

KEEP MOVING PARTS MOVING

Half-Year Financial Report

1 January - 30 June 2025

HOVE A/S

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CVR-no. 25804821

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LETTER FROM THE CEO

RECORD H1 REVENUE. POSITIVE CASH FLOW. CONTINUED FOCUS ON GROWTH AND PROFITABILITY.

REVENUE

The turnover reached DKK 108.3 million in the first half of 2025 (H1 2025), which was the highest half-year revenue ever. Compared to a revenue of DKK 85.7 million in the first half of 2024, revenue increased by DKK 22.6 million (26%). The increase is due to higher sales of pumps and grease for existing and new customers in the wind turbine segment. The better-than-expected sales and order intake more than offset a decline in USD of almost 11%. Hove was not immediately affected by the US tariff volatility, and the geopolitical situation in H1 2025.

The sales and marketing efforts for Hove Smart Lube and lubrication solutions for cranes in port terminals continued in H1. The commercialization of the product is progressing, but at a slower pace than expected. Management remains optimistic and as earlier stated we won a small port terminal earlier this year.

The growth in revenue contributed to an improvement in gross profit, which increased from DKK 33 million to DKK 38.5 million (17%). The gross margin decreased from 38.5% in H1 2024 to 35.5% in H1 2025, primarily due to a higher share of private label.

Staff costs were flat compared to H1 2024 as the savings from the departures of the GMs in the US and Brazil have been used for new hires in sales and retention of current staff. Also, external costs were almost at the same level as last half-year.

EBITDA

EBITDA reached DKK 13.2 million in H1 2025 and increased by DKK 5.5 million, from DKK 7.7 million in H1 2024 (71%). The increase was due to the positive development in revenue, gross profit and the continuous optimization of operating costs. EBITDA margin improved from 9% in H1 2024 to 12.2% in H1 2025.

KEY FIGURES FROM HALF-YEAR REPORT

DKK '000	H1 2025	H1 2024	Full year 2024
Revenue	108.3	85.7	169.3
EBITDA	13.2	7.7	13.5
EBIT	12.2	6.9	10.5
Net profit	8.3	4.8	5.7

CASH FLOW

Hove delivered a positive cash flow of DKK 6.7 million, which included a dividend payment of DKK 3.5 million in April 2025. Hove's cash position increased to DKK 11.2 million from DKK 6.3 million at the end of 2024. Our cash position ensures we can navigate macroeconomic uncertainty, support long-term product development and continue to return capital to shareholders.

CONTINUED FOCUS ON GROWTH AND PROFITABILITY. LIQUIDATION OF HOVE BRAZIL

After several years of unsuccessful attempts to penetrate the Brazilian wind market, Hove has decided to close its operation in Brazil. Even though Brazil is a large and growing wind market. Hove continues with a local regional sales manager to penetrate both the wind turbine and crane markets in South America, but with a more cost-effective setup. Hove has made a provision of DKK 0.3 million as of 30 June 2025 to cover the costs for the liquidation of Hove Brazil.

The US subsidiary performed satisfactorily considering the uncertainty surrounding US tariffs. Hove India continued its positive development, and both the US and India contribute with positive cash flows.

Hove Turkey was negatively affected by seasonal fluctuations from a major customer.

Hafnia Pumps continued the development of the new water gear pump and still expect the first field tests in 2025.

QUARTERLY FINANCIAL REPORTING

To increase the level of information and strengthen communication with our investors, Hove will stop issuing weekly investor news about new orders and instead prepare quarterly financial reports going forward. The first quarterly report for Q3 2025 will be published on 17 November 2025. Dates appear from the financial calendar: [Investor - Hove A/S](#).

GUIDANCE

As stated in Company announcement no. 55 of 18 July 2025, Hove upgraded its guidance

Revenue: DKK 180M – 200M

EBITDA: DKK 15M – 20M



Hans Christian Hansen
CEO

KEY FIGURES AND RATIOS

DKK '000	H1 2025	H1 2024	Full Year 2024
INCOME STATEMENT			
Revenue	108,314	85,653	169,331
Gross profit	38,476	32,992	61,462
EBITDA	13,192	7,669	13,488
EBIT	12,168	6,926	10,513
Net financials	-1,453	-509	-1,527
Net profit	8,293	4,752	5,662
BALANCE SHEET			
Non-current assets	25,209	26,262	25,880
Assets	112,782	104,540	103,425
Equity	81,963	76,413	79,324
Net working capital	64,212	58,266	63,667
Net interest-bearing debt	5,333	6,035	7,529
Invested capital	89,421	84,528	89,547
CASH FLOW			
Cash flow from operations	10,904	-5,986	-4,072
Cash flow from investments	-635	-584	-2,052
Cash flow from financing	-3,520	-3,104	-3,136
Net cash flow	6,749	-9,674	-9,260
Cash, end of period	11,234	3,955	6,340
KEY RATIOS			
Gross margin	35.5%	38.5%	36.3%
EBITDA-margin	12.2%	9.0%	8.0%
Return on invested capital (ROIC)	13.6%	8.2%	12.2%
Return on equity	10.3%	6.2%	7.5%
Solvency ratio	73%	73%	77%
Average number of employees	55	52	49
SHARERELATED RATIOS			
Shares outstanding end of period	25,079,838	24,420,000	24,654,838
Share price end of period (DKK)	3.14	5.20	3.03
Market cap (million)	78.8	127.0	74.7
Earnings per share (EPS) (DKK)	0.33	0.19	0.23

See ratio definitions in Note 4

CONSOLIDATED INCOME STATEMENT

Note	DKK '000	H1 2025	H1 2024	Full Year 2024
	Revenue	108,314	85,653	169,331
	Cost of goods sold	-69,838	-52,661	-107,869
	Gross profit	38,476	32,992	61,462
	Other operating income	175	0	457
1	Other external costs	-8,087	-7,878	-16,832
	Staff costs	-17,371	-17,444	-31,599
	EBITDA	13,192	7,669	13,488
	Depreciation, amortisation and impairment	-1,025	-743	-2,975
	EBIT	12,168	6,926	10,513
	Financial income	341	741	1,539
	Financial costs	-1,793	-1,250	-3,065
	Profit before tax	10,715	6,418	8,987
	Tax on profit for the period	-2,422	-1,665	-3,325
	Net profit for the period	8,293	4,752	5,662
Earnings per share (DKK)				
	Earnings per share	0.33	0.19	0.23
	Diluted earnings per share	0.33	0.19	0.22

CONSOLIDATED BALANCE SHEET

Note	DKK '000	30 June 2025	30 June 2024	31 December 2024
ASSETS				
	Completed development projects	6,265	6,901	6,658
	Development projects in progress	2,304	2,315	1,752
	Intangible assets	8,568	9,216	8,409
	Land and buildings	13,880	13,204	14,000
	Plant and machinery	1,893	2,703	2,561
	Other equipment, fixtures and fittings	631	479	690
	Property, plant and equipment in progress	56	506	0
	Property, plant and equipment	16,460	16,892	17,251
	Deposits	181	154	220
	Financial assets	181	154	220
	Non-current assets	25,209	26,262	25,880
	Inventories	35,337	38,484	36,682
	Trade receivables	36,581	31,755	30,933
	Other receivables	2,909	2,783	2,784
	Prepayments	1,512	1,302	805
	Receivables	41,001	35,840	34,523
	Cash	11,234	3,955	6,340
	Current assets	87,573	78,278	77,545
	ASSETS	112,782	104,540	103,425

CONSOLIDATED BALANCE SHEET

Note	DKK '000	30 June 2025	30 June 2024	31 December 2024
EQUITY AND LIABILITIES				
	Share capital	2,508	2,442	2,465
	Share premium	33,428	33,017	33,258
	Reserve revaluation	4,660	3,973	4,660
	Reserve for development costs	6,559	7,122	6,559
	Foreign currency translation reserve	-2,415	44	917
	Retained earnings	37,223	29,815	28,012
	Proposed dividend	0	0	3,452
	Total equity	81,963	76,413	79,324
	Deferred tax	2,849	2,376	2,694
	Provisions	2,849	2,376	2,694
	Debt to mortgage institutions	3,609	3,801	3,734
	Other payables	1,000	1,699	1,152
	Deferred income	0	239	60
	Long-term liabilities other than provisions	4,610	5,738	4,946
	Debt to mortgage institutions	242	297	246
	Credit institutions	482	0	2,337
	Trade payables	17,486	13,281	10,164
	Income tax payable	2,979	3,627	1,650
	Other payables	1,932	2,445	1,704
	Deffered income	240	362	361
	Short-term liabilities other than provisions	23,361	20,013	16,461
	Liabilities and provisions	30,819	28,127	24,101
	EQUITY AND LIABILITIES	112,782	104,540	103,425

- 2 Related parties
- 3 Accounting policies
- 4 Ratio definitions
- 5 Events after the balance sheet date

CONSOLIDATED CASH FLOW STATEMENT

DKK '000	H1 2025	H1 2024	Full Year 2024
EBITDA	13,192	7,669	13,488
Change in inventories	1,345	-8,017	-6,215
Change in receivables	-6,439	-10,240	-8,846
Change in trade payables	7,370	3,252	1,649
Other payables	-2,019	2,781	1,897
Change in working capital	256	-12,223	-11,515
Interest income and similar income received	341	741	1,539
Interest expenses and similar expenses paid	-1,793	-1,250	-3,065
Total financial items	-1,453	-509	-1,527
Income tax	-1,093	-924	-4,519
Cash flows from operating activities	10,904	-5,986	-4,072
Purchase of intangible assets	-552	-442	-1,423
Purchase of fixed assets	-82	-143	-630
Cash flows from investing activities	-635	-584	-2,052
Debt financing:			
Settlement of long-term debt	-281	-2,561	-3,400
Settlement of short-term debt	0	-543	0
Shareholders:			
Capital increase	213	0	265
Dividend paid	-3,452	0	0
Cash flow from financing activities	-3,520	-3,104	-3,136
Cash flow for the period	6,749	-9,674	-9,260
Cash, beginning of period	4,370	13,629	13,630
Cash, end of period	11,119	3,955	4,370
Cash end of period comprise:			
Cash	11,234	3,955	6,340
Short-term payables to credit institutions	-115	0	-1,970
Cash, end of period	11,119	3,955	4,370

NOTES

1. OTHER EXTERNAL COSTS

DKK '000

	H1 2025	H1 2024	Full Year 2024
Sales and marketing	2,219	2,538	4,711
Research & Development	349	404	1,038
Premises	969	793	1,961
Administration	4,550	4,143	9,121
Total	8,087	7,878	16,832

2. RELATED PARTIES

Group and Parent Company

There have been transactions between the Group and its related parties during the financial half-year. Controlling transactions between related parties have taken place on market terms.

There are no related parties with controlling influence as of 30 June 2025.

3. ACCOUNTING POLICIES

The Interim Financial Statement for Hove A/S has been prepared in accordance with the Danish Financial Statements Act for class C companies and additional disclosure requirements for companies listed on Nasdaq First North.

The used accounting policy is unchanged compared to the accounting policies used in the Annual Report for 2024.

The consolidated half-year report for Hove A/S has neither been audited nor reviewed.

4. RATIO DEFINITIONS

RATIO	FORMULA
Gross margin (%)	$(\text{Gross profit} * 100) / \text{Revenue}$
EBITDA-margin (%)	$(\text{EBITDA} * 100) / \text{Revenue}$
Return of invested capital (ROIC) (%)	$(\text{EBIT} * 100) / \text{Average invested capital}$
Return on equity (%)	$(\text{Net profit} * 100) / \text{Average equity}$
Solvency ratio (%)	$(\text{Equity} * 100) / \text{Total assets}$
Number of shares	The total number of shares outstanding
Number of shares diluted	The total number of shares and warrants outstanding
Earnings per share (EPS)	$(\text{Net profit} * 100) / \text{Average number of shares}$
Diluted EPS	$(\text{Net profit} * 100) / \text{Average number of shares diluted}$
Net working capital (NWC)	Current assets minus current liabilities
Invested capital	Net working capital + intangible assets + fixed assets

5. EVENTS AFTER THE BALANCE SHEET DATE

No events of significant importance to the company's financial position have occurred after the balance sheet date.

Executive Management
Hans Christian Hansen, CEO
Thomas Alexander Kjeldbæk, COO
Thomas Cramer, CCO
Bent Faurskov, CFO

Board of Directors

Knud Andersen, Chair
Michael Gaarmann, Vice Chair
Jesper Bregendahl
Mette Søs Lassen

Executive Management

Hans Christian Hansen, CEO
Thomas Alexander Kjeldbæk, COO
Thomas Cramer, CCO
Bent Faurskov, CFO

HOVE A/S

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Financial year

1 January – 31 December

Auditor

Dansk Revision Hillerød
Godkendt Revisionsaktieselskab

