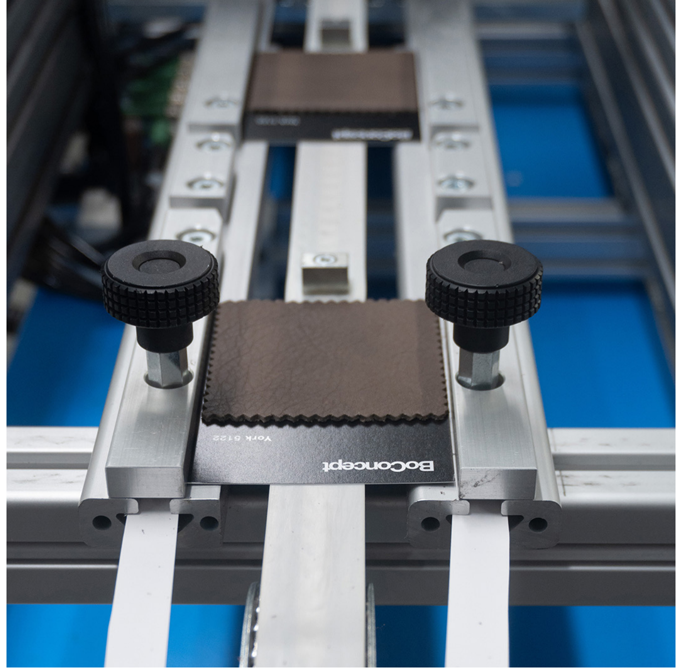
Gabriel builds partnerships with selected suppliers, to ensure continuity of supply, consistent quality and continuous development of products and components.

The majority of raw materials, semi-finished products and finished goods used by Gabriel are also available from alternative sources in the event of non-delivery by the usual suppliers.

Contingency plans

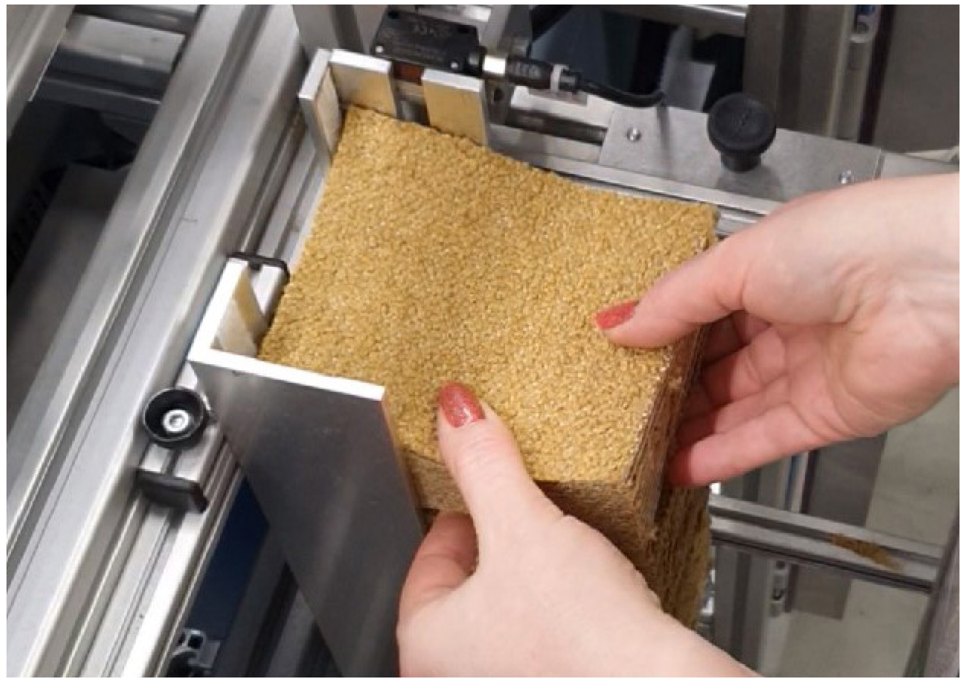
In accordance with its quality and environmental management systems, Gabriel continuously develops its contingency plans and communicates these to its staff. Gabriel holds regular first aid and firefighting courses, and all areas have prepared operational contingency plans in case of spillage/accidents.

SAMPLEMASTER



SampleMaster supplies customised full-service solutions for decision-making tools for global premium brands, primarily in the furniture and interior design industry.

In 2023/24, SampleMaster took essential steps towards global growth and quality enhancement. Start-up of production in Grand Rapids, USA, has given our global customers access to our solutions and services in both the USA and Europe. This offers major opportunities for future expansion.



Corporate governance

Statement on corporate governance

Nasdaq Copenhagen A/S has adopted a set of corporate governance recommendations, most recently revised in December 2020. The recommendations on corporate governance can be obtained from the Danish Committee on Corporate Governance's website, www.corporategovernance.dk.

Gabriel Holding A/S has prepared the statutory statement on corporate governance for the 2023/24 financial year as per section 107b of the Danish Financial Statements Act. The statement is available on the Group's website www.gabriel.dk/investor/reports/.

The statement covers the company's work relating to the recommendations on corporate governance. It describes the main elements of the Group's internal control and risk management system in connection with the financial reporting, and introduces the Group's senior management levels and their composition. The statement also covers the overall conclusions from the Board of Directors' annual self-evaluation and describes all board committees, including their meetings and main activities during the year.

Statement on corporate social responsibility

Sustainability is a part of Gabriel's business strategy, and the Group has always given top priority to acting responsibly towards customers, staff, business connections and the external environment. Gabriel has prepared its statutory statement on social responsibility for the 2023/24 financial year in accordance with section 99a of the Danish Financial Statements Act. The statement can be viewed or downloaded at www.gabriel.dk/investor/reports/.

Diversity policy and gender balance

The statutory statement on diversity policy for the 2023/24 financial year in accordance with section 107d of the Danish Financial Statements Act is integrated into the statement on gender balance in accordance with section 99b of the Act.

The Gabriel Group believes that diversity among its employees and management, including an equal distribution by age, nationality and educational background, contributes to a positive working environment and strengthens Gabriel's competitiveness and performance.

Gabriel has had a long-time focus on a diverse workplace where the employees have widely different skills and come from different backgrounds and walks of life. This means not only gender, age and descent but, just as much, education, experience and personality. The goal is therefore that management members should be just as diverse as our employees. We work actively to develop an action plan which will ensure increased diversity.

The board members of Gabriel Holding A/S embrace a broad spectrum of experience from the Danish and international business communities. The composition of the Board is considered expedient as it ensures breadth in its members' approach to their tasks and thus helps to ensure qualified reflection and decision-making. It is also the Board of Directors' ambition to further strengthen gender diversity in accordance with Gabriel's diversity policy. The definition of gender in this statement stems directly from the statutory requirements regarding gender reporting, including the definition of "gender" as male/female, but does not reflect Gabriel's attitude as Gabriel's diversity policy is based on a broader, more diverse understanding of gender.

The long-term target for the under-represented gender on the Board of Directors of Gabriel Holding A/S is a 50/50 distribution. The Danish Business Authority's guideline of 3 December 2022 specifies that on a board of five members elected by the general meeting, the share of the under-represented gender must be at least 40%*. If the number of board members increases or decreases in the period, the target will be 50/50.

The Board of Directors, as the supreme management body, currently has seven members, five of whom are elected by the general meeting. Under our policy, a 40/60 distribution of board members is considered equal gender distribution. Since the gender distribution of board members elected by the general meeting is currently 20/80, the target for the Board of Directors of Gabriel Holding A/S is not met. The two board members elected by the employees are one male and one female but they are not part of the reporting.

As the company's other management levels comprise two people, no target has been set. The company Gabriel Holding A/S has not had an average number of full-time employees of 50 or more and is therefore not required to prepare a policy for increasing the share of the under-represented gender at other management levels. However, the Gabriel Group's overall diversity policy applies to all Group companies.

The target for the Board of Directors is expected to be met in 2026/27. The target is considered both ambitious and realistic considering the circumstances for Gabriel and the industry at the time when the target was defined.

Two-year overview – Gabriel Holding A/S

Supreme management body	2022/23	2023/24
Total number of members	5	5
Under-represented gender in percent	20%	20%
Target in percent	40%*	40%*
Year target will be met	2026/27	2026/27
Other management levels		
Total number of members	2	2

Gabriel's efforts in this area regarding goals and targets for diversity and equal gender distribution were as follows in 2023/24:

- When recruiting, Gabriel advertised the position internally, externally and broadly.
- When recruiting, Gabriel considered all qualified applicants irrespective of gender, ethnicity, religion, political view, age, functional limitation, sexual orientation, etc.
- When recruiting and when using headhunters/external recruiters, Gabriel aimed to include at least two candidates of the under-represented gender and to ensure as far as possible that at least 50% of the field of candidates was of the under-represented gender.

Report on data ethics policy

Gabriel has prepared a statutory report on its data ethics policy for the 2023/24 financial year in accordance with section 99d of the Danish Financial Statements Act. The report can be viewed or downloaded at www.gabriel.dk/investor/reports/.

AMAZE LOOP

Amaze Loop has excellent durability, an inviting colour palette and texture that emphasise our commitment to quality craftsmanship. The fabric is perfect for interiors that demand quality, timelessness and aesthetic appeal.

As part of "Gabriel Loop", Amaze Loop reflects our commitment to the environment and technologies, efficiently managing textile waste from our customers through a unique take-back system.

Shareholder information

Share capital
Gabriel Holding A/S's share capital consists of 1,890,000 shares of par value DKK 20 each. Gabriel has one share class, and no shares have been given special rights. All shares are freely negotiable securities. Gabriel Holding A/S is listed on Nasdaq Copenhagen under the ticker symbol GABR and ISIN code DK0060124691. The share is included on the Small Cap Index.

Gabriel Holding seeks to maintain a satisfactory level of information for investors and analysts so that the share price is not prone to sudden movements, but always reflects the company's expected development.

The following shareholders own shares conferring a minimum of 5% of the voting rights pertaining to the share capital, or shares with a minimum nominal value of 5% of the share capital:

Katt Holding ApS, Højbjerg
Matlau Holding ApS, Skanderborg
Marlin Holding ApS, Malling
Fulden Holding ApS, Beder
Chr. Augustinus Fabrikker A/S, Copenhagen
Poul H. Lauritsen Holding ApS, Charlottenlund
GAB Invest ApS, Aalborg
Kapitalforeningen Investering & Tryghed, Copenhagen

The company's annual general meeting on 10 December 2020 renewed the authorisation of the Board of Directors to acquire the company's treasury shares up to a total nominal value of DKK 7.6 million, the equivalent of 20% of its share capital, at a price which corresponds to the buy price listed on Nasdaq Copenhagen A/S at the time of acquisition, plus or minus a margin of 10%. The authorisation is valid for five years from the date of the general meeting.

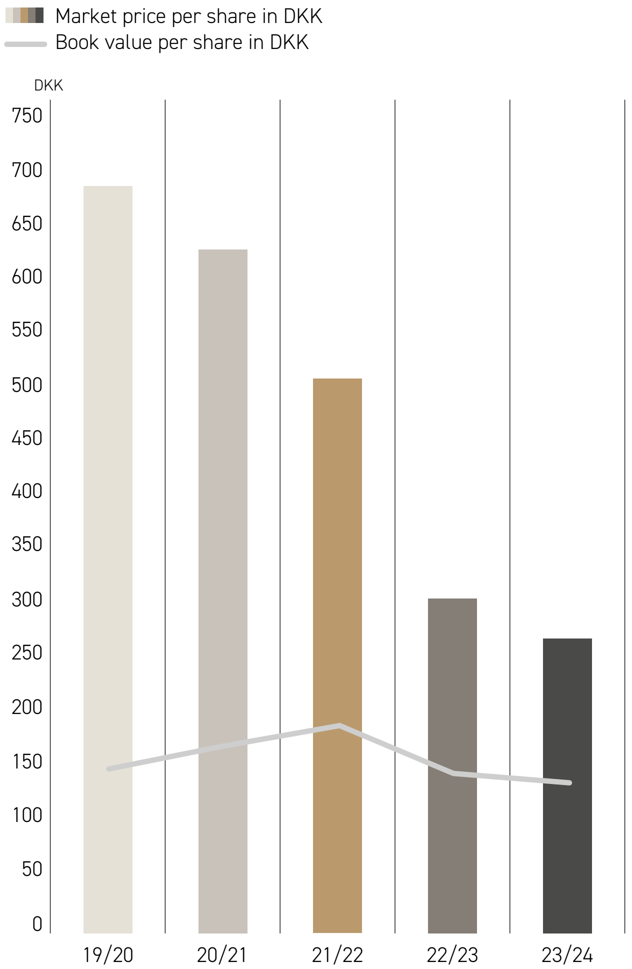
Share price trend
The 2023/24 financial year opened with a price of DKK 306 and closed on 30 September 2024 with a price of DKK 270. Total market capitalisation of the company's shares was DKK 510.3 million on 30 September 2024.

Capital management
Management regularly assesses the need for adjusting the capital structure. A high equity ratio has always been a top priority for Gabriel in order to maximise room for manoeuvre in all situations. The equity ratio in the continuing part of the Group was 34.4% on 30 September 2024, and the equity ratio for assets held for sale was 37.3% on the same date. Reduction of working capital is a high-priority process in the Group.

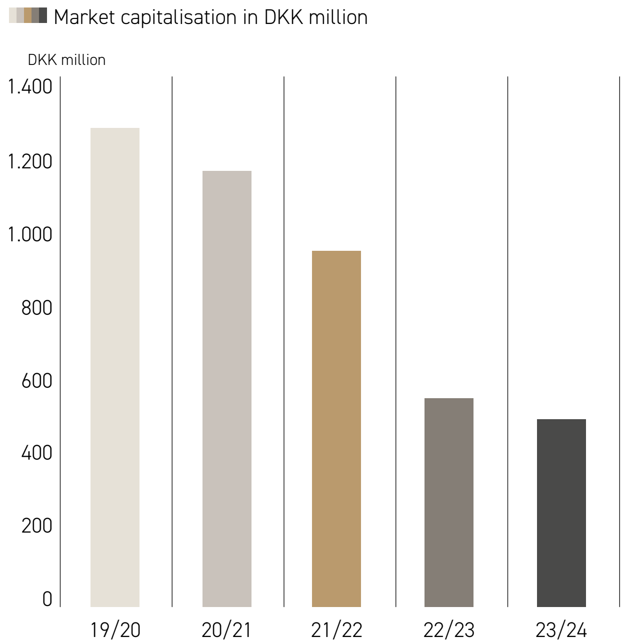
The Group aims at providing its shareholders with a regular return on their investments, while maintaining an appropriate equity level to ensure the company's future development. The Board of Directors recommends that no dividends be paid for 2023/24.

Against this background, the present capital resources are deemed adequate in the present economic climate.

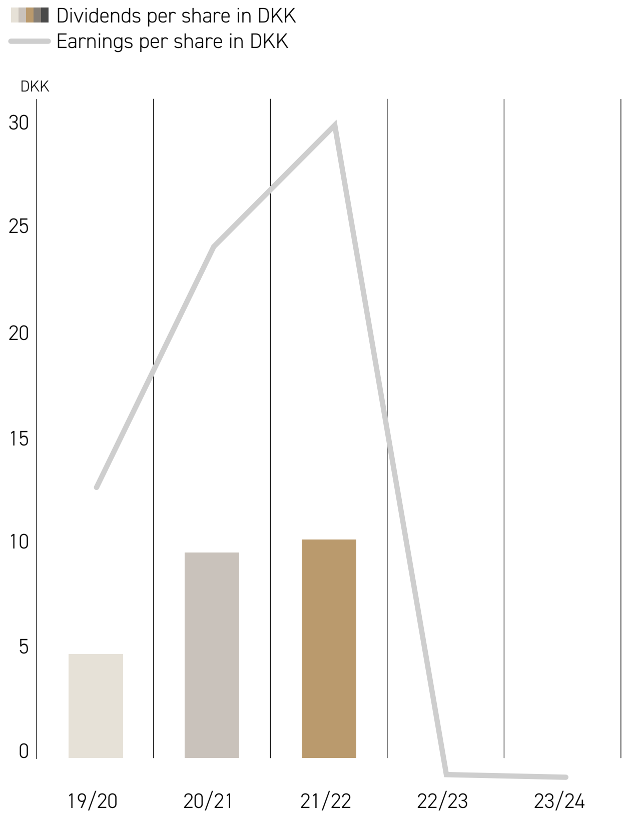
Price/Book value



Market capitalisation end of year



Share dividends and earnings per share



No restatement was made of the financial highlights for the years 2019/20 – 2021/22 regarding discontinued operations.

Financial calendar 2024/25

08.01.2025	Annual report 2023/24
29.01.2025	Annual general meeting
03.02.2025	Distribution of dividends
06.02.2025	Q1 report 2024/25
08.05.2025	H1 report 2024/25
28.08.2025	Q3 report 2024/25
20.11.2025	Annual report 2024/25
11.12.2025	Annual general meeting

Investor Relations
Gabriel Holding A/S endeavours to maintain a satisfactory and uniform level of information for investors and analysts, so that the share price records steady progress and always reflects the company's expected development.

Gabriel's website www.gabriel.dk is the stakeholders' primary source of information. It is regularly updated with new and relevant information on Gabriel's profile, activities, industry and results.

Investor relations contact:
Anders Hedegaard Petersen, CEO
Phone: +45 9630 3117

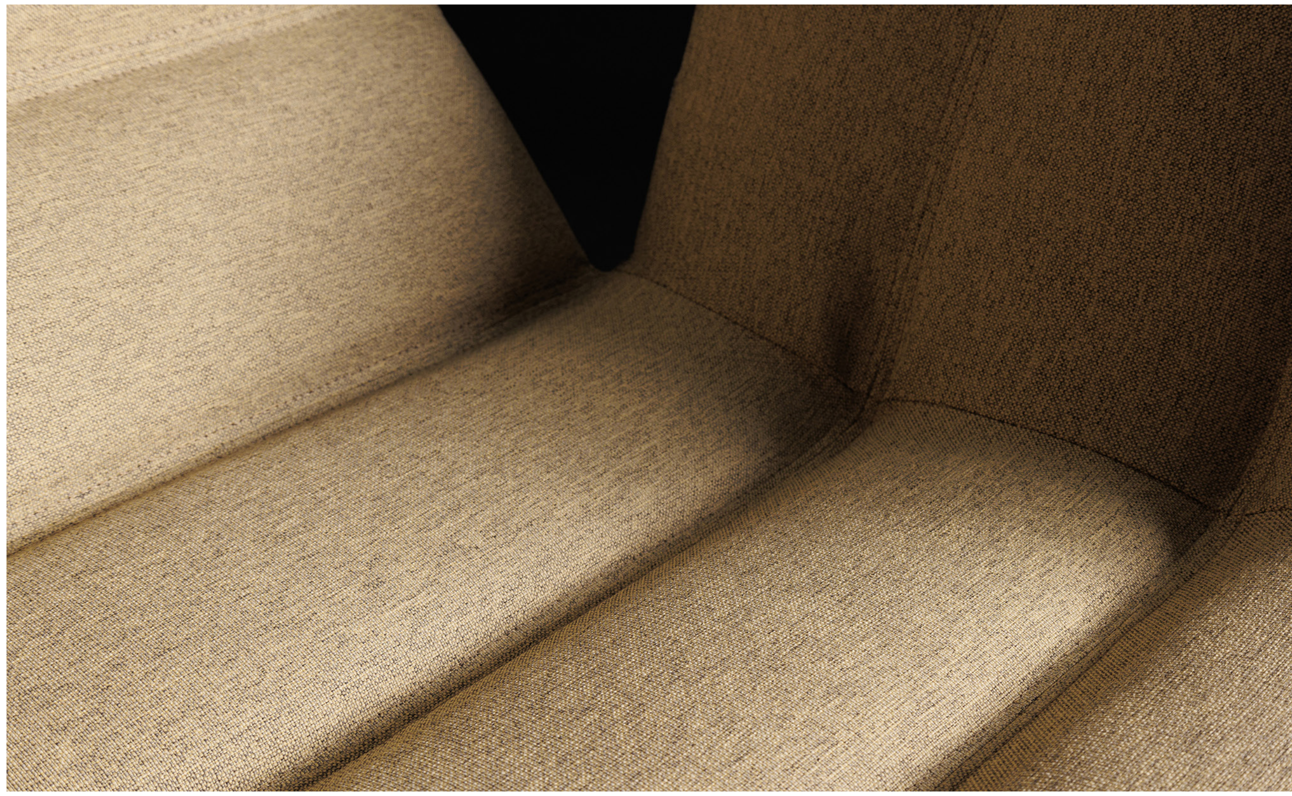
Company announcements in the 2023/24 financial year

16.11.2023	Gabriel Holding A/S: Challenging market conditions were a defining feature of the 2022/23 financial year, which delivered revenue of DKK 931 million and operating profit (EBIT) of DKK 15.9 million.
23.11.2023	Notice of annual general meeting of Gabriel Holding A/S.
06.12.2023	Disclosure of transactions in the shares of Gabriel Holding A/S by persons discharging managerial responsibilities and persons closely associated with them.
13.12.2023	Major shareholder announcement from Poul H. Lauritsen Holding ApS.
14.12.2023	Minutes of the annual general meeting held on 14 December 2023.
08.02.2024	Gabriel Holding A/S – first quarter of the 2023/24 financial year.
13.02.2024	Disclosure of transactions in the shares of Gabriel Holding A/S by persons discharging managerial responsibilities and persons closely associated with them.
14.02.2024	Disclosure of transactions in the shares of Gabriel Holding A/S by persons discharging managerial responsibilities and persons closely associated with them.
14.02.2024	Disclosure of transactions in the shares of Gabriel Holding A/S by persons discharging managerial responsibilities and persons closely associated with them.
15.04.2024	Gabriel Holding A/S upwardly adjusts its expectations for the 2023/24 financial year.
02.05.2024	Gabriel Holding A/S – first half of the 2023/24 financial year.
05.08.2024	Gabriel launches a new growth strategy to intensify the development of the Gabriel Fabrics and SampleMaster business units. Carve-out of the Group's FurnMaster units starts at the same time.
29.08.2024	Gabriel Holding A/S delivers rising revenue and operating profit (EBIT) in the third quarter of the 2023/24 financial year and maintains the upwardly adjusted expectations.
24.09.2024	Jørgen Kjær Jacobsen does not seek re-election to the board of directors of Gabriel Holding A/S.

Annual general meeting
The annual general meeting will be held in Aalborg at 2:00 p.m. on Wednesday, 29 January 2025.

SUSTAINABILITY

Gabriel puts an active effort into making products that are durable and environmentally friendly. Product certifications such as the EU Ecolabel and OEKO-TEX® STANDARD 100 are used to ensure and document this, as are life cycle assessments (LCA), which provide information on the products' potential impact on the environment throughout their life cycle.



Company information

Board of Directors

Jørgen Kjær Jacobsen
Chair (D)
Born: 1952
Sex: Male
Joined the
Board of Directors: 2010
Term ends: AGM 2024

Position: CEO and professional board member

Board skills

Special expertise in top management and board skills in listed companies.

Positions of trust

Executive positions
Raskier A/S
Raskier Ejendomme ApS

Directorships
Roblon A/S (C)
– and member of the audit committee, innovation and product development committee and governance, nomination and remuneration committee
Raskier A/S
Raskier Ejendomme ApS

Søren Mygind Eskildsen
Vice-chair (I)
Born: 1972
Sex: Male
Joined the
Board of Directors: 2022
Term ends: AGM 2024

Position: CEO of Louis Poulsen A/S.

Board skills

Relevant experience from the industry with special expertise in strategy, sales, production and top management of global companies, including branding and design.

Positions of trust

Executive positions
Audo A/S
TSME Holding ApS

Directorships
TCM Group A/S (VC)
Ege Carpets A/S (C)
– and member of the remuneration and nomination committee
Designers Company A/S

Hans Olesen Damgaard
Board member (I)
Born: 1965
Sex: Male
Joined the
Board of Directors: 2015
Term ends: AGM 2024

Position: Professional board member.

Board skills

Special expertise in sales and top management of global companies.

Positions of trust

Directorships
EC POWER A/S
DS Energy ApS (C)
LIFA A/S LANDINSPEKTØRER (C)
Aktieselskabet Carl Christensen (C)
Manini & Co. Holding A/S (C)
Thygesen Textile Group A/S (C)
Ege Carpets A/S – and chair of the audit committee
Stibo Complete Group A/S (VC)
Dansk Kvarts Industri A/S

Commercial foundations
Aarhus Symfoniorkesters Fond af 13. april 1983

Søren B. Lauritsen
Board member (D)
Born: 1967
Sex: Male
Joined the
Board of Directors: 2010
Term ends: AGM 2024

Position: CEO, ONE Marketing A/S.

Board skills

Special expertise in sales and marketing with IT, strategy and branding as strong points.

Positions of trust

Executive positions
Søren B. Lauritsen Holding ApS
Poul H. Lauritsen Holding ApS

Directorships
Attract Media ApS (C)
ONE Marketing A/S
GAB Invest ApS

Randi Toftlund Pedersen
Board member (I)
Born: 1963
Sex: Female
Joined the
Board of Directors: 2022
Term ends: AGM 2024

Position: Senior Vice President Corporate Finance in Salling Group.

Board skills

Special expertise in top management
– with special focus on financial management, financial reporting and accounting
– of Danish listed companies.

Positions of trust

Directorships
Ejendomsselskabet Olav de Linde A/S
Glunz & Jensen Holding A/S (VC)
– and chair of the audit committee
and member of the remuneration committee
Roblon A/S – and chair of the audit committee
Salling Group Captiveforsikringsselskab A/S (C)
Salling Group Ejendomme A/S
Salling Group Ejendomme II Aps

Quinten Xerxes van Dalm
Board member
elected by the employees
Born: 1972
Sex: Male
Joined the
Board of Directors: 2010

Position: Customer Service Manager.

Employed in Gabriel A/S in the sales support and customer service department since 2005.

Elected by the employees until the annual general meeting in 2024.

Rikke Lyhne Jensen
Board member
elected by the employees
Born: 1988
Sex: Female
Joined the
Board of Directors: 2018

Position: Sustainability Manager.

Employed in Gabriel A/S in the QEP department since 2014.

Elected by the employees until the annual general meeting in 2026.

Executive Board

Anders Hedegaard Petersen
CEO

Born: 1976
Sex: Male

Anders Hedegaard Petersen joined Gabriel in 2004 and became CEO of Gabriel Holding A/S in 2011.

Positions of trust

Executive positions
KAAN ApS

Directorships
GAB Invest ApS (C)
Vrå Damp Holding A/S (C)
Vrå Dampvaskeri A/S (C)
Dansk Mode & Textil (VC)

Claus Møller
CCO

Born: 1966
Sex: Male

Claus Møller joined Gabriel in 2010 and has been a member of the Executive Board since 2016.

Positions of trust

Executive positions
GAB Invest ApS
Bonum Vitae ApS
Staniolhattefabrikken ApS

Directorships
Food Solutions ApS (C)
Shopconcept Holding A/S
GAB Invest ApS
SDIVD A/S
Startex ApS
Nordlux A/S

Name	Nationality	Audit committee	Governance, remuneration and nomination committee	Acquisition and strategy committee	Digitalisation and cybersecurity committee	Board and committee meetings in 23/24*	Share-holding 30.09.24**	Change in 23/24
Jørgen Kjær Jacobsen	Danish	Member	Member	Member		100%	8,800	
Søren Mygind Eskildsen	Danish	Member		Chair	Member	96%	0	
Hans Olesen Damgaard	Danish		Chair	Member	Member	100%	1,000	
Søren B. Lauritsen	Danish				Chair	100%	49,416	+630
Randi Toftlund Pedersen	Danish	Chair				100%	0	
Quinten Xerxes van Dalm	Danish/ Dutch				Member	91%	35	
Rikke Lyhne Jensen	Danish		Member			100%	0	
Anders Hede-gaard Petersen	Danish						50,621	+1,160
Claus Møller	Danish						48,942	+590

* The Board of Directors held six meetings, the audit committee eight meetings, the governance, remuneration & nomination committee three meetings, the acquisition & strategy committee six meetings and the digitalisation and cybersecurity committee five meetings.
** The stated number of shares and changes comprise the total of the person's shares and those of his or her related parties

D = Dependent member   I = Independent member   C = Chair   VC = Vice-chair

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the 2023/24 annual report of Gabriel Holding A/S.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at 30 September 2024 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 October 2023 – 30 September 2024.

Further, in our opinion, the management commentary gives a fair review of the development in the Group's and the parent company's activities and financial matters, of the results for the year, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that the Group and the parent company face.

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

Aalborg, 8 January 2025

Executive Board

Anders Hedegaard Petersen
CEO

Claus Møller
CCO

Board of Directors

Jørgen Kjær Jacobsen
Chair

Søren Mygind Eskildsen
Vice-chair

Hans Olesen Damgaard

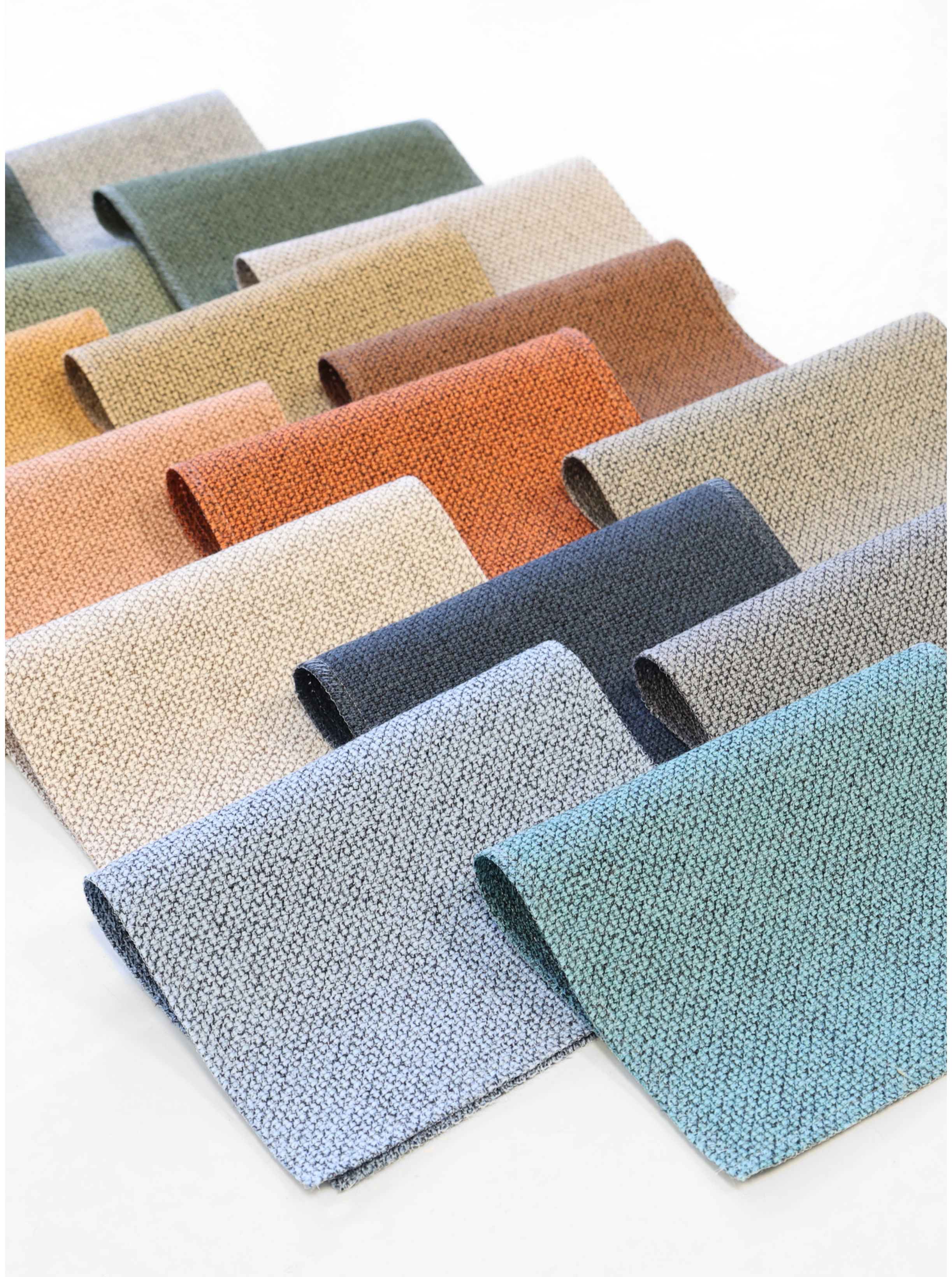
Søren Brahm Lauritsen

Randi Toftlund Pedersen

Quinten van Dalm
Employee representative

Rikke Lyhne Jensen
Employee representative

TAILOR



Wool fabric Tailor is characterised by a tactile and visually melange structure. Inspired by the beauty of nature, Tailor is a living fabric with a dynamic, organic look that fosters a sense of comfort and harmony in any setting.

Independent auditor's report

To the shareholders of Gabriel Holding A/S

Report on the audit of the consolidated financial statements and the parent company financial statements

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at 30 September 2024 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 October 2023 – 30 September 2024 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Board of Directors and the audit committee.

Audited financial statements

The consolidated financial statements and the parent company financial statements of Gabriel Holding A/S for the financial year 1 October 2023 – 30 September 2024 comprise income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, cash flow statement and notes, including accounting policies for the Group and parent company (the "financial statements"). The financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing and the 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 our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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 declare, to the best of our knowledge and belief, that we have not provided any prohibited non-audit services, as referred to in Article 5(1) of the Regulation (EU) 537/2014 and that we remained independent in conducting the audit.

We were appointed auditors of Gabriel Holding A/S for the first time on 11 December 2014 for the 2014/15 financial year. We have been re-appointed annually by motion passed by the general meeting for a total consecutive engagement of ten years up to and including the financial year 1 October 2023 – 30 September 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the 2023/24 financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in the forming of our opinion thereon. We do not provide a separate opinion on these matters.

Correction of material errors

In connection with the financial reporting, management identified irregularities in the financial reporting in the Mexican subsidiary Grupo RYL. In consequence, management carried out detailed verification of the historical financial reporting. The verification was made difficult because the employees who, historically, had prepared the financial reporting had left the company.

Based on the material which forms the basis for the financial reporting, material errors were identified, in particular in relation to the valuation of inventories in the current and previous financial years. As a result of the identified irregularities, management has initiated an in-depth external investigation of the cause and consequences of the irregularities.

Given the uncertainty of calculating the corrections to previous years' financial statements and the significance of the corrections, this has been a key audit matter.

We refer to note 29 to the consolidated financial statements which gives an account of the accounting treatment of material errors, including how the corrections were made in the individual financial years.

How our audit addressed the correction of material errors

For the purpose of our audit, the procedures we carried out included the following:

- We have carried out risk assessments as a basis for understanding the irregularities identified in connection with the financial reporting, including the identified corrections and detailed verifications made by management. This included detailed enquiries to management and analyses of the financial reporting for the subsidiary Grupo RYL in Mexico.
- We have assessed the identified risk of fraud deriving from the detected irregularities. This comprised enquiries into management's initial assessment of the irregularities and the scope of the investigation launched.
- We have performed more audit procedures and sampling than initially planned regarding recognition and measurement of significant items in the accounts of the subsidiary Grupo RYL in Mexico that are included in the consolidated financial statements. The significant items comprise revenue, inventories, trade receivables and trade payables.
- We have verified management's accrual of the identified errors relating to previous financial years.
- We have assessed management's presentation of the corrections in the consolidated financial statements relative to the requirements of IFRS. The assessment comprised an examination of the restatement of comparative figures and description of the corrections in both the management commentary and the introduction to the accounting policies with the associated note 29.

Discontinued operations and assets held for sale

On 5 August 2024, the Gabriel Group published a new growth strategy to intensify the development of the Gabriel Fabrics and SampleMaster business units. Divestment of the Group's FurnMaster units was initiated at the same time. As a result, the FurnMaster units are presented as discontinued operations in the consolidated financial statements and the related net assets classified as assets held for sale.

The most significant risks concern management's assessment of the criteria for the classification of the FurnMaster units as assets held for sale and discontinued operations, the completeness and accuracy of assets held for sale and discontinued operations, the presentation of this in the consolidated financial statements and the valuation of assets held for sale.

Given that estimates regarding the valuation of assets held for sale are subject to material uncertainty and that accounting policies in the area are complex and non-standard and involve material estimates made by management, this has been a key audit matter.

We refer to note 9 to the consolidated financial statements for a description of the discontinued operations, including key assumptions and assessments, note 26 concerning accounting estimates and judgments, note 28 which includes the Group's accounting policies for discontinued operations and note 29 which gives an account of the accounting treatment of the correction of material errors related to discontinued operations.

How our audit addressed discontinued operations and assets held for sale

For the purpose of our audit, the procedures we carried out included the following:

- We have carried out risk assessment procedures to understand the scope of the operations and associated net assets put up for sale, including the accounting consequences of putting the operations up for sale.
- We have involved our internal accounting and reporting specialists.
- Together with the specialists we have assessed whether management's basis for classifying FurnMaster units as assets held for sale and discontinued operations is reasonable given the criteria for this in IFRS 5, including in particular whether the FurnMaster units can offhand be sold in their present stated on conditions that are usual for the sale of such assets and whether a sale is probable; i.e. whether the sale is expected to be completed within a year from the classification date.
- We have verified the completeness and accuracy of the operations that are classified as discontinued operations and assets held for sale respectively.
- We have assessed and challenged whether management's valuation of assets classified as held for sale is appropriate, i.e. that the carrying amount does not exceed the estimated fair value less sales costs, including whether the valuation models used are appropriate in the circumstances and the key assumptions made are reasonable, in particular management's expectations for the development in revenue and earnings and the discount rate.
- We have examined the information in the consolidated financial statements and assessed whether the IFRS 5 disclosure requirements are met, including the description of significant judgments made by management.

Valuation of goodwill and intangible assets (continuing operations)

Goodwill and associated intangible assets of DKK 32.6 million recognised in connection with business acquisitions are judged to be material for the consolidated financial statements.

In preparing the impairment test of goodwill, management has made a number of assumptions about cash-generating units (CGUs), expected future cash flows and the applied discount rates for the cash-generating units.

Given the uncertainty of estimates related to the valuation of goodwill and intangible assets, this has been a key audit matter.

We refer to note 11 to the consolidated financial statements for a description of the impairment test for goodwill and associated intangible assets. We also refer to note 26 to the consolidated financial statements concerning accounting estimates and judgments and note 28 for the Group's accounting policies for impairment testing.

How our audit addressed the valuation of goodwill and intangible assets (continuing operations)

For the purpose of our audit, the procedures we carried out included the following:

- We have assessed the Group's internal controls for the preparation of impairment tests including budget and projections.
- We have checked that the valuation model used to carry out the impairment test of goodwill was appropriate and in accordance with the requirements of IAS 36, including for the determination of cash-generating units and allocation of goodwill.
- We have assessed whether there is an indication of impairment of other intangible assets in the form of customer relationships and product technology assets relating to acquired businesses.
- We have assessed whether the key assumptions used in the impairment tests were reasonable, in particular management's expectations for the development in revenue and earnings and the discount rate.
- We have examined the related information in the consolidated financial statements and assessed whether the IFRS disclosure requirements are met.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU and additional requirements in 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 Group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting in preparing the financial statements, unless management either intends to liquidate the Group or the parent company 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 as to 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 judgment 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. We 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.
- 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 Group's and the parent company's internal control.
- evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the management.
- conclude on the appropriateness of the management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the parent company's ability to continue as a going concern. If we conclude that 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 Group and the parent company to cease trading as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or the business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on compliance with the ESEF Regulation

As part of our audit of the consolidated financial statements and parent company financial statements of Gabriel Holding A/S, we performed procedures to express an opinion on whether the annual report of Gabriel Holding A/S for the financial year 1 October 2023 – 30 September 2024 with the file name "549300LK5U9PUCUD2X47-2024-09-30-da" is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- the preparation of the annual report in XHTML format;
- the selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and anchoring them to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- for such internal control as management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- testing whether the annual report is prepared in XHTML format;
- obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- evaluating the completeness of the iXBRL tagging of the consolidated financial statements;
- evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of Gabriel Holding A/S for the financial year 1 October 2023 – 30 September 2024 with the file name "549300LK5U9PUCUD2X47-2024-09-30-da" is prepared, in all material respects, in compliance with the ESEF Regulation.

Aalborg, 8 January 2025

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25578198

Jon Beck State Authorised Public Accountant MNE32169	Mikkel Trabjerg Knudsen State Authorised Public Accountant MNE34359

Income statement

for the year 01.10.2023 – 30.09.2024

Note	tDKK	CONSOLIDATED 2023/24	CONSOLIDATED 2022/23 (restated)	PARENT COMPANY 2023/24	PARENT COMPANY 2022/23
1	**Net revenue**	**483,482**	454,538	**11,340**	11,340
2	Other operating income	**1,205**	821	**23**	-
3	Cost of sales	**-233,397**	-220,997	**-**	-
4	Other external costs	**-71,634**	-64,327	**-4,302**	-3,559
5	Staff costs	**-122,851**	-122,215	**-13,998**	-14,013
2	Other operating costs	**-44**	-889	**-**	-111
11, 12	Depreciation/amortisation and impairment losses on intangible assets and property, plant and equipment	**-37,089**	-33,817	**-579**	-555
	Operating profit/loss (EBIT)	**19,673**	13,115	**-7,516**	-6,897
14	Share of profit after tax in joint venture	**890**	398	**-**	-
6	Finance income	**3,761**	5,142	**17,196**	25,000
7	Finance costs	**-20,323**	-15,511	**-5,732**	-9,506
	Profit from continuing operations before tax	**4,002**	3,144	**3,949**	8,597
8	Tax on profit for the year from continuing operations	**-5,455**	-4,561	**2,912**	3,637
	Profit/loss for the year from continuing operations	**-1,453**	-1,417	**6,861**	12,234
9	Loss for the year from discontinued operations after tax	**-14,235**	-42,732	**-**	-
	Profit/loss for the year	**-15,688**	-44,149	**6,861**	12,234
9, 10	**Earnings/loss per share (DKK):**				
	Loss per share (EPS Basic):	**-8.3**	-23.4		
	Loss per share, diluted (EPS-D):	**-8.3**	-23.4		
	Loss per share from continuing operations	**-0.8**	-0.7		
	Loss per share from continuing operations, diluted	**-0.8**	-0.7		

Statement of comprehensive income

for the year 01.10.2023 – 30.09.2024

Note	tDKK	CONSOLIDATED 2023/24	CONSOLIDATED 2022/23 (restated)	PARENT COMPANY 2023/24	PARENT COMPANY 2022/23
	Profit/loss for the year	**-15,688**	-44,149	**6,861**	12,234
	Other comprehensive income not reclassified to the income statement:				
	Exchange rate adjustment on translation of foreign entities	**773**	-10,375	**-**	-
	Tax on other comprehensive income	**859**	3,413	**-**	-
	Other comprehensive income after tax	**1,632**	-6,962	**-**	-
	Total comprehensive income	**-14,056**	-51,111	**6,861**	12,234

Statement of financial position

Assets at 30.09.2024

Note	tDKK	CONSOLIDATED 2023/24	CONSOLIDATED 2022/23 (restated)	CONSOLIDATED 1 Oct. 2022 (restated)	PARENT COMPANY 2023/24	PARENT COMPANY 2022/23
	Non-current assets					
11	Intangible assets:					
	Goodwill	**27,018**	51,228	50,698	**-**	-
	Acquired product technology assets	**4,194**	6,035	7,846	**-**	-
	Customer relationships	**1,358**	4,783	7,036	**-**	-
	Development projects in progress	**14,111**	18,513	10,260	**-**	-
	Completed development projects	**13,869**	15,809	17,095	**-**	-
	Software	**6,590**	7,087	6,152	**-**	-
		67,140	103,455	99,087	**-**	-
12	Property, plant and equipment:					
	Land and buildings	**79,164**	94,256	92,463	**-**	-
	Leasehold improvements	**10,395**	17,086	15,943	**-**	-
	Plant, fixtures and fittings and equipment	**40,374**	69,661	68,938	**1,308**	2,890
	Lease assets	**39,896**	53,075	51,664	**493**	-
		169,829	234,078	229,008	**1,801**	2,890
	Other non-current assets:					
13	Investments in subsidiaries	**-**	-	-	**135,484**	135,484
13	Amounts owed by subsidiaries	**-**	-	-	**40,688**	40,318
14	Investments in joint venture	**32,878**	32,294	32,037	**-**	-
19	Deferred tax assets	**7,413**	14,694	25,003	**-**	-
		40,291	46,987	57,040	**176,172**	175,802
	Total non-current assets	**277,260**	384,520	385,135	**177,973**	178,692
	Current assets					
15	Inventories	**116,444**	197,955	239,856	**-**	-
16	Receivables	**78,141**	129,957	144,363	**9,444**	34,290
	Prepayments	**11,322**	16,174	13,335	**219**	218
	Corporation tax receivable	**4,541**	5,373	-	**15,029**	-
25	Cash and cash equivalents	**26,727**	38,506	77,091	**5**	544
9	Assets held for sale	**262,780**	1,226	1,226	**-**	-
	Total current assets	**499,955**	389,191	475,871	**24,697**	35,053
	Total assets	**777,215**	773,711	861,006	**202,670**	213,745

The FurnMaster units are shown as assets held for sale in 2023/24. The comparative figures have not been restated. See also note 9.
The DKK 1.2 million shown as assets held for sale in 2022/23 concern land and buildings expected to be sold in 2024/25.

Statement of financial position

Equity and liabilities at 30.09.2024

Note	tDKK	CONSOLIDATED 2023/24	CONSOLIDATED 2022/23 (restated)	CONSOLIDATED 1 Oct. 2022 (restated)	PARENT COMPANY 2023/24	PARENT COMPANY 2022/23
	Equity					
18	Share capital	**37,800**	37,800	37,800	**37,800**	37,800
	Translation reserve	**-10,723**	-12,355	-5,393	**-**	-
	Retained earnings	**234,550**	250,238	294,387	**53,562**	46,701
	Proposed dividends	**-**	-	20,318	**-**	-
	Total equity	**261,627**	275,683	347,112	**91,362**	84,501
	Liabilities					
	Non-current liabilities					
19	Deferred tax	**10,318**	12,031	9,989	**141**	168
20	Credit institutions	**33,742**	36,324	38,923	**-**	-
21	Lease liabilities	**27,402**	35,711	34,353	**-**	-
	Total non-current liabilities	**71,462**	84,066	83,265	**141**	168
	Current liabilities					
20	Credit institutions	**316,700**	309,787	293,400	**5,729**	-
21	Lease liabilities	**14,687**	18,163	19,303	**420**	-
	Amounts owed to subsidiaries	**-**	-	-	**101,786**	124,271
	Trade payables	**19,404**	47,844	66,627	**51**	32
	Amounts owed to joint venture	**4,056**	1,259	1,203	**-**	-
	Corporation tax	**-**	-	19,990	**-**	-
23, 25	Other payables	**25,590**	36,909	30,105	**3,182**	4,772
9	Liabilities related to assets held for sale	**63,689**	-	-	**-**	-
	Total current liabilities	**444,126**	413,962	430,629	**111,168**	129,075
	Total liabilities	**515,588**	498,028	513,894	**111,308**	129,244
	Total equity and liabilities	**777,215**	773,711	861,006	**202,670**	213,745

Statement of changes in equity

tDKK	KONCERN Share capital	Translation reserve	Retained earnings	Proposed dividends	Total equity
2023/24					
Equity at 01.10.23 (as previously reported)	**37,800**	**-12,734**	**301,515**	**-**	**326,581**
Correction of material error		379	-51,277		-50,898
Equity at 01.10.23 after correction	**37,800**	**-12,355**	**250,238**	**-**	**275,683**
Comprehensive income for the year					
Profit/loss 2023/24	-	-	-15,688	-	-15,688
Other comprehensive income					
Exchange rate adjustment on translation of foreign entities	-	773	-	-	773
Tax on other comprehensive income	-	859	-	-	859
Total other comprehensive income	-	1,632	-	-	1,632
Total comprehensive income	**-**	**1,632**	**-15,688**	**-**	**-14,056**
Transactions with shareholders					
Distributed dividends	-	-	-	-	-
Total transactions with shareholders	**-**	**-**	**-**	**-**	**-**
Equity at 30.09.24	**37,800**	**-10,723**	**234,550**	**-**	**261,627**
2022/23					
Equity at 01.10.22 (as previously reported)	**37,800**	**-5,213**	**305,844**	**20,318**	**358,749**
Correction of material error		-180	-11,457		-11,637
Equity at 01.10.22 after correction	**37,800**	**-5,393**	**294,387**	**20,318**	**347,112**
Comprehensive income for the year					
Profit/loss 2022/23	-	-	-44,149	-	-44,149
Other comprehensive income					
Exchange rate adjustment on translation of foreign entities	-	-10,375	-	-	-10,375
Tax on other comprehensive income	-	3,413	-	-	3,413
Total other comprehensive income	-	-6,962	-	-	-6,962
Total comprehensive income	**-**	**-6,962**	**-44,149**	**-**	**-51,111**
Transactions with shareholders					
Distributed dividends	-	-	-	-20,318	-20,318
Total transactions with shareholders	**-**	**-**	**-**	**-20,318**	**-20,318**
Equity at 30.09.23	**37,800**	**-12,355**	**250,238**	**-**	**275,683**

tDKK	PARENT COMPANY Share capital	Retained earnings	Proposed dividends	Total equity
2023/24				
Equity at 01.10.23	**37,800**	**46,701**	**-**	**84,501**
Comprehensive income for the year				
Profit/loss 2023/24	-	6,861	-	6,861
Total comprehensive income	**-**	**6,861**	**-**	**6,861**
Comprehensive income with shareholders				
Distributed dividends	-	-	-	-
Equity at 30.09.24	**37,800**	**53,562**	**-**	**91,362**
2022/23				
Equity at 01.10.22	**37,800**	**34,467**	**20,318**	**92,585**
Comprehensive income for the year				
Profit/loss 2022/23	-	12,234	-	12,234
Total comprehensive income	**-**	**12,234**	**-**	**12,234**
Comprehensive income with shareholders				
Distributed dividends	**-**	**-**	**-20,318**	**-20,318**
Equity at 30.09.23	**37,800**	**46,701**	**-**	**84,501**

Cash flow statement

Note	tDKK	CONSOLIDATED 2023/24	CONSOLIDATED 2022/23 (restated)	PARENT COMPANY 2023/24	PARENT COMPANY 2022/23
	Cash flows from operating activities				
	Profit/loss for the year after tax, continuing operations	**-1,453**	-1,417	**6,861**	12,234
	Loss for the year after tax, discontinued operations	**-14,235**	-42,732	**-**	-
	Dividends from joint venture	**306**	142	**-**	-
	Adjustment for non-cash items:				
	Depreciation, amortisation and impairment losses	**52,938**	49,426	**579**	555
	Gains and losses on the disposal of non-current assets	**-592**	-119	**23**	111
	Share of profit after tax in joint venture	**-890**	-398	**-**	-
	Finance income and costs	**19,672**	15,844	**-11,465**	-15,494
	Tax on profit for the year	**7,798**	15,365	**-2,912**	-3,637
	Cash generated from operations before changes in working capital and tax	**63,544**	36,111	**-6,914**	-6,232
	Changes in inventories	**-4,719**	34,279	**-**	-
	Changes in receivables	**-1,454**	11,545	**24,480**	6,007
	Changes in trade and other payables	**2,410**	-12,515	**-23,636**	1,322
	Interest paid	**-15,540**	-14,386	**-3,471**	-2,839
	Interest received	**202**	116	**-**	-
	Corporation tax paid	**-7,153**	-28,641	**-15,057**	-9,522
		37,290	26,509	**-24,598**	-11,264
	Cash flows from investing activities				
11	Addition of intangible assets	**-11,180**	-15,913	**-**	-
12	Addition of property, plant and equipment	**-13,934**	-23,710	**-**	-585
12	Disposal of property, plant and equipment	**4,237**	4,862	**1,134**	467
		-20,877	-34,762	**1,134**	-118
22	**Cash flows from financing activities**				
	Dividends received	**-**	-	**17,196**	25,000
	External financing:				
	Repayment of amounts owed to credit institutions	**-22,853**	-23,675	**5,729**	-436
	Drawing on credit facilities at banks	**6,930**	16,375	**-**	-
	Shareholders:				
	Dividends distributed	**-**	-20,317	**-**	-20,317
		-15,923	-27,617	**22,925**	4,247
	Changes for the year in cash and cash equivalents	**490**	-35,870	**-539**	-7,135
	Opening bank loans/cash and cash equivalents	**38,506**	77,091	**544**	7,679
	Value adjustment of bank loans/cash and cash equivalents	**-530**	-2,715	**-**	-
	Closing bank loans/cash and cash equivalents	**38,466**	38,506	**5**	544
	Composed of:				
	Cash and cash equivalents, continuing operations	**26,727**	30,033	**5**	544
	Cash and cash equivalents, assets held for sale	**11,739**	8,473	**-**	-
		38,466	38,506	**5**	544

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to the financial statements

1 **Segment information**

The Gabriel Group is accountable for continuing operations in two business segments:

Fabrics, where all products are furniture fabrics and related textiles. The products are sold to selected leading international manufacturers and key account customers specialising in upholstered furniture, seating and upholstered surfaces. The products for the individual business areas go through substantially the same production process, and the sales divisions have the same type of customers. In addition, the product distribution channels are the same. For 2022/23, FurnMaster is no longer shown under "Fabrics" in the segment information as it is classified as a discontinued operation.

Rental offices let by Gabriel Ejendomme A/S, which lets office premises in Gabriel Erhvervspark, Aalborg.

2023/24	CONSOLIDATED			
tDKK	Fabrics	Rental offices	Elimination	Group total
Total segment revenue	**480,214**	**7,569**	**-4,300**	**483,482**
Depreciation/amortisation	-35,762	-1,327	-	**-37,089**
Operating profit (EBIT)	**17,923**	**1,750**	**-**	**19,673**
Share of profit after tax in joint ventures	890	-	-	**890**
Finance income	4,394	-	-633	**3,761**
Finance costs	-19,755	-1,201	633	**-20,323**
Segment profit before tax	**2,742**	**1,260**	**-**	**4,002**
Tax on profit for the year	-5,335	-121	-	**-5,455**
Segment profit/loss after tax	**-1,881**	**428**	**-**	**-1,453**
Addition of non-current assets	18,181	928	-	**19,109**
Investments in joint venture	32,878	-	-	**32,878**
Segment assets	434,423	80,012	-	**514,435**
Segment equity and liabilities	413,157	53,245	-14,502	**451,899**
2022/23 (restated)				
tDKK				
Total segment revenue	**451,307**	**7,415**	**-4,183**	**454,538**
Depreciation/amortisation	-34,834	1,017	-	**-33,817**
Operating profit (EBIT)	**10,927**	**2,188**	**-**	**13,115**
Share of profit after tax in joint ventures	398	-	-	**398**
Finance income	5,544	0	-402	**5,142**
Finance costs	-14,985	-928	402	**-15,511**
Segment profit before tax	**1,884**	**1,260**	**-**	**3,144**
Tax on profit for the year	-4,284	-277	-	**-4,561**
Segment profit/loss after tax	**-2,400**	**983**		**-1,417**
Addition of non-current assets	26,680	2,430	-	**29,110**
Investments in joint venture	32,294	-	-	**32,294**
Segment assets	441,433	80,462	-	**521,895**
Segment equity and liabilities	402,061	53,983	-11,845	**444,200**

Significant customers of continuing operations

No customers in the Group account for revenue of more than 10% of Group revenue. This was also the case in 2022/23 for the continuing operations.

1 contd. **Segment information**

Geographical information

Geographical information specifies revenue by territory, based on the geographical location of the customers.

Revenue and non-current assets except investments in the joint venture and deferred tax assets are distributed across markets as follows:

	CONSOLIDATED			
	Revenue		Non-current assets	
tDKK	2023/24	2022/23 (restated)	2023/24	2022/23 (restated)
Denmark, fabrics	**32,865**	28,245	**38,086**	38,980
Denmark, rental offices	**3,269**	3,231	**79,164**	79,502
Other European countries	**366,994**	343,714	**94,282**	161,700
USA and Mexico	**34,559**	36,984	**14,018**	44,225
Asia and other territories	**45,797**	42,365	**11,419**	13,994
	483,482	454,538	**236,968**	338,401

		CONSOLIDATED		PARENT COMPANY	
	tDKK	2023/24	2022/23 (restated)	2023/24	2022/23
2	**Other operating income**				
	Gains on disposals of non-current assets	**392**	164	**23**	-
	Other income	**813**	657	**-**	-
		1,205	821	**23**	-
	Other operating costs				
	Losses on disposals of non-current assets	**-6**	-112	**-**	-111
	Other costs	**-38**	-777	**-**	-
		-44	-889	**-**	-111
3	**Cost of sales**				
	Cost of sales for the year	**-206,778**	-195,709	**-**	-
	Write-down of inventories for the year	**-255**	-217	**-**	-
	Reversal of write-downs on inventories	**283**	198	**-**	-
	Production wages, etc.	**-26,647**	-25,269	**-**	-
		-233,397	-220,997	**-**	-
4	**Other external costs**				
	Other external costs include fees for the auditors appointed by the general meeting as follows:				
	Statutory audit services	**-910**	-721	**-541**	-212
	Other services	**-137**	-83	**-35**	-74
		-1,047	-804	**-576**	-286

tDKK	Consolidated 2023/24	Consolidated 2022/23 (restated)	Parent company 2023/24	Parent company 2022/23
5 Staff costs				
Wages and salaries, etc.	**-135,491**	-135,782	**-12,864**	-12,981
Defined contribution pension schemes	**-5,724**	-5,076	**-1,079**	-984
Other social security costs	**-13,427**	-11,535	**-55**	-48
	-154,642	-152,393	**-13,998**	-14,013
Payroll costs capitalised regarding development projects	**5,146**	4,910	**-**	-
Payroll costs transferred to cost of sales	**26,645**	25,269	**-**	-
	-122,851	-122,215	**-13,998**	-14,013
Remuneration of the Board of Directors of the parent company	**-2,075**	-1,988	**-2,075**	-1,988
Remuneration of the Executive Board of the parent company	**-7,442**	-6,855	**-7,442**	-6,855
Pension contributions for the parent company's Executive Board	**-700**	-672	**-700**	-672
Remuneration of other managerial employees	**-7,826**	-8,656	**-3,242**	-3,292
Pensions for other managerial employees	**-394**	-340	**-245**	-222
Average number of employees	**389**	396	**7**	6
6 Finance income				
Dividends from subsidiaries	**-**	-	**17,196**	25,000
Interest income, cash, etc.	**210**	25	**0**	-
Interest income from discontinued operations	**3,551**	5,117	**-**	-
	3,761	5,142	**17,196**	25,000
7 Finance costs				
Interest expenses	**-15,656**	-12,762	**-188**	-4
Interest expenses on lease assets	**-1,120**	-901	**-2**	-
Interest expenses from subsidiaries	**-**	-	**-3,242**	-2,816
Net foreign exchange loss	**-3,407**	-1,689	**-2,261**	-6,667
Other finance costs	**-140**	-159	**-39**	-19
	-20,323	-15,511	**-5,732**	-9,506

tDKK	Consolidated 2023/24	Consolidated 2022/23 (restated)	Parent company 2023/24	Parent company 2022/23
8 Tax on profit for the year from continuing operations				
Current tax	**-4,513**	-11,050	**-**	-
Joint taxation contribution	**-**	-	**2,884**	3,639
Adjustment of deferred tax	**-942**	6,489	**28**	-2
	-5,455	-4,561	**2,912**	3,637
Tax on profit for the year is specified as follows:				
Computed tax on profit from continuing operations before tax, 22%	**-880**	-893	**-869**	-1,891
Tax effect of:				
Non-taxable income	**105**	129	**-**	-
Non-deductible costs	**-**	-	**-3**	-3
Non-taxable dividends	**-**	-	**3,784**	5,531
Share of profit after tax in joint venture	**196**	88	**-**	-
Adjustment for tax rates other than 22% on foreign subsidiaries	**677**	-345	**-**	-
Deferred tax assets not recognised	**-5,553**	-3,540	**-**	-
	-5,455	-4,561	**2,912**	3,637
Effective tax rate	**136.3%**	145.1%	**-73.8%**	-42.3%

The primary reason for the development in the tax rate is that management has chosen not to recognise realised deferred tax assets arising in the 2023/24 financial year.

9 **Profit/loss for the year from discontinued operations**

Assets held for sale

On 5 August 2024, the Group announced its decision to start the process of selling all or parts of the FurnMaster units at the best possible price. FurnMaster essentially comprises the legal entities UAB FurnMaster, FurnMaster Sp. z o.o. and Grupo RYL.

The conditions for classification as assets held for sale/discontinued operations were definitively met at 30 September 2024. The selling process is in process, and the FurnMaster operations are consequently classified as discontinued operations and no longer shown under "Fabrics" in the segment information.

In the statement of financial position, FurnMaster is thus classified as assets held for sale and liabilities related to assets held for sale respectively. The comparative figures for the 2022/23 statement of financial position have not been restated.

tDKK	FurnMaster 2023/24	FurnMaster 2022/23 (restated)
Net revenue	**429,101**	476,812
Other external costs	**-422,034**	-487,875
Depreciation/amortisation and impairment losses on intangible assets and property, plant and equipme	**-15,849**	-15,620
Operating loss (EBIT)	**-8,782**	-26,683
Finance costs	**-3,111**	-5,245
Loss from discontinued operations before tax	**-11,893**	-31,928
Deferred tax on profit/loss for the year	**508**	-11,133
Current tax on profit/loss for the year	**-2,850**	329
Loss from discontinued operations after tax	**-14,235**	-42,732
Loss per share from discontinued operations	**-7.5**	-22.6
Loss per share from discontinued operations, diluted	**-7.5**	-22.6
Goodwill	**25,053**	24,400
Other intangible assets	**10,005**	10,925
Property, plant and equipment	**63,609**	55,529
Deferred tax asset	**6,540**	6,913
Inventories	**86,960**	83,922
Receivables	**58,874**	60,429
Cash and cash equivalents	**11,739**	8,473
Assets held for sale	**262,780**	250,590
Deferred tax	**1,303**	1,730
Lease commitments	**21,435**	11,147
Trade payables	**33,854**	32,208
Other payables	**7,097**	8,744
Liabilities related to assets held for sale	**63,689**	53,828
Cash flows from operating activities	**-8,729**	30,382
Cash flows from investing activities	**-5,573**	-8,047
Cash flows from financing activities	**17,568**	-25,066
Total cash flow from discontinued operations	**3,266**	-2,731

During the financial reporting, management reviewed the carrying amounts of assets and liabilities in the FurnMaster units. The review did not result in any impairment. Since no sales agreement has been entered into, the fair value calculation less sales costs is uncertain and therefore categorised as level 3 in the fair value hierarchy based on a cash flow model.

9 contd. **Profit/loss for the year from discontinued operations**

The carrying amount was impairment tested for whether the fair value less costs is lower than the carrying amount based on a "value in use" approach, on 2024/25 budgets approved by the Board of Directors and on projections for subsequent periods (a total of five years). Terminal value must be added to this.

Impairment testing of the cash-generating units compares the recoverable amount, equivalent to the net present value of the expected future free cash flows, with the carrying amounts of the individual cash-generating units.
The key assumptions are revenue growth, EBIT margin and discount rate. The expected revenue growth for all CGUs is generally in line with the Group's realised growth. The expected EBIT rates are also supported by the EBIT rates realised for comparable Group activities.

The discount rates (WACC) used to calculate net present value are after tax and reflect the risk-free interest rate plus specific risks in the individual geographical cash-flow generating units. Due to the capital structure that was assumed when computing WACC, the computed discount rate before tax is not significantly higher.

Growth equivalent to the expected inflation rate (2.5%) was recognised in the terminal period.
Management prepared sensitivity analyses for the key assumptions.
Key assumptions and sensitivities are summarised as follows for cash-generating units:

	FURNMASTER 2023/24				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)*
FurnMaster (Poland/Lithuania)	10.8%	11.5%	4%	9%	88
Grupo RYL (Mexico)	11.6%	12.2%	30%	6%	96

* The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

	FURNMASTER 2022/23 (restated)				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)**
FurnMaster (Poland/Lithuania)	10.8%	11.5%	8%	9%	89
Grupo RYL (Mexico)	11.0%	11.6%	21%	8%	90

** The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

9 contd. **Profit/loss for the year from discontinued operations**

FurnMaster (Poland and Lithuania)
New customers and expansion of existing customer relationships are expected to drive revenue growth. The growth delivered over the last few years, in particular in Lithuania, combined with budgets for 2024/25, underpins the expectation that continued growth is realistic.
Production capacity has increased significantly in both Poland and Lithuania over the last few years.

Grupo RYL
The share capital in the Mexican company was acquired to support Gabriel Group's growth in North America, including to reduce production costs.

Based on the business case, the company will primarily sell to American customers. This strategy forms the basis for projected significant revenue growth and earnings increase. After identifying material errors in previous financial years, management has initiated a range of initiatives to identify, plan and implement actions that can increase earnings in Grupo RYL. The initiatives support projected growth from 2025/26, while 2024/25 is expected to be a year for improvements.
Overall, revenue and EBIT sensitivity is judged to be within the high interval.

The full value of the deferred tax assets is DKK 16.7 million. The tax assets only concern the Group company Grupo RYL and are mainly related to the tax loss carryforwards. DKK 6.5 million of the amount was recognised at 30 September 2024 (2022/23: DKK 6.5 million). The company realised losses in 2023/24, and management has therefore made a detailed assessment of the possibilities of utilising the tax asset.

Budgets/forecasts have been prepared for the next five years. Projected earnings support utilisation of the remaining deferred tax asset within five years based on expected annual revenue growth of the order of 30% plus increasing earnings from goods. The forecasts are supported by concrete action plans and analyses of customer potentials and profitability.

Upon completion of the sale, translation reserves and equity reserves of DKK 3.8 million concerning FurnMaster will be reclassified from equity to the income statement and recognised in net results for discontinued operations. After reclassification, the amount will be recognised under retained earnings on equity, which will thus be unchanged in total. The reclassification will not affect the cash flows.

		CONSOLIDATED		PARENT COMPANY	
	tDKK	**2023/24**	2022/23 (restated)	**2023/24**	2022/23
10	**Earnings/loss per share**				
	Loss from continuing operations	**-1,453**	-1,417	**-**	-
	Loss from discontinued operations	**-14,235**	-42,732	**-**	-
	Loss for the year after tax	**-15,688**	-44,149	**-**	-
				-	-
	Average number of shares	**1,890,000**	1,890,000	**-**	-
	Average number of shares in circulation	**1,890,000**	1,890,000	**-**	-
	Loss per share (EPS Basic):	**-8.3**	-23.4		
	Loss per share, diluted (EPS-D):	**-8.3**	-23.4		
	Loss per share from continuing operations	**-0.8**	-0.7		
	Loss per share from continuing operations, diluted	**-0.8**	-0.7		

tDKK	Goodwill	Acquired product technology assets	Customer relationships	Completed internal development projects	Internal development projects in progress	Software
	CONSOLIDATED					
11 **Intangible assets**						
2023/24						
Cost at 01.10.2023	51,228	15,520	13,941	45,039	18,513	17,515
Value adjustment	843	259	-343	1,432	-282	49
Brought forward	-	-	-	6,282	-6,282	-
Additions during the year	-	-	-	547	8,109	2,524
Disposals during the year	-	-	-	-	-472	-
Transferred to assets held for sale	-25,053	-	-5,994	-5,628	-5,475	-3,079
Cost at 30.09.2024	27,018	15,779	7,604	47,672	14,111	17,009
Amortisation at 01.10.2023	-	9,485	9,158	29,229	-	10,428
Value adjustment	-	1,355	-245	29	-	47
Disposals during the year	-	-	-	-	472	-
Amortisation for the year	-	745	1,971	7,174	-	2,019
Impairment losses for the year	-	-	-	-	-472	-
Transferred to assets held for sale	-	-	-4,638	-2,629	-	-2,075
Amortisation at 30.09.2024	-	11,585	6,246	33,803	-	10,419
Carrying amount at 30.09.2024	**27,018**	**4,194**	**1,358**	**13,869**	**14,111**	**6,590**
2022/23 (restated)						
Cost at 01.10.2022	50,698	15,323	14,451	40,945	10,260	15,117
Value adjustment	530	197	-510	-309	169	-63
Brought forward	-	-	-	5,332	-5,332	-
Additions during the year	-	-	-	-	13,452	2,461
Disposals during the year	-	-	-	-930	-36	-
Cost at 30.09.2023	51,228	15,520	13,941	45,039	18,513	17,515
Amortisation at 01.10.2022	-	7,477	7,415	23,850	-	8,965
Value adjustment	-	91	-239	11	-	37
Disposals during the year	-	-	-	-	36	-
Amortisation for the year	-	1,917	1,982	5,335	-	1,426
Impairment losses for the year	-	-	-	34	-36	-
Amortisation at 30.09.2023	-	9,485	9,158	29,229	-	10,428
Carrying amount at 30.09.2023	**51,228**	**6,035**	**4,783**	**15,809**	**18,513**	**7,087**

11 contd. **Intangible assets**

Goodwill
The carrying amount of goodwill of DKK 27.0 million is allocated between the cash-generating units (CGUs) Screen Solutions (DKK 5.7 million), UAB Gabriel Textiles (DKK 5.3 million) and Gabriel A/S (DKK 16.0 million).

The carrying amount of goodwill was impairment tested using discounted cash flow models based on a "value in use" approach, on 2024/25 budgets approved by the Board of Directors and on projections for subsequent periods (a total of five years). Terminal value must be added to this.
Impairment testing of the cash-generating units compares the recoverable amount, equivalent to the net present value of the expected future free cash flow, with the carrying amounts of the individual cash-generating units.

The key assumptions are revenue growth, EBIT-margin and discount rate. Projected revenue growth for all CGUs is generally in line with the Group's realised growth. The expected EBIT rates are also supported by the EBIT rates realised for comparable Group activities.

The discount rates (WACC) used to calculate net present value are after tax and reflect the risk-free interest rate plus specific risks in the individual geographical cash-flow generating units.

Growth equivalent to the expected inflation rate (1.5-2.5%) was recognised in the terminal period. Growth rates for the terminal value thus do not exceed the average long-term growth rate for the Group's products/markets.

Management prepared sensitivity analyses for the key assumptions.

Key assumptions and sensitivities are summarised as follows for cash-generating units:

	CONSOLIDATED 2023/24				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)*
Screen Solutions (UK)	11.4%	11.9%	10%	9%	96
UAB Gabriel Textiles (Lithuania)	10.8%	11.5%	10%	11%	87
Gabriel A/S (Denmark)	11.0%	11.7%	10%	19%	89

* The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

Based on the current market price, the Group's market capitalisation significantly exceeds book equity. The end-of-year price at 30 September 2024 was DKK 270, the equivalent of a market capitalisation of DKK 510 million.

	CONSOLIDATED 2022/23 (restated)				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)**
Screen Solutions (UK)	11.4%	11.9%	16%	7%	80
UAB Gabriel Textiles (Lithuania)	10.8%	11.5%	12%	12%	55
Gabriel A/S (Denmark)	11.0%	11.7%	10%	14%	65

** The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

Based on the current market price, the Group's market capitalisation significantly exceeds book equity. The end-of-year price at 30 September 2023 was DKK 306, the equivalent of a market capitalisation of DKK 578 million.

11 contd. **Intangible assets**

Screen Solutions (UK)
The CGU comprises revenue from customers on the UK market, royalties, and sale of design services to the FurnMaster companies. The company also provides storage and other services, including lamination production, to the Group's fabric business.

In accordance with the business case, the FurnMaster companies produce Screen Solutions products and sell them to the Group's major furniture customers. The UK company also receives royalty income which is part of the impairment test for Screen Solutions. The impairment test is sensitive to revenue development in the FurnMaster companies and the royalty income deriving from it and to income from services to the Group's other business areas, including the fabric business on the UK market.

In management's view, the UK market may generate greater revenue growth than assumed but, due to general uncertainty in the market and the ongoing outsourcing process, management considers that limited growth is more likely in the coming year.

While revenue fulfilled expectations in 2023/24, earnings were impacted by extraordinary restructuring costs associated with outsourcing of production and a one-off provision for bad debts.

The implemented adjustments contribute to a reduced cost base. Adjustments will continue throughout 2024/25 and, combined with good opportunities for growth in direct sales to the UK market and as a service partner for the Group, the company is expected to yield profits from 2025/26.

On the basis of these assumptions, revenue and EBIT sensitivity is within the high interval.

UAB Gabriel Textiles (Lithuania)
UAB Gabriel Textiles has been the main weaving partner in the European fabric production for several years and has produced most of the sales promotion materials that are marketed via Gabriel's business unit SampleMaster.

The aim of purchasing the shares in the Lithuanian company in 2018 was to support the Group's growth in both the fabric business and SampleMaster and to ensure continued high reliability of supply, quality and competitiveness.

In accordance with the business case, management considers that the acquisition continues to have a positive synergetic effect on Gabriel's earnings from fabrics. On this basis most of the goodwill has been allocated to the CGU Gabriel A/S. In addition, part of the goodwill is related to the SampleMaster activities, which are also expected to have significant growth potential.

Projected growth is in line with the generally projected revenue growth in the Group's sales of fabrics.

Production capacity increased significantly over the last few years, and management finds that it supports projected growth.

Overall, revenue and EBIT sensitivity is judged to be moderate.

Gabriel A/S
New customers and expansion of existing customer relationships are expected to drive revenue growth. Strong growth over the last few years underpins the expectation that continued growth is realistic.

Production capacity has increased significantly over the last few years.

As a result of the ample margin, probable changes in key assumptions are judged not to result in impairment charges.

Development projects
Re-evaluation of the project portfolio resulted in impairment charges totalling tDKK 472 (2022/23: tDKK 36).

The Group also performed an impairment test on the carrying amounts of the recognised development projects. The test included an evaluation of the project development sequence, in the form of expenses paid and results obtained relative to the approved project and business plans. The values of a few finalised development projects will be maintained if sales are realised as expected in the coming years.

It was judged on this basis that the recoverable amount exceeds the carrying amount. As in 2022/23, no public subsidies were received in 2023/24.

		CONSOLIDATED				PARENT	
	tDKK	Land and buildings	Improvements ented premises	Plant, fixtures, fittings and equipment	Lease assets	Plant, fixtures, fittings and equipment	Lease assets
12	**Property, plant and equipment**						
	2023/24						
	Cost at 01.10.2023	128,368	30,398	141,830	106,515	3,532	-
	Value adjustment	1,426	-597	-698	-109	-	-
	Additions during the year	948	2,900	9,576	29,059	-	601
	Disposals during the year	-	-	-11,978	-28,907	-1,482	-
	Transferred to assets held for sale	-18,892	-7,707	-39,146	-40,264	-	-
	Cost at 30.09.2024	111,850	24,994	99,584	66,294	2,050	601
	Depreciation at 01.10.2023	34,113	13,312	72,169	53,440	642	-
	Value adjustment	203	108	-659	396	-	-
	Disposals during the year	-	-	-6,416	-28,907	-371	-
	Depreciation for the year	1,778	3,940	13,491	20,256	471	108
	Transferred to assets held for sale	-3,408	-2,509	-19,376	-18,787	-	-
	Depreciation at 30.09.2024	32,686	14,852	59,210	26,398	742	108
	Carrying amount at 30.09.2024	**79,164**	**10,142**	**40,374**	**39,896**	**1,308**	**493**

	CONSOLIDATED			PARENT
tDKK	Land and buildings	Plant, fixtures and fittings	Group total	Lease assets
Lease assets				
2023/24				
Cost at 01.10.2023	95,431	11,083	106,515	-
Value adjustment	-	-109	-109	-
Additions during the year	26,823	2,236	29,059	601
Disposals during the year	-27,799	-1,109	-28,907	-
Transferred to assets held for sale	-34,988	-5,275	-40,264	-
Cost at 30.09.2024	59,467	6,827	66,294	601
Depreciation at 01.10.2023	46,882	6,557	53,440	-
Value adjustment	816	-420	396	-
Disposals during the year	-27,799	-1,109	-28,907	-
Depreciation for the year	18,030	2,226	20,256	108
Transferred to assets held for sale	-15,269	-3,517	-18,787	-
Depreciation at 30.09.2024	22,660	3,738	26,398	108
Carrying amount at 30.09.2024	**36,807**	**3,089**	**39,896**	**493**

Lease assets essentially comprise showrooms and cars.
Additions for the year include DKK 5.9 million regarding exercise of an extension option for leased premises.
The weighted interest rate for lease assets is 1-4%.

	CONSOLIDATED				PARENT	
tDKK	Land and buildings	Improvements ented premises	Plant, fixtures, fittings and equipment	Lease assets	Plant, fixtures, fittings and equipment	Lease assets
12 contd. Property, plant and equipment						
2022/23 (restated)						
Cost at 01.10.2022	125,237	26,258	129,903	97,513	2,947	862
Value adjustment	845	-912	-673	-145	-	-
Additions during the year	2,448	5,834	15,428	23,436	585	-
Disposals during the year	-162	-782	-2,828	-14,290	-	-862
Cost at 30.09.2023	128,368	30,398	141,830	106,515	3,532	-
Depreciation at 01.10.2022	32,774	10,315	60,965	45,849	97	274
Value adjustment	116	-134	1,585	6	-	-
Disposals during the year	-196	-	-2,200	-13,736	-	-283
Depreciation for the year	1,418	3,131	11,819	21,320	545	9
Depreciation at 30.09.2023	34,113	13,312	72,169	53,440	642	-
Carrying amount at 30.09.2023	**94,256**	**17,086**	**69,661**	**53,075**	**2,890**	**-**

	CONSOLIDATED			PARENT
tDKK	Land and buildings	Plant, fixtures and fittings	Group total	Plant, fixtures and fittings
Lease assets				
2022/23 (restated)				
Cost at 01.10.2022	87,455	10,058	97,513	862
Value adjustment	-	-145	-145	-
Additions during the year	20,929	2,507	23,436	-
Disposals during the year	-12,953	-1,337	-14,290	-862
Cost at 30.09.2023	95,431	11,083	106,515	-
Depreciation at 01.10.2022	42,113	3,736	45,849	274
Value adjustment	-	6	6	-
Disposals during the year	-12,951	-785	-13,736	-283
Depreciation for the year	17,720	3,600	21,320	9
Depreciation at 30.09.2023	46,882	6,557	53,440	-
Carrying amount at 30.09.2023	**48,549**	**4,526**	**53,075**	**-**

Lease assets essentially comprise showrooms and cars.
Additions for the year include DKK 2.9 million regarding exercise of an extension option for leased premises.
The weighted interest rate for lease assets is 1-4%.

	PARENT COMPANY	
tDKK	**2023/24**	2022/23
13 Investments in subsidiaries		
Cost at 01.10	**142,484**	107,623
Capital contribution, subsidiaries	**-**	34,861
Cost at 30.09	**142,484**	142,484
Impairment write-down 01.10	**7,000**	7,000
Impairment write-down for the year	**-**	-
Impairment write-down 30.09	**7,000**	7,000
Carrying amount at 30.09	**135,484**	135,484

Name and registered office	Stake	Share capital	Equity	Profit/loss for the year	Carrying amount
2023/24		tDKK	tDKK	tDKK	tDKK
Gabriel A/S, Aalborg	100%	25,600	146,356	-83,931	36,645
Gabriel Ejendomme A/S, Aalborg	100%	1,000	25,678	428	30,932
Gabriel (Tianjin), China*	100%	1,570	24,055	2,021	1,211
Gabriel North America Inc., USA*	100%	7	9,765	-9,040	66,696
			205,854	-90,522	135,484
2022/23		tDKK	tDKK	tDKK	tDKK
Gabriel A/S, Aalborg	100%	25,600	240,281	8,256	36,645
Gabriel Ejendomme A/S, Aalborg	100%	1,000	25,250	983	30,932
Gabriel (Tianjin), China*	100%	1,593	30,072	-4	1,211
Gabriel North America Inc., USA*	100%	8	19,571	-10,537	66,696
			315,174	-1,301	135,484

* No local audit obligation

The reason for the realised loss for 2023/24 for Gabriel North America Inc. is that the company is still considered to be in a scale-up phase. Work during the financial year included implementation of well-established structures and making investments to support a significant increase in productivity in the coming financial years. For this reason and based on impairment testing of the expected future earnings, management considers that there is no indication of impairment.
Existing and new customer relationships are expected to drive growth and an earnings increase, backed by the increase in production capacity.

13 contd. **Investments in subsidiaries**

Key assumptions and sensitivities are summarised as follows for cash-generating units:

	PARENT 2023/24				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)*
Gabriel North America (USA)	11.3%	11.9%	21%	16%	91

* The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

	PARENT 2022/23(restated)				
	Discount rate (after tax)	Discount rate (before tax)	Av. annual revenue growth until terminal period	Av. EBIT rate until terminal period	Sensitivity revenue/EBIT (minimum index)*
Gabriel North America (USA)	11.0%	11.6%	10%	22%	89

* The sensitivity computed for revenue shows the minimum share of expected revenue that must be realised to avoid impairment charges.

The loss realised for 2023/24 for Gabriel A/S was caused by impairment write-downs of DKK 71.4 million regarding investments in subsidiaries and impairment write-downs of DKK 36.7 million regarding amounts owed by affiliated companies. Once the loss is adjusted for these one-off costs and expectations for future earnings, management finds no indication of impairment based on the impairment test.

There are no indicators of impairment for other investments.

Amounts owed by subsidiaries are tDKK 40,688 (tDKK 40,618 in 2022/23).

		CONSOLIDATED	
	tDKK	**2023/24**	2022/23
14	**Investments in joint venture**		
	Cost at 01.10	**13,811**	13,811
	Cost at 30.09	**13,811**	13,811
	Adjustments at 01.10	**18,483**	18,226
	Share of profit for the year	**934**	612
	Adjustment, beginning of period	**12**	-62
	Dividends distributed	**-306**	-142
	Intra-group profit	**15**	-80
	Value adjustment, property	**-71**	-71
	Adjustments for the year	**584**	257
	Adjustments at 30.09	**19,067**	18,483
	Carrying amount at 30.09	**32,878**	32,294

The Group holds 49.3% (2022/23: 49.3%) of the voting rights in UAB Scandye, Lithuania. UAB Scandye is co-owned with two other shareholders. The shareholders' agreement provides that all material decisions concerning the company's activities must be unanimous, which means that all shareholders have a joint controlling interest. Given that all shareholders of UAB Scandye are entitled to a proportionate share of the company's net assets, the investment is accounted for as a joint venture.

Financial information for UAB Scandye in accordance with the Group's accounting policies:

	2023/24	2022/23
Net revenue	**49,640**	49,282
Depreciation	**-5,101**	-4,333
Finance costs	**-305**	-320
Tax on profit for the year	**-**	-
Profit/comprehensive income for the year	**1,894**	1,241
Non-current assets	**43,377**	45,781
Current assets	**23,896**	21,361
Cash and cash equivalents	**4,803**	7,298
Non-current liabilities	**1,692**	3,471
Non-current liabilities excluding trade and other payables	**1,692**	3,471
Current liabilities	**7,797**	7,130
Current liabilities excluding trade and other payables	**1,781**	1,796
Equity	**56,961**	55,697
Reconciliation of carrying amount at 30 September:		
The Group's share of equity	**28,091**	27,438
Value adjustment, property	**490**	575
Intra-group profit	**-502**	-518
Goodwill	**4,799**	4,799
Carrying amount at 30.09	**32,878**	32,294

Management has impairment-tested the carrying amount of goodwill. The test was based on the budget for 2024/25 and projection for the years 2025/26 to 2029/30 using projected cash flows and a discount rate after tax of 10.5%. The test has not resulted in any impairment, and the margin is considerable. Probable changes in key assumptions are therefore judged not to result in impairment.

tDKK	CONSOLIDATED 2023/24	2022/23 (restated)	PARENT COMPANY 2023/24	2022/23
15 Inventories				
Raw materials and consumables	**49,396**	115,007	**-**	-
Work in progress	**13,801**	16,268	**-**	-
Finished goods and goods for resale	**53,247**	66,680	**-**	-
	116,444	197,955	**-**	-

Inventories with a value of tDKK 4,853 (2022/23: tDKK 6,877) have been written down by tDKK 2,551 (2022/23: tDKK 2,834) to expected net realisable value.

As part of usual Group operations, the Group has entered into purchase agreements for future raw material supplies amounting to tDKK 17,847 (30 September 2023: tDKK 22,909) to ensure raw material supplies in 2024/25.

tDKK	CONSOLIDATED 2023/24	2022/23 (restated)	PARENT COMPANY 2023/24	2022/23
16 Receivables				
Trade receivables	**57,161**	98,078	**-**	-
Current portion of amounts owed by subsidiaries	**-**	-	**9,444**	8,135
Other receivables	**20,980**	31,879	**-**	26,155
	78,141	129,957	**9,444**	34,290

On the basis of the Group's internal credit rating procedures and external credit ratings, the creditworthiness of receivables not written down is assessed to be high and to pose a low risk of loss. See also note 22 for information on credit risks.

The Group's trade receivables are distributed as follows by geographical area:

	2023/24	2022/23
Denmark	**4,222**	17,720
Europe	**37,192**	57,934
USA	**9,529**	17,372
Asia	**3,529**	4,110
Other countries	**2,689**	942
	57,161	98,078

The Group's trade receivables at 30 September 2024 include receivables with a gross value totalling tDKK 3,454, written down by tDKK 2,376. Receivables included in 2022/23 were tDKK 629, written down by tDKK 626. Bad debts were due to customer insolvency or anticipated payment default.

Provisions for write-downs on trade receivables and loss rates are specified as follows:

2023/24	Loss rate	Trade receivables	Write-down	Total
Not overdue	3.5%	50,825	1,760	49,065
Up to 30 days	7.3%	3,019	222	2,797
Between 30 and 60 days	3.2%	1,094	35	1,059
Over 60 days	7.8%	4,600	360	4,240
	4.0%	59,537	2,376	57,161

Interest income arising from receivables written down is not recognised.

Write-downs of the Group's trade receivables concern Europe.

16 contd. Receivables

2023/24	Loss rate	Trade receivables	Expected loss based on historical loss rates
Denmark	0.0%	4,222	-
Europe	6.4%	37,192	2,376
USA	0.0%	9,529	-
Asia	0.0%	3,529	-
Other countries	0.0%	2,689	-
		57,161	2,376

The Gabriel Group does not have a past record of major bad debts, and bad debts are therefore also expected to be limited in future. This year's current loss rate for Europe is attributable to one customer.

Write-downs are based on concrete assessments of the due date and other relevant information, including macro-economic conditions.

2022/23 (restated)	Loss rate	Trade receivables	Write-down	Total
Not overdue	0.0%	75,999	-	75,999
Up to 30 days	0.0%	13,331	-	13,331
Between 30 and 60 days	0.0%	2,350	-	2,350
Over 60 days	7.1%	7,024	626	6,398
	0.4%	98,704	626	98,078

Interest income arising from receivables written down is not recognised.

Write-downs of the Group's trade receivables concern Europe.

2022/23 (restated)	Loss rate	Trade receivables	Expected loss based on historical loss rates
Denmark	0.0%	17,720	-
Europe	0.7%	57,934	626
USA	0.0%	17,372	-
Asia	0.0%	4,110	-
Other countries	0.0%	942	-
		98,078	626

17 Research and development costs

The correlation between research and development costs incurred and expensed is specified as follows:

tDKK	CONSOLIDATED 2023/24	2022/23 (restated)
Research and development costs incurred	**34,596**	28,067
Development costs in the continuing operations recognised as intangible assets	**-6,887**	-13,452
Research and development costs for the year recognised in the income statement under staff and other external costs	**27,710**	14,615

18 **Share capital**

	SHARES ISSUED			
	Number		Nominal value (tDKK)	
	2023/24	2022/23	**2023/24**	2022/23
1 October	**1,890,000**	1,890,000	**37,800**	37,800
30 September	**1,890,000**	1,890,000	**37,800**	37,800

The share capital comprises 1,890,000 shares of DKK 20 each. No shares carry special rights and the share capital is fully paid up.

Neither the Group nor the parent company holds treasury shares.

Capital management

The Group's ordinary activities still generate reasonable cash flows, enabling it to maintain solid financial resources. Management regularly assesses the need for adjusting the capital structure. The Group's equity ratio was 33.7% at 30 September 2024 (30 September 2023: 35.6%). The equity ratio for the continuing operations was 36.7%.

The Group always wishes to provide its shareholders with regular returns on their investments, while maintaining an appropriate level of equity to ensure the company's future operations. However, the Board of Directors recommends that no dividends be paid for the 2023/24 financial year. (Dividends in 2022/23 were DKK 0.0 million).

Against this background, the present capital resources are deemed adequate in the present economic climate.

		CONSOLIDATED		PARENT COMPANY	
	tDKK	**2023/24**	2022/23 (restated)	**2023/24**	2022/23
19	**Deferred tax**				
	Deferred tax at 01.10	**-2,663**	-15,014	**168**	166
	Exchange rate adjustment	**-7,565**	-2,938	**-**	-
	Deferred tax for the year recognised in the income statement	**7,797**	6,903	**-28**	2
	Adjustment in respect of previous years	**99**	-147	**-**	-
	Write-down of deferred tax asset	**-**	8,533	**-**	-
	Transferred to assets held for sale	**5,237**	-	**-**	-
	Deferred tax at 30.09	**2,905**	-2,663	**141**	168
	Deferred tax is recognised as follows in the statement of financial position:				
	Deferred tax assets	**-7,413**	-14,694	**-**	-
	Deferred tax liabilities	**10,318**	12,031	**141**	168
	Deferred tax at 30.09, net	**2,905**	-2,663	**141**	168
	Deferred tax concerns:				
	Intangible assets	**7,369**	7,919	**-**	-
	Plant, fixtures and fittings and equipment	**3,531**	5,220	**141**	168
	Financial assets	**-13**	-11	**-**	-
	Current assets	**-569**	-1,097	**-**	-
	Tax loss carryforwards	**-7,413**	-14,694	**-**	-
		2,905	-2,663	**141**	168

19 contd. **Deferred tax**

Deferred tax assets primarily concern the Group companies Gabriel North America (DKK 6.0 million) and Screen Solutions Ltd (DKK 0.9 million) and mainly relate to the tax loss carryforwards.
Both companies realised losses in 2023/24, and management therefore made a detailed assessment of the possibilities of utilising the tax assets.

Gabriel North America

On the strength of major customer potential on the North American market and based on budgets/forecasts, management considered that there is every probability that the tax asset in the USA can be utilised within the next four or five years. The full value of the tax asset for Gabriel North America is DKK 13.3 million, of which DKK 6.0 million is recognised in the deferred tax asset.

Budgets/forecasts have been prepared for Gabriel North America for the next five years. Projected earnings support utilisation within four or five years based on projecte annual revenue growth in fabric sales of the order of 20%, plus slightly increasing earnings from goods. The assessment took into account the structure of Group transfer pricing, which supports the management's assessment. We also refer to note 11 on impairment testing.

Screen Solutions

The tax asset totals DKK 6.0 million, primarily concerning a tax loss carryforward. Via the potential for Screen Solutions products, management expects to continue to utilise tax losses in the UK company within four or five years. On this basis, a deferred tax asset of DKK 0.9 million has been recognised.

Please see note 11 on impairment testing and expected earnings.

Positive earnings for the UK company are expected to be driven mainly by income from the FurnMaster companies' sales of Screen Solutions products. Customer agreements entered into in the 2022/23 and 2023/24 financial years support forecast sales. Intensified focus on revenue from fabrics in England is also planned with a view to increasing income from storage and logistics activities. Cost-cutting measures have also been implemented to increase profitability.

		CONSOLIDATED		PARENT COMPANY	
	tDKK	**2023/24**	2022/23 (restated)	**2023/24**	2022/23
20	**Credit institutions**				
	Amounts owed to credit institutions relate to:				
	Mortgage debt, mortgage lender	**36,383**	38,983	**-**	-
	Drawing on ordinary credit facility at bank	**314,058**	307,128	**-**	-
	Total carrying amount	**350,441**	**346,111**	**-**	-
	Amounts owed to credit institutions were recognised in the statement of financial position as follows:				
	Non-current liabilities	**33,742**	36,324	**-**	-
	Current liabilities	**316,700**	309,787	**-**	-
	Total carrying amount	**350,441**	346,111	**-**	-
	Fair value is calculated at market value (level 1)	**350,441**	346,111	**-**	-
	The contractual cash flows from the mortgage debt are due as follows:				
	0-1 years	**2,642**	2,659		
	1-5 years	**10,934**	10,066		
	> 5 years	**22,807**	26,258		

Other liabilities are classified as current liabilities and not included in the above.

Credit facilities available to the Group amount to DKK 465 million, of which DKK 314 million had been drawn on the date of the statement of financial position.
As a result of annual renegotiation of the open credit, current liabilities to credit institutions are not expected to be repaid in the 2024/25 financial year. Please see note 23 on liquidity and interest rate risks.

Mortgage debt to mortgage lender comprises two loans: A fixed-rate annuity loan in DKK with interest of 0.75% p.a. and a principal of tDKK 42,780, and a floating-rate bond loan with interest at present of 3.42% p.a. and a principal of tDKK 6,162.

The maturity analysis is based on all undiscounted cash flows, including estimated interest payments. Interest payments are estimated on the basis of existing market conditions.

21 **Lease liabilities**

Lease liabilities are recognised as follows in the statement of financial position:

	CONSOLIDATED				PARENT COMPANY	
	2023/24		2022/23 (restated)		**2023/24**	2022/23
tDKK						
Lease liabilities	Minimum lease payment	Carrying amount	Minimum lease payment	Carrying amount	Carrying amount	Carrying amount
0-1 years	**14,687**	**14,297**	18,526	18,164	**420**	-
1-5 years	**19,721**	**19,197**	29,761	29,177	**-**	-
> 5 years	**7,681**	**7,477**	6,664	6,534	**-**	-
	42,089	**40,971**	54,951	53,875	**420**	-
Interest component	**-1,118**	**-**	-1,076	-	**-1**	-
Net present value of minimum lease payments	**40,971**	**40,971**	53,875	53,875	**419**	-

22 **Cash flows from financing activities**

	CONSOLIDATED				PARENT
tDKK	2023/24				
Cash flows from financing activities	Mortgage debt	Drawing on ordinary credit facility at bank	Lease commitments	Changes in cash flows	Drawing on ordinary credit facility at bank
1 October 2023	**38,983**	**307,128**	**53,875**	**-**	**-**
Repayment of amounts owed to credit institutions	**-2,607**	**6,930**	**-20,246**	**-15,923**	**5,729**
Increase in lease commitments	**-**	**-**	**29,895**	**-**	**-**
30 September 2024	**36,376**	**314,058**	**63,524**	**-15,923**	**5,729**

	CONSOLIDATED				PARENT
tDKK	**2022/23 (restated)**				
Cash flows from financing activities	Mortgage debt	Drawing on ordinary credit facility at bank	Lease commitments	Changes in cash flows	Drawing on ordinary credit facility at bank
1 October 2022	**41,570**	**290,753**	**53,656**	**-**	**-**
Value adjustment	**-**	**-**	**-1,807**	**-**	**-**
Repayment of amounts owed to credit institutions	**-2,587**	**16,375**	**-21,088**	**-23,675**	**-**
Increase in lease commitments	**-**	**-**	**23,114**	**-**	**-**
30 September 2023	**38,983**	**307,128**	**53,875**	**-23,675**	**-**

23 **Financial risks and financial instruments**

Given its operations, investments and financing, the Gabriel Group is exposed to a number of financial risks, including market (currency, interest rates and raw materials), credit and liquidity. Gabriel's policy is not to engage in active speculation on financial risks. The Group's financial management thus covers only the management and reduction of the financial risks arising directly from its operations, investments and financing.

The Group has a finance policy covering currency, investing, financing and credit policy relative to the Group's financial partners. The policy also describes approved financial instruments and risk limits.

The Group occasionally hedges currency risks, considering projected future cash flows and projected future exchange rate movements, and decides whether each transaction qualifies for hedge accounting. The majority of sales in Europe, America and China are settled in the customer's functional currency, while EUR are primarily used for settlement with other international customers.

Currency risks generated by income thus primarily concern USD and RMB but, as most income is invoiced in the Scandinavian currencies or EUR and net income and cost items are equalled out as far as possible, the risk is judged to be relatively limited. The Group's most important purchases are settled in DKK, EUR or USD.

Management monitors the Group's risk concentration broken down by customers, geographical areas, currencies, etc. Management also monitors whether the Group's risks are correlated, and whether its risk concentration has undergone any changes.
The Group's risk exposure and risk management have remained essentially unchanged since 2022/23.

The Group's categories of financial assets and liabilities are given below:

	CARRYING AMOUNT	
tDKK	**2023/24**	2022/23 (restated)
Receivables	**78,141**	129,957
Cash and cash equivalents	**26,727**	38,506
Financial assets measured at amortised cost	**104,868**	168,463
Amounts owed to credit institutions	**350,441**	346,111
Financial lease liabilities	**42,089**	53,874
Trade payables	**19,404**	47,844
Amounts owed to joint venture	**4,056**	1,259
Other payables	**25,590**	36,909
Financial liabilities measured at amortised cost	**441,580**	485,997

The fair value of financial assets and liabilities is in line with the carrying amounts.

23 contd.

Financial risks and derivative financial instruments

Currency risk

The Group's foreign exchange positions in Danish kroner were as follows at 30 September 2024:

Currency (tDKK)	Cash and cash equivalents/trade receivables	Bank loans/trade payables/credit institutions
DKK	494	-313,376
EUR	41,788	-64,517
SEK	2,917	-95
NOK	220	-90
GBP	8,411	-2,676
USD	15,102	-21,620
PLN	30	-
RMB	14,006	-9,427
Other	949	-163
Abroad	83,423	-98,588

The Group's foreign exchange positions in Danish kroner were as follows at 30 September 2023:

Currency (tDKK)	Cash and cash equivalents/trade receivables	Bank loans/trade payables/credit institutions
DKK	1,669	-320,890
EUR	80,258	-75,560
SEK	3,545	-1,287
NOK	407	-101
GBP	6,302	-8,124
USD	25,011	-27,041
PLN	206	-554
RMB	18,168	-12,052
MXN	96	-2,331
Other	1,048	-17
Abroad	135,041	-127,066

The Group did not use forward exchange transactions in 2022/23 and 2023/24.

A probable change in the exchange rates at 30 September 2024 may have an impact on results and equity, because of the currency exposure at 30 September 2024. The Group also experienced major exchange rate fluctuations in the 2023/24 financial year, in particular attributable to the USD, GBP and RMB and, if this development continues in the next financial year, the effect will be as follows for selected, major currencies (a change in the opposite direction will have the opposite effect on profit for the year before tax and equity):

23 contd.

Financial risks and derivative financial instruments

Currency exposure at 30 September 2024

Currency	Net position	Probable change in exchange rate	Effect on profit for the year before tax	Effect on equity
USD/DKK	-6,518	8%	-521	-407
EUR/DKK	-22,729	0%	0	0
RMB/DKK	4,579	0%	0	0
GBP/DKK	5,735	2%	109	87

Currency exposure at 30 September 2023

Currency	Net position	Probable change in exchange rate	Effect on profit for the year before tax	Effect on equity
USD/DKK	-2,030	-3%	61	48
EUR/DKK	4,698	0%	0	0
RMB/DKK	6,116	0%	0	0
GBP/DKK	-1,822	1%	-18	-15

In 2024/25, the Group's foreign currency exposure is expected to be essentially unchanged relative to 2023/24.
The probable change in exchange rate is based on major credit institutions' assessment of medium-term currency trends. All other parameters are unchanged and expected to be at the same level as in 2022/23.

Liquidity and interest rate risks

At 30 September 2024, the Group had net cash at bank of negative DKK 275.6 million (2022/23: negative DKK 268.6 million). The Group's total line of credit amounted to DKK 465 million at 30 September 2024 (2022/23: DKK 465 million).

Based on the Group's cash forecast for the 2024/25 financial year, it is assessed that there will still be undrawn credit facilities in the coming year. In management's opinion, the Group will thus be able to manage even major departures from the cash forecast.

The Group's primary banking agreement is non-committed and renegotiated annually. Based on the Group's development and expectations for the future (with and without continuing operations), management expects that the agreement will be renewed during the coming year. This assumption is supported by the Group's past record and dialogue with credit institutions.

Covenants regarding solvency and financial leverage apply to a portion of the Group's credit facility (which is for DKK 120 million). These covenants were not violated in the financial year and, based on the 2024/25 budget, management expects that the Group will also comply with them in future financial years.

Based on the Group's present credit facilities, management deems that there will be adequate liquidity to ensure the ongoing financing of future operations and investments.

Mortgage loans are also taken out with mortgage lenders. The loans are in DKK and at fixed and floating rates of interest. Finance leasing agreements for vehicles and machinery were drawn up: in DKK with a floating interest rate; in EUR with a fixed interest rate; and in USD with a fixed interest rate. The agreements have terms of one to four years.

Amounts owed by the Group to credit institutions have floating interest rates in line with market indices plus a margin in the respective agreements. The Group is thus especially exposed to changes in market rates and, with the current debt, a one percentage-point change in the market rate would result in a change of DKK 3.1 million in finance costs.

Risks relating to raw materials

The Group typically enters into cooperation agreements with its key suppliers to ensure reliability of delivery and to lock prices. As indicated in note 15, Gabriel has concluded purchase agreements for raw material supplies for 2024/25. The Group is not exposed to any major price risks arising from its use of raw materials.

23 contd. **Credit risks**

In line with Group credit risk policy, all major customers and other business partners are regularly credit rated. Credit risk management is based on internal credit lines for customers. The Group continues its strong focus on the approval of customer credit lines as well as on the strengthened management and monitoring of customers. Group trade receivables are distributed across numerous customers, countries and markets, ensuring a very broad risk diversification. On the basis of the Group's internal credit procedures, it is judged that the quality of the Group's trade receivables depends primarily on the debtor's home country. The creditworthiness of debtors from Scandinavia and the EU is usually higher than that of debtors from other countries.

The Group aims to reduce risk through efficient monitoring, follow-up and credit insurance of major foreign and domestic receivables or alternative collateral. The Group's trade receivables are usually paid no later than one to two months after delivery. The Group has a past record of minor bad debts and is usually exposed to only a limited risk of major losses. We refer to note 16.

Group companies regularly assess the carrying amounts of intragroup receivables and write them down to expected net realisable value if deemed relevant. No write-downs were made in 2023/24 and 2022/23.

24 **Contingent liabilities and collateral**

PARENT COMPANY

The parent company has issued a guarantee assuming primary liability to the bankers of the subsidiary Gabriel A/S covering the subsidiary's current bank loans. The parent company has issued a letter of intent to the bankers of the subsidiary Gabriel A/S regarding solvency and leverage.

The parent company is jointly taxed with other Danish companies in the Gabriel Holding Group. In its capacity as the administrative company, the parent company has unlimited joint and several liability with the other companies in the joint taxation unit for Danish corporation taxes and withholding taxes on dividends and interest within the joint taxation unit. Any subsequent corrections to corporation and withholding taxes could result in a change in the amount of the company's liability.

CONSOLIDATED

Land and buildings have been provided as collateral for mortgage debt to the mortgage lender. The carrying amount of land and buildings was tDKK 79,164 at 30 September 2024 (30 September 2023: tDKK 94,303), while mortgage debt to the mortgage lender was tDKK 36,383 (30 September 2023: tDKK 38,983). Land and buildings have been provided as collateral for the mortgage debt relating to Gabriel Ejendomme A/S. The carrying amount was tDKK 79,413 (30 September 2023: tDKK 79,502).

The Group also has a few pending or potential claims or legal actions which cannot significantly affect its financial position.

25 **Transactions with Group companies, major shareholders, Board of Directors and Executive Board**

The parent company's related parties comprise subsidiaries and joint ventures, their Boards of Directors and Executive Boards. Related parties also comprise companies over which the above persons have significant influence. Gabriel Holding A/S has no related parties exercising control.

The parent company is jointly taxed with other Danish companies in the Gabriel Holding Group, which means that the parent company is liable for Danish corporation and withholding taxes, etc. within the joint taxation unit.

	PARENT COMPANY	
tDKK	**2023/24**	2022/23 (restated)
Administration fee from subsidiaries	**11,340**	11,340
Interest expenses to subsidiaries	**-3,242**	-2,816
Rent to subsidiaries	**-371**	-363
Dividends from subsidiaries	**17,196**	25,000

Transactions with subsidiaries were eliminated in the consolidated financial statements in accordance with the accounting policy.

The related parties include a joint venture over which Gabriel exercises joint control. Trading with the joint venture business UAB Scandye comprised the following:

	CONSOLIDATED	
tDKK	**2023/24**	2022/23 (restated)
Purchases from joint venture	**42,122**	38,089

Apart from the executives' and directors' remuneration disclosed in note 5, the Group and parent company effected no transactions with the Board of Directors, Executive Board, executive employees, major shareholders or other related parties during the year.

26 **Accounting estimates and judgments**

The carrying amount of certain assets and liabilities is stated on the basis of management's estimated impact of future events on the value of these assets and liabilities at the statement of financial position date. Estimates of importance to the financial reporting mainly concern discontinued operations, valuation of goodwill and deferred tax assets. Estimates are also made when calculating write-downs for inventory obsolescence and impairment tests on development projects.

When an annual impairment test of goodwill is performed, or when there is an indication of impairment, an estimate is made of how the enterprise's individual cash-generating units, to which the goodwill relates, will be able to generate sufficient positive net cash flows to support the value of goodwill and other net assets of the unit. Estimates of future cash flows many years in the future will be subject to some degree of uncertainty. This uncertainty is reflected in the selected discount rate. Impairment testing is described in note 10.

As note 9 shows, the FurnMaster units are classified as discontinued operations. The conditions for this classification and measurement based on these principles were definitively met at 30 September 2024. In this connection, management estimated the expected fair value less sales costs and estimated that this figure exceeds the carrying amount. Management believes that the carrying amount can be realised through the expected sale and on this basis did not write down the amount. As no final sales agreement exists, this is naturally uncertain.

Management assessed the Group's recognised tax assets based on expected future earnings in the countries to which the tax assets relate. For recent losses, it also assessed whether there was a convincing basis for recognising the deferred tax assets. It concluded on the basis of budgets and projections of budgets that the recognised deferred tax assets can be used within four to five years. We refer to note 18.
The deferred tax asset in the Mexican FurnMaster unit was recognised at a value at 30 September 2023 reflecting forecast carrying amount on that date. We refer to note 29 for details.

The uncertainty of estimates of inventories is connected to write-downs to net realisable value. The need for write-downs is deemed to be unchanged and assessment is still based on the development within colour and product combinations and associated raw materials and consumables. Write-downs on inventories follow the Group's practice for write-downs, which includes an assessment of the inventory turnover ratio and possible losses as a result of obsolescence, quality problems and economic conditions. Total inventory write-down was tDKK 2,551 at 30 September 2024, compared to tDKK 4,346 last year (tDKK 2,834 were from the continuing operations).

Development projects in progress are impairment-tested at least once a year. Development projects are projects based on future expectations for fashion, colours and design, and the test is thus based on future expectations for customer and market demands. Innovation projects are established for the purpose of identifying new products within associated business areas. These circumstances form the basis for management's estimates of the recoverable amount of the ongoing development and innovation projects in the form of expected future net cash flows including costs of completion.

In connection with the financial reporting for the fourth quarter of 2024, management identified irregularities in the financial reporting in the subsidiary Grupo RYL. In consequence, detailed verification of the historical financial reporting was carried out. Based on the material which forms the basis for the financial reporting, material errors were identified, in particular in relation to the valuations of inventories in the current and previous years. Uncertainty obviously surrounds the calculation of the corrections to previous years' financial statements.

We refer to note 29 for a more detailed description of corrections of material errors.

Judgments in applying accounting policies

In the application of accounting policies, management made no special judgments of major significance to the financial reporting.

27 **Subsequent events**

No events of significance to the 2023/24 financial statements have occurred since the statement date.

28 **Accounting policies**

Gabriel Holding A/S is a limited liability company domiciled in Denmark. The financial section of the annual report for the period 1 October 2023 – 30 September 2024 comprises the consolidated financial statements for Gabriel Holding A/S and its subsidiaries (the Group) and separate parent company financial statements.

The consolidated financial statements and the parent company financial statements of Gabriel Holding A/S for 2023/24 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and with the Danish disclosure requirements for listed companies.

The Board of Directors and the Executive Board discussed and approved the annual report for 2023/24 of Gabriel Holding A/S on 8 January 2025. The annual report will be presented to the shareholders of Gabriel Holding A/S for approval at the annual general meeting on 29 January 2025.

Basis for preparation

The consolidated financial statements and the parent company financial statements are presented in DKK rounded to the nearest DKK 1,000.

The accounting policies described below were applied consistently during the financial year and for the comparative figures.

Implementation of new standards and IFRICs

Gabriel Holding A/S has implemented the standards and IFRICs which entered into force for 2023/24. None of the new standards or IFRICs is deemed to influence financial reporting for the Group or the parent company.

Correction of material errors

When examining the basis of accounting of the Mexican subsidiary Grupo RYL, management detected a number of irregularities and consequently initiated an in-depth process of analysing and stating reliable financial figures. This process revealed material errors in a range of items on the statement of financial position and income statement for 2022/23 and previous financial years. The correction of equity at 1 October 2023 was DKK 39.3 million (at 1 October 2022: DKK 11.6 million).

The errors were corrected by restating the affected items in the income statement and statement of financial position for the relevant periods. The cumulative effect is recognised in equity. Since the statement of financial position at 1 October 2022 was significantly affected, it is presented in accordance with the provisions of IAS 1.

We refer to note 29 for a detailed description of the corrections.

ACCOUNTING POLICIES APPLIED

Consolidated financial statements

The consolidated financial statements comprise the parent company Gabriel Holding A/S and subsidiaries over which Gabriel Holding A/S exercises control, i.e. the power to govern the financial and operating policies so as to obtain benefits from its activities. An investor is deemed to control another enterprise when the investor exercises control (power) over it and has the possibility or right to receive variable returns from it and the ability to affect the size of the returns through this control. When control is assessed in the terms of IFRS 10, an investee must be consolidated when the parent has de facto control over it, even if the parent does not own the majority of shares or votes.

On the basis of the absolute sizes of stakes and the other shareholders' proportionate stakes, including votes and mutual relationships, the Group's management considers its ownership interest to be sufficient to constitute de facto control.

Joint arrangements are activities or businesses over which the Group has a controlling interest, through cooperation agreements with one or more parties. Joint controlling interest means that decisions about the relevant activities require the unanimous consent of all parties holding a joint controlling interest. Joint arrangements are classified as joint ventures or joint operations. Joint operations are activities in which the participants have direct rights over assets and direct obligations for liabilities, while joint ventures are activities where the participants only have rights over the net assets.

The consolidated financial statements include the parent company Gabriel Holding A/S and the subsidiaries Gabriel A/S, Gabriel Ejendomme A/S, Gabriel Innovation A/S, Gabriel (Tianjin) International Trading Co. Ltd., UAB FurnMaster, FurnMaster Sp. z o.o., Screen Solutions Ltd, Gabriel GmbH, Gabriel Sweden AB, Gabriel North America Inc., Gabriel Iberica SL, UAB Gabriel Textiles, UAB Gabriel Baltics, UAB SampleMaster, Grupo RYL S.A. de C.V. and Visiotex GmbH. UAB Scandye is considered a joint venture and was recognised under investments in joint ventures in the annual report.

28 contd. **Accounting policies**

The consolidated financial statements were prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements. The consolidated statements were prepared in accordance with the Group's accounting policies, with elimination of intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains on intra-group transactions. Unrealised gains on transactions with joint ventures are eliminated in proportion to the Group's ownership share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, unless impairment has occurred.

The items of subsidiaries are fully recognised in the consolidated financial statements. The non-controlling parties' share of the profit for the year, and of the equity in subsidiaries which are not 100% owned, is included as a part of the Group's result or equity, but shown separately.

Business combinations

Enterprises acquired or formed during the year are included in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated financial statements until the date of disposal. Comparative figures are not restated for acquisitions.

The acquisition method is used on acquisitions of new businesses where the Gabriel Holding A/S Group gains control. The acquired company's identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Deferred tax on the revaluations made is recognised.

The acquisition date is the date on which Gabriel Holding A/S effectively gains control of the acquired business.
Costs attributable to business combinations are recognised directly in the profit for the year in which they were incurred.

Assets held for sale and liabilities associated with assets held for sale

Assets held for sale comprise non-current assets and disposal groups held for sale. A disposal group is defined as a group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction. Liabilities associated with assets held for sale are liabilities directly associated with the assets that will be transferred in the transaction. Assets are classified as "held for sale" when their carrying amount will be recovered principally through a sale within 12 months in accordance with a formal plan rather than through continuing use.

Assets or disposal groups held for sale are measured at the lower of carrying amount on the date of classification as held for sale and fair value less selling costs. Assets are not depreciated or amortised from the date on which they are classified as held for sale.

The assets and the associated liabilities are presented on separate line items in the statement of financial position. Comparative figures are not restated.

Presentation of discontinued operations

Discontinued operations form a significant part of a business if operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the business, and where the component has been disposed of, or is classified as held for sale, and the sale is expected to be completed within one year in accordance with a formal plan.

Profit after tax from discontinued operations and value adjustments after tax of associated assets and liabilities and profit/loss on sale are shown as separate line items in the income statement, and comparative figures are restated. Revenue, costs, value adjustment and tax for the discontinued operations are given in the notes.

Assets and associated liabilities for discontinued operations are shown as separate line items in the statement of financial position without restating comparative figures (see the section "Assets held for sale"), and the main items are specified in the notes.

Cash flows from discontinued operations are recognised in the consolidated cash flow statement. The Group recognises gains from disposals in cash flows from discontinued operations.

28 contd. **Accounting policies**

Foreign currency translation

For each of the reporting entities in the Group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions. On initial recognition, foreign currency transactions are translated into the functional currency at the exchange rates applicable on the transaction date. Foreign exchange differences arising between the transaction date and the date of payment are recognised in profit or loss as finance income or finance costs. Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates applicable at the end of the reporting period. The difference between the exchange rates at the end of the reporting period and on the date on which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as finance income or finance costs.

On recognition in the consolidated financial statements of subsidiaries with a functional currency other than the DKK, the income statements are translated at the exchange rates of the transaction date, and the items in the statement of financial position are translated at the exchange rates applicable at the end of the reporting period. An average exchange rate for each month is used as the transaction date exchange rate, unless this would significantly distort the presentation of the underlying transactions.

Foreign exchange differences arising on translation of the opening balance of equity of such foreign operations at the exchange rates applicable at the end of the reporting period, and on translation of the income statements from the exchange rates of the transaction date to the exchange rates applicable at the end of the reporting period, are recognised in other comprehensive income, in a separate translation reserve under equity.

On recognition in the consolidated financial statements of joint ventures with a functional currency other than the DKK, the share of profit/loss for the year is translated at average exchange rates. The share of equity, including goodwill, is translated at the exchange rates applicable at the end of the reporting period. Foreign exchange differences arising on the translation of the share of the opening equity of foreign joint ventures, at the exchange rates applicable at the end of the reporting period, and on translation of the share of profit/loss for the year from average exchange rates to the exchange rates applicable at the end of the reporting period, are recognised in other comprehensive income in a separate translation reserve under equity.
Exchange rate adjustments to the exchange rates applicable at the end of the reporting period of balances which are considered part of the net investment in foreign activities are recognised in other comprehensive income in the consolidated financial statement as a separate translation reserve under equity.

Derivative financial instruments

Derivative financial instruments are recognised and measured in the statement of financial position at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively. Fair values for derivative financial instruments are measured on the basis of current market data and acknowledged valuation methods.

Changes in the fair value of derivative financial instruments designated, and qualifying for recognition, as a hedge of the fair value of a recognised asset or liability are recognised in the results, together with changes in the value of the hedged asset or liability as regards the portion hedged.

Changes in the fair value of derivative financial instruments designated, and qualifying for recognition, as a hedge of future cash flows, and which effectively hedge changes in future cash flows, are recognised in equity under a separate reserve for hedging transactions until the hedged cash flows affect the results. At this time, any gain or loss regarding such hedging transactions is transferred from equity and recognised in the same item as the hedged item.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement as finance income or finance costs.

28 contd. **Accounting policies**

INCOME STATEMENT

Net revenue

Revenue from the sale of goods for resale and finished goods is recognised as revenue, provided that delivery and transfer of risk to the buyer have taken place before the year end, that the income can be reliably measured, and that it is expected to be received. Rental income is accrued and recognised on a straight-line basis over the period, in accordance with contracts entered into.

Net revenue is measured ex-VAT, taxes and discounts in relation to the sale.
The terms of payment in the Group's sales agreements with customers depend on the product, the performance obligation and the underlying customer relationship. Payment terms are typically 1-2 months.

The Group generally has no refund liabilities and only usual guarantee obligations on the sale of goods.

Other operating income and costs

Other operating income and costs comprise items secondary to the principal activities of the enterprise, including gains on the sale of intangible assets and property, plant and equipment.

Public subsidies

Public subsidies comprise subsidies and financing of development projects. Public subsidies are recognised in the income statement under other operating income in step with payment/amortisation of the costs eligible for subsidy. In the statement of financial position, public subsidies are recognised under deferred income.

Cost of sales, etc.

These costs include costs paid to achieve the year's net revenue, including direct and indirect costs of raw materials and consumables, goods for resale and energy, etc.

The cost of sales, etc. also includes direct and indirect costs of wages and consumables in connection with Group production.

Other external costs

Other external costs relate mainly to sales, distribution, maintenance, premises and administration.

Profit/loss from investments in joint ventures in the consolidated financial statements

The Group's proportionate share of the results after tax of the joint venture business is recognised in the consolidated income statement after elimination of the proportionate share of intra-group profits/losses.

Finance income and finance costs

Finance income and finance costs comprise interest income and expenditure, gains and losses as well as write-downs on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities and surcharges and refunds under the on-account tax scheme, etc. Realised and unrealised gains and losses on derivative financial instruments which are not designated as hedging arrangements are also included.

Dividends received from investments in subsidiaries are recognised in the parent company income statement in the financial year when the dividends are declared. If distributed dividends exceed comprehensive income for the relevant period, an impairment test is carried out.

Tax on profit for the year

Gabriel Holding A/S is jointly taxed with all Danish subsidiaries. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable incomes (full absorption with deduction for tax losses). The jointly taxed companies are included in the on-account tax scheme.

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

28 contd. **Accounting policies**

STATEMENT OF FINANCIAL POSITION

Goodwill

Goodwill is recognised at cost on initial recognition in the statement of financial position as described under Business combinations. Goodwill is subsequently measured at cost less cumulative impairment losses. Goodwill is not amortised.

Acquired product technology assets

Acquired product technology assets are acquired patents, technologies and trademarks in connection with the acquisition of a business. Assets are calculated at fair value on the acquisition date using the relief from royalty method, i.e. by discounting royalty savings through owning, rather than identifying the technology in question. Acquired product technology assets are amortised over an expected useful life of seven to ten years.

Development projects

Development costs comprise costs, salaries and amortisation which are directly or indirectly attributable to the company's development activities.

Clearly defined and identifiable development projects are recognised as non-current, intangible assets where there is evidence of the degree of technical utilisation, sufficient resources and a potential future market or development opportunities in the company. The company must intend to produce, market or use the project, the cost must be reliably measured and there must be sufficient assurance that future earnings will cover administrative, production, distribution and development costs.

Other development costs are recognised in the income statement as incurred.

Capitalised development costs are measured at the lower of cost less cumulative amortisation and impairment losses and recoverable amount.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The usual amortisation period is five years.

Property, plant and equipment

Land and buildings, plant and machinery, fixtures and fittings, and other plant and equipment are measured at cost less cumulative 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. The cost of self-constructed assets comprises direct and indirect costs of materials, components, suppliers, wages and salaries as well as borrowing costs arising from specific and general borrowing directly relating to the construction of the individual asset.

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 cost of lease assets is stated at the lower of fair value and the net present value of future minimum lease payments. When the net present value of the future lease payments is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor.

Subsequent costs arising, for example, from the replacement of components of property, plant and equipment, are recognised in the carrying amount of the relevant asset when it is probable that future economic benefits will flow to the Group. The components replaced will no longer be recognised in the statement of financial position and the carrying amount will be transferred to the income statement. All other ordinary costs of repair and maintenance will be recognised in the income statement as incurred.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components as follows:

Buildings	10-50 years
Leasehold improvements	Term of the lease
Plant, fixtures and fittings and equipment	3-15 years

Land is not depreciated.

Depreciation is calculated as residual value less impairment losses. Depreciation period and residual value are determined on the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

When the depreciation period or the residual value is changed, the effect on depreciation is recognised prospectively as a change in accounting estimates.

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

Impairment test of non-current assets

The carrying amount of non-current assets is tested annually for indicators of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's fair value less anticipated costs of disposal and its value in use. The value in use is calculated as the net present value of forecast future cash flows from the asset or from the cash-generating unit to which the asset belongs.

An impairment loss is recognised if the carrying amount of the net asset exceeds its recoverable amount.

Investments in joint ventures in the consolidated financial statements

Investments in joint ventures are measured according to the equity method.

Investments in joint ventures are measured in the statement of financial position as the Group's share of the enterprises' equity values, calculated in accordance with the Group's accounting policies, plus or minus the proportionate share of unrealised intra-group profits and losses and plus the carrying amount of goodwill. Investments in joint ventures are tested for impairment when there is an indication of impairment.

Investments in subsidiaries in the parent company's financial statements

Investments in subsidiaries are measured at cost. Where the recoverable amount is lower than cost, investments are written down to this lower value.

A distribution of reserves other than retained earnings in subsidiaries will reduce the cost of investments when the distribution is characterised as repayment of the parent company's investment.

Inventories

Inventories are measured at cost by the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages/salaries and indirect production overheads. Indirect production costs comprise indirect materials, wages/salaries and maintenance as well as depreciation of production equipment, buildings and equipment and factory administration and management.

The net realisable value of inventories is calculated as the sale amount less costs of completion and costs necessary to make the sale. It is determined taking into account marketability, obsolescence and development in expected sale price.

28 contd. **Accounting policies**

Receivables

Receivables are measured at amortised cost. Impairment allowances are made using the simplified expected credit loss model, under which the total loss is recognised immediately in the income statement at the same time as the receivable is recognised in the statement of financial position based on the expected loss over the receivable's lifetime.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which they are approved at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Translation reserve

The translation reserve in the consolidated financial statements comprises foreign exchange differences arising on translation of financial statements of foreign enterprises from their functional currencies to Danish kroner.

Current tax and deferred tax

Current tax payable and receivable is recognised in the statement of financial position as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the statement of financial position liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability.

Deferred tax assets are recognised at the expected value of their utilisation, either as a set-off against tax on future earnings or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the date of statement of financial position when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Financial liabilities

Financial liabilities are recognised at the date of borrowing, as the net proceeds received, less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is accordingly recognised in the income statement as finance costs over the term of the loan. Financial liabilities include the capitalised residual obligation on finance leases measured at amortised cost.

Other liabilities are measured at net realisable value.

28 contd. **Accounting policies**

Leasing

The Group recognises a lease asset and a lease liability on the commencement date of the lease. On initial recognition, the lease asset is measured at cost, which comprises the value of the lease liability adjusted for any lease payments made at or before commencement, any initial direct costs incurred and an estimate of any costs to be incurred in dismantling and removing the underlying asset or in restoring the underlying asset or the site on which it is located to a required condition, less any lease incentives received.

The lease asset is subsequently depreciated by the straight-line method over the lease asset's useful life, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost price of the right-of-use asset reflects that the Group will exercise an option to purchase. In that case the lease asset is depreciated over the underlying asset's useful life, which is determined on the same basis as property and equipment.
In addition, the lease asset is reduced regularly by any impairment losses and adjusted by certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not payable on commencement, discounted at the rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group generally uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining rates from different external sources of finance and making certain adjustments to reflect the terms of the lease and the type of leased asset.

Lease payments included in measuring the lease liability comprise the following:
Fixed payments, variable lease payments that depend on an index or a rate measured initially using the index or rate at the commencement date, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option if it is reasonably certain that the Group will exercise that option, lease payments in an optional extension period if it is reasonably certain that the Group will exercise that option, and penalties for early termination of a lease unless it is reasonably certain that the Group will not terminate it early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured if there is a change in future lease payments resulting from a change in an index or a rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option, or if in-substance fixed lease payments are revised.

The Group has chosen not to recognise lease assets and lease liabilities for low-value items and short-term leases. The Group recognises lease payments attached to such leases as a cost on a straight-line basis over the lease term.

CASH FLOW STATEMENT

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents, and cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are recognised as the share of profit/loss adjusted for non-cash operating items, changes in working capital and corporation taxes paid.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of businesses, of activities, of intangible assets, property, plant and equipment and other non-current assets as well as acquisition and disposal of securities not classified as cash and cash equivalents.

Cash flows from financing activities comprise the raising of loans, repayment of interest-bearing debt, acquisition of treasury shares and payment of dividends to shareholders.

The item bank loans/cash and cash equivalents comprises cash and cash equivalents and bank loans (overdraft facilities).

SEGMENTS

The segment information was prepared in accordance with the Group's accounting policies and follows the internal management reporting.
Segment income and expenses and segment assets and liabilities comprise the items which are directly attributable, or which can reliably be allocated, to the individual segment.

Addition of non-current assets in the segment comprises non-current assets which are used directly in the segment's operation, including intangible assets and property, plant and equipment.

29 **Correction of material errors**

In connection with the financial reporting for the fourth quarter of 2024, management identified irregularities in the financial reporting in the Mexican subsidiary Grupo RYL. In consequence, detailed verification of the historical financial reporting was carried out. The verification was made difficult because those who, historically, had prepared the financial reporting had left the company in August 2024.

The verification process identified material errors, including in the valuations of inventories in previous years. The process involved great efforts internally and by the Group's auditor. Additional external experts and advisers were also called in. The common purpose was to provide information and data to ensure and support accurate financial reporting, now and for the future. In addition, an investigation has been launched, involving professional advisers, to establish whether the irregularities were caused by fraudulent activity.

The errors were corrected by restating the affected items in the income statement and statement of financial position for the relevant periods. The cumulative effect is recognised in equity. Since the statement of financial position at 1 October 2022 was significantly affected, it is presented in accordance with the provisions of IAS 1.

The corrections influence the consolidated financial statements for previous periods as follows (increase/reduction):

tDKK	2022/23
Income statement	
Cost of sales	**-27,308**
Staff costs	**-1,078**
Depreciation, amortisation and impairment losses	**-1,112**
Operating profit (EBIT)	**-29,498**
Finance costs	**-1,860**
Profit before tax	**-31,358**
Tax on profit for the year	**-8,462**
Profit for the year	**-39,820**

tDKK	2022/23	1 October 2022
Statement of financial position		
Inventories	**-19,403**	-6,474
Leasehold improvements	**-253**	-
Development projects	**-868**	-
Deferred tax asset	**-8,534**	-
Receivables	**-3,447**	-1,070
Total assets	**-32,505**	-7,544
Trade payables	**3,359**	4,093
Other payables	**3,397**	-
Total liabilities	**6,756**	4,093
Retained earnings, net	**-39,820**	-11,457
Translation reserve	**559**	-180
Effect on equity, net	**-39,261**	-11,637

Grupo RYL is recognised under discontinued operations from 30 September 2024. The corrections therefore did not result in any adjustments to the income statement for the Group's continuing operations but only affected results for discontinued operations after tax.

In connection with the identification and correction of material errors in prior periods, management judged that recognised deferred tax assets had to be written down by DKK 8.5 million.

29 contd. **Correction of material errors**

The correction influence the statement of comprehensive income for 2022/23 as follows:

tDKK	2022/23
Statement of comprehensive income	
Profit for the year from discontinued operations after tax	**-39,820**
Profit for the year	**-39,820**
Other comprehensive income	
Exchange rate adjustment on translation of foreign entities	**559**
Total comprehensive income	**-39,261**

The correction had a secondary effect on the cash flow statement, e.g. in relation to changes in working capital, but had no net effect on the Group's cash flows from operating, investing and financing activities.

The effect on diluted earnings per share was DKK -21.1 per share.

Overview of financial highlights

The five-year overview has been restated in accordance with the Danish Financial Statements Act.

30 **New financial reporting regulations**

On the date of publication of this annual report, a number of new or revised standards and IFRICs are available, which have not yet entered into force and are consequently not incorporated into the report. The new standards and IFRICs will be implemented as they become mandatory.

None of the new standards or IFRICs is expected to materially influence financial reporting for the Group or the parent company.

Definitions of financial ratios

Invested capital: Working capital plus property, plant and equipment and intangible assets, excluding goodwill, less provisions for liabilities and other non-current operating liabilities.

Working capital: Current assets less current liabilities, which are used or necessary for the Group's operation.

EBITDA margin: Earnings before depreciation, amortisation and impairment losses (EBITDA) as a percentage of net revenue.

EBIT margin: Operating profit (EBIT) as a percentage of net revenue.

Return on invested capital (ROIC): Operating profit (EBIT) as a percentage of average invested capital.

Earnings per share (EPS): Profit after tax divided by average number of shares.

Earnings per share, diluted (EPS-D): Profit after tax divided by average number of diluted shares.

Return on equity: Profit after tax as a percentage of average equity.

Equity ratio: Equity's share of total assets.

Book value per share at year end: Equity relative to share capital in percent.

Market price at year end: Listed price of the shares on Nasdaq Copenhagen.

Price/book value: Market price relative to book value.

Price Earnings (PE): Market price relative to earnings per share.

Price Cash Flow (PCF): Market price relative to cash flow per share (excluding treasury shares).

Dividend yield: Yield relative to market price at year end.

Payout ratio: Yield relative to profit after tax.

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