Gabriel Holding AS

Company report

02.09.2026 08:30 CEST

Rasmus Køjborg
+4561203078
rasmus@hcandersencapital.dk

Victor Skriver
+4522592727
victor@hcandersencapital.dk

Corporate customer

See disclaimer on the last pages.

HC ANDERSEN CAPITAL

Guidance narrows despite a solid Q3 2025/26 margin

Q3 confirms that Gabriel's continuing textile business is delivering margin progression in a market that has yet to turn. Revenue landed marginally below our estimate, but the gross margin reached the highest level of the year and EBIT, PTP and EPS all came in above our estimates. Management narrowed full-year guidance to revenue of MDKK 528-532 and EBIT of MDKK 44-46, and we trim our estimates while staying at the top of the guided revenue range. More significantly, the completed European sale at an equity value of MDKK 76.9 came in well above our previous assumption, which we view positively as it removes uncertainty and strengthens the group's capital structure. Our DCF points to DKK 278 and we retain a target price of DKK 270, but with the share price at DKK 238 we upgrade our recommendation to "Accumulate" from "Reduce".

Margins beat while the top line stays subdued

Q3 revenue of MDKK 133.0 (+3.4% y/y) came in a touch below our MDKK 134 estimate, with growth in Europe and North America while Asia landed flat. The gross margin of 56.3% was the strongest of the year, lifting EBIT to MDKK 11.9 at a 9.0% margin (Q3 2024/25: 8.4%), achieved while staff costs rose 8.7% y/y as the build-out of key account managers continued. Net financing improved to an expense of MDKK 1.4 from MDKK 7.2, taking PTP to MDKK 11.5 and EPS to DKK 4.40, both ahead of our estimates.

Guidance narrowed on volume, not on deterioration

Guidance was narrowed to revenue of MDKK 528-532 (originally 510-550) and EBIT of MDKK 44-46 (originally 40-55), lowering the EBIT midpoint to MDKK 45 from MDKK 47.5. Management is explicit that nothing has deteriorated since May, with the lower midpoint reflecting the volume effect of landing near MDKK 530 rather than the MDKK 550 top end. We trim 2026e EBIT 5% to MDKK 45.7 and revenue 1% to MDKK 532. The margin trajectory towards a peak of 11.5% is unchanged.

Disclosed proceeds correct our conservative assumption

In July we assumed net proceeds of MDKK 30, as we expected the liabilities assumed by the buyer to account for most of the enterprise value. Gabriel now discloses an equity value of MDKK 76.9 against an enterprise value of MDKK 67.3, the difference reflecting net cash in the divested entities rather than the debt deduction we had expected. Revising the 30 June balance sheet accordingly, and assuming the unsold Mexican unit is disposed of debt-free with no cash consideration, the write-down against equity falls to MDKK 19.9 from the MDKK 114 in our previous model. Management has indicated the proceeds will be applied to further debt reduction.

We retain the target price at DKK 270 and upgrade to Accumulate

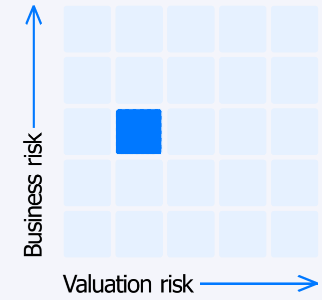
Our DCF model suggests a value of DKK 278 per share, as the improved carve-out terms more than offset the reduction to our estimates. We retain a target price of DKK 270, held below the model value while we await the final closing statements for the European transaction and the new guidance for 2026/27for the continuing business. Since our July note the shares have fallen to DKK 238, while the completed European sale has removed uncertainty and confirmed cash proceeds above our assumption. The expected return to our target price now exceeds our 8.8% cost of capital, and we therefore upgrade our recommendation to "Accumulate" from "Reduce".

Recommendation

Accumulate
(prev. Reduce)

Target price:
270 DKK
(prev. 270 DKK)

Share price:
238 DKK



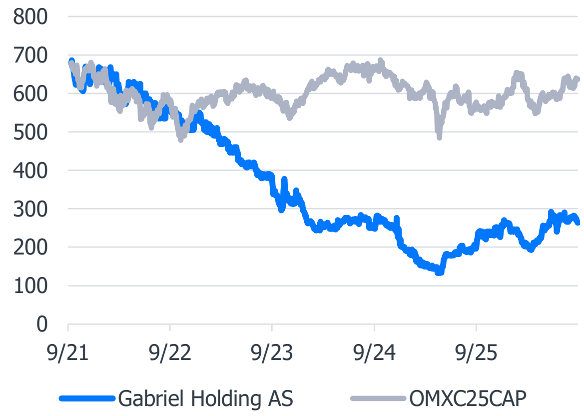
Key indicators

	2025	2026e	2027e	2028e
Revenue	516.0	531.6	567.7	615.4
growth-%	6.7%	3.0%	6.8%	8.4%
EBIT adj.	44.1	45.7	57.9	67.1
EBIT-% adj.	8.5 %	8.6 %	10.2 %	10.9 %
Net Income	24.8	38.2	40.9	49.1
EPS (adj.)	13.13	20.19	21.64	25.96
P/E (adj.)	17.2	11.8	11.0	9.2
P/B	1.6	1.7	1.5	1.4
Dividend yield-%	2.2 %	2.9 %	4.2 %	5.0 %
EV/EBIT (adj.)	16.9	11.3	8.5	7.0
EV/EBITDA	8.9	6.1	4.9	4.3
EV/S	1.4	1.0	0.9	0.8

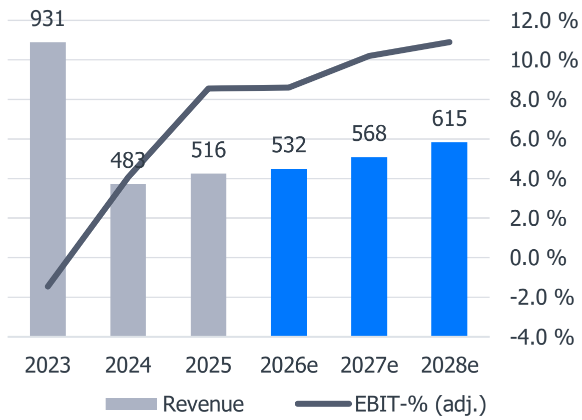
Source: HC Andersen Capital

Guidance (Revised)

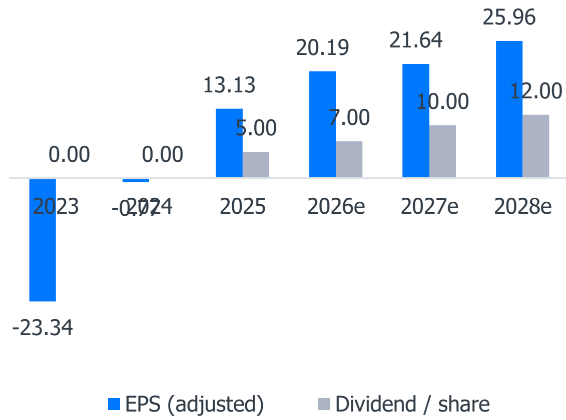
Gabriel has revised its guidance for continuing operations and now expects FY 2025/26e revenue of DKK 528-532m (previously DKK 510-550m), corresponding to growth of 2-3% from DKK 516m in 2024/25. EBIT is expected at DKK 44-46m (previously DKK 40-55m), broadly in line with DKK 44.1m reported in 2024/25.



Source: S&P Capital IQ



Source: HC Andersen Capital



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

- Final carve-out terms, including net proceeds and the balance sheet impact, remain unconfirmed until closing, with additional uncertainty around the still-unsold Mexican subsidiary.
- Cyclical business correlated with housing market conditions and interest rates.
- Gabriel's debt has fallen to a more normal range, but a decline in EBTIDA could push debt back to uncomfortable levels.
- Low share liquidity.

Valuation	2026e	2027e	2028e
Share price	238.0	238.0	238.0
Number of shares, millions	1.89	1.89	1.89
Market cap	450	450	450
EV	515	495	472
P/E (adj.)	11.8	11.0	9.2
P/E	11.8	11.0	9.2
P/FCF	8.6	11.6	9.9
P/B	1.7	1.5	1.4
P/S	0.8	0.8	0.7
EV/Sales	1.0	0.9	0.8
EV/EBITDA	6.1	4.9	4.3
EV/EBIT (adj.)	11.3	8.5	7.0
Payout ratio (%)	34.7 %	46.2 %	46.2 %
Dividend yield-%	2.9 %	4.2 %	5.0 %

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.

Q3 slightly below on revenue but ahead on earnings

Growth stays modest as Asia remains flat

Continuing operations delivered Q3 revenue of MDKK 133.0 (+3.4% y/y), marginally below our MDKK 134 estimate, taking the nine-month figure to MDKK 396.3 (+1.6% y/y). Growth came from Europe and North America, while Asia landed level with last year. Management continues to describe the underlying growth conditions for the global textile business as unchanged negative, particularly in Europe and Asia, with the US the only market showing a mildly improving trend. With the top line essentially flat sequentially against MDKK 134.1 in Q2 2025/26, the quarter offers little evidence of a market inflection, and the growth we forecast continues to rest on Gabriel's own commercial initiatives rather than volume recovery.

Mix lifts the gross margin to the strongest level of the year

The Q3 gross margin of 56.3% was the highest of the year, up from 55.0% in Q2 and 55.3% a year earlier, which management attributes to a favorable shift in customer and product mix. EBIT of MDKK 11.9 lifted the margin to 9.0% (Q3 2024/25: 8.4%), ahead of our MDKK 11.5 estimate, and was achieved while staff costs rose 8.7% y/y against 3.4% revenue growth as the build-out of key account managers and marketing continued. We read this as encouraging, as the margin progression is being delivered while absorbing investments whose revenue contribution typically lags by two to three quarters. Management cautions that the mix effect can swing in either direction, but the nine-month gross margin of 55.2% against 54.7% a year earlier confirms that pricing discipline remains intact.

Lower financing costs drive the PTP beat

Net financing improved to an expense of MDKK 1.4 from MDKK 7.2 in Q3 last year, and to MDKK 3.0 from MDKK 10.5 for the nine months, on reduced debt obligations and currency gains. This carried PTP to MDKK 11.5 against MDKK 4.6 a year earlier and our MDKK 10.3 estimate, with EPS from continuing operations at DKK 4.40 versus our DKK 4.05. The disclosed equity value of MDKK 76.9 from the European sale is well above the MDKK 30 we assumed in July, and adjusting the 30 June balance sheet for the divestment, while we assuming a debt-free disposal of Mexico, reduces the write-down against equity to MDKK 19.9 from the MDKK 114 in our previous model. Management has indicated that the proceeds will be applied to reducing interest-bearing debt further, pointing to a continued step down in financial costs.

Estimates	Q3'25	Q3'26	Q3'26e	Q3'26e	Consensus		Difference (%)	2026e
MDKK / DKK	Comparison	Actualized	HCA	Consensus	Low	High	Act. vs. HCA	HCA
Revenue	129	133	134				-1.0%	532
EBITDA	20.7	22.3	21.5				4%	97.6
EBIT	10.9	11.9	11.5				4%	45.7
PTP	4.6	11.5	10.3				12%	42.4
EPS (reported)	0.94	4.40	4.05				9%	19.45
Revenue growth-%	5.0 %	3.4 %	4.5 %				-1.1 pp	3.0 %
EBIT-%	8.4 %	9.0 %	8.6 %				0.4 pp	8.6 %

Source: HC Andersen Capital

Narrowed guidance trims the year, but the earnings trajectory is unchanged

Narrowed guidance lowers the EBIT midpoint rather than the outlook

Gabriel narrowed its full-year guidance for continuing operations to revenue of MDKK 528-532 (originally 510-550) and EBIT of MDKK 44-46 (originally 40-55). The revenue range brackets the midpoint of the original guidance, but the EBIT midpoint falls to MDKK 45 from MDKK 47.5, which we previously sat marginally above. Management frames the narrowing as a function of time rather than trading, as a range set at the start of the year has to carry both the days that go well and those that do not, and one quarter out there are fewer of each. The lower EBIT midpoint is a volume effect, as landing near MDKK 530 rather than MDKK 550 costs a degree of productivity.

We place ourselves at the top of the range

Our new estimates of MDKK 532 in revenue and MDKK 45.7 in EBIT sit at the top of the guided revenue range and in the upper half of the EBIT range. The implied Q4 is revenue of around MDKK 136 (+8% y/y,) and EBIT of MDKK 11.1 at an 8.2% margin, below the MDKK 12.4 delivered a year earlier. Management attributes the sequential margin step-down to a slightly less favorable mix and to the continued weight of investments in sales presence, marketing and product development, which land in the cost base ahead of the revenue they generate. Q3 supports the upper end, with the gross margin at 56.3%, the highest of the year, and other external costs down 3% for the nine months.

Out-years trimmed modestly with the margin trajectory intact

We trim revenue by around 1% across 2027e and 2028e off the lower base and a market recovery that continues to look gradual rather than imminent, while EBIT falls 4% and 2% respectively as the commercial cost base carries forward. The margin trajectory is unchanged, expanding from 8.6% in 2026e towards a peak above 11.5%, as the key account manager hires convert with the usual two-to-three quarter lag. Below EBIT, the deleveraging funded by the FurnMaster proceeds supports a continued fall in financing costs. We leave DPS unchanged across the forecast period, and we expect management to present mid- to long-term financial targets for the continuing business either alongside the annual report or at Q1 2026/27. For 2026/27, we expect guidance to be presented with the annual report in November.

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MDKK / DKK	Old	New	%	Old	New	%	Old	New	%
Revenue	535	532	-1%	573	568	-1%	621	615	-1%
EBITDA	98.6	97.6	-1%	102	101	-1%	111	110	0%
EBIT	48.1	45.7	-5%	60.1	57.9	-4%	68.3	67.1	-2%
PTP	44.8	42.4	-5%	54.5	51.7	-5%	64.0	61.9	-3%
EPS (excl. NRIs)	20.2	19.5	-4%	22.8	21.6	-5%	26.8	26.0	-3%
DPS	7.0	7.0	0%	10.00	10.0	0%	12.0	12.0	0%

Source: HC Andersen Capital

Valuation

A lower share price and a stronger balance sheet reset the multiples

On a continuing-operations basis Gabriel's FY 2025/26e multiples of EV/EBIT 11.3x and EV/EBITDA 6.1x have come down from the 14.2x and 7.7x we reported in July, despite the reduction to our earnings estimates. The move reflects both the pullback in the share price and the disclosed carve-out proceeds, which take enterprise value down to MDKK 515 from MDKK 685. The multiples compress further into FY 2026/27e at 8.5x EV/EBIT and 4.9x EV/EBITDA, supported by the margin expansion we forecast.

The peer comparison has shifted materially in Gabriel's favor. The shares trade at a 29% discount to the median EV/EBIT of 16.0x for 2026e and a 33% discount on EV/EBITDA, narrowing to 10% and 31% in the forward year, while on P/E Gabriel sits at a 2% premium in both years, effectively in line with peers against the premium we reported in July. The EV-based discount is the more meaningful signal, as it captures the stronger net cash position that the equity multiples do not reflect.

We still see meaningful market challenges, as demand for Gabriel's textiles is tied to furniture volumes that remain below pre-pandemic levels, while management continues to describe the underlying growth conditions as unchanged negative in Europe and Asia. We look toward 2026/27 with cautious optimism as the sales investments begin converting, though the pace of the market recovery remains the principal swing factor for our estimates.

We hold our target price below the DCF value

Our DCF model suggests a value of DKK 278 per share, reflecting an equity value of MDKK 526, up from DKK 273 in July. The improvement stems from the disclosed carve-out proceeds of MDKK 76.9, well above the MDKK 30 we had assumed, partially offset by the reduction to our EBIT estimates. Our WACC is unchanged at 8.8%, and the forecast captures a meaningful margin recovery, with the continuing EBIT margin expanding from 8.6% in 2026e towards a peak of 11.5% before normalizing to a conservative 7.5% in the terminal period to reflect the cyclical nature of the market.

We continue to treat FurnMaster as a one-off source of proceeds rather than an earnings stream, and assume nothing from the still-for-sale Mexican unit, which we expect to be disposed of on a debt-free basis. Neither the conditional deferred payment of up to MDKK 7.5 nor an eventual sale of the retained Polish properties is included, leaving both as unpriced optionality.

We believe the DCF is a relevant method for Gabriel given the availability of sufficient historical data, the relative stability of the business, and a modest but cyclical growth profile. We retain a target price of DKK 270, held below the model value while the transaction accounting is finalized and until Gabriel presents guidance for 2026/27 for the continuing business. The sensitivity analysis on page 11 shows the valuation is most sensitive to the WACC and terminal EBIT margin assumptions. At DKK 238 the expected return to our target price, together with a dividend yield of 2.9%, exceeds our 8.8% cost of capital, and we upgrade our recommendation to "Accumulate" from "Reduce".

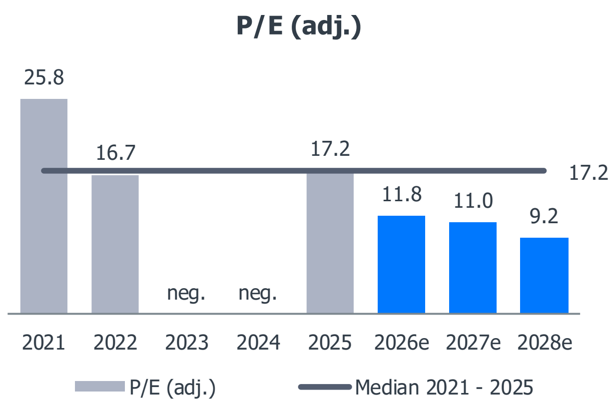
Valuation	2026e	2027e	2028e
Share price	238.0	238.0	238.0
Number of shares, millions	1.89	1.89	1.89
Market cap	450	450	450
EV	515	495	472
P/E (adj.)	11.8	11.0	9.2
P/E	11.8	11.0	9.2
P/FCF	8.6	11.6	9.9
P/B	1.7	1.5	1.4
P/S	0.8	0.8	0.7
EV/Sales	1.0	0.9	0.8
EV/EBITDA	6.1	4.9	4.3
EV/EBIT (adj.)	11.3	8.5	7.0
Payout ratio (%)	34.7 %	46.2 %	46.2 %
Dividend yield-%	2.9 %	4.2 %	5.0 %

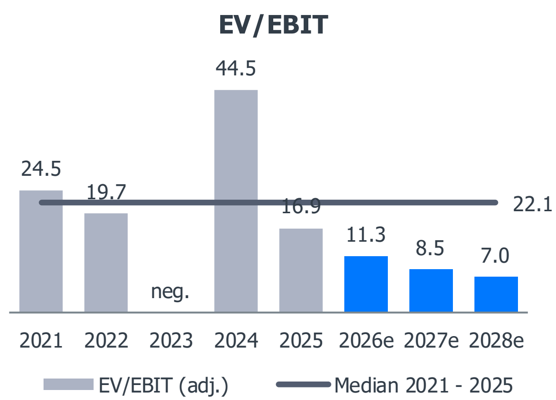
Source: HC Andersen Capital

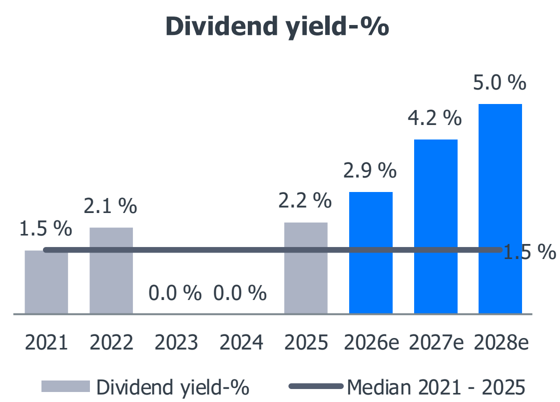
Valuation table

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	630.0	515.0	306.0	270.0	226.0	**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	1191	973	578	510	427	**450**	**450**	**450**	**450**
EV	1435	1282	940	876	747	**515**	**495**	**472**	**448**
P/E (adj.)	25.8	16.7	neg.	neg.	17.2	**11.8**	**11.0**	**9.2**	**7.7**
P/E	25.8	16.7	neg.	neg.	17.2	**11.8**	**11.0**	**9.2**	**7.7**
P/FCF	>100	neg.	32.7	24.5	9.7	**8.6**	**11.6**	**9.9**	**9.2**
P/B	3.7	2.8	2.1	2.0	1.6	**1.7**	**1.5**	**1.4**	**1.2**
P/S	1.5	0.9	0.6	1.1	0.8	**0.8**	**0.8**	**0.7**	**0.7**
EV/Sales	1.8	1.2	1.0	1.8	1.4	**1.0**	**0.9**	**0.8**	**0.7**
EV/EBITDA	14.9	11.9	26.2	15.4	8.9	**6.1**	**4.9**	**4.3**	**3.7**
EV/EBIT (adj.)	24.5	19.7	neg.	44.5	16.9	**11.3**	**8.5**	**7.0**	**5.8**
Payout ratio (%)	39.9 %	34.9 %	0.0 %	0.0 %	38.1 %	**34.7 %**	**46.2 %**	**46.2 %**	**40.0 %**
Dividend yield-%	1.5 %	2.1 %	0.0 %	0.0 %	2.2 %	**2.9 %**	**4.2 %**	**5.0 %**	**5.2 %**

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**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Culp, Inc.	282	365		9.5		6.0		0.3		10.1			
International customers/producers													
MillerKnoll, Inc.	10,149	21,084		12.9		7.9		0.8		11.5	3.2%	3.2%	
HNI Corporation	22,842	32,735	10.5	9.3	7.3	6.8	0.8	0.8	11.5	10.2	2.9%	3.0%	1.8
Danish cyclical small/mid cap													
HusCompagniet A/S	707	990	21.5	9.5	10.8	7.3	0.3	0.3	42.9	14.2		1.3%	0.4
TCM Group A/S	681	1,028	8.4	6.7	6.1	5.1	0.7	0.6	8.2	6.0	5.8%	8.0%	1.0
H+H International A/S	1,712	2,611	41.0	14.2	11.2	7.3	1.0	0.9		16.3			1.9
Gabriel Holding AS (HCA)	**450**	**515**	**11.3**	**8.5**	**6.1**	**4.9**	**1.0**	**0.9**	**11.8**	**11.0**	**2.9%**	**4.2%**	**1.7**
Average			**20.3**	**10.3**	**8.8**	**6.7**	**0.7**	**0.6**	**20.9**	**11.4**	**4.0%**	**3.9%**	**1.3**
Median			**16.0**	**9.5**	**9.1**	**7.1**	**0.8**	**0.7**	**11.5**	**10.8**	**3.2%**	**3.1%**	**1.4**
Diff-% to median			***-29%***	***-10%***	***-33%***	***-31%***	***25%***	***19%***	***2%***	***2%***	***N/A***	***N/A***	***18%***

Source: HC Andersen Capital, S&P Capital IQ

Income statement

Income statement	2024	Q3'25	Q4'25	H1'25	H2'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**483**	**129**	**126**	**262**	**254**	**516**	**129**	**134**	**133**	**135**	**532**	**568**	**615**	**674**
Fabrics	480	128	125	259	253	512	128	133	132	134	527	563	611	669
Letting offices	3.3	0.9	0.8	2.2	1.7	3.9	0.9	1.3	0.9	1.0	4.1	4.3	4.7	5.2
EBITDA	**56.8**	**20.7**	**22.0**	**41.0**	**42.7**	**83.7**	**24.1**	**26.9**	**26.3**	**20.4**	**97.6**	**101**	**110**	**123**
Depreciation	-37.1	-9.8	-9.6	-20.1	-19.5	-39.6	-14.9	-13.4	-14.3	-9.3	-51.9	-42.9	-43.1	-45.1
EBIT	**19.7**	**10.9**	**12.4**	**20.9**	**23.2**	**44.1**	**9.2**	**13.5**	**11.9**	**11.1**	**45.7**	**57.9**	**67.1**	**77.5**
Fabrics	17.9	10.3	11.8	19.6	22.2	41.8	9.0	12.6	11.6	10.5	43.7	57.5	66.6	76.9
Letting offices	1.8	0.5	0.5	1.3	1.0	2.3	0.2	0.9	0.3	0.6	2.0	0.4	0.5	0.6
Share of profits in assoc. compan.	0.9	0.9	0.9	1.0	1.9	2.8	0.5	0.5	1.0	0.6	2.7	2.7	3.5	4.7
Net financial items	-16.6	-7.2	-2.6	-3.4	-9.8	-13.1	-1.3	0.1	-1.4	-3.3	-5.9	-8.9	-8.6	-8.3
PTP	**4.0**	**4.6**	**10.7**	**18.5**	**15.3**	**33.8**	**8.4**	**14.1**	**11.5**	**8.4**	**42.4**	**51.7**	**61.9**	**73.8**
Taxes	-5.5	-2.7	-6.9	0.6	-9.6	-9.0	-3.3	-3.2	-3.3	4.2	-5.7	-10.8	-12.9	-15.2
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	**-1.5**	**1.8**	**3.9**	**19.1**	**5.7**	**24.8**	**5.1**	**10.9**	**8.3**	**12.5**	**36.8**	**40.9**	**49.1**	**58.6**
EPS (rep.)	**-0.77**	**0.94**	**2.09**	**10.10**	**3.02**	**13.13**	**2.68**	**5.76**	**4.38**	**6.63**	**19.45**	**21.64**	**25.96**	**31.02**

Key figures	2024	Q3'25	Q4'25	H1'25	H2'25	2025	Q1'26	Q2'26	Q3'26	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	-48.1 %	5.0 %	4.8 %	8.6 %	4.9 %	6.7 %	4.7 %	-2.9 %	3.4 %	7.4 %	3.0 %	6.8 %	8.4 %	9.5 %
Adjusted EBIT growth-%	-245.0 %	45.2 %	58.4 %	374.6 %	52.0 %	124.2 %	125.4 %	-19.7 %	10.0 %	-10.4 %	3.6 %	26.7 %	15.8 %	15.5 %
EBITDA-%	11.7 %	16.1 %	17.5 %	15.7 %	16.8 %	16.2 %	18.6 %	20.0 %	19.8 %	15.1 %	18.4 %	17.8 %	17.9 %	18.2 %
Adjusted EBIT-%	4.1 %	8.4 %	9.8 %	8.0 %	9.1 %	8.5 %	7.1 %	10.1 %	9.0 %	8.2 %	8.6 %	10.2 %	10.9 %	11.5 %
Net earnings-%	-0.3 %	1.4 %	3.1 %	7.3 %	2.2 %	4.8 %	3.9 %	8.1 %	6.2 %	9.3 %	6.9 %	7.2 %	8.0 %	8.7 %

Source: HC Andersen Capital

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**277**	**279**	**283**	**287**	**291**
Goodwill	27.0	25.8	25.8	25.8	25.8
Tangible & intangible assets	210	211	214	218	221
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	7.4	6.9	6.9	6.9	6.9
Current assets	**500**	**467**	**336**	**354**	**376**
Inventories	116	108	95.7	99.3	103
Other current assets	279	252	10.6	11.4	12.3
Receivables	78.1	71.2	64.8	64.7	67.1
Cash and equivalents	26.7	35.9	165	178	194
Balance sheet total	**777**	**746**	**619**	**641**	**667**

Source: HC Andersen Capital

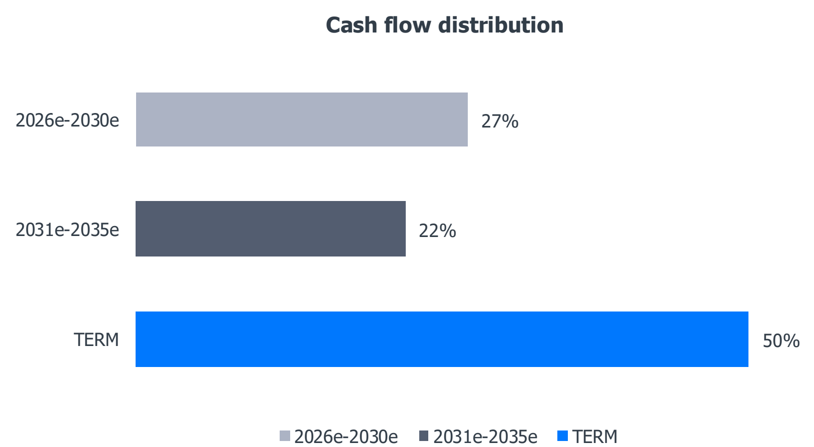
Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**262**	**264**	**273**	**300**	**330**
Share capital	37.8	37.8	37.8	37.8	37.8
Retained earnings	235	242	251	279	309
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	-10.7	-16.1	-16.1	-16.1	-16.1
Other equity	0.0	0.0	0.0	0.0	0.0
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**71.5**	**82.3**	**68.4**	**68.4**	**68.4**
Deferred tax liabilities	10.3	7.2	7.2	7.2	7.2
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	**444**	**400**	**278**	**272**	**268**
Interest bearing debt	331	280	226	218	211
Payables	19.4	15.6	18.6	19.9	22.2
Other current liabilities	93.3	104	33.7	34.4	35.1

DCF calculation

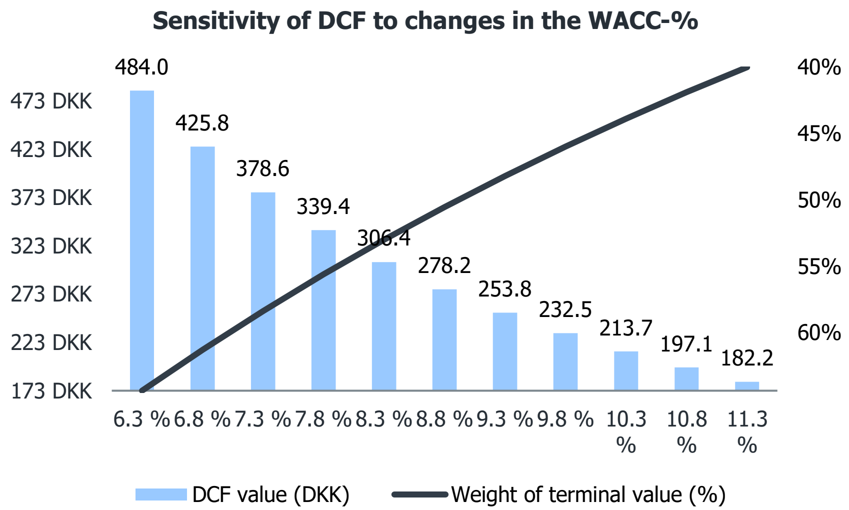
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	6.7 %	3.0 %	6.8 %	8.4 %	9.5 %	10.0 %	8.5 %	6.5 %	4.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	8.5 %	8.6 %	10.2 %	10.9 %	11.5 %	11.5 %	11.5 %	10.5 %	9.5 %	7.5 %	7.5 %	7.5 %
EBIT (operating profit)	**44.1**	**45.7**	**57.9**	**67.1**	**77.5**	**85.2**	**92.5**	**89.9**	**84.6**	**68.8**	**70.2**	
+ Depreciation	39.6	38.7	42.9	43.1	45.1	45.2	45.8	47.1	49.0	51.0	51.0	
- Paid taxes	-11.5	-3.8	-10.8	-12.9	-15.2	-17.0	-18.6	-18.0	-16.8	-13.5	-13.8	
- Tax, financial expenses	-5.1	-1.8	-2.0	-1.9	-1.9	-1.8	-1.8	-1.8	-1.8	-1.8	-1.8	
+ Tax, financial income	1.3	1.2	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	
- Change in working capital	15.2	13.8	-2.3	-3.8	-8.4	-10.3	-8.1	-5.5	-2.6	-2.0	-1.5	
Operating cash flow	**83.5**	**93.7**	**85.7**	**91.6**	**97.2**	**101**	**110**	**112**	**112**	**103**	**104**	
+ 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	-39.5	-41.7	-46.9	-46.1	-48.1	-48.2	-48.3	-48.4	-50.2	-51.0	-51.0	
Free operating cash flow	**44.0**	**52.0**	**38.8**	**45.6**	**49.0**	**53.2**	**61.5**	**63.4**	**62.2**	**51.7**	**53.3**	
+/- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	44.0	52.0	38.8	45.6	49.0	53.2	61.5	63.4	62.2	51.7	53.3	799
Discounted FCFF		**50.6**	**34.7**	**37.4**	**37.0**	**36.9**	**39.2**	**37.1**	**33.5**	**25.6**	**24.3**	**363**
Sum of FCFF present value		720	669	634	597	560	523	484	447	413	388	363
Enterprise value DCF		**720**										
- Interest bearing debt		-353										
+ Cash and cash equivalents		112										
-Minorities		0.0										
-Dividend/capital return		-9.5										
Equity value DCF		**526**										
Equity value DCF per share		**278**										

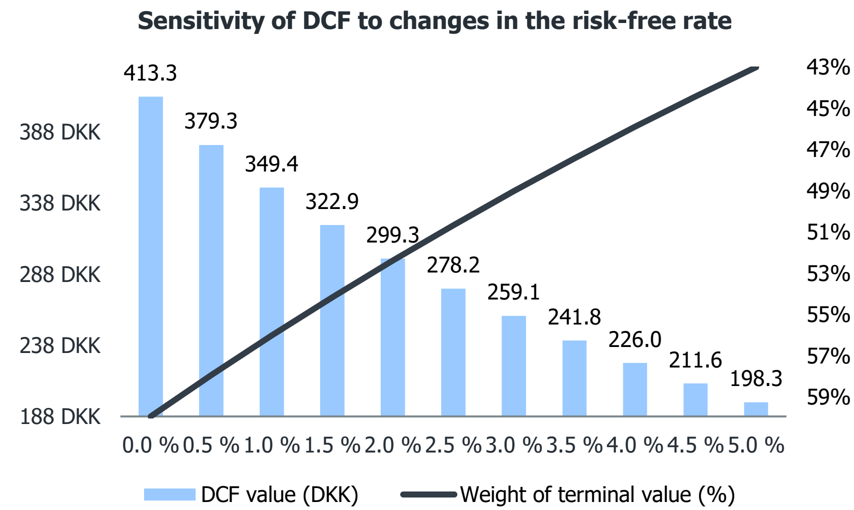
WACC	
Tax-% (WACC)	22.0 %
Target debt ratio (D/(D+E))	30.0 %
Cost of debt	5.00 %
Equity Beta	1.35
Market risk premium	4.75%
Liquidity premium	2.00%
Risk free interest rate	2.50 %
Cost of equity	**10.9 %**
Weighted average cost of capital (WACC)	**8.8 %**

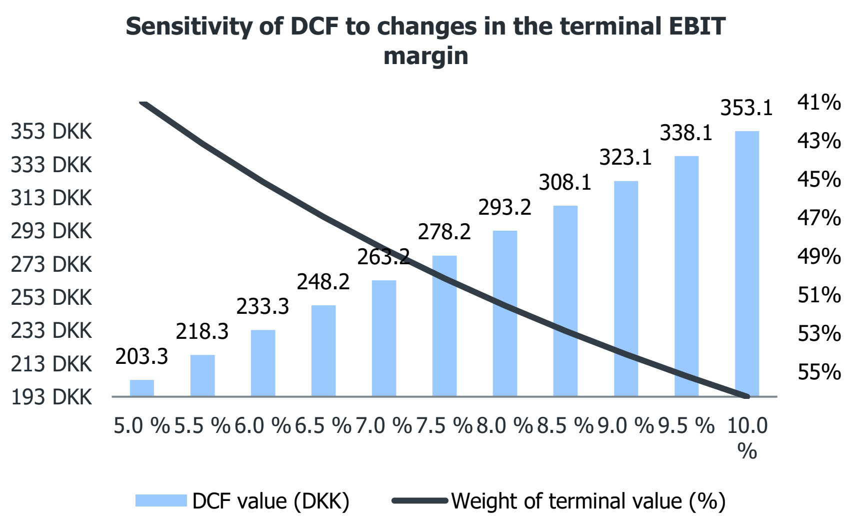
Source: HC Andersen Capital

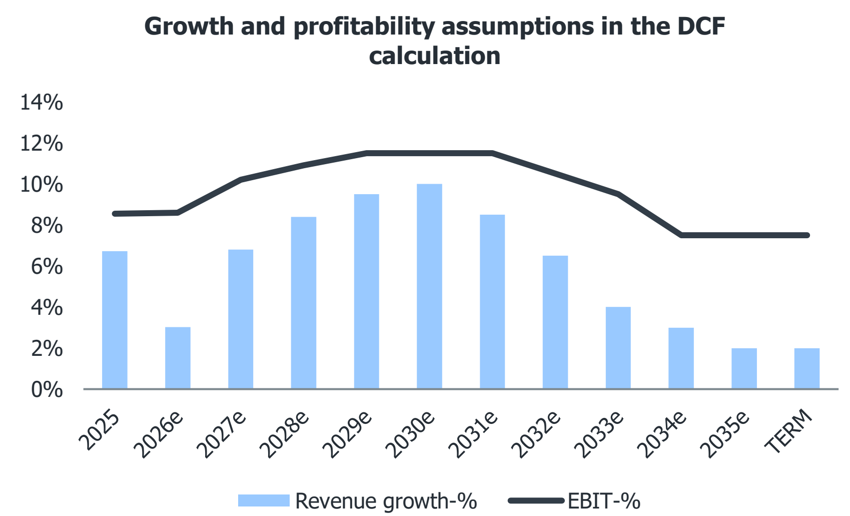


DCF sensitivity calculations and key assumptions in graphs









Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	931.2	483.5	516.0	**531.6**	**567.7**
EBITDA	35.8	56.8	83.7	**84.4**	**100.8**
EBIT	-13.6	19.7	44.1	**45.7**	**57.9**
PTP	-28.8	4.0	33.8	**42.0**	**51.7**
Net Income	-44.1	-1.5	24.8	**38.2**	**40.9**
Extraordinary items	0.0	0.0	0.0	**0.0**	**0.0**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	773.7	777.2	745.7	**619.0**	**640.6**
Equity capital	275.7	261.6	263.7	**272.5**	**300.2**
Goodwill	51.2	27.0	25.8	**25.8**	**25.8**
Net debt	361.5	365.8	319.6	**65.6**	**44.8**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	35.8	56.8	83.7	**84.4**	**100.8**
Change in working capital	5.1	-95.9	15.2	**13.8**	**-2.3**
Operating cash flow	52.4	-42.6	83.5	**93.7**	**85.7**
CAPEX	-39.6	63.5	-39.5	**-41.7**	**-46.9**
Free cash flow	17.7	20.9	44.0	**52.0**	**38.8**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	1.0	1.8	1.4	**1.0**	**0.9**
EV/EBITDA	26.2	15.4	8.9	**6.1**	**4.9**
EV/EBIT (adj.)	neg.	44.5	16.9	**11.3**	**8.5**
P/E (adj.)	neg.	neg.	17.2	**11.8**	**11.0**
P/B	2.1	2.0	1.6	**1.7**	**1.5**
Dividend-%	0.0 %	0.0 %	2.2 %	**2.9 %**	**4.2 %**

Source: HC Andersen Capital

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	-23.34	-0.77	13.13	**20.19**	**21.64**
EPS (adj.)	-23.34	-0.77	13.13	**20.19**	**21.64**
OCF / share	27.74	-22.55	44.20	**49.60**	**45.35**
FCF / share	9.34	11.03	23.31	**27.54**	**20.55**
Book value / share	145.86	138.43	139.52	**144.19**	**158.82**
Dividend / share	0.00	0.00	5.00	**7.00**	**10.00**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	-13%	-48%	7%	**3%**	**7%**
EBITDA growth-%	-67%	58%	47%	**1%**	**19%**
EBIT (adj.) growth-%	-121%	-245%	124%	**4%**	**27%**
EPS (adj.) growth-%	-176%	-97%	-1807%	**54%**	**7%**
EBITDA-%	3.8 %	11.7 %	16.2 %	**15.9 %**	**17.8 %**
EBIT (adj.)-%	-1.5 %	4.1 %	8.5 %	**8.6 %**	**10.2 %**
EBIT-%	-1.5 %	4.1 %	8.5 %	**8.6 %**	**10.2 %**
ROE-%	-14.2 %	-0.5 %	9.4 %	**14.2 %**	**14.3 %**
ROI-%	-1.8 %	3.1 %	8.1 %	**10.3 %**	**10.7 %**
Equity ratio	35.6 %	33.7 %	35.4 %	**44.0 %**	**46.9 %**
Gearing	131.1 %	139.8 %	121.2 %	**44.6 %**	**33.6 %**

Disclaimer and recommendation history

The information presented in HC Andersen Capital reports is obtained from several different public sources that HC Andersen Capital considers to be reliable. HC Andersen Capital aims to use reliable and comprehensive information, but HC Andersen Capital does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. HC Andersen Capital is not responsible for the content or accuracy of the presented information. HC Andersen Capital and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. HC Andersen Capital makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by HC Andersen Capital are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by HC Andersen Capital may not be edited, copied or made available to others in their entirety, or in part, without HC Andersen Capital's written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

HC Andersen Capital issues target prices for the shares it has an extensive commissioned research agreement with. The recommendation methodology used by HC Andersen Capital is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account HC Andersen Capital's view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, HC Andersen Capital's investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. HC Andersen Capital primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

HC Andersen Capital's recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy — The 12-month risk-adjusted expected shareholder return of the share is very attractive

Accumulate — The 12-month risk-adjusted expected shareholder return of the share is attractive

Reduce — The 12-month risk-adjusted expected shareholder return of the share is weak

Sell — The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is HC Andersen Capital's view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if HC Andersen Capital considers the risks to be moderate.

The analysts who produce HC Andersen Capital's research cannot have shareholdings in the companies they cover. The remuneration of the analysts who produce the analysis is not directly or indirectly linked to the issued recommendation or views.

HC Andersen Capital or its partners whose customer relationships may have a financial impact on HC Andersen Capital may, in their business operations, seek assignments with various issuers with respect to services provided by HC Andersen Capital or its partners. Thus, HC Andersen Capital may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. HC Andersen Capital and its partners may provide different services to issuers.

More information about research disclaimers can be found at inderes.dk/research-disclaimer

HCA has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
27-07-2026	Reduce	270.0 DKK	278.0 DKK
11-05-2026	Accumulate	280.0 DKK	256.0 DKK
10-02-2026	Accumulate	270.0 DKK	252.0 DKK
24-11-2025	Accumulate	280.0 DKK	252.0 DKK
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

HC Andersen Capital

HC Andersen Capital digitalizes and democratizes the relationship between investors and listed companies.

Through digital investor events, commissioned research, advisory services, and related IR services, we engage investors with information and access to the companies' management. We want equal access to information for all investors, private as well as institutional.

We believe that all information should be equally accessible for all investors, and that improving the symmetry of information between companies and all investors strengthens company-investor relationships and trust in the financial markets.

Our team of analysts has many years of experience in the financial markets, previously with leading Nordic institutions.

HC Andersen Capital is based in Copenhagen, Denmark, and operates in the Nordics. HC Andersen Capital works closely in partnership with the leading Finnish-based equity research company, Inderes Oyj.

HC Andersen Capital

Bredgade 23B 2. sal
1260 København K, Denmark
CVR: 41474793

All research available at **inderes.dk**

Equity research team

Michael Friis
Head of Equities

Rasmus Køjborg
Head of Research, Stables

Victor Skriver
Equity Analyst Assistant

Jacob Frehr
Equity Analyst Assistant

William Jørck
Equity Analyst Assistant

Nikolaj Pedersen
Equity Analyst Assistant

Connecting investors and listed companies.