

Company announcement No. 585, 2025

12 August 2025

## Interim Financial Report, H1 2025

### CHIEF EXECUTIVE OFFICER JÖRG BRINKMANN QUOTE

*“While we’re encouraged by continued progress in the UK and Poland, our performance in Germany remains below historical norms and continues to negatively impact the Group’s overall results. Given that the German market has not met industry expectations and shows limited signs of recovery in the short to medium term, we have revised our full-year guidance accordingly. In response, we change our business model from national to regional to improve our commercial execution in Germany and operate on a lower cost base. Across all our markets, underlying housing demand remains resilient, and we continue to believe in the long-term growth potential of our sector.” says CEO Jörg Brinkmann.*

### PERFORMANCE HIGHLIGHTS FOR Q2 2025 (Q2 2024)

- Revenue growth measured in local currencies (“organic growth”) was 0% (negative 3%).
- Sales volume decreased by 2% driven by Germany and the UK partly offset by the Polish market.
- Gross profit before special items was DKK 155 million (DKK 132 million), corresponding to a gross margin of 22% (18%). The increase is mainly driven by normalised input costs.
- EBIT before special items was DKK 24 million (negative DKK 5 million), corresponding to an EBIT margin before special items of 3% (negative 1%).
- Financial gearing was 2.6 times EBITDA before special items at the end of Q2 2025 (6.5 times EBITDA before special items at the end of Q2 2024).
- Special items of DKK 612 million was recognised in Q2 2025 related to the German business.

### OTHER KEY EVENTS

- Shifting German operations from national coverage to a regional model, which includes restructuring and asset impairments.
- A strategic review has been initiated with the aim of enhancing profitability further for the group.

### FINANCIAL OUTLOOK FOR 2025

- Organic revenue growth for 2025 is expected to be around 4%.
- EBIT before special items is expected to be in the range of DKK 100 to 150 million.

### H1 2025 INTERIM FINANCIAL REPORT CONFERENCE CALL

In connection with the release of the H1 2025 Interim Financial Report, a conference call for investors and analysts is scheduled for Wednesday 13 August 2025, at 10:00 a.m. CEST. The presentation will be followed by a Q&A session. Participants can follow the conference call via live webcast [here](#).

## KEY FIGURES – H+H GROUP

	Q2 2025	Q2 2024	H1 2025	H1 2024	Full-year 2024
Amounts in DKK million					
<b>Income statement</b>					
Revenue	719	725	1,394	1,369	2,747
Gross profit before special items	155	132	301	241	579
SG&A	(82)	(85)	(162)	(166)	(331)
EBITDA before special items	72	41	136	67	250
EBITDA	32	28	96	(75)	228
EBIT before special items	24	(5)	40	(26)	63
EBIT	(588)	(18)	(572)	(168)	41
Result before tax	(599)	(39)	(599)	(206)	(29)
Result for the period	(616)	(29)	(628)	(159)	(50)
<b>Balance sheet</b>					
Assets	2,930	3,424	2,930	3,424	3,473
Invested capital*	2,444	2,752	2,444	2,752	2,569
Net working capital	282	287	282	287	144
Equity	1,035	1,543	1,035	1,543	1,650
Net Interest-bearing debt (NIBD)	837	993	837	993	682
<b>Cash flow</b>					
Cash flow from operating activities	(27)	56	(85)	(9)	145
Cash flow from investing activities	(25)	(34)	(37)	(60)	74
Free cash flow	(52)	22	(122)	(69)	219
Cash flow from financing activities	50	(30)	81	92	103
<b>Financial ratios and others</b>					
Organic growth	0%	(3)%	1%	(4)%	0%
Sales volume (thousand m <sup>3</sup> )	763	779	1,465	1,498	2,967
Gross margin before special items	22%	18%	22%	18%	21%
EBITDA margin before special items	10%	6%	10%	5%	9%
EBITDA margin	4%	4%	7%	(5)%	9%
EBIT margin before special items	3%	(1)%	3%	(2)%	2%
EBIT margin	(82)%	(2)%	(41)%	(12)%	1%
Return on invested capital (ROIC) *	5%	(8)%	5%	(8)%	2%
Solvency ratio	32%	42%	32%	42%	45%
Financial gearing before special items ratio	2.6x	6.5x	2.6x	6.5x	2.7x
<b>Share data</b>					
Share price, end of period (DKK)	135	100	135	100	79
Book value per share, end of period (DKK)	63	94	63	94	100
Earnings per share	(37.3)	(1.7)	(38.0)	(9.8)	(3.2)
Diluted earnings per share	(37.3)	(1.7)	(38.0)	(9.8)	(3.2)

Financial ratios have been calculated in accordance with recommendations from the Danish Society of Financial Analysts.

\*Invested capital is the average invested capital for the last twelve months. In previous reporting, goodwill was excluded but are now included. The comparative figures have been adjusted to reflect this as well. ROIC is calculated based on EBIT before special items divided by invested capital.

## FORWARD-LOOKING STATEMENTS

The Interim Financial Report contains forward-looking statements. Such statements are subject to risks and uncertainties, as various factors, many of which are beyond the control of H+H, may cause actual developments and results to differ materially from the expectations expressed in this document.

In no event shall H+H be liable for any direct, indirect, or consequential damages or any other damages whatsoever resulting from loss of use, data, or profits, whether in an action of contract, negligence, or other action arising out of or in connection with the use of information in this document

## MANAGEMENT'S REVIEW

### Volumes and prices

Organic growth in the second quarter was 0%. There was slightly higher prices offsetting the sales volumes decrease of 2% in the quarter compared to the same period last year.

Sales volumes in Poland increased compared to the same quarter last year, while the German market situation led to a negative volume development.

Production output in the UK is significantly higher than last year, but continues to fall short of demand. However, we saw lower sales volumes compared to Q2 last year where significant destocking took place.

Price developments were in line with expectations for Poland and the UK.

### Regional market development

#### UK

The UK housing market remains strong, with high demand for H+H products. Falling interest rates have begun to support more competitive mortgage offerings, which could help unlock greater demand and drive further market improvement.

The government has announced a multi-year budget plan with a £39 billion 'Social and Affordable Homes Programme'. The investment is to be spread over the next decade – the largest commitment to social housing in 50 years. The initiative marks a meaningful step forward and should support continued growth in the UK's residential construction sector.

A full prospectus for the new Social and Affordable Homes Programme will be published in the autumn 2025.

#### Poland

The Polish housing market is showing stable development. Developer activity remains relatively strong, but recent decline in building permits suggests a slowdown in the launch of new projects as existing ones are being completed. While new mortgage issuance has decreased, levels remain relatively stable. Poland continues to have some of the highest

financing costs in Europe, despite the National Bank of Poland lowering the reference rate to 5% in July 2025. This elevated rate environment still puts pressure on housing affordability and dampens financing activity.

#### Germany

Market conditions in Germany remain difficult, with residential construction operating well below historical levels. Although there has been a slight uptick in building permits, this improvement does not yet signal a broader market recovery.

The sector is still struggling with significant over-capacity, rising construction costs, and unclear policy direction. The government has yet to decide how to allocate the €500 billion special fund and indirect effects on the housebuilding industry remains unclear. Until more clarity emerges the outlook remains cautious, and we do not anticipate a trend reversal in the short to mid-term.

## INCOME STATEMENT FOR THE SECOND QUARTER OF 2025

### Revenue

Total revenue amounted to DKK 719 million for Q2 2025 which is a decrease of DKK 6 million compared to Q2 2024 (DKK 725 million).

Revenue growth measured in local currencies ("organic growth") was 0% in Q2 2025 compared to negative 3% in Q2 2024.

Revenue, external				
	Q2		H1	
Amounts in DKK million	2025	2024	2025	2024
	Revenue			
Central Western Europe	260	268	513	513
United Kingdom	237	247	447	431
Poland	222	210	434	425
Total	719	725	1,394	1,369

Revenue in the CWE region decreased by 3% to DKK 260 million compared to DKK 268 million in Q2 2024. Organic growth in the region was negative 2% in Q2 2025 driven by lower volumes offset by higher prices, although prices in Q2 were lower than in Q1.

Sales in the UK decreased in Q2 2025 by 4% to DKK 237 million compared to DKK 247 million in Q2 2024. Organic growth of negative 4% in Q2 2025 was driven by lower volumes vs. same period last year partly offset by higher prices.

Revenue in Poland increased by 6% to DKK 222 million compared to DKK 210 million in Q2 2024. Organic growth was 5% driven by both higher volumes and higher prices.

### Gross profit before special items

Gross profit amounted to DKK 155 million compared to DKK 132 million in Q2 2024, corresponding to gross margins of 22% and 18%, respectively. The increase is driven by normalised input costs which is partly offset by production inefficiencies in the UK..

### EBITDA before special items

EBITDA before special items amounted to DKK 72 million compared to DKK 41 million in Q2 2024, corresponding to EBITDA before special items margins of 10% and 6%, respectively.

### Depreciation and amortisation

Depreciation and amortisation in Q2 2025 amounted to DKK 48 million compared to DKK 46 million in Q2 2024.

### EBIT before special items

EBIT before special items amounted to DKK 24 million in Q2 2025, compared to negative DKK 5 million in Q2 2024, corresponding to EBIT margins before special items of 3% and negative 1%, respectively.

### Special items

Special items recognised in Q2 2025 relates to write downs of property, plant and equipment and other related idle assets as part of the decision taken to close down factories in Germany and the plan to reorganise the German business amounted to DKK 312 million as well as write down of goodwill and other intangible assets related to the CWE region of DKK 300 million. The special items recognised in Q2 2024 related to restructuring costs. See note 8 Special items for further information.

### Net financials

Net financials amounted to an expense of DKK 11 million in Q2 2025, compared to an expense of DKK 21 million in Q2 2024 due to lower NIBD and a lower interest rate.

### Result before tax

Result before tax amounted to a loss of DKK 599 million in Q2 2025, compared to negative DKK 39 million in Q2 2024 heavily impacted by special items.

### Tax

Tax for Q2 2025 amounted to a net expense of DKK 17 million compared to a net tax income of DKK 10 million in Q2 2024.

### Result for the period

Result for the period amounted to a loss of DKK 616 million and is attributable to H+H International A/S' shareholders by negative DKK 615 million and to non-controlling interests by negative DKK 1 million compared to a loss of DKK 29 million in Q2 2024, allocated with a loss of DKK 28 million and a loss of DKK 1 million, respectively.

### Comprehensive income

Other comprehensive income for Q2 2025 amounted to negative DKK 12 million compared to positive DKK 12 million in Q2 2024. The year-on-year development was mainly driven by a negative development in in foreign exchange adjustments.

## INCOME STATEMENT FOR THE FIRST SIX MONTHS OF 2025

### Revenue

Total revenue for the first six months of 2025 amounted to DKK 1,394 million compared to DKK 1,369 million in the first six months of 2024. Organic growth was 1% in the first six months of 2025 compared to negative 4% for the first six months of 2024.

### Gross profit before special items

Gross profit in the first six months of 2025 amounted to DKK 301 million compared to DKK 241 million in 2024, corresponding to gross margins of 22% and 18%, respectively.

### EBITDA before special items

EBITDA before special items in the first six months of 2025 amounted to DKK 136 million compared to DKK 67 million in 2024, corresponding to EBITDA margins of 10% and 5%, respectively.

### Depreciation and amortisation

Depreciation and amortisation in the first six months of 2025 amounted to DKK 96 million compared to DKK 93 million in first six months of 2024.

### EBIT before special items

EBIT for the first six months of 2025 amounted to DKK 40 million compared to negative DKK 26 million in the first six months of 2024, corresponding to EBIT margins of 3% and negative 2%, respectively.

### Special items

Special items recognised in H1 2025 relates to write downs of property, plant and equipment and other related idle assets as part of the decision taken to close down factories in Germany and the plan to reorganise the German business amounted to DKK 312 million as well as write down of goodwill and other intangible assets related to the CWE region of DKK 300 million.

### Net financials

Net financials amounted to an expense of DKK 27 million in first six months 2025, compared to an expense of DKK 38 million in first six months of 2024. The development is mainly driven by lower NIBD and interest rates.

### Result before tax

Result before tax for the first six months of 2025 amounted to a loss of DKK 599 million, compared to a loss of DKK 206 million in first six months of 2024 mainly driven by special items in the first six months of 2025.

### Tax

Tax for the period amounted to DKK 29 million compared to a net income of DKK 47 million in first six months of 2024.

### Result for the period

Result for the first six months of 2025 amounted to a loss of DKK 628 million, compared to a loss of DKK 159 million in 2024.

Loss for the period is attributable to H+H International A/S' shareholders by DKK 627 million and a loss to non-controlling interest by DKK 1 million compared to a loss of DKK 161 million and a profit of DKK 2 million, respectively, for the first six months of 2024.

### Comprehensive income

Other comprehensive income for the first six months of 2025 was DKK 9 million compared to DKK 23 million for the first six months of 2024.

## CASH FLOW FOR THE SECOND QUARTER AND FIRST SIX MONTHS OF 2025

### Operating activities

Cash flow from operating activities before financial items and tax amounted to negative DKK 19 million in Q2 2025 compared to positive DKK 80 million in Q2 2024. The negative cash flow in Q2 2025 was driven by seasonal development in working capital whereas Q2 2024 were positive impacted by de-stocking initiatives.

Cash flow from operating activities in the first six months of 2025 was negative DKK 62 million compared to positive DKK 38 million in H1 2024 due to negative development in net working capital.

### Investing activities

Cash flow from investing activities in Q2 2025 amounted to a cash out-flow of DKK 25 million compared to a cash out-flow DKK 34 million in Q2 2024.

Cash flow from investing activities in first six months of 2025 was negative DKK 37 million,

compared to negative DKK 60 million in the first half of 2024.

### Financing activities

Cash flow from financing activities was DKK 50 million in Q2 2025 compared to negative DKK 30 million in Q2 2024.

Cash flow from financing activities amounted to DKK 81 million in first half of 2025 compared to DKK 92 million in 2024.

### BALANCE SHEET AT 30 JUNE 2025

On 30 June 2025, the balance sheet total amounted to DKK 2,930 million compared to DKK 3,424 million on 30 June 2024.

### Net interest-bearing debt

On 30 June 2025, net interest-bearing debt, totalled DKK 837 million corresponding to an increase of DKK 155 million since the beginning of the year. The increase is primarily driven by a negative working capital development.

### Equity

The consolidated equity decreased by DKK 615 million compared to 31 December 2024 and decreased by DKK 508 million compared to 30 June 2024.

Equity		
	H1	H1
Amounts in DKK million	2025	2024
1 January	1,650	1,678
Result for the period	(628)	(159)
Actuarial gains/losses on pension plans	(2)	22
Value adjustments of derivative financial instruments	4	(7)
Foreign exchange adjustments	7	8
Share based payment	4	1
30 June	1,035	1,543

### EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date that will have a material effect on the H+H Groups financial position.

### FINANCIAL OUTLOOK FOR 2025

- Revenue growth measured in local currencies is expected to be around 4%.
- EBIT before special items is expected to be in the range of DKK 100 million to DKK 150 million.

### ASSUMPTIONS FOR THE FINANCIAL OUTLOOK

#### Key assumptions for the financial outlook for 2025

- Modest volume growth primarily coming from the UK and stable development in Poland.
- The outlook does not assume any market improvements in Germany.
- Price increases will not cover cost inflation driven by the German market situation.
- CAPEX of around DKK 180 million.

### FINANCIAL CALENDAR 2025

Q3 2025 Interim Financial Report      11 Nov 2025

## STATEMENT BY THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

The Executive Board and the Board of Directors have today considered and approved the interim report for H+H International A/S for the period 1 January to 30 June 2025.

The interim financial report, which has not been audited or reviewed by H+H's auditors, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements in the Danish Financial Statements Act. The accounting policies remain unchanged from the annual report for 2024.

In our opinion the interim financial report gives a true and fair view of H+H's assets, liabilities, and financial position at 30 June 2025 and of the results of H+H's operations and its cash flows for the period 1 January to 30 June 2025.

Furthermore, in our opinion the management's review represents a true and fair account of developments in H+H's operations and financial conditions, of the results for the period and of the H+H's overall financial position of the Group, as well as a description of the most significant risks and elements of uncertainty facing the Group.

Copenhagen, 12 August 2025

### EXECUTIVE BOARD

---

**Jörg Brinkmann**  
CEO

**Bjarne Pedersen**  
CFO

### BOARD OF DIRECTORS

---

**Miguel Kohlmann**  
Chair

**Peter Thostrup**  
Vice chair

**Volker Christmann**

**Kajsa von Geijer**

**Helen MacPhee**



## CONDENSED INCOME STATEMENT

	Group				
	Q2	Q2	H1	H1	Full-year
Amounts in DKK million	2025	2024	2025	2024	2024
Revenue	719	725	1,394	1,369	2,747
Cost of goods sold	(564)	(593)	(1,093)	(1,128)	(2,168)
<b>Gross profit before special items</b>	<b>155</b>	<b>132</b>	<b>301</b>	<b>241</b>	<b>579</b>
Sales costs	(31)	(28)	(63)	(63)	(122)
Administrative costs	(51)	(57)	(99)	(103)	(209)
Other operating income and costs, net	(1)	(6)	(3)	(8)	2
<b>EBITDA before special items</b>	<b>72</b>	<b>41</b>	<b>136</b>	<b>67</b>	<b>250</b>
Depreciation, amortisation and impairments	(48)	(46)	(96)	(93)	(187)
<b>EBIT before special items</b>	<b>24</b>	<b>(5)</b>	<b>40</b>	<b>(26)</b>	<b>63</b>
Special items, net	(612)	(13)	(612)	(142)	(22)
<b>EBIT</b>	<b>(588)</b>	<b>(18)</b>	<b>(572)</b>	<b>(168)</b>	<b>41</b>
Financial income	12	7	23	11	39
Financial expenses	(23)	(28)	(50)	(49)	(109)
<b>Result before tax</b>	<b>(599)</b>	<b>(39)</b>	<b>(599)</b>	<b>(206)</b>	<b>(29)</b>
Tax	(17)	10	(29)	47	(21)
<b>Result for the period</b>	<b>(616)</b>	<b>(29)</b>	<b>(628)</b>	<b>(159)</b>	<b>(50)</b>
<b>Result for the period attributable to:</b>					
H+H International A/S' shareholders	(615)	(28)	(627)	(161)	(53)
Non-controlling interest	(1)	(1)	(1)	2	3
<b>Result for the period</b>	<b>(616)</b>	<b>(29)</b>	<b>(628)</b>	<b>(159)</b>	<b>(50)</b>
Earnings per share (EPS-Basic)	(37.3)	(1.7)	(38.0)	(9.8)	(3.2)
Diluted earnings per share (EPS-D)	(37.3)	(1.7)	(38.0)	(9.8)	(3.2)

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Group				
	Q2	Q2	H1	H1	Full-year
Amounts in DKK million	2025	2024	2025	2024	2024
<b>Result for the period</b>	<b>(616)</b>	<b>(29)</b>	<b>(628)</b>	<b>(159)</b>	<b>(50)</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>					
Fair value adjustments of derivative financial instruments	-	-	-	(12)	(13)
Gain/(loss) on derivative financial instruments transferred to the income statements	3	3	4	5	9
Tax on fair value adjustment	-	-	-	-	1
Foreign exchange adjustments, foreign entities	(14)	2	7	8	20
	(11)	5	11	1	17
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
Actuarial gains and losses	(1)	9	(1)	28	13
Tax on actuarial gains and losses	-	(2)	(1)	(6)	(5)
	(1)	7	(2)	22	8
<b>Other comprehensive income after tax</b>	<b>(12)</b>	<b>12</b>	<b>9</b>	<b>23</b>	<b>25</b>
<b>Total comprehensive income for the period</b>	<b>(628)</b>	<b>(17)</b>	<b>(619)</b>	<b>(136)</b>	<b>(25)</b>



## CONDENSED BALANCE SHEET

	Group		
	30 June	31 December	30 June
Amounts in DKK million	2025	2024	2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	173	422	422
Other intangible assets	165	220	224
Property, plant and equipment	1,416	1,716	1,791
Deferred tax assets	64	54	93
Financial assets	2	2	2
<b>Total non-current assets</b>	<b>1,820</b>	<b>2,414</b>	<b>2,532</b>
<b>Current assets</b>			
Inventories	416	435	458
Receivables	282	162	269
Cash	412	462	165
<b>Total current assets</b>	<b>1,110</b>	<b>1,059</b>	<b>892</b>
<b>TOTAL ASSETS</b>	<b>2,930</b>	<b>3,473</b>	<b>3,424</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	165	165	165
Retained earnings	858	1,483	1,388
Other reserves	(71)	(82)	(98)
Equity attributable to H+H International A/S' shareholders	952	1,566	1,455
Equity attributable to non-controlling interests	83	84	88
<b>Total equity</b>	<b>1,035</b>	<b>1,650</b>	<b>1,543</b>
<b>Non-current liabilities</b>			
Pension obligations	17	21	13
Provisions	32	43	57
Deferred tax liability	35	36	44
Credit institutions	1,141	1,046	1,015
Deferred payments, acquisition of subsidiary	86	93	92
Lease liabilities	85	73	117
<b>Total non-current liabilities</b>	<b>1,396</b>	<b>1,312</b>	<b>1,338</b>
<b>Current liabilities</b>			
Lease liabilities	23	25	26
Trade payables	231	272	271
Income tax	34	1	3
Deferred payment, acquisition of subsidiary	6	6	6
Provisions	20	26	68
Other payables	185	181	169
<b>Total current liabilities</b>	<b>499</b>	<b>511</b>	<b>543</b>
<b>Total liabilities</b>	<b>1,895</b>	<b>1,823</b>	<b>1,881</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,930</b>	<b>3,473</b>	<b>3,424</b>
Net interest-bearing debt	837	682	993

## CONDENSED CASH FLOW STATEMENT

	Q2	Q2	H1	H1
Amounts in DKK million	2025	2024	2025	2024
Operating result (EBIT)	(588)	(18)	(572)	(168)
Depreciation, amortisation and impairment	620	46	668	93
Change in working capital	(94)	100	(182)	66
Change in provisions and pension contribution	2	(45)	(18)	46
Other non-cash adjustments	41	(3)	42	1
<b>Operating activities before financial items and tax</b>	<b>(19)</b>	<b>80</b>	<b>(62)</b>	<b>38</b>
Financial items, net	(11)	(21)	(22)	(38)
Income tax paid	3	(3)	(1)	(9)
<b>Operating activities</b>	<b>(27)</b>	<b>56</b>	<b>(85)</b>	<b>(9)</b>
Acquisition of property, plant and equipment and intangible assets	(25)	(34)	(37)	(60)
<b>Investing activities</b>	<b>(25)</b>	<b>(34)</b>	<b>(37)</b>	<b>(60)</b>
Bank overdraft and other debt	57	(24)	95	108
Payment of lease liabilities	(7)	(6)	(14)	(16)
<b>Financing activities</b>	<b>50</b>	<b>(30)</b>	<b>81</b>	<b>92</b>
<b>Total cash flow for the period</b>	<b>(2)</b>	<b>(8)</b>	<b>(41)</b>	<b>23</b>
Cash and cash equivalents, opening	420	174	462	139
Foreign exchange adjustments of cash	(6)	(1)	(9)	3
<b>Cash and cash equivalents at 30 June</b>	<b>412</b>	<b>165</b>	<b>412</b>	<b>165</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY

Amounts in DKK million	Share capital	Hedging reserve	Translation reserve	Retained earnings	H+H shareholders share	Non controlling interests' share	Total
<b>Equity at 1 January 2025</b>	<b>165</b>	<b>(10)</b>	<b>(72)</b>	<b>1,483</b>	<b>1,566</b>	<b>84</b>	<b>1,650</b>
<b>Total changes in equity</b>							
Result for the period	-	-	-	(627)	(627)	(1)	(628)
Other comprehensive income	-	4	7	(2)	9	-	9
<b>Total comprehensive income</b>	<b>-</b>	<b>4</b>	<b>7</b>	<b>(629)</b>	<b>(618)</b>	<b>(1)</b>	<b>(619)</b>
Share-based payment	-	-	-	4	4	-	4
<b>Total changes in equity in 2025</b>	<b>-</b>	<b>4</b>	<b>7</b>	<b>(625)</b>	<b>(614)</b>	<b>(1)</b>	<b>(615)</b>
<b>Equity at 30 June 2025</b>	<b>165</b>	<b>(6)</b>	<b>(65)</b>	<b>858</b>	<b>952</b>	<b>83</b>	<b>1,035</b>
<b>Equity at 1 January 2024</b>	<b>165</b>	<b>(7)</b>	<b>(92)</b>	<b>1,526</b>	<b>1,592</b>	<b>86</b>	<b>1,678</b>
<b>Total changes in equity</b>							
Result for the period	-	-	-	(161)	(161)	2	(159)
Other comprehensive income	-	(7)	8	22	23	-	23
<b>Total comprehensive income</b>	<b>-</b>	<b>(7)</b>	<b>8</b>	<b>(139)</b>	<b>(138)</b>	<b>2</b>	<b>(136)</b>
Share-based payment	-	-	-	1	1	-	1
<b>Total changes in equity in 2024</b>	<b>-</b>	<b>(7)</b>	<b>8</b>	<b>(138)</b>	<b>(137)</b>	<b>2</b>	<b>(135)</b>
<b>Equity at 30 June 2024</b>	<b>165</b>	<b>(14)</b>	<b>(84)</b>	<b>1,388</b>	<b>1,455</b>	<b>88</b>	<b>1,543</b>

## NOTES

### 1. Accounting policies

The interim financial report for the period 1 January to 30 June 2025 has been prepared in accordance with the IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements in the Danish Financial Statements Act. The application of IAS 34 means that the disclosures are more limited than in a complete annual report, but that the interim financial report complies with the recognition and measurement principles in the International Financial Reporting Standards (IFRS). The interim financial report has not been audited or reviewed by H+H's auditors.

The accounting policies are consistent with those applied in the 2024 Annual Report, which includes a full description of the accounting policies applied.

### 2. Adoption of new and revised IFRSs

H+H International A/S has adopted all new or revised and amended International Financial Reporting Standards (IFRSs) and interpretations (IFRIC) issued by IASB and endorsed by the EU effective for the financial year 2025. It is assessed that the revisions and amendments have not had a material impact on the consolidated financial statements.

### 3. Risk Management

H+H's principal risks and the external factors that may affect H+H are provided in the 2024 Annual Report. These are unchanged as of 30 June 2025.

### 4. Significant accounting estimates and judgements

Determining the carrying amounts of some assets and liabilities requires Management to make judgements, estimates and assumptions concerning future events. The estimates and assumptions made are based on historical experience and other factors that are believed by Management to be sound under the circumstances but that, by their nature, are uncertain and unpredictable. Financial statement items in which more significant accounting estimates and judgements are applied are listed in Note 2 of the 2024 Annual report for H+H International A/S. In addition, significant estimates has been made in assessing the recoverable amount for assets impacted by the German market situation.

The estimates and assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur. Moreover, the H+H Group is subject to risks and uncertainties that may lead to the actual outcomes vary from these estimates and assumptions. It may be necessary to change estimates and assumptions made previously as a result of changes in the factors on which these were based or as a result of new knowledge or subsequent events.

### 5. Seasonal fluctuations

The sales pattern for H+H's products is seasonal. Sales in the second and third quarters are traditionally higher than during the rest of the year. As a part of H+H's cost base is not directly variable with revenue, deviations from projected sales may result in fluctuations in the Company's earnings.

## 6. Income statement classified by function

### INCOME STATEMENT CLASSIFIED BY FUNCTION

Amounts in DKK million	Q2 2025	Q2 2024	H1 2025	H1 2024
Revenue	719	725	1,394	1,369
Cost of goods sold	(594)	(622)	(1,153)	(1,187)
<b>Gross profit including depreciation and amortisation</b>	<b>125</b>	<b>103</b>	<b>241</b>	<b>182</b>
Sales cost	(41)	(40)	(84)	(86)
Administrative costs	(59)	(62)	(114)	(114)
Other operating income and costs	(1)	(6)	(3)	(8)
<b>EBIT before special items</b>	<b>24</b>	<b>(5)</b>	<b>40</b>	<b>(26)</b>
Special items, net	(612)	(13)	(612)	(142)
<b>EBIT</b>	<b>(588)</b>	<b>(18)</b>	<b>(572)</b>	<b>(168)</b>
<b>Depreciation and amortisation comprise:</b>				
Depreciation of property, plant and equipment	40	38	65	64
Amortisation of intangible assets	8	8	31	29
<b>Total</b>	<b>48</b>	<b>46</b>	<b>96</b>	<b>93</b>
<b>Depreciation, amortisation and impairment are allocated to:</b>				
Production costs	29	29	60	59
Sales costs	10	12	21	23
Administration costs	9	5	15	11
<b>Total</b>	<b>48</b>	<b>46</b>	<b>96</b>	<b>93</b>

The above table shows an extract of the income statement adapted to show depreciation and amortisation classified by function.

## 7. Geographical information

Amounts in DKK million	Q2 2025	Q2 2024	H1 2025	H1 2024
	<b>Revenue</b>			
Central Western Europe	260	268	513	513
United Kingdom	237	247	447	431
Poland	222	210	434	425
	<b>719</b>	<b>725</b>	<b>1,394</b>	<b>1,369</b>

When presenting information on geographical areas, information on revenue is based on countries with the exception of the "Central Western Europe" region which comprises Germany, Switzerland, Denmark, Sweden, the Czech Republic, Netherlands and Belgium. Revenue for Germany for Q2 2025 amounted to DKK 141 million compared to DKK 164 million in Q2 2024 and DKK 278 million for the first six months of 2025 compared to DKK 314 million for the first six months of 2024.

## 8. Special items, net

### SPECIAL ITEMS, NET

Amounts in DKK million	Q2 2025	Q2 2024	H1 2025	H1 2024
Impairment of fixed assets, mothballed and closed down factories	272	-	272	-
Impairment of other idle assets related to closed factories	40	-	40	-
Impairment of goodwill, customer relations and other intangible assets	300	-	300	-
Restructuring costs	-	13	-	32
Inefficient part of gas hedges, including settlement	-	-	-	110
<b>Total</b>	<b>612</b>	<b>13</b>	<b>612</b>	<b>142</b>
<b>Impact of special items on EBIT</b>				
Cost of goods sold	40	1	40	116
Sales and administrative costs	-	12	-	26
Depreciation, amortisation and impairments	572	-	572	-
<b>EBIT before special items</b>	<b>612</b>	<b>13</b>	<b>612</b>	<b>142</b>

As a result of the persistently low-volume environment in the German market and increasing competitive pressure, H+H has decided to close down some of the previously mothballed factories permanently and restructure the German organisation. Therefore, an assessment of the recoverable amounts of production and related equipment, closed down plants and the overall market in general has been carried out. The assessment has led to the recognition of impairment losses of DKK 312 million which have been recognised in the profit and loss statement as a special item.

The review included an assessment of estimated sales value less cost to sell or disposal for all closed sites, which has been based on initial discussion with external parties and historically experience (fair value level 3). The main classes of assets affected by the impairment losses are various operational production assets, i.e. machinery and equipment used in production, buildings and other related idle assets.

In addition, the intangible assets related to our German market has been assessed for possible impairment indicators, i.e. if the given assets still has any use for H+H and whether the future cash flows coming from the relevant CGU would cover the carrying value. Based on this an impairment loss of DKK 300 million were recognised. The main classes of assets affected by this impairment relates to goodwill, customer relations and other intangible assets. See note 9 for further details on the goodwill impairment test.

Special items H1 2024 related mainly to the day one loss from settling gas contracts, reflecting the loss at the time of falling outside the own-use exemption amounting to DKK 110 million and restructuring costs of DKK 32 million.

## 9. Impairment testing of goodwill

The Group performs impairment tests on intangible assets annually and whenever there is an indication that intangible assets may have to be impaired. The annual impairment test is performed as per 31 December based on financial budgets approved by management covering the following financial year. As of 30 June 2025, the Group performed a review for indications of impairments. Due to the persistently low-volume market and no signs of recovery in the short- to mid-term, increasing competitive situation and , Management assessed that impairment indicators for the CWE region exists, and as such an impairment test has been carried out.

The impairment test for CWE resulted in recognition of an goodwill impairment loss of DKK 250 million in addition to the DKK 50 million impairment of customer relations and software systems which no longer has any value to H+H and DKK 272 million write down of property, plant and equipment to fair value less cost to sell as described in note 8 Special items. For the purpose of the impairment testing of goodwill the recoverable amounts was the value in use calculated by using a discounted cash flow model ('DCF').

Management has lowered its expectations in the forecasting period to an average growth of 2.8% (previously 9.3%) mainly driven by no signs of a pick-up of the volumes on the short- and mid-term as well as lowered the average gross margin increase in the forecast period of 1.3% (previously 2.7%). The WACC is based on generally applied principles including the determination of return on equity and cost of debt. Components for the return on equity, the marked risk premium, company specific risk premium and beta-values, is benchmarked to external information. The slight decrease is mainly due to a slight decrease in interest rates. The weighted average growth rate used for the terminal period for the year after 2029 has been estimated at 2.0% (31 December 2024: 2.0%).

Applied assumptions and carrying amounts for CWE are illustrated below.

Amounts in DKK million	30 June 2025	31 December 2024
Carrying amount of intangible assets, property, plant and equipment excluding goodwill	875	1,260
Goodwill (after impairment)	150	399
Estimated average annual growth in revenue 2025-2029 (CAGR)	2.8%	9.3%
Estimated average annual increase in gross margin in %-points 2025-2029	1.3%	2.7%
WACC before tax	11.7%	12.2%
WACC after tax	8.4%	8.8%

### *Sensitivity for changes in key assumptions*

The results of the goodwill impairment tests are impacted by key assumptions outlined above. Change in gross margin of 0.5%-point impacts the results by approximately DKK 75 million. A change in revenue of 2.0%-point impacts the results by approximately DKK 40 million. A change of WACC after tax or terminal period growth of 0.5%-point impacts the result by approximately DKK 70 million.

## 10. Pension obligations

H+H has defined-benefit pension plans in the UK, Switzerland, and Germany. The UK and Swiss pension plans are managed by a pension fund to which payments are made, whereas the German pension plan is funded from current earnings. H+H's pension obligations predominantly relate to the plans in the UK.

For interim periods, H+H's defined-benefit pension obligations are based on valuations from external actuaries carried out at the end of prior financial year considering any subsequent movements in the obligation due to pension costs, contributions etc. up until the reporting date. Actuarial calculations are updated or extrapolated quarterly.

The net pension obligation on 30 June 2025 amounts to DKK 17 million, compared to DKK 21 million on 31 December 2024. The decrease is driven by payments, interest, value adjustment and currency adjustment.

## 11. Financial resources and cash flow

On 30 June 2025, net interest-bearing debt, totalled DKK 837 million corresponding to an increase of DKK 155 million since the beginning of the year. The increase is primarily driven by a negative working capital development.

H+H's financing is subject to usual financial covenants, which have been fulfilled in the first six months of 2025 and are also expected to be fulfilled for the full year 2025.

## 12. Share-based payment

The performance-share-units schemes for 2023 and 2024 are active and presented in the 2024 Annual Report.

In April 2025, the Board of Directors of H+H International A/S implemented a new long-term incentive programme ("LTIP") being a performance share unit ("PSU") program. At initiation, a total of approximately 114,600 PSUs were granted to the participants, including 30,400 PSUs to CEO Jörg Brinkmann and 12,350 PSUs to CFO Bjarne Pedersen. Based on the average share price for H+H shares trading on the Nasdaq Copenhagen stock exchange during the first ten business days after the release of the 2024 Annual Report on 4 March 2025, the theoretical value per PSU is DKK 111.32, corresponding to a total theoretical value of DKK 12.8 million if all 114,600 PSU's were to vest. The vesting period for the PSUs is approximately three years, with vesting being in 2028 when the audited annual report for 2027 is published.

## 13. Tax

Amounts in DKK million	Q2 2025	Q2 2024	H1 2025	H1 2024
Current tax	(21)	(5)	(35)	(9)
Movement in deferred tax	4	15	6	56
Tax	(17)	10	(29)	47

## 14. Related parties

Related parties of H+H with significant influence include the Board of Directors and the Executive Board of the Company and their close family members. Related parties also include companies in which the aforementioned persons have control or significant interests.

### Transactions with related parties

H+H did not enter into any significant transactions with members of the Board of Directors or with members of the Executive Board, except for compensation and benefits received as a result of their membership of either the Board of Directors, employment with H+H or shareholdings in H+H.

## 15. Share capital

There have been no movements in the share capital in the last five years except for the changes stated in Note 19 "Share capital and treasury shares" of the 2024 Annual Report.

## 16. Events after the balance sheet date

No events have occurred after the balance sheet date that will have a material effect on H+H Groups financial position.