

COMPANY ANNOUNCEMENT AND PRESS RELEASE

Gabriel Holding A/S
Company registration no. 58868728
Interim report H1 2022/23
(1 October 2022 – 31 March 2023)

Gabriel Holding A/S – first half of the 2022/23 financial year

Summary:

Gabriel's realised revenue and operating profit (EBIT) for the first half of the 2022/23 financial year were at the lower end of the company's expectations. On that basis, the expectations for the full 2022/23 financial year were adjusted on 24 April 2023.

However, continued investment in the growth strategy contributes to the judgment that revenue development in the first half-year is above the general market trend, thus supporting the expectations for future growth.

The following selected financial highlights were realised in the first half-year:

- Group revenue was DKK 492.0 million (DKK 522.8 million)
- Earnings before depreciation, amortisation and impairment losses (EBITDA) were DKK 44.5 million (DKK 64.1 million)
- Operating profit (EBIT) was DKK 21.2 million (DKK 44.0 million)
- Profit before tax was DKK 13.4 million (DKK 46.6 million)
- Return on invested capital was 4.9% (19.6%)
- Operating margin was 4.3% (8.4%).

Expectations for the 2022/23 financial year:

In the annual report for 2021/22, management stated that it expected revenue of the order of DKK 1,000 - 1,100 million and operating profit (EBIT) of the order of DKK 50 - 60 million.

Given that realised revenue and operating profit (EBIT) were at the lower end of the company's expectations, and as a result of major and continuing market uncertainties, the ranges for the full year were adjusted as follows on 24 April 2023:

After the first six months of the year, expectations are revenue of the order of DKK 950 - 1,050 million (DKK 1,065 million in 2021/22) and operating profit (EBIT) of the order of DKK 35 - 50 million (DKK 64.9 million in 2021/22).

Management continues to believe that revenue and profit in the current financial year 2022/23 will be challenged by the international political situation, foreign exchange and interest rate fluctuations, energy supply and inflation and the resulting market and logistical difficulties and uncertainties.

A high level of uncertainty thus still surrounds our expectations for the year.

GROUP					
Financial highlights, DKK million	2022/23	2021/22	2022/23	2021/22	2021/22
	H1	H1	Q2	Q2	Full year
Net revenue	492.0	522.8	250.5	275.8	1,065.0
Earnings before depreciation, amortisation and impairment losses (EBITDA)	44.5	64.1	24.6	33.7	107.5
Operating profit (EBIT)	21.2	44.0	13.0	23.5	64.9
Share of profit after tax in joint venture	0.1	0.0	0.2	-0.1	0.1
Net finance income and costs	-7.8	2.6	-3.5	1.5	15.5
Profit before tax	13.4	46.6	9.8	24.9	80.6
Tax	-4.5	-11.0	3.1	-6.0	-22.4
Profit for the period	8.9	35.7	6.6	19.0	58.2
Statement of financial position total	835.3	808.6			868.5
Equity	338.7	341.6			358.7
Invested capital	576.1	522.0			580.8
Working capital	319.1	273.4			311.3
Cash flows from operating activities	-3.3	-0.8	-5.3	-12.4	9.1
Investments in property, plant and equipment	8.9	15.3	3	12.6	32.2
Depreciation, amortisation and impairment losses	23.3	20.1	11.6	10.2	42.6
Financial ratios:					
Gross margin, %	34.0	34.1	34.3	33.4	32.5
Operating margin (EBIT margin), %	4.3	8.4	5.2	8.5	6.1
Return on invested capital (ROIC) before tax, %	4.9	19.6	7.1	20.9	15.3
Earnings per share (EPS), DKK	9.5	37.7	14.0	40.1	30.8
Return on equity, %	5.3	22.3	7.8	23.8	17.1
Market price at end of period, DKK	446	628			515
Price earnings (PE), DKK	47.1	16.6	31.7	15.7	16.7
Number of employees (average over the period)	1,274	1,317	1,266	1,384	1,358
– including production staff	907	956	902	1,015	988