

Gabriel Holding AS

Company report

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Solid core execution, cautious stance maintained

Following the Q3 2024/25 results, Gabriel is building confidence in its turnaround, after a cyclical market downturn, and restructuring of its FurnMaster (discontinuing) Mexican subsidiary. Execution in the core continuing operations remained solid with Q3 growth of +5% y/y, and margin expansion, despite macro headwinds. However, the FurnMaster unit had not returned to positive EBIT as expected, showing stabilization rather than rebound. In our view, a current valuation of EV/EBIT 23.9x for 2024/25e does not favour short-term risk/reward, given ongoing carve-out uncertainty and still short-lived growth and margin recovery. We reiterate our Reduce recommendation and slightly raise our price target of DKK 200/share.

Significant revenue differences in Q3, but earnings outlook increasingly robust

Gabriel's Q3 2024/25 results revealed a notable shortfall in revenue from discontinued operations compared to expectations, primarily due to the termination of additional non-profitable contracts as the restructuring progressed. FurnMaster was not operationally profitable as expected in Q3, demonstrating stabilisation rather than recovery. However, continuing operations (Fabrics and SampleMaster) delivered solid results, with revenue of MDKK 128.6 (+5% y/y) in Q3 and EBIT after 10 months reaching MDKK 35.7, already within the stated guidance range. Results were driven by strong execution across geographies in the face of market challenges, improving the probability of the still infant growth and margin recovery being sustainable.

Medium-term earnings estimates revised slightly higher on strong margin development

We decreased our medium-term revenue estimates for discontinuing operations following the contract terminations, but with a limited impact on medium to long-run earnings, which remain significantly conservative due to carve-out uncertainty. Continuing operation's strong gross margins and EBIT margin increase to 8.4% (+2.3 p.p.), driven by strong execution across geographies in Q3, builds confidence in the sustainability of the margin expansion, and leads to a slight mid-term upward revision. But market challenges relating to slow European growth, low housing/refurbishment activity levels, and an ongoing drag on group operating profits from FurnMaster risk disrupting the early growth and margin recovery. The outlook implies continued growth in continuing operations, with higher volumes and greater capacity utilization driving gross and EBIT margin expansion. FurnMaster is expected to gradually recover to slightly above break-even, with lower revenue offset by higher margins, but remaining low on an absolute basis.

We reiterate our Reduce recommendation as valuation does not favour the current risk/reward

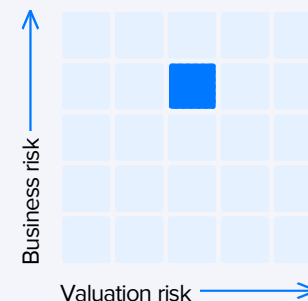
In our view, the valuation multiples for 2025/26e of EV/EBIT 23.9x and P/E 24.9x are nearing normalized levels but do not fully reflect still elevated (despite declining) risks relating to an ongoing carve-out of FurnMaster. The DCF tells a similar story of declining risk and improving outlook, but does not yet demonstrate a clear positive risk-reward. We look ahead to triggers which may shift this balance, such as clearer progress on divestments, or solid return to profitability in discontinuing operations, further evidence that the current margin recovery is durable beyond 2024/25e, and further balance sheet strengthening.

Recommendation

Reduce
(prev. Reduce)

200 DKK
(prev. 190 DKK)

Share price:
238



Key indicators

	2024	2025e	2026e	2027e
Revenue	912.0	921.5	965.6	1023.5
growth-%	-2%	1%	5%	6%
EBIT adj.	10.9	32.0	63.4	86.0
EBIT-% adj.	1.2 %	3.5 %	6.6 %	8.4 %
Net Income	-15.7	18.1	41.9	61.7
EPS (adj.)	-8.28	9.57	22.17	32.65

P/E (adj.)	neg.	24.9	10.7	7.3
P/B	2.0	1.6	1.4	1.2
Dividend yield-%	0.0 %	0.0 %	0.0 %	4.1 %
EV/EBIT (adj.)	78.4	23.9	11.7	8.1
EV/EBITDA	13.4	8.7	8.8	5.7
EV/S	0.9	0.8	0.8	0.7

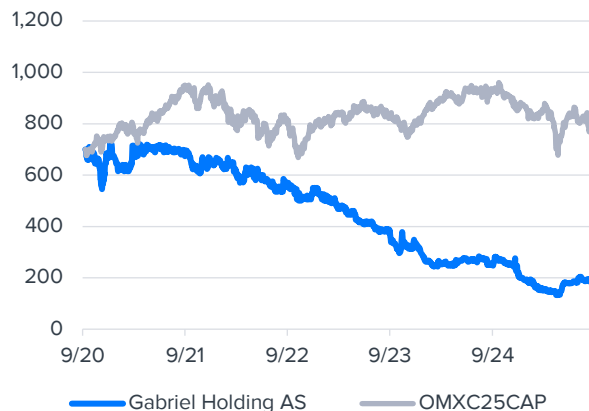
Source: HC Andersen Capital

Guidance

(Unchanged)

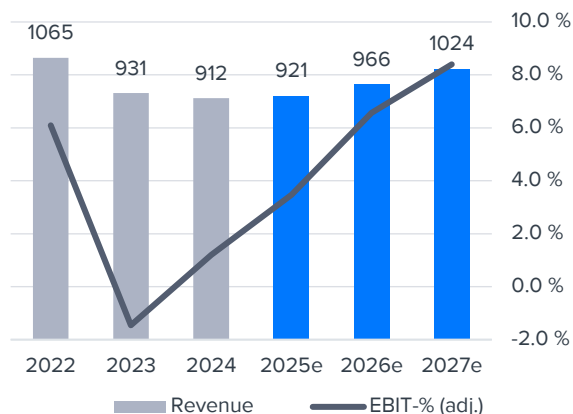
Gabriel upgraded its FY2024/25e continuing operations expectations now expecting a revenue of MDKK 510-520 (5-8% growth), from MDKK 485-530 and an EBIT of MDKK 35-40, from MDKK 20-30.

Share price



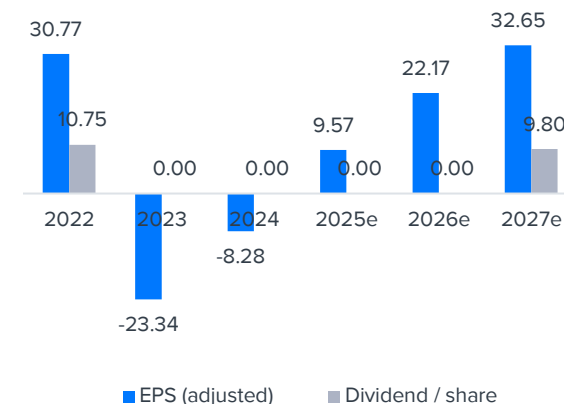
Source: S&P Capital IQ

Revenue and EBIT-% (adj.)



Source: HC Andersen Capital

EPS and DPS



Source: HC Andersen Capital



Value drivers

- Return to revenue and margin growth supported by execution of sales strategy and improving capacity utilization
- Industry turnaround, return to the office, and modernize workspaces
- Strong market position with room to grow with market-leading customers
- Opportunity to scale US activities over medium and long-term



Risk factors

- Short-term uncertainties surrounding the FurnMaster carve-out, including in the Mexican subsidiary
- Cyclical business correlated with housing market conditions and interest rates
- Gabriel's debt is high relative to EBITDA, implying a significant risk if interest rates increase or earnings decline
- Low share liquidity

Valuation	2025e	2026e	2027e
Share price	238.0	238.0	238.0
Number of shares, millions	1.89	1.89	1.89
Market cap	450	450	450
EV	766	744	693
P/E (adj.)	24.9	10.7	7.3
P/E	24.9	10.7	7.3
P/FCF	13.8	14.5	7.8
P/B	1.6	1.4	1.2
P/S	0.5	0.5	0.4
EV/Sales	0.8	0.8	0.7
EV/EBITDA	8.7	8.8	5.7
EV/EBIT (adj.)	23.9	11.7	8.1
Payout ratio (%)	0.0 %	0.0 %	30.0 %
Dividend yield-%	0.0 %	0.0 %	4.1 %

Source: HC Andersen Capital

Note: Gabriel has skewed reporting periods. Fiscal year 2024/2025 is 1 Oct 2024 – 30 Sept 2025. In the above graphs and table to the right, 2025e reflects Gabriel's 2024/25 fiscal period. 2026e reflects fiscal period 2025/26 and 2027e reflects fiscal period 2026/27.

Operating leverage unlocks margin recovery in core business

Solid Core Margin Expansion

Gabriel's continuing operations delivered Q3 revenue of DKK 128.6m (+5.0% y/y), consistent with the company's August guidance upgrade. While this confirms ongoing momentum in Fabrics and SampleMaster, the growth decelerated from Q2 of +10.5%, but due to expected seasonality. Likewise, Q3 2024/25 EBIT for continuing operations was MDKK 10.8 (8.4% margin, +2.3pp y/y) as previously communicated. Higher revenue and a strong gross margin improved fixed cost absorption, as operating leverage drove the margin expansion along with solid cost controls.

We maintain our full-year 2024/25 revenue forecast for continuing operations at DKK 514m (+6.5% y/y), consistent with the upper end of the narrowed guidance range. Our EBIT estimate is lifted slightly to DKK 40.1m (7.8% margin), up from DKK 38.6m. While

Q3 execution was strong, we view the current trajectory as a disciplined recovery rather than a full market-driven rebound and, as such, seek confirmation that higher margins are sustainable into 2025/26.

FurnMaster recovery not as strong as expected, but stabilization appears confirmed

Our initial interpretation of FurnMaster's Q3 profitability has been revised following the full income statement release. The reported net profit in Q3 was driven almost entirely by a DKK 7.0m FX gain. Therefore, EBIT remained negative at MDKK -1.9, falling well short of our MDKK 7.1 estimate. FurnMaster's Q3 revenue of DKK 90.7m was a -16.3% y/y decline and a major miss versus our DKK 105m estimate. However, with revenue reduction driven by the termination of unprofitable contracts in the Mexican subsidiary, the longer-term implications are

far less consequential. Revenue for 2024/25e is now expected at MDKK 459, from MDKK 496 previously, while EBIT is expected at MDKK -9.2, from MDKK 5.0. Despite the large revision, the progress in the restructuring results in a largely unchanged medium-term earnings outlook. We estimate a gradual return to low growth and positive EBIT contribution, with updated estimates showing lower revenue offset by higher margins, but still at a low level.

Forensic investigation into Mexico concluded

Gabriel's Q3 report confirmed the completion of the forensic investigation into its Mexican subsidiary, reducing the risk of legal or regulatory fallout, a clear short-term positive. However, the FurnMaster carve-out remains unresolved, with no updates on timing, structure, or valuation. Without clearer visibility, the unit continues to cloud the investment case.

Estimates	Q3'24	Q3'25	Q3'25e	Q3'25e	Consensus		Difference (%)	2025e
MDKK / DKK	Comparison	Actualized	HCA	Consensus	Low	High	Act. vs. HCA	HCA
Revenue	231	219	246				-10.7%	921
EBITDA	23.0	23.4	32.4				-28%	89.6
EBIT	8.6	9.0	17.9				-50%	32.0
PTP	6.0	9.7	14.2				-32%	23.1
EPS (reported)	1.78		5.93					9.52
DPS								0.00
Revenue growth-%	3.5 %	-5.0 %	6.4 %				-11.4 pp	1.0 %
EBIT-% (adj.)	3.7 %	4.1%	7.3 %				-3.2 pp	3.5 %

Source: HC Andersen Capital

Cash flow strength offsets slower FurnMaster recovery

Sustainable growth to drive accelerated margin expansion in continuing operations.

We grow increasingly confident in a sustainable margin recovery in Gabriel's continuing operations (Fabrics and SampleMaster), with the 9M 2024/25 margin expansion confirming that previously underutilized capacity is contributing to a V-shaped margin rebound. Gabriel's revenue growth YTD is the result of disciplined execution and sales focus, raising the probability that it is sustainable. While we remain cautious of this view, we revise our 2025/26e revenue estimate to DKK 551m (+7.0% y/y), up from DKK 543m (+5% y/y), and lift our EBIT margin estimate to 10%, up from 8%. Our 2026/27e EBIT margin is also raised modestly to 11.5%, reflecting improving scalability and gross margin resilience.

FurnMaster stabilizing, but recovery is slower and less structural than expected

The medium-term outlook for FurnMaster has been downgraded following the Q3 2024/25 results, which revealed that previously expected operational profitability was overstated due to non-recurring FX income. While stabilisation appears to have taken hold, the recovery trajectory is more muted. We revise 2025/26e revenue to DKK 415m, down from DKK 448m (-7.4%), reflecting structurally lower topline potential after loss of unprofitable contracts. However, the EBIT impact is more contained, with 2025/26e EBIT reduced to DKK 8.3m from DKK 10.8m, as the terminated contracts had negative margin contributions. We expect a full or partial carve-out remains Gabriel's plan, but expect a timeline extension beyond the end of the fiscal period, 30 Sept 2025.

Leverage falling and cash flow rising, reducing the medium-term risk profile

Gabriel's net interest-bearing debt has declined steadily over 2024/25, supported by stronger EBITDA, positive working capital management, and limited capex. We now estimate NIBD/EBITDA will fall to ~3.8x by the end of 2024/25e, down from 6.9x at the beginning of the 2024/25 fiscal period, and project further deleveraging into 2025/26e. This improving balance sheet reduces financing risk and provides optionality post-FurnMaster divestment, either for reinvestment or potential shareholder distributions. Lower leverage may also lead to a preference towards only a partial carve-out of the FurnMaster Mexico unit. However, NIBD/EBITDA remains elevated, and a small earnings deterioration could push leverage to more challenging levels again.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MDKK / DKK	Old	New	%	Old	New	%	Old	New	%
Revenue	954	921	-3%	988	966	-2%	1046	1024	-2%
EBITDA	101	89.6	-11%	87.0	85.0	-2%	124	121	-2%
EBIT	43.0	32.0	-26%	59.4	63.4	7%	74.0	86.0	16%
PTP	28.8	23.1	-20%	48.4	52.8	9%	65.2	77.6	19%
EPS (excl. NRIs)	12.5	9.5	-24%	20.4	22.2	9%	27.5	32.65	19%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: HC Andersen Capital

Valuation

Valuation falling in line with peers, but no clear valuation gap under current estimates

The recent upgrades and margin expansion for FY 2024/25e have brought Gabriel's valuation down toward more typical historical levels. For 2024/25e, EV/EBIT of 23.9x, and P/E 24.9x have declined significantly from earlier peaks driven by near break-even earnings. Under stronger market conditions, Gabriel has historically traded around 20x EV/EBIT; however, while markets appear to be stabilising, they remain challenged. We expect that falling interest rates in Europe, Gabriel's largest market, will gradually support housing and renovation demand, but that headwinds from tariffs and low economic growth suggest a gradual recovery. Margins also remain compressed versus historical levels, and despite improving YTD 2024/25, we feel short-term valuations remains challenged.

Looking ahead to 2025/26e, valuation becomes more attractive with EV/EBIT at 11.7x and P/E at 10.7x, levels more aligned with a market and margin recovery. However, these multiples rest on an assumed continuation of the rebound, which remains uncertain, especially considering tariff risk. We look for clearer evidence that the recovery is sustainable before fully endorsing these forward valuations.

No clear discount to peers

Compared to its peer group, we see that while valuation has improved, no clear discount is present. Our peer group median shows a 2025e EV/EBIT of 13.6x and PE of 12.6x, still significantly below Gabriel's revised valuation. Looking further ahead to 2026e, we see that a cyclical rebound, led by lower interest rates, is also expected to benefit peers with median peer

group valuations for 2026e of EV/EBIT 9.9x and P/E 11.2x. While we expect Gabriel's margin expansion to be greater than peers in 2025/26e, we don't see a clear valuation discrepancy to peers.

DCF suggests limited near-term risk/reward

Following the model revisions made in response to the full Q3'2024/25 results, our DCF model suggests a value of DKK 234 per share, reflecting an equity value of MDKK 442. The change in DCF value from DKK 208 per share previously is due to higher earnings expectations for 2024/25e and medium-term estimates as described on p. 6. The WACC is also slightly reduced to 9.4% from 9.8%, following balance sheet and cash flow improvements and de-risking after a stabilization of FurnMaster.

We also believe that the DCF model is a relevant valuation method for Gabriel, given the availability of sufficient historical financial information, the relative stability (despite cyclicity) of the industry, and a stable business model. The DCF value is more in line with our price target as the risk profile has declined; however, it still reflects the long-term value of a de-risked case, which remains elevated while the full or partial carve-out of FurnMaster remains ongoing. The sensitivity analysis on page 11 offers perspectives on how the DCF value varies in response to key assumptions, showing significant sensitivity to WACC and the terminal EBIT margin assumptions.

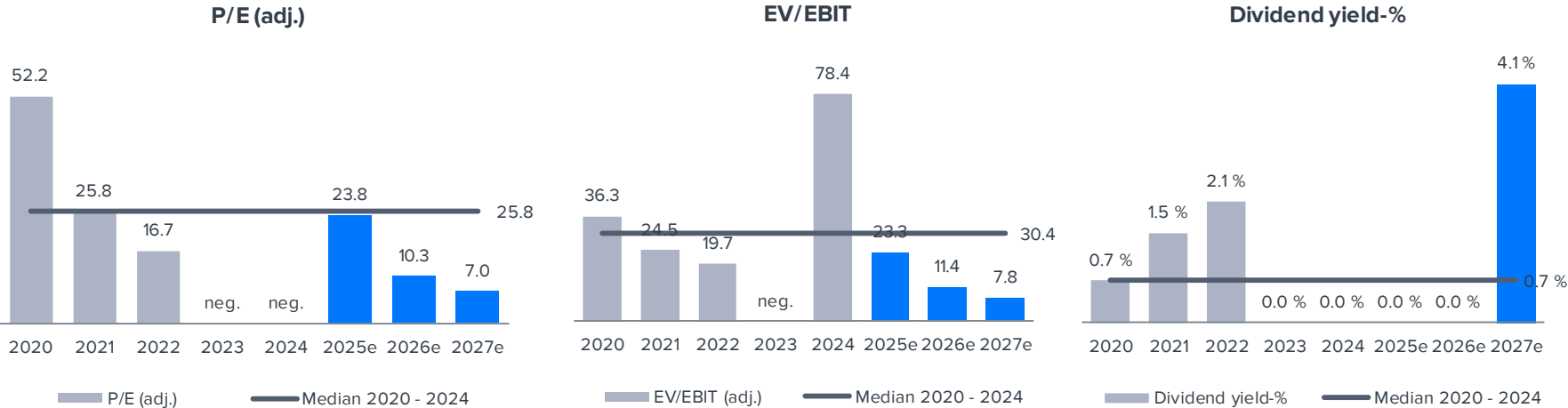
Valuation	2025e	2026e	2027e
Share price	238.0	238.0	238.0
Number of shares, millions	1.89	1.89	1.89
Market cap	450	450	450
EV	766	744	693
P/E (adj.)	24.9	10.7	7.3
P/E	24.9	10.7	7.3
P/FCF	13.8	14.5	7.8
P/B	1.6	1.4	1.2
P/S	0.5	0.5	0.4
EV/Sales	0.8	0.8	0.7
EV/EBITDA	8.7	8.8	5.7
EV/EBIT (adj.)	23.9	11.7	8.1
Payout ratio (%)	0.0 %	0.0 %	30.0 %
Dividend yield-%	0.0 %	0.0 %	4.1 %

Source: HC Andersen Capital

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price	690.0	630.0	515.0	306.0	270.0	238.0	238.0	238.0	238.0
Number of shares, millions	1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89
Market cap	1304	1191	973	578	510	450	450	450	450
EV	1522	1435	1282	940	855	766	744	693	656
P/E (adj.)	52.2	25.8	16.7	neg.	neg.	24.9	10.7	7.3	6.5
P/E	52.2	25.8	16.7	neg.	neg.	24.9	10.7	7.3	6.5
P/FCF	35.8	>100	neg.	32.7	neg.	13.8	14.5	7.8	7.5
P/B	4.6	3.7	2.8	2.1	2.0	1.6	1.4	1.2	1.0
P/S	1.8	1.5	0.9	0.6	0.6	0.5	0.5	0.4	0.4
EV/Sales	2.1	1.8	1.2	1.0	0.9	0.8	0.8	0.7	0.6
EV/EBITDA	18.9	14.9	11.9	26.2	13.4	8.7	8.8	5.7	4.5
EV/EBIT (adj.)	36.3	24.5	19.7	neg.	78.4	23.9	11.7	8.1	7.0
Payout ratio (%)	37.8 %	39.9 %	34.9 %	0.0 %	0.0 %	0.0 %	0.0 %	30.0 %	40.0 %
Dividend yield-%	0.7 %	1.5 %	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %	4.1 %	6.2 %

Source: HC Andersen Capital



Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		Dividend yield-%		P/B
Company	MDKK	MDKK	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e
Culp, Inc.	346	422	23.1	8.9	8.1	5.1	0.3	0.3		11.7			
<u>International customers/producers</u>													
MillerKnoll, Inc.	9,222	19,938	13.6	11.3	8.6	7.7	0.8	0.8	11.8	9.3	3.6%	3.6%	1.0
Steelcase Inc.	12,253	14,651	13.5	11.2	8.6	7.6	0.7	0.7	15.6	13.2	2.4%	2.4%	1.8
HNI Corporation	13,144	16,649	10.9	9.9	7.5	7.0	1.0	1.0	12.6	11.2	3.0%	5.3%	2.3
<u>Danish cyclical small/mid cap</u>													
HusCompagniet A/S	983	1,287	16.8	7.9	10.8	6.3	0.4	0.4	26.3	9.5	0.4%	3.5%	0.5
TCM Group A/S	779	1,079	10.4	8.0	7.5	6.1	0.8	0.7	12.1	9.1	5.1%	6.1%	1.3
H+H International A/S	1,577	2,497	20.4	12.4	8.3	6.6	0.9	0.8		13.9			1.6
Gabriel Holding AS (HCA)	450	766	23.9	11.7	8.7	8.8	0.8	0.8	24.9	10.7	0.0%	0.0%	1.6
Average			15.5	9.9	8.5	6.6	0.7	0.7	15.7	11.1	2.9%	4.1%	1.4
Median			13.6	9.9	8.3	6.6	0.8	0.7	12.6	11.2	3.0%	3.6%	1.5
Diff.% to median			76%	19%	4%	32%	0%	5%	97%	-4%	N/A	N/A	11%

Source: HC Andersen Capital, S&P Capital IQ

Income statement

Income statement	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue	931	912	228	249	219	225	921	966	1024	1092
Fabrics	928	909	227	246	217	225	915	959	1017	1084
Letting offices	3.2	3.3	0.8	2.7	2.0	0.8	6.3	6.6	7.0	7.5
EBITDA	35.8	63.9	13.8	30.9	23.4	21.5	89.6	85.0	121	145
Depreciation	-49.4	-53.0	-13.5	-15.2	-14.4	-14.5	-57.6	-21.6	-35.3	-51.5
EBIT (excl. NRI)	-13.6	10.9	0.3	15.7	9.0	7.0	32.0	63.4	86.0	93.2
EBIT	-13.6	10.9	0.3	15.7	9.0	7.0	32.0	63.4	86.0	93.2
Fabrics	-15.8	9.2	0.0	14.7	8.5	6.6	29.8	62.9	85.4	92.5
Letting offices	2.2	1.8	0.3	1.0	0.5	0.5	2.2	0.4	0.6	0.6
Share of profits in assoc. compan.	0.4	0.9	0.8	0.1	0.9	0.9	2.8	1.0	2.0	3.2
Net financial items	-15.6	-19.7	-3.9	-3.8	-0.2	-3.8	-11.8	-11.5	-10.4	-9.2
PTP	-28.8	-7.9	-2.7	12.0	9.7	4.1	23.1	52.8	77.6	87.2
Taxes	-15.4	-7.8	0.5	-1.5	-3.2	-0.9	-5.1	-10.9	-15.9	-17.6
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	-44.1	-15.7	-2.2	10.4	6.5	3.2	18.0	41.9	61.7	69.6
EPS (adj.)	-23.34	-8.28	-1.17	5.52	3.45	1.72	9.52	22.17	32.65	36.81
EPS (rep.)	-23.34	-8.28	-1.17	5.52	3.45	1.72	9.52	22.17	32.65	36.81

Key figures	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25e	2025e	2026e	2027e	2028e
Revenue growth-%	-12.6 %	-2.1 %	0.2 %	3.1 %	-5.0 %	6.3 %	1.0 %	4.8 %	6.0 %	6.7 %
Adjusted EBIT growth-%	-120.9 %	-180.3 %	-90.7 %	116.1 %	5.1 %	-186.1 %	193.8 %	97.9 %	35.7 %	8.4 %
EBITDA-%	3.8 %	7.0 %	6.0 %	12.4 %	10.7 %	9.6 %	9.7 %	8.8 %	11.9 %	13.3 %
Adjusted EBIT-%	-1.5 %	1.2 %	0.1 %	6.3 %	4.1 %	3.1 %	3.5 %	6.6 %	8.4 %	8.5 %
Net earnings-%	-4.7 %	-1.7 %	-1.0 %	4.2 %	3.0 %	1.4 %	2.0 %	4.3 %	6.0 %	6.4 %

Source: HC Andersen Capital

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	385	382	398	404	409
Goodwill	51.2	52.1	52.1	52.1	52.1
Tangible & intangible assets	286	284	290	295	300
Associated companies	32.3	32.9	33.3	33.8	34.3
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	14.7	14.0	23.2	23.2	23.2
Current assets	389	395	384	396	411
Inventories	198	203	198	201	210
Other current assets	22.8	15.9	20.1	20.1	21.4
Receivables	130	137	120	137	139
Cash and equivalents	38.5	38.5	46.1	38.6	40.9
Balance sheet total	774	777	782	800	820

Source: HC Andersen Capital

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	276	262	280	322	383
Share capital	37.8	37.8	37.8	37.8	37.8
Retained earnings	250	235	253	295	356
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-12.4	-10.7	-10.7	-10.7	-10.7
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	84.1	72.8	72.8	72.8	72.8
Deferred tax liabilities	12.0	11.6	11.6	11.6	11.6
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	72.0	61.1	61.1	61.1	61.1
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	0.0	0.0	0.0	0.0	0.0
Current liabilities	414	443	430	406	364
Interest bearing debt	328	353	334	304	256
Payables	47.8	53.3	55.3	60.4	66.5
Other current liabilities	38.2	36.7	40.4	41.2	42.1

DCF calculation

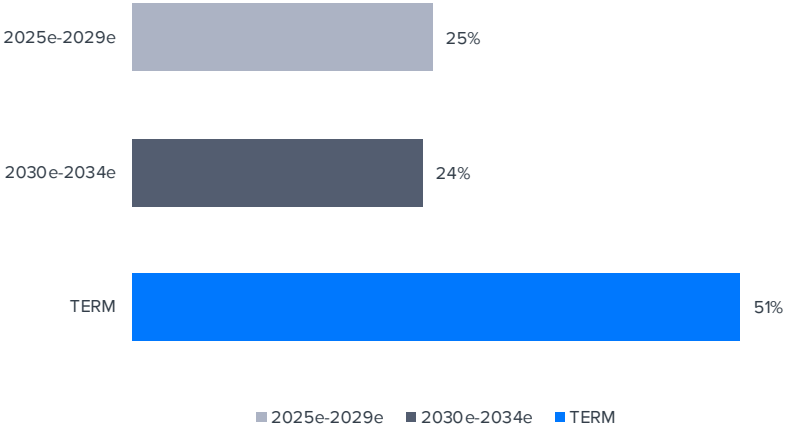
DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Revenue growth-%	-2.1%	1.0 %	4.8 %	6.0 %	6.7 %	5.6 %	4.5 %	3.3 %	2.6 %	2.0 %	2.0 %	2.0 %
EBIT-%	1.2 %	3.5 %	6.6 %	8.4 %	8.5 %	9.0 %	9.5 %	8.5 %	8.1%	7.1%	7.1%	7.1%
EBIT (operating profit)	10.9	32.0	63.4	86.0	93.2	104	114	106	104	92.9	94.7	
+ Depreciation	53.0	56.5	21.6	35.3	51.5	55.1	55.4	56.0	56.2	57.0	57.4	
- Paid taxes	-7.4	-14.2	-10.9	-15.9	-17.6	-20.1	-22.3	-20.6	-21.1	-18.7	-19.2	
- Tax, financial expenses	-4.3	-1.6	-2.5	-2.2	-1.9	-1.8	-1.7	-1.7	-1.8	-1.8	-1.8	
+ Tax, financial income	0.0	-1.3	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	
- Change in working capital	-1.6	24.0	-14.0	-5.1	-8.9	-9.0	-5.5	-5.3	-5.5	-3.3	-6.4	
Operating cash flow	50.5	95.4	57.7	98.1	116	128	140	134	132	126	125	
+ Change in other long-term liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-51.1	-62.8	-26.6	-40.3	-56.4	-60.1	-60.4	-61.0	-56.2	-59.0	-57.5	
Free operating cash flow	-0.6	32.6	31.0	57.8	59.8	68.1	79.5	73.4	75.3	67.2	67.4	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-0.6	32.6	31.0	57.8	59.8	68.1	79.5	73.4	75.3	67.2	67.4	923
Discounted FCFF		31.7	27.5	46.8	44.3	46.1	49.1	41.4	38.8	31.7	29.0	398
Sum of FCFF present value		785	753	725	678	634	588	539	497	459	427	398
Enterprise value DCF		785										
- Interest bearing debt		-144.0										
+ Cash and cash equivalents		38.5										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		442										
Equity value DCF per share		233.9										

WACC

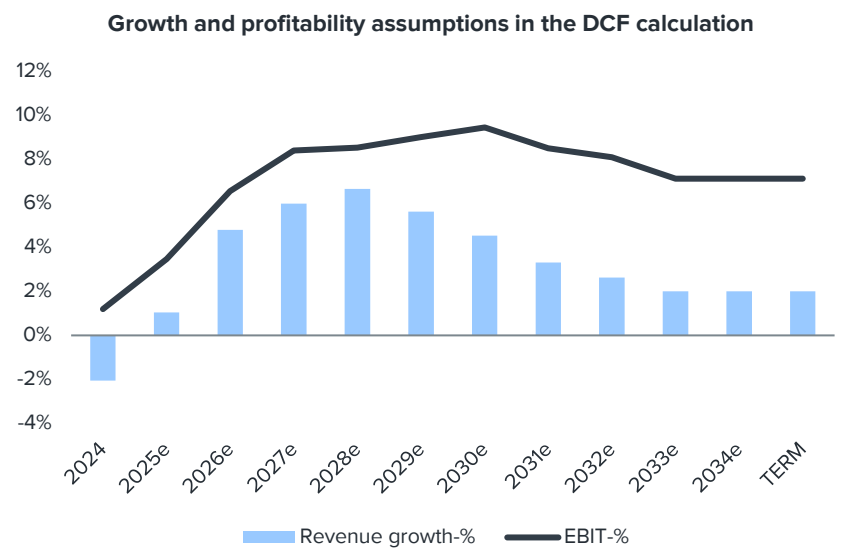
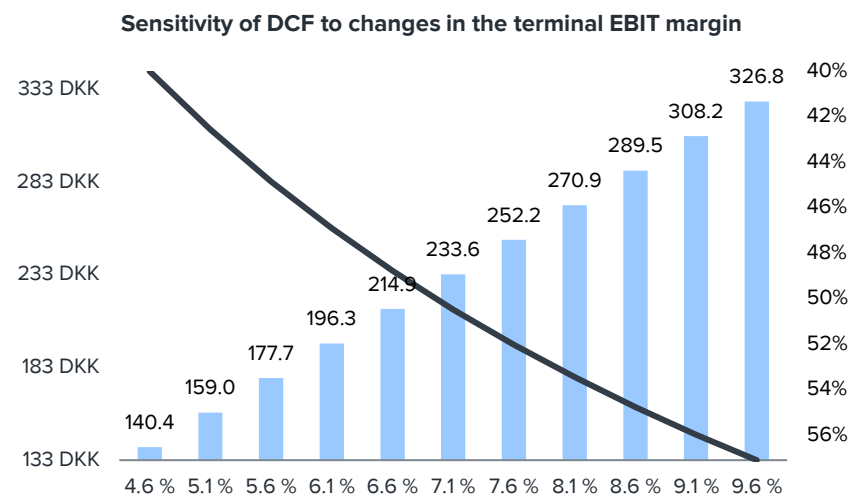
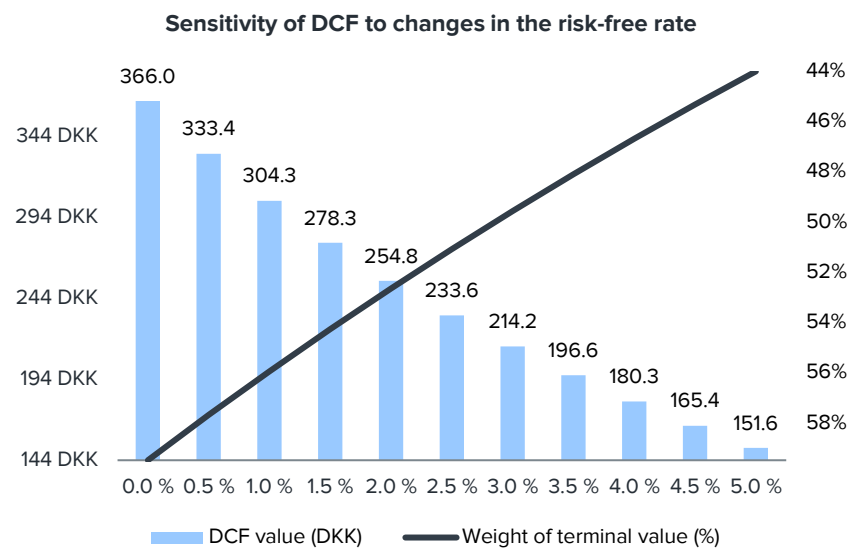
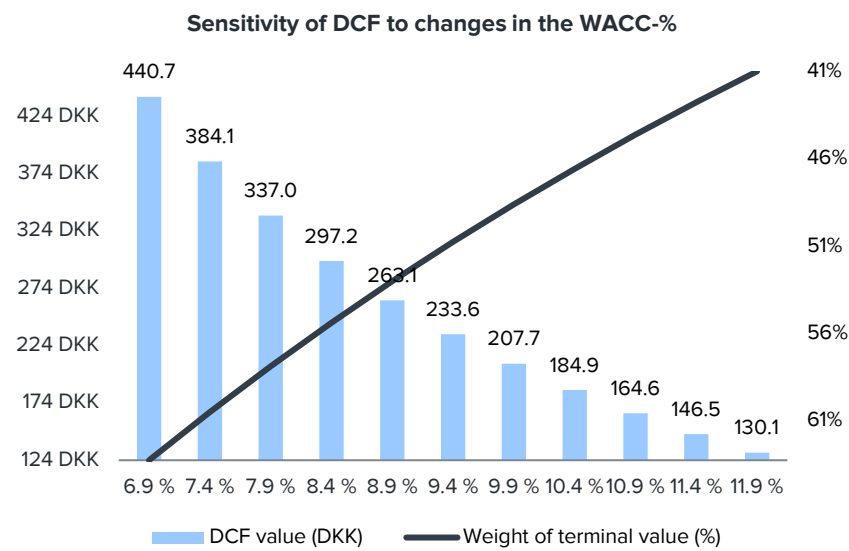
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	5.50 %
Equity Beta	1.40
Market risk premium	4.75%
Liquidity premium	2.50%
Risk free interest rate	2.50 %
Cost of equity	11.7 %
Weighted average cost of capital (WACC)	9.4 %

Source: HC Andersen Capital

Cash flow distribution



DCF sensitivity calculations and key assumptions in graphs



Source: Inderes, N. DCF value (DKK) and Weight of terminal value (%) are on the left scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e	Per share data	2022	2023	2024	2025e	2026e
Revenue	1065.0	931.2	912.0	921.5	965.6	EPS (reported)	30.77	-23.34	-8.28	9.57	22.17
EBITDA	107.5	35.8	63.9	88.5	85.0	EPS (adj.)	30.77	-23.34	-8.28	9.57	22.17
EBIT	64.9	-13.6	10.9	32.0	63.4	OCF / share	-1.12	27.74	26.72	50.49	30.50
PTP	80.6	-28.8	-7.9	23.1	52.8	FCF / share	-22.86	9.34	-0.30	17.27	16.42
Net Income	58.2	-44.1	-15.7	18.1	41.9	Book value / share	183.66	145.86	138.43	148.00	170.17
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	10.75	0.00	0.00	0.00	0.00
Balance sheet	2022	2023	2024	2025e	2026e	Growth and profitability	2022	2023	2024	2025e	2026e
Balance sheet total	861.0	773.7	777.2	782.5	800.4	Revenue growth-%	32%	-13%	-2%	1%	5%
Equity capital	347.1	275.7	261.6	279.7	321.6	EBITDA growth-%	11%	-67%	78%	39%	-4%
Goodwill	50.7	51.2	52.1	52.1	52.1	EBIT (adj.) growth-%	11%	-121%	-180%	194%	98%
Net debt	308.9	361.5	344.2	316.3	293.9	EPS (adj.) growth-%	26%	-176%	-65%	-216%	132%
Cash flow	2022	2023	2024	2025e	2026e	EBITDA-%	10.1 %	3.8 %	7.0 %	9.6 %	8.8 %
EBITDA	107.5	35.8	63.9	88.5	85.0	EBIT (adj.)-%	6.1 %	-1.5 %	1.2 %	3.5 %	6.6 %
Change in working capital	-77.0	5.1	-1.6	24.0	-14.0	EBIT-%	6.1 %	-1.5 %	1.2 %	3.5 %	6.6 %
Operating cash flow	-2.1	52.4	50.5	95.4	57.7	ROE-%	17.4 %	-14.2 %	-5.8 %	6.7 %	13.9 %
CAPEX	-43.0	-39.6	-51.1	-62.8	-26.6	ROI-%	12.8 %	-1.8 %	1.7 %	4.4 %	9.5 %
Free cash flow	-43.2	17.7	-0.6	32.6	31.0	Equity ratio	40.3 %	35.6 %	33.7 %	35.7 %	40.2 %
Valuation multiples	2022	2023	2024	2025e	2026e	Gearing	89.0 %	131.1 %	143.5 %	124.9 %	101.7 %
EV/S	1.2	1.0	0.9	0.8	0.8						
EV/EBITDA	11.9	26.2	13.4	8.7	8.8						
EV/EBIT (adj.)	19.7	neg.	78.4	23.9	11.7						
P/E (adj.)	16.7	neg.	neg.	24.9	10.7						
P/B	2.8	2.1	2.0	1.6	1.4						
Dividend-%	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %						

Source: HC Andersen Capital

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
27/08/2025	Reduce	190.0 DKK	216.0 DKK
09/05/2025	Reduce	150.0 DKK	182.0 DKK
16/04/2025	Reduce	130.0 DKK	134.0 DKK
07/02/2025	Reduce	180.0 DKK	153.0 DKK
09/01/2025	Reduce	195.0 DKK	182.0 DKK
18/11/2024	Reduce	225.0 DKK	230.0 DKK
30/08/2024	Accumulate	300.0 DKK	272.0 DKK
30/06/2024	Accumulate	295.0 DKK	260.0 DKK

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