

Gabriel Holding AS

Company report

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Market-share gains and strong cash flow support positive re-rating

The 2024/25 results strengthen confidence in Gabriel's turnaround, after a cyclical market downturn and restructuring of its FurnMaster (discontinuing) Mexican subsidiary. While headline results were pre-announced, we believe the market share gains across geographies demonstrate a sustained competitive advantage from the sales strategy to grow with key accounts supported by global showrooms. Continuing operations can therefore maintain positive development with more stable markets and reduced tariff uncertainty. We also believe the FurnMaster restructuring in 2024/25 is improving the business unit's valuation, making a carve-out more likely in 2025/26. Following a year of strong execution, we believe the latest guidance for 2025/26 is slightly conservative, while valuation favours a positive risk-reward, and we upgrade our recommendation to "Accumulate" with a new price target of DKK 280 per share, from "Reduce" and DKK 210 previously.

Robust performance amid market weakness underscores the strength of Gabriel's global strategy.

Gabriel is a Danish textile and furniture solutions group operating through three business units: Fabrics, which designs and produces premium upholstery textiles for global furniture manufacturers; SampleMaster, which develops sampling concepts and marketing tools for the furniture and interior industry; and FurnMaster (discontinuing) provides contract furniture manufacturing for OEMs from facilities in Europe and Mexico. In 2024/25, the continuing operations growth, driven by North America (+50% YoY) and Asia Pacific (+30% YoY), was very strong despite slow market recoveries. Stable development in Europe (+0.2% YoY) overcame falling markets and demonstrated strong execution of the strategy to grow with the largest ~70 furniture OEMs and build relationships with key architects and designers via showrooms.

Strong cash flow in Q4 and FY'2024/25 strengthens balance sheet and enables dividend

The reported Q4'24/25 results were broadly in line with estimates, given the pre-announcement, while FurnMaster revenue was lower as unprofitable contracts were reduced. However, cash flow continued to surprise positively as working capital was further reduced. For 2024/25, Group operating cash flow was MDKK 119.7, with a large contribution from working capital improvement, and enabled an unexpected dividend of DKK 5 per share (a 38% payout ratio vs continuing operations results). We revise our revenue estimate for 2025/26 (including FurnMaster) lower to reflect terminated contracts, but maintain EBIT estimates as contracts were unprofitable. We also expect cash flow to remain strong, with continued working capital improvement and limited CAPEX expected in 2025/26e, and introduce a dividend estimate of DKK 7.0 per share for 2025/26e.

We switch to an Accumulate recommendation as valuation favors current risk/reward

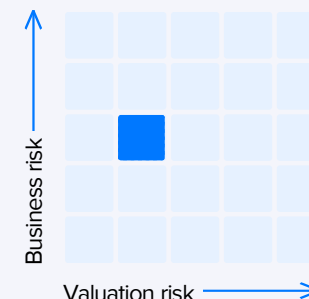
In our view, current 2025/26e valuation multiples of EV/EBIT 13.2x and P/E 14.1x are nearing normalized levels and still assume a conservative recovery of FurnMaster. The DCF tells a similar story now favouring a positive risk-reward following greater confidence in the continuing operations recovery and greater value assigned to FurnMaster. We assume that quarterly results showing sustained growth and further margin improvements will be key to unlock this value, while a sale of FurnMaster at or near its book value would also unlock value vs our estimates. We believe relative and absolute valuation have now skewed to the upside.

Recommendation

Accumulate
(prev. Reduce)

280 DKK
(prev. 210 DKK)

Share price:
252



Key indicators

	2025	2026e	2027e	2028e
Revenue	902.8	897.7	964.3	1028.5
growth-%	-1%	-1%	7%	7%
EBIT adj.	28.2	52.8	81.7	92.2
EBIT-% adj.	3.1 %	5.9 %	8.5 %	9.0 %
Net Income	7.5	33.8	59.3	69.4
EPS (adj.)	3.96	17.90	31.37	36.72

P/E (adj.)	57.1	14.1	8.0	6.9
P/B	1.6	1.7	1.4	1.2
Dividend yield-%	2.2 %	2.8 %	4.0 %	5.8 %
EV/EBIT (adj.)	26.5	13.2	8.2	6.9
EV/EBITDA	8.8	6.5	4.9	4.3
EV/S	0.8	0.8	0.7	0.6

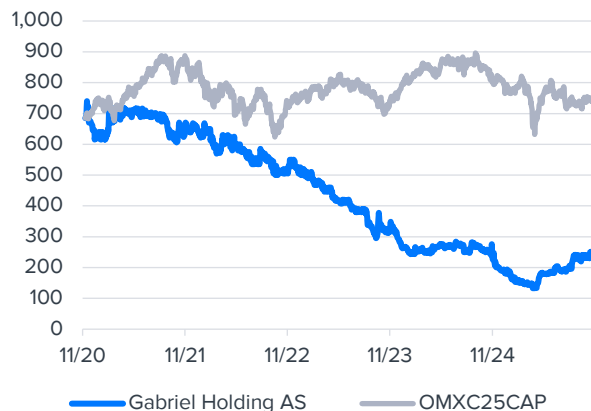
Source: HC Andersen Capital

Guidance

(New)

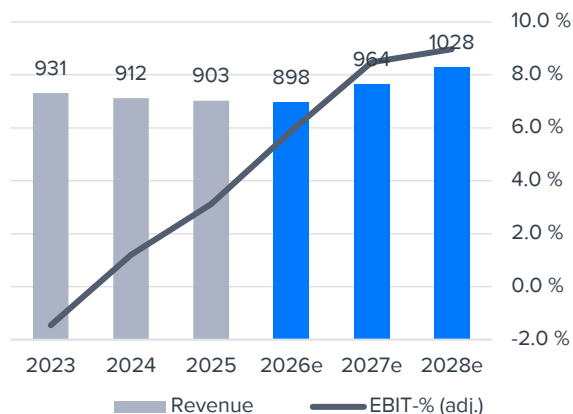
Gabriel announced its FY'2025/26e guidance for continuing operations, expecting a revenue of MDKK 510-550 (-1 to 7% growth from MDKK 516 in 2024/25, and an EBIT of MDKK 40-55 from MDKK 44.1 in 2024/25

Share price



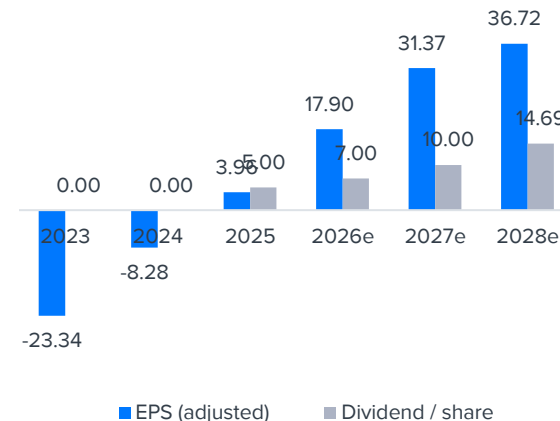
Source: S&P Capital IQ

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
- Gradual industry turnaround, due to return to office, and modernizing 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	2026e	2027e	2028e
Share price	252.0	252.0	252.0
Number of shares, millions	1.89	1.89	1.89
Market cap	476	476	476
EV	700	673	639
P/E (adj.)	14.1	8.0	6.9
P/E	14.1	8.0	6.9
P/FCF	7.5	10.5	8.6
P/B	1.7	1.4	1.2
P/S	0.5	0.5	0.5
EV/Sales	0.8	0.7	0.6
EV/EBITDA	6.5	4.9	4.3
EV/EBIT (adj.)	13.2	8.2	6.9
Payout ratio (%)	39.1%	31.9%	40.0%
Dividend yield-%	2.8%	4.0%	5.8%

Source: HC Andersen Capital

Note: Gabriel has skewed reporting periods. Fiscal year 2025/2026 is 1 Oct 2025 – 30 Sept 2026. In the above graphs and table to the right, 2026e reflects Gabriel's 2025/26 fiscal period. 2027e reflects fiscal period 2026/26 and 2028e reflects fiscal period 2027/28.

Growth due to sales model performance amid challenging markets

International growth drives margin expansion

Q4 results were in line with pre-announced results and hence mostly in line with HCA estimates. Continuing operations grew 4.8% YoY in Q4, with full-year growth of 6.7% to MDKK 516, driven by strong growth in the North Americas (+50% YoY) and Asia Pacific (+30% YoY), while Europe, its largest market at 78% sales in 24/25, was flat with 0.2% growth. Gabriel gained market share across its markets, including Europe, where the market declined. The results and particularly strong international growth demonstrate clear results from the strategy to grow with large accounts and develop key industry relationships.

Returning growth and strong cost focus also saw EBIT expand to MDKK 44.1 (8.5% margin) in 2024/25, from MDKK 19.7 (4.1% margin) in 2023/24, driven by gross margin expansion and operating leverage from

fixed-cost production assets. We see the margin expansion as a result of strong sales execution and cost management, and believe the improvement is structural and can continue.

Cash generation remained strong in Q4 and was a highlight in 2024/25, with group operating cash flow reaching MDKK 119.7 (MDKK 101.4 continuing and MDKK 18.4 discontinuing), exceeding Group EBITDA of MDKK 84.7, as working capital declined. Stronger earnings, cash flow, and reduced gearing (now 3.8x down from 6.5x) enabled a DKK 5/share dividend (a 38% payout for continuing operations), signalling management confidence in the balance sheet and sustainability of cash-flow into 2025/26e

FurnMaster contract terminations drive lower revenue but improve medium-term outlook

The discontinuing operations restructuring

accelerated non-profitable contract termination in Q4, resulting in revenue of MDKK 80.8 vs HCA estimates of MDKK 97.3. Despite the significant revenue revision, we expect that the restructuring progress in Mexico, alongside returning growth in Europe, can enable a carve-out in 2025/26. Management also restated its belief that FurnMaster's value is at least in line with its book value – net book value MDKK 172 2024/25, which was also externally validated by auditors. We remain conservative on FurnMaster's valuation but have reintroduced modest recovery expectations for FurnMaster, increasing our intrinsic value towards management and auditor expectations. Overall, Q4 2024/25 estimate differences are due to lost FurnMaster revenues, but result in modestly lifted medium-term EBIT expectations.

Estimates	Q4'24	Q4'25	Q4'25e	Q4'25e	Consensus		Difference (%)	2025e
DKK	Comparison	Actualized	HCA	Consensus	Low	High	Act. vs. HCA	HCA
Revenue	212	209	223				-6.2%	903
EBITDA	4.9	17.7	17.5				1%	84.7
EBIT	-8.2	3.2	3.0				6%	28.2
PTP	-15.1	1.2	0.1				1087%	20.1
EPS (reported)	-10.25		0.05					
Revenue growth-%	-1.8 %	-1.4 %	5.1%				-6.5 pp	-1.0 %
EBIT-% (adj.)	-3.8 %	1.5 %	1.4 %				0.1 pp	3.1%

Source: HC Andersen Capital

Solid rebound potential for continuing operations

Continuing operations outlook is mostly unchanged as the opportunity to grow across markets is solid.

Our outlook for the continuing operations remains broadly intact, with only modest downward revisions to revenue and EBITDA for 2025/26e, to reflect continued softness in the largest European market (78% of sales in 2024/25). We expect Gabriel will return to growth in Europe in 2025/26e as markets stabilize – an improvement on 2024/25 conditions. Execution of the sales and delivery model can support further margin expansion as operating leverage remains in underutilized production capacity. However, a slower recovery in Europe leads to a slight EBIT estimate reduction for 2025/26e to MDKK 53.6 (at the high end of guidance). Gabriel's strong growth internationally in 2024/25 can support elevated medium-term growth rates as the global furniture markets recover, with the opportunity to capture market share from a low base.

FurnMaster restructuring is increasing its value, marking a path for a carve-out in 2025/26

The accelerated contract termination in Mexico continues to limit near-term forecasting visibility for FurnMaster; however, we assume quarterly revenues will normalize around Q4 2024/25 levels of around MDKK 80. Despite lower revenue, we expect FurnMaster EBIT improvement, with fewer one-off costs in 2025/26e, positive development in Europe, and less drag from the Mexican unit. We maintain the view that FurnMaster can approach EBIT break-even in 2025/26, driven by a transition toward higher-value contracts and improved operational control. These developments support an upward revision to medium-term EBITDA and EBIT expectations, increasing our confidence that the major operational issues within the Mexican subsidiary have now been resolved.

Cash flow to remain strong, with deleveraging mostly complete

Cash flow can remain strong into 2025/26e, driven by improved operating results, still very low levels of CAPEX, and a continued positive effect from reduced working capital. We also expect that debt repayment will continue in 2025/26e, but with deleveraging driven by EBITDA growth. As such, we expect strong cash flow can support returns to shareholders via dividends in line with the historical payout ratio of 40% of the net continuing operations result. We now consider that a sale of FurnMaster will mostly be returned to shareholders via an extraordinary dividend, given organic deleveraging during 2024/25. Medium term our revenue estimates have been decreased relating to FurnMaster, while EBIT expectations are increased medium-term as the rebound continues across markets and now also across business units.

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MDKK / DKK	Old	New	%	Old	New	%	Old	New	%
Revenue	919	903	-2%	972	898	-8%	1030	964	-6%
EBITDA	85.6	84.7	-1%	113	108	-4%	134	138	3%
EBIT	28.0	28.2	0%	62.2	52.8	-15%	82.9	81.7	-1%
PTP	19.1	20.1	6%	51.4	43.4	-16%	74.3	75.2	1%
EPS (excl. NRIs)	7.9	4.0	-50%	21.6	17.9	-17%	31.3	31.37	0%
DPS	5.00	5.00	0%	0.00	7.00		0.00	10.00	

Source: HC Andersen Capital

Valuation

Valuation falling below historical levels and in line with peers

Strong execution in 2024/25, driving a significant margin expansion in continuing operations, and the increase to group EBIT in 2024/25 helped to reduce Gabriel's valuation in 2024/25. Looking ahead, guidance is set to fall further, as guidance implies continued growth and margin expansion, allowing large relative increases in EBIT in 2025/26 from still low historical levels. Additionally, we expect that the restructuring of FurnMaster in Mexico and lesser related one-off costs in 2025/26 will support a return to almost near break-even EBIT levels in 2025/26.

Combined continuing operations growth and much less negative results in FurnMaster will further reduce valuation multiples to be competitive with peers. FY2025/26e we project Gabriel to trade an EV/EBIT around 13.2x, falling to around 8.2x for 2026/27e as EBIT continues normalizing medium term. While these multiples rely on a sustained normalization, we believe the growth in 2024/25 amid still highly challenging market conditions demonstrates that this is realistic. These multiples are below historical levels for Gabriel, but also appear normalized compared to peers. Our peer group median EV/EBIT for 2026e (most comparable to Gabriel's 2025/26e) is 10.5x. We maintain that peers are not highly suitable for comparison given different business models and margin profiles. While the forward multiples still include uncertainty relating to tariffs on upholstered furniture from Mexico, our model remains conservative on the FurnMaster rebound compared to historical results.

We still see market challenges and volumes of upholstered furniture remain significantly below pre-

pandemic levels. However, following a year of high tariff-related uncertainty, we look toward 2026, which can bring lower trade barrier difficulties, a continued gradual return to office working, and low-growth but low-inflation in Europe.

DCF now favours positive risk-reward

We revised our DCF model following the annual 2024/25 results. The growth curve for continuing operations is mostly unchanged, but our confidence in the recovery improves. We have allowed for a moderate rebound in FurnMaster, as the restructuring efforts in Mexico and positive development in Europe create a path to medium-term positive EBIT contribution and steady growth from a lower base.

Our DCF model suggests a value of DKK 290 per share, reflecting an equity value of MDKK 542. The change in DCF value from DKK 235 per share previously mostly relates to a greater positive contribution from FurnMaster and continued positive cash flow impacts from reduced working capital. The WACC is also maintained at 9.4% to remain conservative.

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, while our assumptions for FurnMaster remain conservative to reflect the ongoing carve-out process. 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.

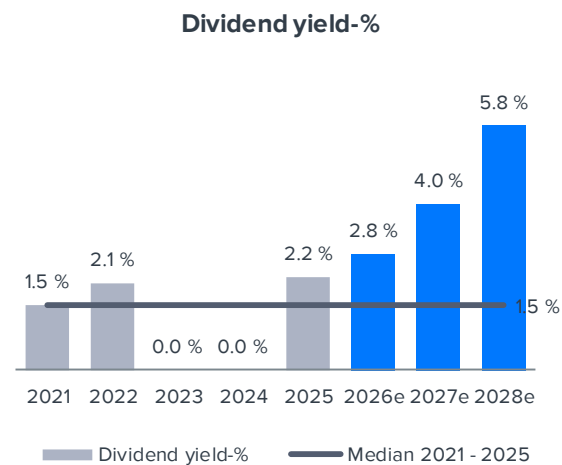
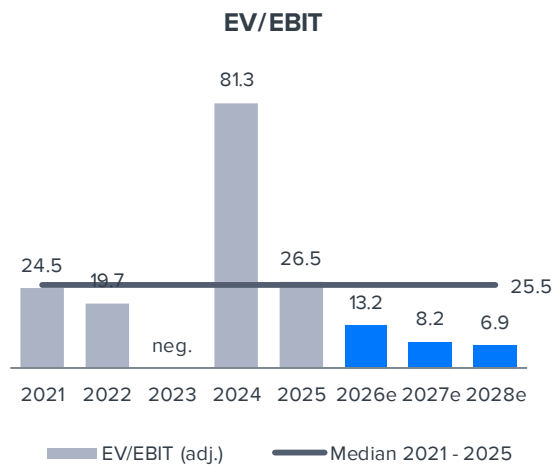
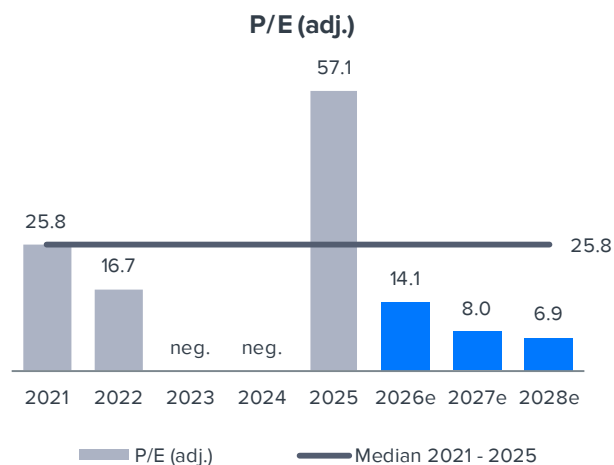
Valuation	2026e	2027e	2028e
Share price	252.0	252.0	252.0
Number of shares, millions	1.89	1.89	1.89
Market cap	476	476	476
EV	700	673	639
P/E (adj.)	14.1	8.0	6.9
P/E	14.1	8.0	6.9
P/FCF	7.5	10.5	8.6
P/B	1.7	1.4	1.2
P/S	0.5	0.5	0.5
EV/Sales	0.8	0.7	0.6
EV/EBITDA	6.5	4.9	4.3
EV/EBIT (adj.)	13.2	8.2	6.9
Payout ratio (%)	39.1 %	31.9 %	40.0 %
Dividend yield-%	2.8 %	4.0 %	5.8 %

Source: HC Andersen Capital

Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	630.0	515.0	306.0	270.0	226.0	252.0	252.0	252.0	252.0
Number of shares, millions	1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89	1.89
Market cap	1191	973	578	510	427	476	476	476	476
EV	1435	1282	940	886	747	700	673	639	601
P/E (adj.)	25.8	16.7	neg.	neg.	57.1	14.1	8.0	6.9	5.9
P/E	25.8	16.7	neg.	neg.	57.1	14.1	8.0	6.9	5.9
P/FCF	>100	neg.	32.7	neg.	6.2	7.5	10.5	8.6	7.1
P/B	3.7	2.8	2.1	2.0	1.6	1.7	1.4	1.2	1.1
P/S	1.5	0.9	0.6	0.6	0.5	0.5	0.5	0.5	0.4
EV/Sales	1.8	1.2	1.0	1.0	0.8	0.8	0.7	0.6	0.6
EV/EBITDA	14.9	11.9	26.2	13.9	8.8	6.5	4.9	4.3	3.7
EV/EBIT (adj.)	24.5	19.7	neg.	81.3	26.5	13.2	8.2	6.9	5.8
Payout ratio (%)	39.9 %	34.9 %	0.0 %	0.0 %	126.4 %	39.1 %	31.9 %	40.0 %	50.0 %
Dividend yield-%	1.5 %	2.1 %	0.0 %	0.0 %	2.2 %	2.8 %	4.0 %	5.8 %	8.4 %

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	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e	2027e	2026e
Culp, Inc.	313	386	60.0		11.8		0.3						
<u>International customers/producers</u>													
MillerKnoll, Inc.	6,295	17,482	9.8		6.7		0.7		6.3		5.3%		
Steelcase Inc.	11,702	14,050	10.5		7.0		0.6		12.4		2.5%		
HNI Corporation	11,675	14,467	8.2		5.9		0.8		9.7		3.5%		
<u>Danish cyclical small/mid cap</u>													
HusCompagniet A/S	855	1,159	12.6		8.6		0.4		18.9		0.6%		
TCM Group A/S	702	1,002	7.6		5.8		0.7		8.2		6.6%		
H+H International A/S	1,338	2,202	13.3		6.7		0.8		15.6				
Gabriel Holding AS (HCA)	476	700	13.2	8.2	6.5	4.9	0.8	0.7	14.1	8.0	277.8%	396.8%	1.7
Average			17.4		7.5		0.6		11.9		3.7%		
Median			10.5		6.7		0.7		11.1		3.5%		
Diff-% to median			26%		-4%		14%		27%		N/A	N/A	

Source: HC Andersen Capital, S&P Capital IQ

Income statement

Income statement	2024	Q3'25	Q4'25	H1'25	H2'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	912	218	209	475	427	903	224	242	220	212	898	964	1028	1088
Fabrics	909	217	208	473	426	899	223	241	219	211	894	960	1024	1084
Letting offices	3.3	0.9	0.8	2.2	1.7	3.9	1.0	1.0	1.0	1.0	3.9	4.2	4.5	4.7
EBITDA	63.9	22.3	17.7	44.7	40.0	84.7	26.2	34.6	24.1	23.4	108	138	150	161
Depreciation	-53.0	-13.3	-14.5	-28.7	-27.8	-56.5	-13.0	-13.0	-13.0	-16.6	-55.6	-56.2	-57.8	-57.4
EBIT	10.9	9.0	3.2	16.0	12.2	28.2	13.2	21.6	11.1	6.9	52.8	81.7	92.2	104
Fabrics	9.2	8.5	2.7	14.7	11.2	25.9	12.7	21.0	10.6	6.3	50.5	81.3	91.8	104
Letting offices	1.8	0.5	0.5	1.3	1.0	2.3	0.6	0.6	0.6	0.6	2.3	0.4	0.4	0.5
Share of profits in assoc. compan.	0.9	0.9	0.9	1.0	1.9	2.8	0.7	0.7	0.7	0.6	2.7	2.7	3.9	5.2
Net financial items	-19.7	-0.2	-2.9	-7.7	-3.1	-10.8	-3.4	-3.4	-3.4	-1.9	-12.2	-9.2	-8.2	-7.7
PTP	-7.9	9.7	1.2	9.2	10.9	20.1	10.5	18.9	8.4	5.6	43.4	75.2	87.9	102
Taxes	-7.8	-3.1	-8.6	-1.0	-11.7	-12.7	-2.0	-3.3	-2.6	-1.8	-9.6	-16.0	-18.5	-21.2
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	-15.7	6.5	-7.3	8.2	-0.8	7.5	8.5	15.7	5.8	3.8	33.8	59.3	69.4	80.4
EPS (rep.)	-8.28	3.44	-3.85	4.36	-0.40	3.96	4.51	8.29	3.07	2.03	17.90	31.37	36.72	42.56

Key figures	2024	Q3'25	Q4'25	H1'25	H2'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-2.1 %	-5.5 %	-1.4 %	1.4 %	-3.5 %	-1.0 %	-1.9 %	-2.3 %	0.9 %	1.4 %	-0.6 %	7.4 %	6.7 %	5.8 %
Adjusted EBIT growth-%	-180.3 %	5.1 %	-138.8 %	52.5 %	2773.8 %	158.4 %	4314.4 %	37.8 %	23.4 %	116.4 %	87.6 %	54.6 %	12.9 %	12.8 %
EBITDA-%	7.0 %	10.2 %	8.5 %	9.4 %	9.4 %	9.4 %	11.7 %	14.3 %	11.0 %	11.0 %	12.1 %	14.3 %	14.6 %	14.8 %
Adjusted EBIT-%	1.2 %	4.1 %	1.5 %	3.4 %	2.9 %	3.1 %	5.9 %	8.9 %	5.1 %	3.2 %	5.9 %	8.5 %	9.0 %	9.6 %
Net earnings-%	-1.7 %	3.0 %	-3.5 %	1.7 %	-0.2 %	0.8 %	3.8 %	6.5 %	2.6 %	1.8 %	3.8 %	6.1 %	6.7 %	7.4 %

Source: HC Andersen Capital

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	382	384	383	394	399
Goodwill	52.1	48.8	48.8	48.8	48.8
Tangible & intangible assets	284	287	285	295	300
Associated companies	32.9	35.2	35.8	36.3	36.8
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	14.0	13.6	13.6	13.6	13.6
Current assets	395	362	337	346	365
Inventories	203	171	166	175	185
Other current assets	15.9	9.7	9.0	9.6	10.5
Receivables	137	117	108	113	118
Cash and equivalents	38.5	63.6	53.9	48.2	51.4
Balance sheet total	777	746	720	740	764

Source: HC Andersen Capital

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	262	264	288	334	385
Share capital	37.8	37.8	37.8	37.8	37.8
Retained earnings	235	242	266	312	363
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-10.7	-16.1	-16.1	-16.1	-16.1
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	72.8	86.2	72.2	72.2	72.2
Deferred tax liabilities	11.6	11.1	11.1	11.1	11.1
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	61.1	75.1	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	443	396	359	334	308
Interest bearing debt	353	308	266	233	203
Payables	53.3	43.8	47.1	53.0	56.6
Other current liabilities	36.7	43.8	46.6	47.6	48.5

DCF calculation

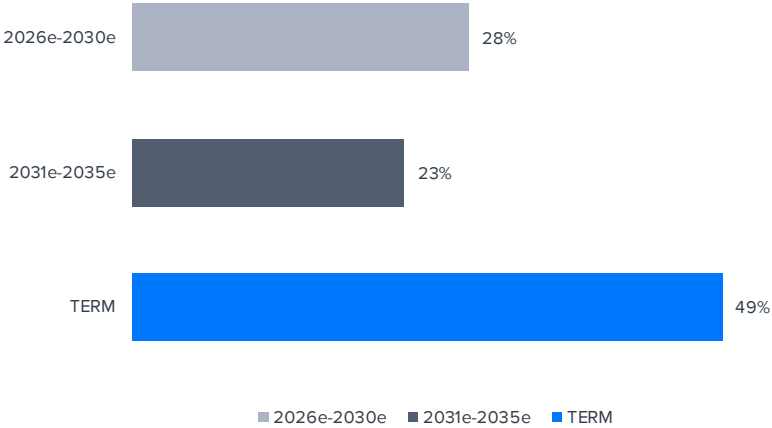
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	-1.0 %	-0.6 %	7.4 %	6.7 %	5.8 %	6.4 %	4.8 %	3.8 %	2.8 %	2.0 %	2.0 %	2.0 %
EBIT-%	3.1 %	5.9 %	8.5 %	9.0 %	9.6 %	10.1 %	9.7 %	8.3 %	7.7 %	7.0 %	7.0 %	7.0 %
EBIT (operating profit)	28.2	52.8	81.7	92.2	104	117	118	104	99.2	93.0	94.9	
+ Depreciation	56.5	55.6	56.2	57.8	57.4	57.8	59.5	60.6	61.4	62.9	62.9	
- Paid taxes	-12.8	-9.6	-16.0	-18.5	-21.2	-24.1	-24.3	-21.4	-20.2	-18.9	-19.3	
- Tax, financial expenses	-3.4	-2.9	-2.0	-1.8	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	-1.7	
+ Tax, financial income	1.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.2	0.2	
- Change in working capital	55.9	21.3	-8.3	-11.4	-9.9	-11.6	-6.4	-4.4	-2.9	-0.6	-0.7	
Operating cash flow	125	117	112	118	129	138	145	138	136	135	136	
+ 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	-56.2	-54.1	-66.2	-62.8	-62.1	-62.7	-61.4	-60.6	-61.4	-63.0	-63.0	
Free operating cash flow	69.2	63.3	45.4	55.6	66.6	74.9	83.5	77.1	74.5	71.8	73.2	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	69.2	63.3	45.4	55.6	66.6	74.9	83.5	77.1	74.5	71.8	73.2	1004
Discounted FCFF		57.3	37.5	42.0	46.0	47.2	48.2	40.6	35.9	31.6	29.4	403
Sum of FCFF present value		819	762	724	682	636	589	541	500	464	433	403
Enterprise value DCF		819										
- Interest bearing debt		-383.3										
+ Cash and cash equivalents		63.6										
-Minorities		0.0										
-Dividend/capital return		0.0										
Equity value DCF		549										
Equity value DCF per share		290.4										

WACC

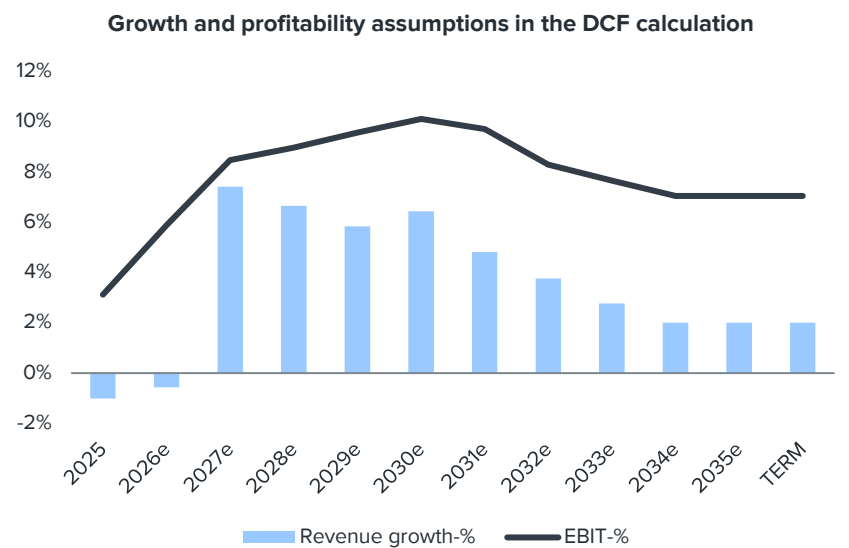
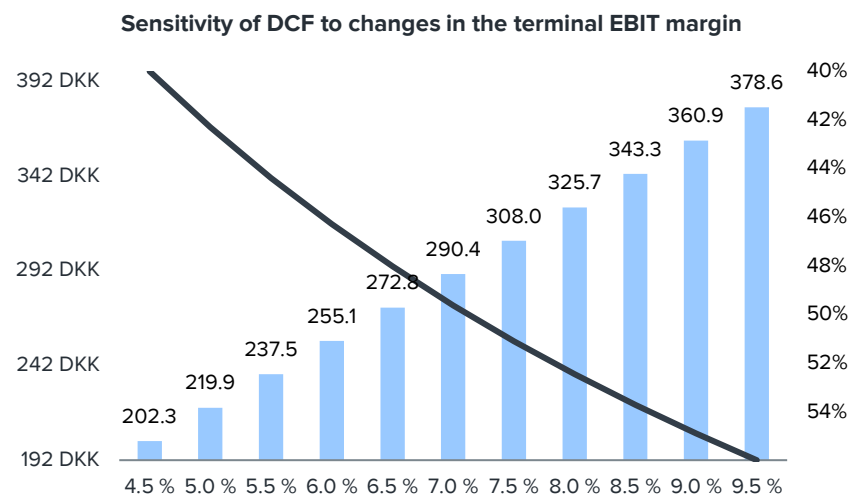
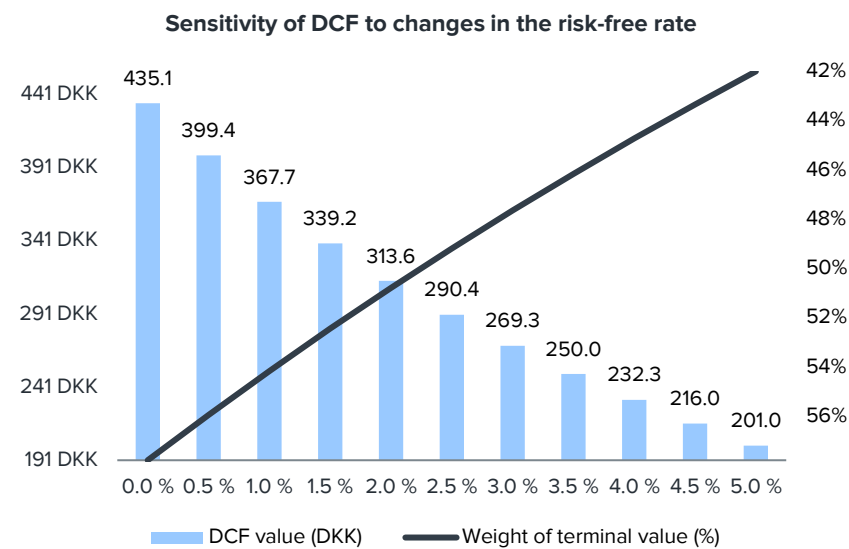
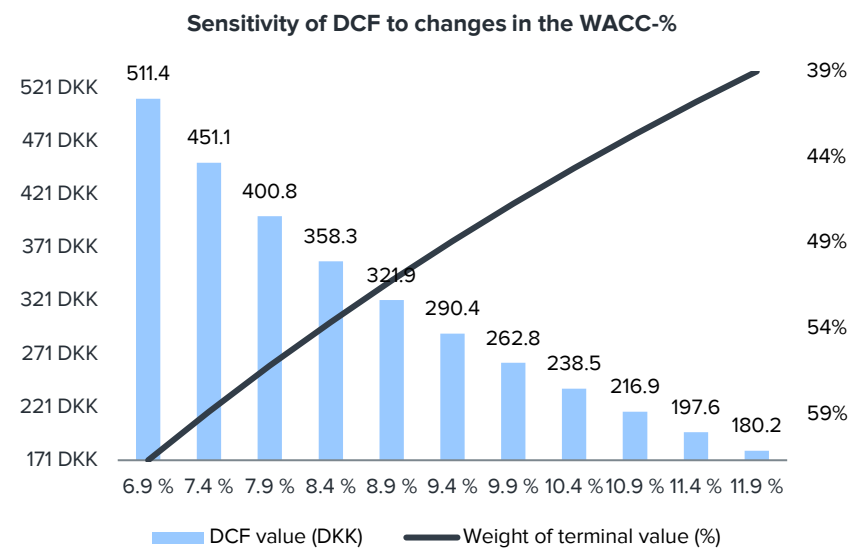
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	5.50 %
Equity Beta	1.40
Market risk premium	4.75%
Liquidity premium	2.50%
Risk free interest rate	2.50 %
Cost of equity	11.7 %
Weighted average cost of capital (WACC)	9.4 %

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	2023	2024	2025	2026e	2027e	Per share data	2023	2024	2025	2026e	2027e
Revenue	931.2	912.0	902.8	897.7	964.3	EPS (reported)	-23.34	-8.28	3.96	17.90	31.37
EBITDA	35.8	63.9	84.7	108.4	137.9	EPS (adj.)	-23.34	-8.28	3.96	17.90	31.37
EBIT	-13.6	10.9	28.2	52.8	81.7	OCF / share	27.74	26.72	66.36	62.08	59.04
PTP	-28.8	-7.9	20.1	43.4	75.2	FCF / share	9.34	-0.30	36.60	33.48	24.00
Net Income	-44.1	-15.7	7.5	33.8	59.3	Book value / share	145.86	138.43	139.52	152.43	176.79
Extraordinary items	0.0	0.0	0.0	0.0	0.0	Dividend / share	0.00	0.00	5.00	7.00	10.00
Balance sheet	2023	2024	2025	2026e	2027e	Growth and profitability	2023	2024	2025	2026e	2027e
Balance sheet total	773.7	777.2	745.7	719.8	739.9	Revenue growth-%	-13%	-2%	-1%	-1%	7%
Equity capital	275.7	261.6	263.7	288.1	334.1	EBITDA growth-%	-67%	78%	33%	28%	27%
Goodwill	51.2	52.1	48.8	48.8	48.8	EBIT (adj.) growth-%	-121%	-180%	158%	88%	55%
Net debt	361.5	375.5	319.7	223.5	196.3	EPS (adj.) growth-%	-176%	-65%	-148%	353%	75%
Cash flow	2023	2024	2025	2026e	2027e	EBITDA-%	3.8 %	7.0 %	9.4 %	12.1 %	14.3 %
EBITDA	35.8	63.9	84.7	108.4	137.9	EBIT (adj.)-%	-1.5 %	1.2 %	3.1 %	5.9 %	8.5 %
Change in working capital	5.1	-1.6	55.9	21.3	-8.3	EBIT-%	-1.5 %	1.2 %	3.1 %	5.9 %	8.5 %
Operating cash flow	52.4	50.5	125.4	117.3	111.6	ROE-%	-14.2 %	-5.8 %	2.8 %	12.3 %	19.1 %
CAPEX	-39.6	-51.1	-56.2	-54.1	-66.2	ROI-%	-1.8 %	1.7 %	5.4 %	8.8 %	13.6 %
Free cash flow	17.7	-0.6	69.2	63.3	45.4	Equity ratio	35.6 %	33.7 %	35.4 %	40.0 %	45.2 %
						Gearing	131.1 %	143.5 %	121.2 %	94.8 %	73.6 %
Valuation multiples	2023	2024	2025	2026e	2027e						
EV/S	1.0	1.0	0.8	0.8	0.7						
EV/EBITDA	26.2	13.9	8.8	6.5	4.9						
EV/EBIT (adj.)	neg.	81.3	26.5	13.2	8.2						
P/E (adj.)	neg.	neg.	57.1	14.1	8.0						
P/B	2.1	2.0	1.6	1.7	1.4						
Dividend-%	0.0 %	0.0 %	2.2 %	2.8 %	4.0 %						

Source: HC Andersen Capital

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Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
30/10/2025	Reduce	210.0 DKK	250.0 DKK
29/09/2025	Reduce	200.0 DKK	238.0 DKK
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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