

## COMPANY ANNOUNCEMENT

No. 207/2025

Tvis, 21 May 2025

### Interim report Q1 2025 (January 1 - March 31)

(All figures in brackets refer to the corresponding period in 2024)

## Organic sales growth driven by a recovering B2C market.

### CEO Torben Paulin:

"Sales in the first quarter developed in line with our expectations, with a decline in B2B project sales offset by a robust increase in B2C sales. Total sales for the quarter rose by 5% year-on-year to DKK 308 million, with an organic growth of 4%.

Order intake showed positive development in the first quarter, with growth in both the B2C and B2B segments, and across all our brands. Additionally, we observed early signs of recovery in the Norwegian market, marked by double-digit growth in order intake.

The gross margin increased to 21.1% in Q1, compared to 20.5% in Q1 2024, primarily due to the acquisition of two Svane Køkkenet stores in Denmark. The underlying gross margin remained stable year-on-year, as the benefits from the changed sales mix were offset by higher production and logistics costs. The higher production costs were driven by a decision to increase production capacity ahead of the peak season in Q2, as well as cost related to the ramp-up of the new lacquering facility.

Adjusted EBIT for the first quarter amounted to DKK 17.1 million, up from DKK 15.8 million in Q1 2024, corresponding to an adjusted EBIT margin of 5.6%, compared to 5.4% in the same period last year.

Free cash flow in Q1 was negative at DKK 4 million, compared to a positive DKK 13 million in Q1 2024. This decline was driven by investments in the new lacquering facility and the ERP project, as well as an increase in net working capital, primarily due to the acquisition of the two Svane Køkkenet stores.

In Q1, TCM launched new products across our portfolio. To mark AUBO's 40th anniversary, we introduced "Truffel" as an extension of the Sense product line. In Svane Køkkenet, we launched Notes Bronze, a new addition to our veneer assortment.

While we are encouraged by the positive order intake in the quarter, we continue to closely monitor the potential negative impact of recent geopolitical turmoil on consumer confidence and kitchen demand. Given this renewed uncertainty, we maintain our current guidance for 2025: TCM Group expects full-year revenue in the range of DKK 1,250-1,400 million and adjusted EBIT of DKK 90-120 million. As previously communicated, this assumes full ownership of Celebert in the latter months of the year."

## Financial highlights Q1 2025

- Revenue DKK 308.1 million (DKK 292.5 million), corresponding to a growth of 5.3%
- Adjusted EBITDA DKK 25.9 million (DKK 24.4 million). The adjusted EBITDA margin was 8.4% (8.3%)
- Adjusted EBIT DKK 17.1 million (DKK 15.8 million). The adjusted EBIT margin was 5.6% (5.4%)
- Non-recurring items had a total impact of DKK 0.0 million (DKK 0.0 million)
- EBIT DKK 17.1 million (DKK 15.8 million), corresponding to an EBIT margin of 5.6% (5.4%)
- Net profit DKK 12.1 million (DKK 7.0 million)
- Free cash flow DKK -3.7 million (DKK 12.6 million)
- Cash conversion ratio 76.8% (69.1%)
- Full-year guidance for the financial year 2025 is revenue in the range DKK 1,250-1,400 million with earnings (adjusted EBIT) in the range of DKK 90-120 million.

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## Presentation

The interim report will be presented on Wednesday 21 May 2025 at 9:30 CEST in a teleconference that can be followed on TCM Group's website or at <https://edge.media-server.com/mmc/p/o3biggdv>.

To participate in the teleconference, and thus have the possibility to ask questions, participants are required to register in advance using the link below. Upon registering, each participant will be provided with dial-in numbers and a unique PIN.

**Online registration for the call:** <https://register-conf.media-server.com/register/BI0c201f23bbac483793a7ad5ed21a16bf>

## About TCM Group

TCM Group is Scandinavia's third largest manufacturer of kitchens and furniture for bathrooms and storage. The products are designed and produced in Denmark and rooted in a proud tradition of good quality and good craftsmanship. TCM Group pursues a multi-brand strategy, under which the main brand is Svane Køkkenet and the other brands are Tvis Køkken, Netto-line and AUBO. Combined, the brands cater for the entire price spectrum, and are sold through c. 220 dealers in Denmark and the rest of the Scandinavia. TCM Group sells private label kitchens through DIY stores in Denmark and independent kitchen stores in Norway. TCM Group is supplier to the 45% owned e-commerce kitchen business Celebert, which operates under the brands [kitchn.dk](http://kitchn.dk), [billigskabe.dk](http://billigskabe.dk), Celebert and Just Wood. See [www.tcmgroup.dk](http://www.tcmgroup.dk) for more information.

This interim report contains statements relating to the future, including statements regarding TCM Group's future operating results, financial position, cash flows, business strategy and plans for the future. The statements are based on management's reasonable expectations and forecasts at the time of the disclosure of the report. Any such statements are subject to risks and uncertainties, and a number of different factors, many of which are beyond TCM Group's control, could mean that actual performance and actual results will differ significantly from the expectations expressed in this interim report. Without being exhaustive, such factors include general economic and commercial factors, including market and competitive matters, supplier issues and financial issues.