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**Carl Hansen & Son's international growth continues:
Posts record financial statements for the tenth successive year**



Knud Erik Hansen, CEO of Carl Hansen & Son, is heading the expansion abroad and the ever-increasing growth of the Danish family-owned business.

In posting its financial statements for 2019, Carl Hansen & Son Holding A/S can celebrate a decade of growth and progress. With historically high revenue of DKK 673 million and a doubling in profits, the Danish furniture manufacturer continues its rapid development. Carl Hansen & Son's flagship stores in particular have enjoyed growth, with revenues increasing in all markets.



In just 10 years, the Danish furniture manufacturer Carl Hansen & Son has more than quintupled its revenue. This is clear from the company's financial statements for 2019, which Carl Hansen & Son presented on May 4 with the highest top line in the company's 112-year history. Revenue for 2019 totaled DKK 673 million, which represents growth of 7% relative to 2018, while the company posted a profit of DKK 36.6 million for the year.

"2019 has been a historically good year for Carl Hansen & Son. We're not just posting record revenue for the tenth successive year – we're also posting the biggest ever profit. It goes to show that there is still a growing demand and interest in our world-class Danish designer furniture and craftsmanship, but also that our company is well structured. I'm very proud that we're managing to grow at a time when competition is very intense," says Knud Erik Hansen, CEO, and the third generation to be at the helm of Carl Hansen & Son.

For more than 100 years, Carl Hansen & Son has specialized in creating and marketing Danish-produced furniture of the highest caliber to customers worldwide. International interest in its Danish design classics, such as Hans J. Wegner's and Børge Mogensen's timeless quality furniture, has been growing steadily across the markets. Asia in particular has seen significant growth in 2019 of 62% (excluding Japan). At the same time, Denmark – a mature market – grew by 12%, while key export markets such as Japan, Italy, Germany and Norway also posted double-digit growth rates in 2019.

"The order books have been very full in recent years, and we've been close to exporting three quarters of all the furniture that we've sold. Growth in Asia in particular was phenomenal, with Japan, for example, growing by 16%. In fact, we only need to look to our southern neighbor Germany to see the growing demand. Here, growth was an impressive 68%. However, it is not only abroad that our products are popular: In Denmark, we continue to see solid growth, which also resulted in the company taking on a number of new employees in 2019," says Knud Erik Hansen.

All go at the flagship stores

There is one area in particular where business has taken off in 2019: at the Carl Hansen & Son flagship stores. Here, the Danish furniture manufacturer has seen revenue growth in all markets, and the stores are close to accounting for almost 10% of total revenue.

"There's a huge interest in our stores, and the fact that consumers can see the furniture with their own eyes and hear all about the design, the materials and how the furniture comes into being adds considerable value. In our experience, opening a flagship store rubs off on all the retailers selling Carl Hansen & Son. In 2018, we opened four new stores – in London, San Francisco, Stockholm and Osaka – and they have really been taking off in 2019," says Knud Erik Hansen.

He can now reveal that Carl Hansen & Son plans to expand with several new stores in 2020, including in Paris.

Development in 2019: Customers demanding high quality

In 2019, it was once again the Danish furniture designer Hans J. Wegner's world-famous CH24 chair – the Wishbone Chair – which was the big seller of the year. Among other things because Carl Hansen & Son launched the so-called 'CH24 Soft' collection, which attracted a lot of customer attention.

However, the Wishbone Chair was far from being the only product driving growth and demand. In all markets, other classics were warmly welcomed, while sales of new products contributed significantly to the year's growth. In 2019, Carl Hansen & Son launched, for example, Børge Mogensen's Huntsman Chair as well as his Contour Chair, and there has been strong demand internationally for



both products. Similarly, the Embrace series – which is the result of a collaboration between Carl Hansen & Son and the acclaimed Austrian design trio EOOS – received a lot of attention in the past year.

All Carl Hansen & Son's furniture is characterized by being produced to a very high quality, which ensures a long life time – something that customers are demanding to an increasing extent:

“In recent years, we have really noticed how consumers all over the world want sustainable products and designs that will last for generations. I'm convinced that the ‘use and throw away’ culture is on the wane, and that this trend will only gather momentum in the coming years. This all ties in well with our Danish design and production tradition and the materials we use.”

Turbulent times ahead

While the first quarter of 2020 was historically good for Carl Hansen & Son, the Danish furniture maker, like most other businesses worldwide, is now in the midst of the global corona pandemic. At this stage, it is too early to say how the crisis will impact Carl Hansen & Son exactly, but Knud Erik Hansen is optimistic:

“Carl Hansen & Son is fortunately well-equipped for this situation. For several years, we have been optimizing and investing heavily in the business, and during the first few months of 2020 we saw historically strong sales. Furthermore, the impressive result from 2019 provides us with a solid foundation which will help us through the year,” he says, adding:

“Of course, we are not immune to a crisis like this, and the size of the impact will obviously depend on whether the crisis continues for one month or five. However, I'm sure that we will emerge at the end of it in good shape.”

High expectations for the future

Carl Hansen & Son expects to see continued growth in all markets in the coming years. Specifically, the long-term objective is revenue of DKK 1 billion.

“I have high expectations for 2020, both in Denmark and in our international markets. If we look ahead, I remain optimistic, in spite of the corona crisis. Production is running and the order books are still full,” says Knud Erik Hansen, and continues:

“I'm convinced that the record demand we saw at the beginning of the year indicates that our business is healthy in the long run, and I believe there will continue to be a keen appetite for unique Danish design classics. Therefore, I'm also expecting us to grow again in 2020.”

FACT BOX

New products 2019

In order to constantly build the range of classic models as well as offering new products from younger designers, in 2019 Carl Hansen & Son launched the majority of Børge Mogensen's beautiful and unique Deck Chair series as well as the Contour Chair, and the Hunting Table with the Huntsman Chair. In addition, we launched Hans J. Wegner's CH 30 dining chair and the Coupé Sofa designed by Frits Henningsen. Finally, several variants were added to the Embrace series, which is designed by the acclaimed Austrian design trio EOOS. Embrace furniture has been well received in Scandinavia, and also in particular in the UK and the USA.

In the future, Carl Hansen & Son will introduce a number of pieces of furniture from its large collection of designs from the golden age of Danish design as well as models produced from drawings by a



number of Denmark's upcoming star architects.

CH24 (Wishbone Chair)

Hans J. Wegner designed the Wishbone Chair for Carl Hansen & Son in 1949. The chair has been produced continuously since 1950. The Wishbone Chair is a classic, elegant, and light sculptural dining chair, which is also perfect for sitting back and relaxing in. Using steam, the backrest is gently bent into shape to provide freedom of movement and superior comfort for the sitter. In terms of its craftsmanship, the chair is a minor masterpiece. It goes through more than 100 production steps involving traditional furniture-making skills, and the seat is woven by hand using 120 meters of paper cord, which can last for up to 50 years.

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