2024

Annual Report

Aktieselskabet Schouw & Co.
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Contents

Management's report

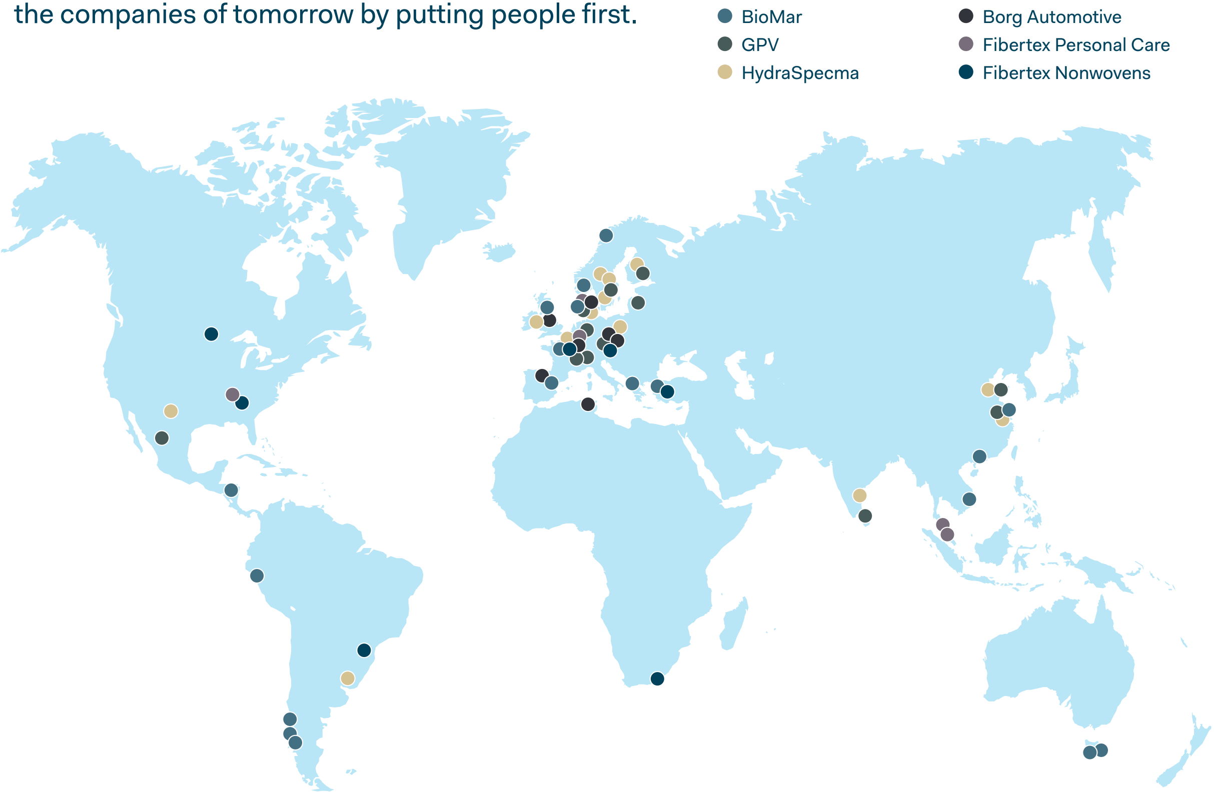
Sustainability statement

Financial statements

At a glance

Schouw & Co. is a responsible long-term owner enabling growth through transformation. We build the companies of tomorrow by putting people first.

A portfolio of six leading industrial B2B companies with secular growth outlook operating a total of 75 factories and having a presence in more than 35 countries.



Financial highlights

Revenue

34.7

DKK billion

10-year compounded annual growth rate of 11.4%

EBITDA

2.9

DKK billion

10 year compounded annual growth rate of 11.0%

Free cash flow

1.9

DKK billion

Cash flow from operations higher than investments

ROIC

13.0%

excluding goodwill

Increasing the return on invested capital

ESG highlights

Scope 1+2 CO_2e emissions

205k

tonnes

Year-on-year reduction and progress towards 2030 target

Lost time injury frequency

4.8

per million hours

Stable and low level of injuries per million working hours

Legacy highlights

Long history

147

years

Victor Schouw founded the company in 1878

Average holding period

20

years

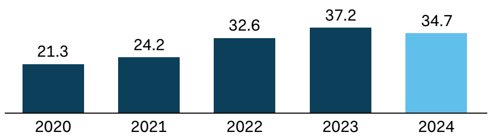
Long-term owner with transformational mindset

Management's report

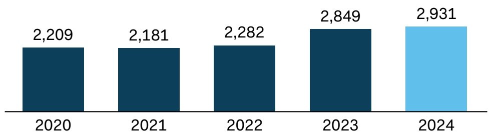
Financial highlights and key ratios

Group summary (DKKm)	2024	2023	2022	2021	2020
REVENUE AND INCOME					
Revenue	34,666	37,210	32,637	24,219	21,273
Operating profit before depreciation/amortisation (EBITDA)	2,931	2,849	2,282	2,181	2,209
Depreciation, amortisation and impairment losses	1,104	1,121	994	858	833
EBIT	1,827	1,727	1,288	1,323	1,376
Profit/loss after tax in associates and joint ventures	36	8	130	46	-36
Net financial items	-450	-369	-114	-51	-133
Profit before tax	1,413	1,367	1,304	1,322	1,209
Profit for the year	989	991	993	1,033	909
CASH FLOWS					
Cash flow from operating activities	2,553	1,777	319	517	2,296
Cash flow from investing activities	-623	-1,521	-1,499	-924	-533
Of which investment in property, plant and equipment	-652	-819	-1,068	-751	-454
Free cash flow	1,931	256	-1,181	-407	1,762
INVESTED CAPITAL AND FINANCING					
Invested capital (excluding goodwill)	15,231	15,648	14,952	11,165	9,421
Total assets	28,123	27,896	28,445	21,488	17,994
Working capital	6,774	7,225	6,969	4,566	3,107
Net interest-bearing debt (NIBD)	5,376	6,339	5,790	2,773	1,936
Share of equity attributable to shareholders of Schouw & Co.	11,279	10,656	10,348	10,252	9,606
Non-controlling interests	954	900	889	397	0
Total equity	12,233	11,556	11,237	10,649	9,605
FINANCIAL DATA					
EBITDA margin (%)	8.5	7.7	7.0	9.0	10.4
EBIT margin (%)	5.3	4.6	3.9	5.5	6.5
EBT margin (%)	4.1	3.7	4.0	5.5	5.7
Equity ratio (%)	43.5	41.4	39.5	49.6	53.4
ROIC excluding goodwill (%)	13.0	12.8	11.2	13.9	15.3
ROIC including goodwill (%)	10.9	10.7	9.3	11.2	12.3
NIBD/EBITDA ratio	1.8	2.2	2.4	1.3	0.9
Average no. of employees	14,899	15,488	12,278	10,210	9,393
PER SHARE DATA					
Earnings per share (of DKK 10)	40.88	39.78	40.59	42.02	38.04
Diluted earnings per share (of DKK 10)	40.82	39.76	40.58	41.85	38.00
Dividends per share (of DKK 10)	16.00	16.00	15.00	15.00	14.00
Share price, end of period (per share DKK 10)	538.00	553.00	524.00	569.00	616.00
Market capitalisation, end of period	12,390	12,975	12,271	13,638	14,771
SUSTAINABILITY DATA					
GHG emissions Scope 1 + 2 market based (CO_2e)	204,571	215,762	222,477	255,392	259,852
Lost Time Injury Frequency Rate (incidents per mio. working hours)	4.8	4.4	4.7	6.4	6.6

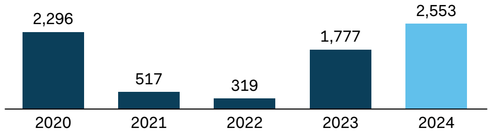
Revenue
DKKbn



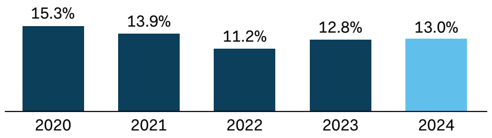
EBITDA
DKKm



Cash flow from operating activities
DKKm



Return on invested capital
ROIC excluding goodwill



A word from the CEO

A resilient business model

2024 was a good and satisfactory year for Schouw & Co. with the conglomerate once again showing its strengths and proving its value. Operating profit (EBITDA) reached an all-time high of more than DKK 2.9 billion, and the cash flow from operations also hit a record high of DKK 2.6 billion. Despite a challenging global environment with escalating geopolitical tensions, the global reach of Schouw & Co. with presence in more than 35 countries across different industries offsets the risks and underpins the strength of our platform. 2025 will be an eventful year focused on generating value for our shareholders.

We are constantly working with our portfolio of strong businesses and have always applied a 'best ownership' philosophy.

Jens Bjerg Sørensen, President & CEO

Value-creating diversification
Uncertainty and geopolitical turmoil affected our business agenda again in 2024. Given the global developments and the competitive environment, Schouw & Co. was very pleased to be able to deliver on two of our main priorities: operational profit and cash flow. Both EBITDA and cash flow from operations were the highest in the 147-year history of Schouw & Co.

The solid results are attributable to a conglomerate business model that has proven to be both value-creating and risk-mitigating. Our margins are resilient, and our geographical and industrial diversification with respect to suppliers, customers and markets puts the company in a strong position. Our businesses have a long tradition of integration and partnerships, and we continue to invest in long-term relations across the value chain. Schouw & Co. operates based on a value-based philosophy giving our management teams and employees full operational responsibility for the day-to-day business, and we truly believe that results are created by people.

Focus on shareholder value
In late 2024, Schouw & Co. announced that we are investigating whether a potential separate listing of our largest portfolio company, BioMar, would be value-creating for our existing shareholders. BioMar is the world's third-largest player in the attractive, high-value aquaculture feed market, and aquaculture seafood is the most sustainable animal protein source and the fastest growing sector within farmed animals. Schouw & Co. has been a shareholder in BioMar since 2005, and to date, the company has delivered an impressive cumulative average growth rate of more than 10% in both revenue and operating profit.

At Schouw & Co., we are committed to active and responsible long-term ownership, and we continue to see great potential in the development of BioMar. This is also why we intend to remain the majority shareholder of BioMar after a potential separate listing, as this would provide the right platform for BioMar to continue its growth trajectory and at the same time offer investors the opportunity to invest directly in a leading pure-play aquaculture specialist operating in a growing market driven by megatrends.

We are working diligently to understand the consequences and value potential of a separate listing, but there can be no assurance as to whether and when a separate listing of BioMar will take place. If we are confident that a separate listing will create value for the existing shareholders of Schouw & Co., the listing will be completed no earlier than in the second half of 2025.

2025 expected to be eventful
Enabling long-term and responsible transformations is at the heart of our purpose. We are constantly working with our portfolio of strong businesses and have always applied a 'best ownership' philosophy.

We expect to continue to generate solid profits and cash flows in 2025. Our businesses are all well invested, but we continue to monitor opportunities and strategic moves. Schouw & Co. has shown itself as a steady force amid uncertainty and turbulence. We will unwaveringly focus on global opportunities and leverage the attractive risk profile made possible by our diversification model.

Jens Bjerg Sørensen
President & CEO of Schouw & Co.

About Schouw & Co.

Schouw & Co. is a listed conglomerate of leading industrial businesses. We are active owners focused on long-term investments and on enabling growth through transformation.

Our approach to ownership
At Schouw & Co., we own leading industrial businesses with an international mindset. We develop our portfolio businesses through active ownership and enable the transformation of the businesses of tomorrow.

We believe in long-term value creation through active and responsible ownership, and the ability to adapt to changing business environments has been the driving force behind our continued growth and development for more than 140 years. As owners, we ensure relevance and continuous transformation through operational streamlining, strategic capacity expansion and bolt-on acquisitions to the existing portfolio. Furthermore, we make new platform investments to generate an attractive return. We are long-term owners operating according to a 'best owner' philosophy, which means that we own and develop the companies for as long as we believe we are the best owners.

Results are created by people
Our mantra, "results are created by people", has been a part of our foundation for years, and we credit our success to the strong dedication and adaptability of the management teams and employees across our portfolio businesses. We have more than 14,000 skilled employees across more than 35 countries and six continents working in leading industrial businesses in the business-to-business segment.

At our headquarters in Aarhus, Denmark, our lean team consists of around 20 specialists dedicated to providing valuable support to our portfolio businesses. Our main objective is to compose, lead and allocate capital in the portfolio. Furthermore, we handle management support, treasury, financial reporting, sustainability, M&A, legal and tax.

Since the foundation in 1878, Schouw & Co. has evolved from a focused packaging company into a diversified conglomerate making strategic investments in Danish-headquartered industrial businesses with growth potential and an international mindset.

Schouw & Co. has been listed on the Copenhagen Stock Exchange since 1954.

Driving long-term value creation

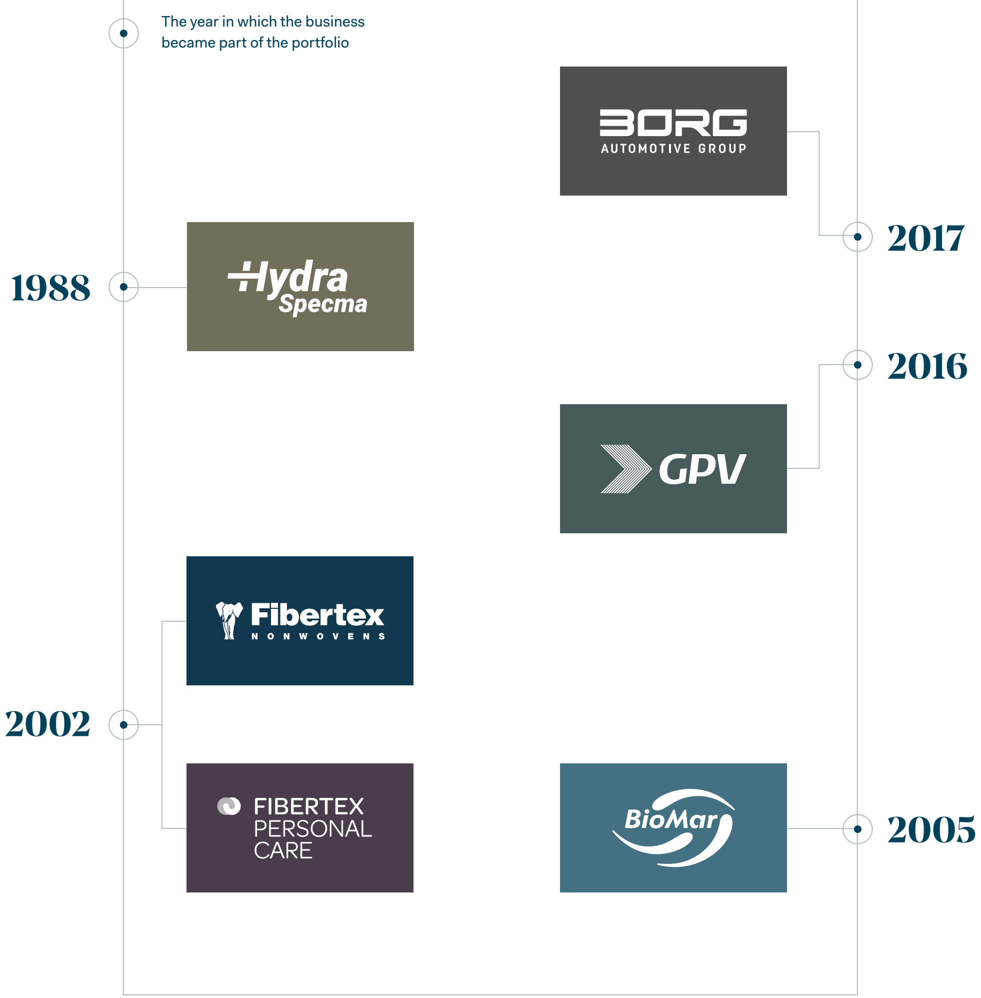
Our ownership

Schouw & Co. is a responsible long-term owner.
We build the businesses of tomorrow by putting people first.

Enabling transformation
Our diversification strategy was launched in 1988, and since then, we have built a diversified portfolio of market-leading industrial businesses, guided by putting people first. Our approach to ownership is centred around creating value in a proper and trustworthy manner, and the key to sustained success lies in being a relevant and meaningful owner, continually setting the direction for and developing our businesses. We empower our strong management teams, who hold full operational responsibility and are instrumental in executing the strategies that drive long-term value creation.

Investment strategy
Our investment strategy is multi-faceted, but the core is centred around generating the best possible return in a responsible manner. The diversified conglomerate strategy enables us to navigate various industries while maintaining a common direction, thus ensuring that our shareholders gain exposure to unique businesses and investment opportunities.

Today, Schouw & Co. proudly owns six robust and global businesses within the business-to-business segment, each of which is well-positioned with a solid strategic foundation and the potential for sustained profitable and responsible growth. We operate according to a 'best owner' philosophy, meaning that we take active part in the development of our portfolio businesses and influence industries and industry consolidation. Guided by our principle, we continuously make attractive investments in transformation and development, and we are committed to building the businesses of tomorrow.[1]



1) Pursuant to ESRS 2 disclosure requirement SBM-1

Portfolio business ownership

Guiding principles

Our active ownership of the portfolio businesses builds on four core principles that represent what we expect of the businesses.

The principles lay the foundation for the strategic and ambitious targets set for each portfolio business and reflect what it means to be owned by Schouw & Co.

Future-proofing

Future-proofing business operations is crucial to ensuring long-term value creation and competitiveness, and we expect that our portfolio businesses retain robust and resilient positions by investing in innovation and organisational development, adapting to change and anticipating risks.

Streamlining

Our portfolio businesses must employ an industrial mindset, and we expect process optimisation, efficiency, planning and cost consciousness as well as operational and commercial excellence. We own volume-driven businesses where every cent counts.

Aligning

The management teams hold the keys, but as owners, Schouw & Co. has the ultimate responsibility, and the cooperation, trust and openness of the portfolio businesses are essential to ensuring their continued success within the Schouw & Co. ownership and governance model.

Executing

To ensure long-term value creation for our shareholders, we push the portfolio businesses to deliver results and growth. We require them to drive asset performance, create innovative products and produce responsibly. We measure their progress and expect them to deliver.

How we do business

Schouw & Co. creates value in a transparent, proper and trustworthy manner by remaining an active and relevant owner developing and enabling transformation in our portfolio businesses. Our approach enables continuous attractive investments and bold moves.

We maintain the responsibility for setting ambitious and demanding targets, and we assert a common direction for financial and responsible development within the portfolio businesses while ensuring that the businesses maintain all operational responsibilities.

COMPOSING
A DIVERSIFIED PORTFOLIO

Since 1988, the cornerstone of our value creation has been to own and develop a portfolio of businesses in different industries, thereby ensuring risk diversification. The diverse portfolio allows Schouw & Co. to ensure stability and resilience while reducing dependence on any single business in fluctuating economic and market conditions.

SECURING
FINANCIAL VERSATILITY

At Schouw & Co., it is fundamental to always have the financial resources to pursue opportunities when they arise. This mindset requires that we maintain financial freedom to operate and ensure the most effective investment decisions.

ENSURING
EFFICIENT CAPITAL ALLOCATION

Schouw & Co. makes capital resources available to the portfolio businesses, and we aim to ensure that capital is directed towards the areas with the highest potential for long-term value creation. The portfolio businesses have to make optimal use of the capital allocated and utilise all assets.

OPERATING
RESPONSIBLE BUSINESSES

Schouw & Co. is a responsible long-term owner, and we expect our portfolio businesses to act in an equally responsible manner. We require them to produce efficiently in terms of resource consumption and climate impact and to ensure that all employees can go to work and return home safely. We ensure strong governance and compliance and allocate resources for the development of sustainable solutions[1].

PRACTISING
ACTIVE OWNERSHIP

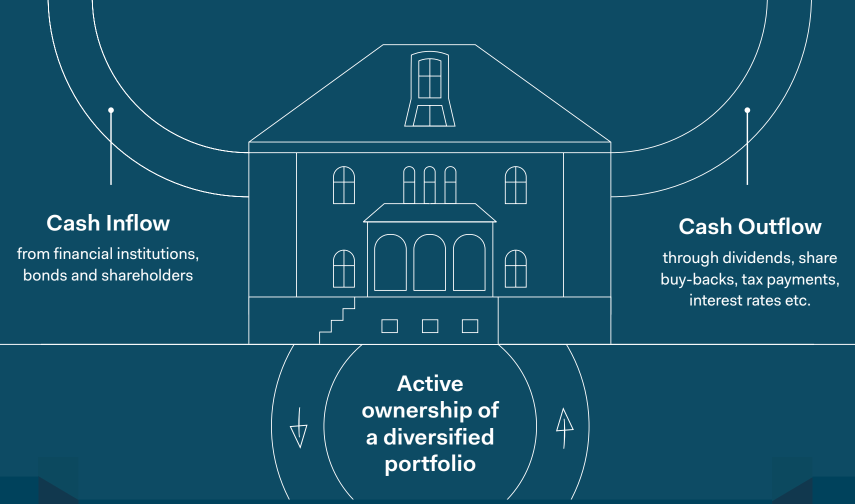
Schouw & Co. practices active ownership of its portfolio businesses by providing the framework, inspiration and guidance to evolve and transform. We back our management teams in exercising their full operational responsibility and at the same time expect them to deliver the best possible results. Our active ownership is multifaceted and exercised through the Board of Directors and the management teams, as well as general business support in areas such as treasury, sustainability and M&A.

1) Pursuant to ESRS 2 disclosure requirement SBM-1

Schouw & Co.

Value chain

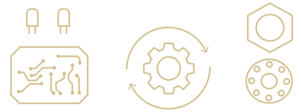
Pursuant to ESRS 2 SBM-1



INPUT

MAIN RAW MATERIALS

- Marine raw materials (such as fish meal and fish oil)
- Vegetable raw materials (such as soy products and plant oils)
- Polymers, fibres and nonwovens (such as polypropylene, PET, viscose and cotton)

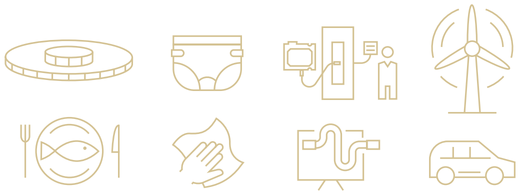


COMPONENTS, METALS AND OTHER MATERIALS

- Electronics and electrical components, mechanical components, defective automotive spare parts, metals, cables, hoses, tubes, cases etc.

PROCESSING

OUTPUT



PRODUCTS

- Feed for fish and shrimp used in aquaculture
- Rolls of nonwovens used in different end-products e.g. diapers, wipes, filtration, cars etc.
- Electronic components and box-builds that are used in industrials, building tech, transportation etc.
- Hydraulic and electrical systems used in construction, renewables and mobile equipment
- Remanufactured as well as newly manufactured automotive parts

Why invest in Schouw & Co.?

You get long-term stability and value creation

Schouw & Co. has more than 140 years of experience as an active owner creating long-term value in a proper and trustworthy manner.

Schouw & Co. takes active part in the development and transformation of the portfolio businesses and influences industries and industry consolidation. This involves making continuous attractive investments and bold moves with the commitment to building the businesses of tomorrow.

You gain strong risk diversification

Schouw & Co. owns a diversified portfolio spanning six businesses within the business-to-business segment focused on production and commerce. The businesses are run independently within their focused segment, and the operational responsibility always lies with the management teams of each individual business.

The diversified portfolio allows Schouw & Co. to maintain strong risk diversification, thereby ensuring stability and resilience while reducing dependence on any single business.

You tap into strategic expansions and investments

Schouw & Co. has a centralised financing structure and allocates capital to high-potential areas within its portfolio businesses, allowing for strategic capacity expansions, bolt-on acquisitions or expansion into new markets or market segments.

Furthermore, Schouw & Co. may also make platform investments in new industrial businesses with the potential to evolve and transform. At Schouw & Co., the optimal portfolio consists of 5-7 individual businesses, to secure a sufficient span of control.

You engage with a meaningful owner

At Schouw & Co., it is fundamental that business is conducted in a proper, trustworthy and transparent manner. This is essential for maintaining solid relationships with stakeholders and upholding our commitment to shareholders.

Given our long-term ownership approach focused on being a relevant owner enabling transformation, Schouw & Co. is committed to financial and sustainable development, ensuring the licence to operate through continuous adaptation.

Our history

1878-1987

A packaging business

For more than a century, Schouw & Co. was a focused packaging company. The story began in 1878 when Victor Schouw started making paper bags, and from the 1960s, the company's main focus changed to producing beverage packaging. In 1988, 50% of the shares in the packaging business, named Schouw Packing were sold to the Norwegian-based company Elopak for a price of DKK 50 million.

2000-2005

A bigger and stronger Schouw & Co.

When Jens Bjerg Sørensen took over as CEO of Schouw & Co. in 2000, the company launched the 'A bigger and stronger Schouw & Co.' strategy. The goal was to increase the number of portfolio companies and for Schouw & Co. to grow sufficiently to attract the necessary attention.

The strategy included the acquisition of among others, Fibertex in 2002 and BioMar in 2005, which at the time was the largest single investment in Schouw & Co.'s history.

1988-2000

Building the conglomerate

The proceeds from the sale of stake in Schouw Packing paved the way for Schouw & Co.'s fundamental change of strategy from having a single focused business area to building a diversified industrial conglomerate, a process that began with the acquisition of P. Grene in 1988. In 1989, Schouw & Co. acquired a shareholding in the industrial bakery Schulstad and gradually increased its ownership interest over the course of the following years.

In 1994, Schouw & Co. acquired a stake in Micon, which paved the way for a majority ownership. Through mergers, Micon first became NEG Micon and later a part of Vestas Wind Systems.

Through this engagement, Schouw & Co. has played a key role in developing the Danish wind turbine industry.

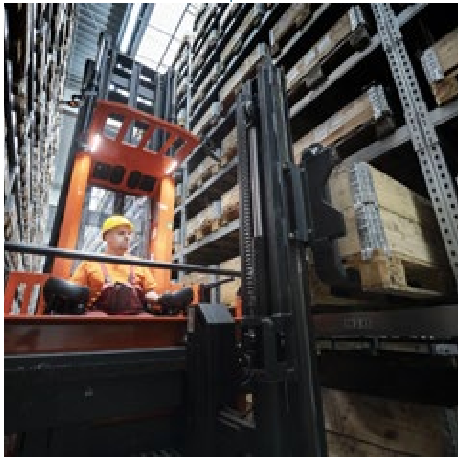
2005-2015

Developing the portfolio through active ownership

Through the acquisition of BioMar, the Schouw & Co. portfolio gained a satisfactory size. The strategy then shifted from building a larger portfolio to transforming and developing the companies in the portfolio.

This change of direction made Schouw & Co. a focused conglomerate, for which appropriate business divestments also became a reality, such as the sale of the remaining packaging operations.

At this point, Schouw & Co. laid the foundation for developing and growing its businesses through active ownership, for example through the demerger of Fibertex into Fibertex Personal Care and Fibertex Nonwovens, by making several bolt-on acquisitions and through the combination of Grene and Kramp.



2015-TODAY

Expansion and transformation

In 2016, a new electronics leg was established with the acquisition of the EMS business GPV. Later that year, Schouw & Co. sold its minority shareholding in Kramp to increase focus on active ownership.

Another platform investment was made in 2017 when Schouw & Co. acquired Borg Automotive, a company specialising in remanufacturing of auto parts.

Since becoming a diversified conglomerate, a key objective for Schouw & Co. has been to develop and transform its portfolio companies through active ownership. As the portfolio businesses have grown stronger through key acquisitions, strategic investments and capacity expansions, Schouw & Co. has gradually evolved into an increasingly international business. Recent examples are bolt-on acquisitions for Borg Automotive, GPV's acquisition of peer competitors CCS and Enics, and strategic technology and AI acquisitions for BioMar.

Growing larger and larger over the years, Schouw & Co. now has more than 14,000 employees worldwide. However, the key focus remains on being a relevant active owner acting in a responsible manner.

Our businesses

BioMar

One of the world's largest manufacturers of quality feed for the fish and shrimp farming industries. The core business areas are feed for salmon and trout as well as sea bass, sea bream and shrimp.

WHOLLY OWNED

- Schouw & Co.'s biggest company
- Economic fluctuations have only a limited effect on fish and shrimp farming
- Aquaculture makes for more sustainable food production

GPV

One of Europe's leading EMS businesses. Manufacturer of electronics, mechanics, cable harnessing and mechatronics. Serves leading global customers in various segments.

80%-OWNED

- Electronics increasingly being integrated in industrial products
- Strong growth through significant acquisitions
- Substantial global presence in Asia, Europe and North America

HydraSpecma

Market-leading specialist within hydraulic solutions and components. Customer base of major OEM manufacturers and the aftermarket.

WHOLLY OWNED

- Under Schouw & Co. ownership since 1988
- Solutions that combine hydraulics and electrification
- Major supplier to the global wind turbine industry

Borg Automotive

Europe's largest independent automotive remanufacturing company. Sells to distributors and OE customers for almost all car makes.

WHOLLY OWNED

- Business model based on the circular economy
- A remanufactured product requires 90% fewer raw materials than a new product
- Products for cars powered by combustion engines or electric motors

Fibertex Personal Care

One of the world's largest manufacturers of spunmelt nonwovens for the personal care industry. Mainly sells products for baby diapers, sanitary towels and incontinence products.

WHOLLY OWNED

- Not very sensitive to economic fluctuations
- Long-term growth in Asia driven by growing middle class
- Most innovative supplier in the industry

Fibertex Nonwovens

A leading global manufacturer of special-purpose nonwovens. Sells products for a wide range of applications, including for cars, the construction industry and filtration solutions.

WHOLLY OWNED

- Special-purpose materials with innovative applications
- Launching products based on organic cotton
- Capacity ramp-up for new applications

Management's report

Generating strong results while adapting to change

In a turbulent environment, Schouw & Co. achieved all-time high EBITDA and cash flow from operations in 2024, despite a decline in revenue driven by a combination of reduced volumes in certain segments and lower prices of some materials. Thanks to a moderate investment level, debt was substantially reduced.

Financial performance

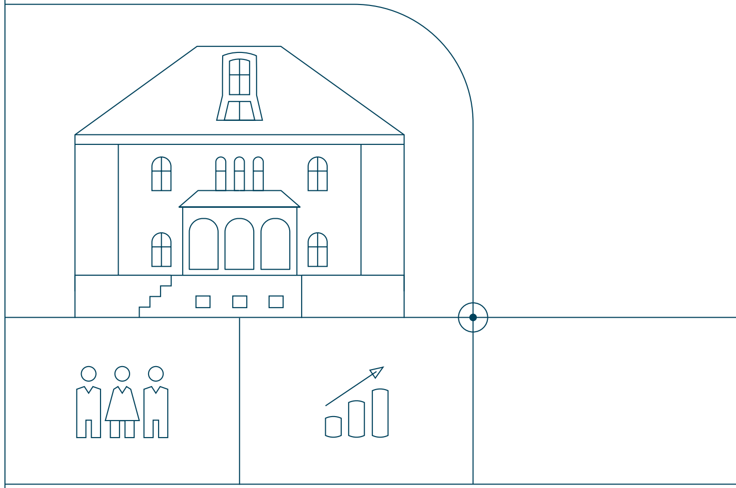
Overall, Schouw & Co. performed well in 2024. Although revenue fell year on year due to a combination of lower volumes in certain business areas and lower prices of a range of raw materials and components, earnings improved and drove a satisfactory performance for the year. While the first half of 2024 saw a substantial year-on-year increase in earnings, earnings for the second half were more moderate compared with the very solid earnings reported for the second half of 2023.

Nevertheless, the overall Q4 performance was quite strong. In particular BioMar, the Group's largest portfolio business, and HydraSpecma and Fibertex Personal Care performed well relative to expectations.

Being present in a broad range of industries across many markets exposes Schouw & Co. to changes in the global economy and major geopolitical tensions, which are causing uncertainty in several international markets of importance to Group sales. On the other hand, the diversification of Schouw & Co. provides stability, enabling the portfolio businesses to act appropriately and with a long-term perspective.

Consolidated revenue for Q4 2024 amounted to DKK 8,547 million, a 3% decline compared with Q4 2023 that was predominantly driven by a combination of reduced activity and lower prices of components and other materials in GPV, while the remaining businesses all reported revenue above or on a par with Q4 2023.

Full-year consolidated revenue amounted to DKK 34,666 million, a 7% decline compared with 2023 that was mainly driven by a combination of reduced volumes and lower prices of materials in GPV and BioMar,



Q4 (DKKm)	2024 Q4	2023 Q4	Change	
Revenue	8,547	8,851	-304	-3.4%
EBITDA	709	763	-54	-7.0%
EBIT	432	444	-11	-2.5%
Income from associates	1	-29	30	n/a
Profit before tax	350	334	16	4.7%
Cash flow from operating activities	888	29	859	n/a

Full year (DKKm)	2024	2023	Change	
Revenue	34,666	37,210	-2,544	-6.8%
EBITDA	2,931	2,849	83	2.9%
EBIT	1,827	1,727	100	5.8%
Income from associates	36	8	27	325.2%
Profit before tax	1,413	1,367	47	3.4%
Cash flow from operating activities	2,553	1,777	776	43.7%
Net interest-bearing debt	5,376	6,339	-962	-15.2%
Working capital	6,774	7,225	-450	-6.2%
ROIC excluding goodwill	13.0%	12.8%	0.3pp	
ROIC including goodwill	10.9%	10.7%	0.2pp	

while the remaining businesses all reported revenue above or on a par with 2023.

Consolidated EBITDA for Q4 2024 was down by 7% year on year to DKK 709 million, mainly caused by GPV and, to lesser extent, BioMar. Fibertex Nonwovens and Borg Automotive both reported lower earnings, while HydraSpecma reported a healthy earnings improvement. Full-year EBITDA was up 3% relative to 2023 to DKK 2,931 million. BioMar was the main contributor to the full-year improvement, but Fibertex Nonwovens, Borg Automotive and HydraSpecma also lifted their earnings, while GPV and Fibertex Personal Care both saw a significant drop in earnings year on year.

Consolidated revenue and EBITDA were thus fully in line with the preliminary guidance for 2024 provided in the company announcement of 29 January 2025.

Associates and joint ventures, which are recognised at a share of profit or loss after tax, contributed a DKK 1 million profit for Q4 2024 against a DKK 29 million loss in Q4 2023. This brought the full-year 2024 share of profit to DKK 36 million, against a DKK 8 million profit in 2023. The share of profit predominantly derived from BioMar's operations with earnings in joint ventures increasing and earnings in associates substantially improving, due in particular to a reduced loss from Chilean fish farming company Salmones Austral.

Consolidated financial items increased from an expense of DKK 369 million in 2023 to an expense of DKK 450 million in 2024, which was slightly better than the most recent expectations. The amount breaks down into net interest expenses of DKK 442 million and a loss of DKK 8 million from negative exchange rate adjustments etc. This brought the consolidated profit before tax for 2024 to DKK 1,413 million against DKK 1,367 million in 2023.

Income tax

The profit before tax for the year resulted in corporate income tax of DKK 424 million against DKK 376 million in 2023. Profit before tax includes a share of profit after tax in associates and joint ventures in 2024 of DKK 36 million against DKK 8 million in 2023. The tax on this share of profit is not included in the tax for the year, for which reason the profit before tax has been adjusted for purposes of the calculation of the effective tax rate. The weighted tax rate for the Group after recognition of local tax rates amounts to 24.6% in 2024 compared to 23.6% in 2023. The increase of 1.0pp (percentage points) in 2024 is related to a larger share of earnings in jurisdictions with higher tax rates.

The difference from the weighted tax rate of 24.6% to the effective tax rate of 30.8% can primarily be explained by unrecognised tax losses for the year counting for 4.8pp, revised valuation of tax assets of 1.1pp, investment grants in GPV Thailand and Fibertex Nonwovens Czechia of -1.8pp and withholding taxes in mainly Ecuador and Thailand of 1.1pp. The remaining difference of 1.0pp is caused by other local tax rules in the countries where the Group is operating.

Schouw & Co. takes a responsible approach to tax, which is specified in the tax policy available on www.schouw.dk/en/cg. The policy applies to all legal entities, that are all required to comply with both national and international tax legislation.

With a presence in more than 35 countries, Schouw & Co. contributes significantly to local communities and national institutions through its tax payments of all types.

Liquidity and capital resources
The operations of Schouw & Co. generated a cash inflow of DKK 2,553 million in 2024, against DKK 1,777 million in 2023. The highly satisfactory improvement was predominantly attributable to BioMar and, to a lesser extent, HydraSpecma.

A total of DKK 623 million was spent on investing activities in 2024, against DKK 1,521 million in 2023. The modest investments were spread across all portfolio businesses and were mainly made for production facility maintenance purposes, while the 2023 investment spend was affected by HydraSpecma's acquisition of Ymer Technology's wind division and the final settlement of Borg Automotive's acquisition of trading company SBS Automotive.

The Group's overall working capital was reduced from DKK 7,225 million at 31 December 2023 to DKK 6,774 million at 31 December 2024. The reduction was mainly attributable to BioMar, and to a lesser extent to HydraSpecma. On the other hand, Borg Automotive and Fibertex Nonwovens both increased their working capital.

The net interest-bearing debt was reduced by DKK 962 million during the year to stand at DKK 5,376 million at 31 December 2024. Thanks to the reduced debt and the earnings improvement, the financial gearing ratio (NIBD/EBITDA) improved from 2.2 to 1.8 year on year.

During 2024, Schouw & Co. improved its funding base through a successful bond issue in the Norwegian market totalling an amount of NOK 1,800 million (DKK 1,161 million) maturing in June 2029.

Group developments
During the past couple of years, the portfolio businesses have worked intensively to align their operations to a world of ever more volatile market conditions. Being able to react quickly to changed conditions requires significant adaptability and commitment. The Group's industrial and geographic diversification makes this a complex task, but at the same time, it spreads risk and leads to opportunities.

Thanks to the Group's financial strength, the portfolio businesses have been able to build solid positions with access to production capacity and supplies. Overall, the portfolio businesses appear to be at least maintaining their market shares, but some of their customers are experiencing sluggish demand, especially in the industrial area.

The following is a brief review of individual business performances in 2024:

BioMar reported volume sales down 5% on the year before, and in combination with lower prices of a number of raw materials, this caused revenue to decrease by 7% year on year. EBITDA, on the other hand, was record high, showing an 18% improvement on the year before which was well beyond the most recent guidance range. The Salmon segment in particular performed well.

GPV reported revenue down 15% on the year before, which was largely expected due to continued soft demand from customers, partially driven by the market re-balancing attributable to the adjustment of inventories following the normalisation of the materials supply situation. The lower level of activity also impacted EBITDA, which fell by 16% compared to 2023, hitting the middle of the most recent guidance range.

HydraSpecma reported 2% revenue growth relative to the year before, with variations across divisions. A high level of activity in the Renewables Division and healthy sales of Power Systems to customers in the Global OEM Division compensated for subdued activity in other segments. Further, efficiency in logistics and automation drove EBITDA up 5% year on year to the very top of the most recent guidance range.

Borg Automotive reported a 5% revenue improvement year on year despite continued soft demand in the Reman segment and persistently fierce competition in the Newman segment. EBITDA increased by 11% compared to 2023, but fierce competition combined with increased production costs in Reman brought full-year EBITDA to the lower end of the most recent guidance range.

Fibertex Personal Care generated revenue on a par with 2023. However, full-year EBITDA dropped substantially, mainly driven by lower margins in the Asian market because of strong competition in the region, but also by one-off costs related to operational changes in Malaysia. Nevertheless, a strong performance in both Europe and the USA caused EBITDA to grow in Q4 2024 and to outperform the most recent guidance.

Fibertex Nonwovens reported revenue up 4% year on year, in line with expectations. The US operations in Greenville remained a drag on earnings due to a still outstanding full phase-in of the new production capacity, coupled with a persistent imbalance between costs and selling prices. Full-year EBITDA was up by 15% year on year, which was nevertheless just below the most recent guidance.

Events after the balance sheet date
Other than set out elsewhere in this annual report, Schouw & Co. is not aware of any events occurring after 31 December 2024 which are expected to have a material impact on the Group's financial position or outlook.

Dividend

The Board of Directors recommends to the Annual General Meeting that the dividend for 2024 be maintained at DKK 16 per share, an amount equal to 3.0% of the market capitalisation at 31 December 2024. As a result, total dividend payments will amount to DKK 400 million, equal to a payout ratio of 42% after tax.

Outlook

Navigating uncertainty with resilience

Changes to the global economy and major geopolitical tensions are causing extreme uncertainty for industry in general. Nevertheless, the diversified platform of Schouw & Co. supports expectations of overall activity on a par with the strong level of 2024 with potential for further earnings growth.

Outlook for 2025
At this early stage of the year, 2025 appears to be characterised by extreme uncertainty more than anything else. The global economy is undergoing drastic change, which in combination with major geopolitical tensions may influence several of the international markets of importance to Schouw & Co. sales.

Unforeseeable changes may appear without warning. Some may also have a significant impact on Schouw & Co., either directly or indirectly through our customers or suppliers. Being present in a broad range of industries across many markets exposes Schouw & Co. to changes. On the other hand, the diversification of Schouw & Co. also spreads operational risk and provides stability.

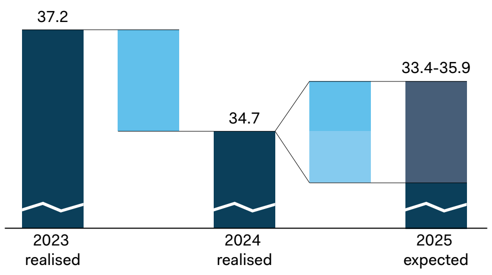
The portfolio businesses have worked intensively to align their operations to a world of ever more volatile market conditions and are consequently able, to a large degree, to adapt to changing conditions. Nevertheless, sudden implementation of tariffs or other changes in international trade may have an immediate effect. These and other sudden changes are unpredictable and are as such not included in the guidance.

The following is a brief review of revenue and EBITDA forecasts for the individual businesses in 2025:

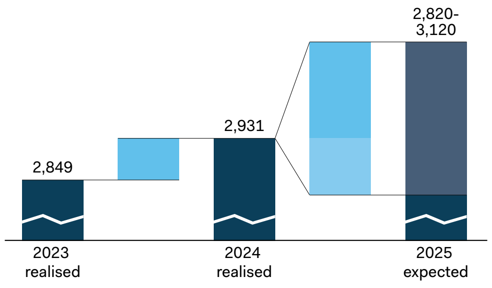
BioMar expects to maintain a high level of business activity and to generate full-year revenue at the same level as in 2024, although varying market conditions and volatile raw materials prices may, as always, affect revenue substantially. EBITDA is expected to continue on a positive growth path year on year, and the share of profit from joint ventures and associates is expected to increase compared with 2024.

GPV is still faced with soft demand and volatile market conditions, in line with the industry in general. Overall activity is expected to be maintained, generating full-year revenue at the same level as in 2024. GPV is currently restructuring its operational footprint, which will entail one-off costs negatively impacting EBITDA in 2025. Taking these one-off costs into account, EBITDA is expected to be in line with the 2024 level.

Revenue
DKKbn



EBITDA
DKKm



HydraSpecma expects to maintain the high level of business activity seen in 2024, despite persistent uncertainty among customers regarding future demand. Full-year revenue is expected to be at the same level as in 2024, while EBITDA is expected to increase year on year.

Borg Automotive is experiencing continued soft demand for Reman products and fierce competition for sales of Newman products. Nevertheless, the level of activity is expected to show some growth in revenue and EBITDA in 2025.

Fibertex Personal Care expects a fair level of activity in Europe but continued tough competition in Asia. While Fibertex Personal Care has temporarily reduced its own production capacity in Malaysia, continued overcapacity in the Asian market impacts revenue and EBITDA guidance for 2025 negatively.

Fibertex Nonwovens expects to grow its revenue in 2025 relative to 2024, supported in part by the ramped-up production capacity in the USA, which enables the company to better accommodate North American customers' demand for materials for wipes. Efforts to strengthen US operations further give rise to expectations of EBITDA growth in 2025.

Schouw & Co.'s overall guidance
Schouw & Co. generates a substantial part of its revenue by converting raw materials or by processing procured components. As a result, changes in prices of materials and foreign exchange rates may have a significant impact on revenue, even though the underlying activity may be unchanged. Similarly, changes in revenue resulting from changes in prices of materials will not necessarily trickle down to earnings.

In a company announcement of 29 January 2025, Schouw & Co. released its preliminary full-year guidance. Since then, the general uncertainty has increased further due to the risk of international trade being affected by tariffs and other changes. This increased uncertainty is closely monitored.

Schouw & Co. still projects full-year 2025 consolidated revenue in the DKK 33.4-35.9 billion range against DKK 34.7 billion in 2024.

Schouw & Co. provides consolidated earnings guidance at EBITDA level based on an aggregation of individual portfolio business forecasts, but actual EBITDA results may deviate from these individual forecasts. Accordingly, the actual guidance is expressed through consolidated EBITDA, which for 2025 is in the range of DKK 2,820-3,120 million against DKK 2,931 million in 2024, which is in line with the preliminary EBITDA range announced on 29 January 2025.

Depreciation and amortisation charges are expected to increase from DKK 1,104 million in 2024 to approximately DKK 1,140 million in 2025, due to investments and acquisitions made. As a result, the Group guides for consolidated 2025 EBIT in the range of DKK 1,680-1,980 million.

Associates and joint ventures, most of which form part of the BioMar business, are expected to contribute a combined share of profit after tax of approximately DKK 80 million in 2025 against DKK 36 million in 2024.

Given the current level of interest rates and the reduced level of debt, consolidated financial items for 2025 are expected to be an expense of approximately DKK 325 million before any effect of changes in foreign exchange rates or other adjustments. In 2024, consolidated net financial items were a total expense of DKK 450 million, including negative exchange rate adjustments etc. of DKK 8 million.

Revenue (DKKm)	**2025 expected**	**2024 actual**	**2023 actual**
BioMar	16,000-17,000	16,616	17,878
GPV	8,700-9,300	8,931	10,450
HydraSpecma	2,900-3,200	3,031	2,972
Borg Automotive	2,100-2,300	1,971	1,876
Fibertex Personal Care	1,400-1,600	1,882	1,891
Fibertex Nonwovens	2,300-2,500	2,247	2,158
Other/eliminations	-	-12	-15
Total revenue	**33,400-35,900**	**34,666**	**37,210**

Earnings (DKKm)	**2025 expected**	**2024 actual**	**2023 actual**
BioMar	1,470-1,570	1,476	1,250
GPV	590-650	625	743
HydraSpecma	340-370	339	323
Borg Automotive	170-200	171	153
Fibertex Personal Care	130-160	187	262
Fibertex Nonwovens	200-230	194	169
Other	-80-60	-60	-52
EBITDA	**2,820-3,120**	**2,931**	**2,849**
PPA depreciation/amortisation	-160	-161	-155
Other depreciation/amortisation	-980	-943	-966
EBIT	**1,680-1,980**	**1,827**	**1,727**
Associates and JVs	80	36	8
Net financial items	-325	-450	-369
Total profit before tax	**1,435-1,735**	**1,413**	**1,367**

Amortisation, depreciation and capex

Continued moderate investing needs

The portfolio businesses are generally well-invested with up-to-date technology and reasonable capacity. Investments made to maintain and enhance equipment and facilities were moderate in 2024 and are expected to remain so in 2025.

(DKKm)	PPA depreciation/ amortisation		Other depreciation/ amortisation and impairment		Total depreciation/ amortisation and impairment	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
BioMar	44	42	336	306	380	347
GPV	40	42	269	271	309	313
HydraSpecma	30	31	110	105	140	136
Borg Automotive	45	44	30	30	75	74
Fibertex Personal Care	1	1	124	120	125	121
Fibertex Nonwovens	0	0	110	110	110	111
Other	0	0	1	1	1	1
Total	**160**	**160**	**980**	**943**	**1,140**	**1,104**

Depreciation
Schouw & Co. generally describes its financial results and guidance at EBITDA level. However, the Group believes in the importance of reporting developments further down the income statement and so also discloses depreciation/amortisation and impairment charges for each portfolio business. Details of depreciation/amortisation for the individual portfolio businesses are shown in the table.

Total PPA-related depreciation and amortisation from the acquisition of businesses increased marginally from DKK 155 million in 2023 to DKK 160 million in 2024 and related to BioMar, GPV, HydraSpecma and Borg Automotive. In 2025, PPA-related depreciation and amortisation is expected to amount to around DKK 160 million.

Other depreciation/amortisation and impairment charges decreased from DKK 966 million in 2023 to DKK 943 million in 2024. The 2024 amount was slightly lower than expected, which was partly due to changes in foreign exchange rates and other adjustments. In 2025, other depreciation/amortisation and impairment charges are expected to amount to about DKK 980 million due to ongoing additions.

Capex
Investing for growth and development is a high priority for Schouw & Co., including in particular for capacity-expanding investments in the portfolio businesses, and for the past many years, the Group has maintained a high level of investing activity in order to ensure it has modern and efficient production facilities. The Group also makes ongoing investments, such as for energy-optimising purposes and for transitioning to more sustainable processes.

2024 was a year of quite moderate investments. As acquisitions were negligible, the DKK 623 million investments made in 2024 were allocated to maintaining and enhancing our equipment and facilities. In 2025, investments are expected to remain moderate but will most likely exceed the 2024 level. The moderate level of investing needs reflects the portfolio businesses generally being well-invested with up-to-date technology and reasonable capacity.

Capacity expansion
Due to the nature of the operations run by Schouw & Co., large capacity-expanding investments will often trigger a massive increase of production capacity. When such large facilities are commissioned, capacity will often be phased in gradually, meaning that the company may not fully operate at the desired capacity utilisation and current results may not necessarily reflect the full potential of its overall assets.

At Schouw & Co., a decision to make an investment of such magnitude will always be based on an assessment of anticipated demand at the time the added capacity becomes operational, combined with a strategic assessment of the general market prospects in subsequent years. Obviously, on a long investment horizon, actual developments may prove to be different from any assessment made at the time of the investment decision.

Strategic targets

Schouw & Co. applies strategic targets at both group and portfolio business level. We have a strategic ambition to balance profitable growth and long-term return with safety and responsible business conduct.

Group level

Return

ROIC
more than 15%

Current status
Average ROIC excluding goodwill of 13% over the past five years

Gearing

NIBD/EBITDA
preferably 1-2.5x

Current status
Average NIBD/EBITDA of 1.7x over the past five years

Dividend

Constant or
rising dividends

Current status
Dividend raised twice and total dividend payments of DKK 1.9 billion over the past five years

Company level

Growth

Significant growth
every year

Current status
Average growth rate of 11% per year over the past five years

Earnings

On a par with
the best

Current status
Generally, all portfolio companies are in the top tier of their respective industries

Responsibility

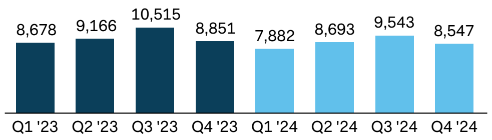
Produce responsibly and
protect workers

Current status
21% reduction in Scopes 1+2 GHG emissions from 2020 and 27% reduction in LTIFR

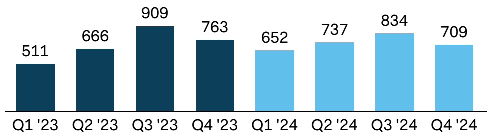
Quarterly financial highlights

(DKKm)	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24
INCOME STATEMENT								
Revenue	8,678	9,166	10,515	8,851	7,882	8,693	9,543	8,547
Contribution profit	1,083	1,228	1,463	1,330	1,237	1,363	1,421	1,311
EBITDA	511	666	909	763	652	737	834	709
Depreciation, amortisation and impairment losses	267	261	275	319	277	282	268	277
EBIT	**244**	**406**	**634**	**444**	**374**	**455**	**566**	**432**
Profit after tax in associates and JVs	0	38	0	-29	5	2	28	1
Net financial items	-81	-129	-79	-81	-146	-113	-107	-84
Profit before tax	**163**	**314**	**555**	**334**	**233**	**344**	**487**	**350**
Tax on profit for the period	-53	-89	-134	-100	-87	-88	-129	-120
Profit for the period	**109**	**225**	**421**	**234**	**146**	**257**	**357**	**229**
CASH FLOWS								
Cash flow from operating activities	-96	354	1,490	29	171	337	1,158	888
Cash flow from investing activities	-580	-271	-157	-512	-173	-144	-170	-135
Cash flow from financing activities	665	-160	-1,111	239	163	-164	-959	-668
BALANCE SHEET								
Intangible assets	4,622	4,571	4,589	4,505	4,448	4,435	4,356	4,420
Property, plant and equipment	6,106	6,126	6,170	6,169	6,145	6,193	6,242	6,375
Other non-current assets	1,855	1,773	1,950	1,949	1,938	1,905	1,874	1,923
Cash and cash equivalents	693	603	828	584	743	777	792	892
Other current assets	15,745	16,430	16,204	14,690	14,628	15,281	15,328	14,513
Total assets	**29,020**	**29,503**	**29,741**	**27,896**	**27,901**	**28,592**	**28,592**	**28,123**
Equity	11,243	10,958	11,503	11,556	11,583	11,481	11,696	12,233
Interest-bearing liabilities	7,412	7,599	6,712	7,107	7,346	7,674	6,862	6,444
Other liabilities	10,365	10,945	11,526	9,233	8,973	9,436	10,034	9,446
Total equity and liabilities	**29,020**	**29,503**	**29,741**	**27,896**	**27,901**	**28,592**	**28,592**	**28,123**
Average no. of employees	15,314	15,740	15,662	15,275	15,095	14,987	14,827	14,590
FINANCIAL DATA								
Contribution margin	12.5%	13.4%	13.9%	15.0%	15.7%	15.7%	14.9%	15.3%
EBITDA margin	5.9%	7.3%	8.6%	8.6%	8.3%	8.5%	8.7%	8.3%
EBIT margin	2.8%	4.4%	6.0%	5.0%	4.7%	5.2%	5.9%	5.1%
ROIC excluding goodwill	11.4%	11.3%	12.4%	12.8%	13.5%	13.8%	13.3%	13.0%
ROIC including goodwill	9.5%	9.5%	10.4%	10.7%	11.4%	11.6%	11.2%	10.9%
Working capital	7,408	7,465	6,710	7,225	7,415	7,553	7,057	6,774
Net interest-bearing debt	6,550	6,825	5,714	6,339	6,423	6,713	5,890	5,376

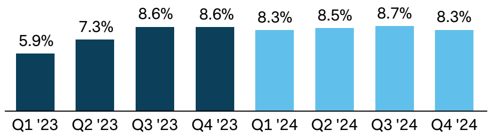
Revenue
DKKm



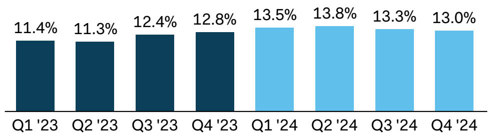
EBITDA
DKKm



EBITDA margin
per cent



ROIC excluding goodwill
per cent



Our businesses

BioMar

BioMar is one of the world's largest manufacturers of quality feed for the fish and shrimp farming industries. The core business areas are feed for salmonids as well as shrimp, sea bass and European bass. Innovation is an integral part of BioMar's business model, coupled with a focus on sustainability, which forms a key aspect of global aquaculture today.

As one of the world's largest manufacturers of quality feed for farmed fish and shrimp, BioMar is strongly and firmly positioned in a long-term, attractive growth industry.

Carlos Diaz, CEO of BioMar

Market
Aquaculture plays a key role in the food supply of the future, as fish farming is the best way to secure a more sustainable approach to increasing the supply of fish and avoid overfishing the oceans. There is a global need for healthy and sustainable sources of protein, and according to FAO, the UN Food and Agriculture Organization, the global production of fish is expected to continue to grow. Already, more than 50% of the world's fish and shrimp are raised in aquaculture, which is the fastest growing food production industry.

Feed plays a very significant role in aquaculture, being the predominant factor in determining the nutritive content and thereby the state of health of a fish or shrimp. Feed is also a major factor in the climate impact of fish and shrimp farming, as feed ingredients have a substantial climatic impact. Continuous investment in R&D is thus essential when it comes to producing healthy and sustainable fish and shrimp for human consumption.

For many years, BioMar has been a leading player in terms of ongoing product development and working with new, innovative and more sustainable ingredients. With its customised products for a broad range of species combined with a presence in Europe, Latin America, Asia and Australia, BioMar has a strong, central position in the market.

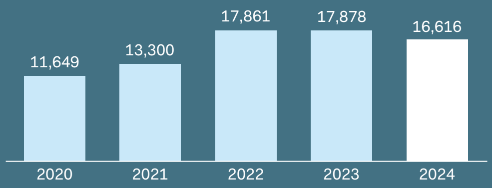
Geography
BioMar is headquartered in Aarhus, Denmark, and since the end of 2024, the company's operations have been divided into four segments: Salmon, Shrimp, Selected Species and Tech.

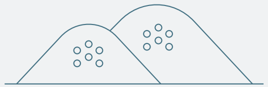
The Salmon segment covers activities related to the feed factories in Norway, Scotland, Chile and Australia. The Shrimp segment covers feed from the factories in Ecuador, Costa Rica and Vietnam, and the Selected Species segment includes feed produced at the factory sites in Denmark, France, Spain, Greece, Türkiye, and China. Lastly, the Tech segment is focused on technology for developing more efficient and sustainable intelligent feed solutions.

The factories in China and Türkiye are 50/50-owned joint ventures with local partners, and these activities are not consolidated in the financial statements but recognised as a share of profit after tax.

Ownership – past and present
In 2005, Schouw & Co. took a 68.8% majority interest in BioMar, then a listed company. BioMar became a wholly-owned subsidiary following a merger in 2008.

Revenue performance (DKKm)





BioMar

Strong performance sustained

Q4 earnings above expectations resulted in record-high full-year EBITDA driven by positive contributions from all segments, the Salmon segment in particular, despite lower sales volumes compared to 2023. Cash flow from operating activities improved significantly year on year. Continued earnings growth expected in 2025.

Financial review

Volumes sold in the fourth quarter increased by 1% year on year, as growth in shrimp feed sales in Ecuador and increased sales from feed units in the Selected Species segment added to the maintained sales volumes during the quarter in the Salmon segment. Total volumes sold in 2024 were down by 5% compared to 2023, primarily due to lower volumes in the Salmon segment in Norway and Chile. However, BioMar significantly increased the volume of shrimp feed sold in Ecuador and strengthened its position around the Baltic Sea.

The reported revenue for the quarter reflected the increased volume sales and a positive product mix, but also a decline in the prices of vegetable and marine raw materials. The reported Q4 2024 revenue of DKK 4,261 million represented an increase of 1% compared to Q4 2023. Full-year revenue amounted to DKK 16,616 million, a 7% decrease compared to 2023, reflecting the lower volumes sold and generally lower raw materials prices in the year.

The Salmon segment reported a flat development in volume sales in the fourth quarter that was driven by lower volumes sold in Scotland and Chile, offset by increased volume sales in Norway. For the full year, the Salmon segment reported a 10% year-on-year reduction in sales volumes driven by Norway and Chile. The lower volumes reflected BioMar's commercial prioritisation and a change in the customer mix, primarily. The sales volume in Norway was also affected by high sea water temperatures and biological factors. In Chile, the biomass was lower than 2023 due to biological factors and an earlier harvest of fish stock biomass. However, BioMar maintained its earnings momentum, supported by its broad product offering, increased sales volumes of functional feed and excellence initiatives, which all contributed to improved earnings.

The Shrimp segment reported a substantial year-on-year increase in sales volumes in Q4 2024, primarily driven by the Ecuadorian market. Earnings also improved in a market generally still challenged by low prices of farmed shrimp, although prices stabilised at the end of the year. Full-year sales volumes in the Shrimp segment increased by almost 19% year on year, and the earnings increased reflecting the increased sales volumes, but also a lower profitability per tonne sold, primarily due to changes in the customer mix.

BioMar (DKKm)	2024 Q4	2023 Q4	2024 FY	2023 FY
Salmon	231	229	874	972
Shrimp	69	66	280	236
Selected species	55	51	227	232
Tech	-	-	-	-
Eliminations	-6	0	-8	-2
Total volume ('000 tonnes)	**348**	**345**	**1,372**	**1,437**
Salmon	3,081	3,086	11,725	13,130
Shrimp	490	471	2,005	1,715
Selected species	668	653	2,862	3,017
Tech	40	12	90	75
Shared/non-allocated	-18	-8	-66	-60
Total revenue	**4,261**	**4,214**	**16,616**	**17,878**
Salmon	295	320	1,101	918
Shrimp	50	48	190	178
Selected species	56	45	223	190
Tech	12	-2	10	9
Shared/non-allocated	-30	-14	-48	-45
Total EBITDA	**382**	**397**	**1,476**	**1,250**
EBIT	296	265	1,129	860
CF from operations	703	-482	1,585	665
Working capital	1,671	2,141	1,671	2,141
ROIC excluding goodwill (%)	26.7%	22.1%	26.7%	22.1%

BioMar continues to strengthen its offering of products, concepts and services in the Shrimp segment, particularly in the Ecuadorian market, where the company has added new production capacity in recent years by way of two extruder lines.

The Selected Species segment reported sales volumes well above the fourth quarter of 2023. All feed units in the segment realised higher volume sales, except for the Mediterranean market, especially Greece, where BioMar is taking a more cautious approach to credit risk, prioritising security of payments over market share. Full-year sales volumes decreased by 2% compared to 2023, primarily related to Greece. Earnings, both full-year and fourth quarter of 2024, improved year on year.

The operations of the Tech segment include AQ1, which is an innovative leader in artificial intelligence for behavioural-based control technology and feeding detection technology for sustainable aquaculture. Overall, there is sound market interest in the technology, but customers held back on their investments for a while, as they felt the effects of currently low prices of farmed shrimp. Now, customers seem to some extent to be ready for investments that can increase production efficiency and improve total economic performance, and 2024 revenue and earnings increased year on year.

Overall, BioMar reported a strong EBITDA for Q4 2024 at DKK 382 million, although it was down 4% on the exceptionally strong DKK 397 million reported for Q4 2023. Full-year 2024 EBITDA was a record high DKK 1,476 million, compared to DKK 1,250 million in 2023, an 18% year-on-year improvement that exceeded the most recent guidance.

Working capital decreased significantly from DKK 2,141 million at 31 December 2023 to DKK 1,671 million at 31 December 2024. Trade receivables grew due to increased revenue in Q4 2024 year on year and growing pressure from customers for extended credit terms, coupled with a change in customer mix. Inventories decreased year on year, reflecting a structural reduction in stock levels, but also a positive impact from generally lower raw materials prices. Trade payables increased despite the decreased inventories, mainly due to extended credit terms with raw materials suppliers to offset the growing pressure for extended credit terms from customers, but also because of a positive impact from higher utilisation of supply chain financing facilities. The use of supply chain financing on the supplier side increased from DKK 764 million at 31 December 2023 to DKK 939 million at 31 December 2024.

The solid growth in earnings and the reduced working capital produced a substantial increase in cash flow from operating activities, from DKK 665 million in 2023 to DKK 1,585 million in 2024. Combined with modest investing activity, this resulted in a significant improvement of ROIC excluding goodwill from 22.1% at 31 December 2023 to 26.7% at 31 December 2024.

Joint ventures and associates
BioMar manufactures fish feed in China and Türkiye through two 50/50 joint ventures with local partners. These activities are not consolidated in the financial statements, but due to their large growth potential, a strong representation in these markets is very important to BioMar.

These two feed businesses, covering two factories in China and one

factory in Türkiye, reported combined revenue of DKK 395 million (100% basis) and EBITDA of DKK 33 million in Q4 2024, against revenue of DKK 424 million and EBITDA of DKK 25 million in Q4 2023. For the full year, the two feed businesses reported combined revenue of DKK 1,502 million and EBITDA of DKK 166 million for 2024, against revenue of DKK 1,844 million and EBITDA of DKK 179 million in 2023. In Türkiye, sales volumes and revenue declined, reflecting efforts to limit credit risk against the background of the general economic situation in the country. In China, sales volumes declined, reflecting adjustments in farming operations due to low prices of farmed fish, while EBITDA increased year on year due to optimisation of the product portfolio and product offerings to customers.

The associated businesses include the Chilean fish farming company Salmones Austral and three minor businesses, LetSea, ATC Patagonia and LCL Shipping.

The non-consolidated joint ventures in China and Türkiye and the associated businesses are recognised in the 2024 consolidated financial statements at a DKK 36 million share of profit after tax, compared to a DKK 6 million share of profit after tax in 2023. The increased profit was mainly driven by an improved result in Salmones Austral due to higher fish prices, combined with an improved contribution margin in China.

Business development
BioMar is committed to being a strong partner for all its stakeholders and is strongly focused on achieving its sustainability ambitions, which are driven by customers and consumers and are essential for long-term value creation.

Sustainability efforts form an integral part of BioMar's strategy, which includes a focus on the use of alternative raw materials and on generally reducing the climate impact. BioMar's strategy also centres on global excellence programmes, commercial as well as operational, intended to strengthen customer service and competitive strength while at the same time tapping into the earnings potential and optimising cash flows.

BioMar has an ambition to be recognised consistently as an innovative business supplying competitive feed products and related technical services to the professional fish farming community. BioMar invests in research and development on a continuous basis and has several highly trained specialists in the field. The company has a long-standing tradition for collaborating with research institutions in several countries, and fish farming operators are often involved in development processes.

At the end of 2024, BioMar decided to change its reporting structure. Previously, its operations were divided into a Salmon Division, a Tech Division and three geographical divisions: EMEA, LatAm and Asia. Since the end of 2024, the operations have been divided into four segments: Salmon, Shrimp, Selected Species and Tech.

The Salmon segment covers activities related to the feed factories in Norway, Scotland, Chile and Australia. The Shrimp segment covers feed from the factories in Ecuador, Costa Rica and Vietnam, and the Selected Species segment includes feed produced at the factory sites in Denmark, France, Spain, Greece, Türkiye, and China. Lastly, the Tech segment is focused on technology for developing more efficient and sustainable intelligent feed solutions.

BioMar's full-year 2024 reporting reflects the new structure, and comparative figures for 2023 have been restated accordingly. Based on the new segmentation, an updated allocation of incomes and costs, e.g. group-wide activities like sourcing and R&D, has been implemented, resulting in a restatement of the financial figures compared to the previous divisional structure. The structural change has not impacted BioMar's overall figures.

Outlook
From an overall perspective, long-term demand for farmed fish and shrimp generally seems sound, and BioMar is well positioned in the market owing to a high level of quality and a strong focus on sustainability and advanced fish and shrimp farming technology.

BioMar expects to generate full-year 2025 revenue of about DKK 16.0-17.0 billion, but changing market conditions and volatile prices of raw materials may as always impact the revenue forecast substantially. Given the current outlook, the company expects 2025 EBITDA in the range of DKK 1,470-1,570 million.

The non-consolidated associates and joint ventures are recognised at a share of profit after tax, which is expected to improve to approximately DKK 80 million in 2025.

We are dedicated to innovating aquaculture. BioMar's purpose is rooted in our heritage and commitment to aquaculture. We provide sustainable and high-yielding quality feed for a wide range of fish and shrimp species worldwide.

Carlos Diaz, CEO of BioMar

GPV

GPV is the second-largest European-headquartered EMS (Electronics Manufacturing Services) business. GPV offers services such as design, production, assembly and testing of solutions in electronics, mechanics, cable harness and mechatronics for a range of international blue chip industrial and medico customers. GPV's solutions are used in customer end-products in the market segments of Industrials, Measurement & Control, BuildingTech, Transport, CleanTech, MedTech and HighTech Consumer.

Our role increasingly extends beyond EMS with several of our service offerings involving complex box-build assemblies. The products we produce often support the green transition.

Bo Lybæk, CEO of GPV

Market
Electronics play an ever more prominent role in society, whether in everyday life or in industry and manufacturing. In these areas, the integration of electronics, increased data usage, increased automation, smart-building devices and energy optimisation will serve to make everyday life easier, optimise manufacturing processes, reduce resource consumption and increase quality of life. In the production of advanced electronic applications, increased specialisation results in a tendency for many businesses to focus on their core services and to outsource the manufacturing of electronics to dedicated EMS partners such as GPV. GPV's market is in the high-mix segment, which is characterised by highly complex manufacturing processes and assembly. GPV supplies many different products to customers in segments in which electronics play an increasingly important or even mission-critical role. Many of these products also provide direct or indirect support to the green transition for use in work to optimise processes, reduce energy consumption and subsequently reduce carbon footprints.

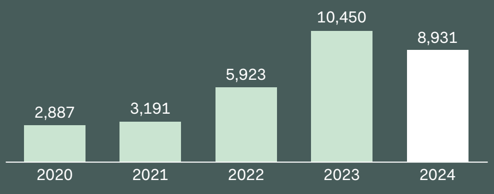
The most important aspect of GPV's operations is the production, assembly and testing of electronics, and the company has the necessary technologies available in Europe, Southeast Asia, China and North America. The electronics production is supplemented by mechanical products and by cable harness products from factories in Europe and Southeast Asia.

In addition, GPV's value proposition to its customers includes a wide range of key services, including assisting in product application design, prototyping, production maturation, including test strategy and development, box build assembly and system integration as well as functional testing and aftersales services. GPV is working beyond EMS as an integrated EMS technology partner for its customers.

Geography
GPV is headquartered in Vejle, Denmark, and has manufacturing facilities in Denmark, Sweden, Finland, Estonia, Switzerland, Germany, Austria, Slovakia, Sri Lanka, Thailand, China and Mexico.

Ownership – past and present
GPV was founded in 1961 and became a part of Schouw & Co. in 2016. The company has subsequently expanded through transformational acquisitions, and today, GPV is the second-largest European-headquartered EMS business and in the global top 25. Schouw & Co. holds an 80% ownership interest in GPV.

Revenue performance (DKKm)



GPV

Adapting to persistent market challenges

As expected, GPV reported revenue and EBITDA down on the year before. Overall, the industry is marked by re-balancing and destocking, leading to soft activity. Full-year 2025 revenue and EBITDA expected to be on a par with 2024.

Financial review
GPV reported Q4 2024 revenue of DKK 2,111 million, a 17% decline from DKK 2,530 million in Q4 2023. The revenue decline was largely expected due to continued soft demand from customers, partially driven by the market re-balancing attributable to the adjustment of inventories following the normalisation of the materials supply situation. Following the very high activity level of 2023, when extraordinarily high prices of materials and a larger past-due situation in the former Enics sites added further to revenue, full-year 2024 revenue was down by 15% year on year to DKK 8,931 million.

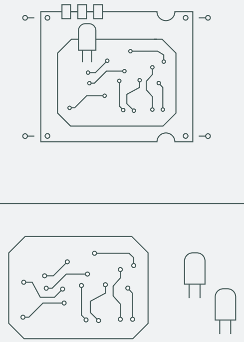
The lower level of activity affected EBITDA, which came to DKK 139 million in the fourth quarter of 2024 compared to DKK 178 million in the same period of 2023 – a 22% decline in tune with expectations. EBITDA for full-year 2024 was down by 16% year on year to DKK 625 million, hitting the middle of the most recent guidance range.

Working capital amounted to DKK 2,624 million at 31 December 2024 compared to DKK 2,620 million at 31 December 2023. The working capital tie-up remained on a par with the year before, as dedicated efforts to reduce inventories at GPV's factories were offset by changes in trade payables and receivables. ROIC excluding goodwill fell from 10.9% at 31 December 2023 to 8.2% at 31 December 2024, mainly due to the lower earnings.

Business review
The final integration activities following the combination of GPV and Enics were completed at the end of 2023, when an ordinary strategic review was carried out. The updated strategy for the combined GPV for the period to 2028 continues to indicate a healthy potential, and GPV executed on the updated plans during 2024.

As part of the updated strategy, GPV launched a major project in the second quarter of 2024 to implement a common ERP system across the company. The project had a negative impact on EBITDA in 2024 of approximately DKK 15 million and is assumed to have a negative impact on EBITDA of around DKK 40 million in 2025. The project is expected to be ready for initial pilot implementation during the second half of 2025.

GPV is experiencing softer demand from a number of customers, but – committed to being able to meet customer requirements for high quality standards, reliability of supply and flexibility – the company has continued implementing already launched investments in order to ensure adequate capacity for growth when the market picks up again. These investments primarily include the conclusion of the expansion in Thailand – scaling up the production of electronics – which was finalised and became operational in the fourth quarter of 2024.



GPV (DKKm)	2024 Q4	2023 Q4	2024 FY	2023 FY
Revenue	2,111	2,530	8,931	10,450
EBITDA	139	178	625	743
EBIT	63	97	311	432
CF from operations	27	272	291	351
Working capital	2,624	2,620	2,624	2,620
ROIC excluding goodwill (%)	8.2%	10.9%	8.2%	10.9%

The work to optimise the global production platform has led to the closing of the factory in Malaysia and divestment of a small production site in Austria. The anticipated benefits of having a lower cost base, increased efficiency and higher capacity utilisation indicate a relatively short payback period, and the closure is an inherent part of harvesting synergies from the combination with Enics.

Outlook

In 2024, GPV experienced softer demand from a number of customers, who scaled back or postponed their orders to adjust their inventories in step with the improvement of the general materials supply situation.

It is expected that demand will remain soft and market conditions volatile for the most part of 2025. Demand from customers is thus expected to be on a par with the level of 2024. Any significant increase in demand is not expected to materialise before late 2025, and it remains uncertain when and how quickly any changes will happen.

The global materials supply situation appears to have more or less normalised, but continued challenges with specific key components may still be expected throughout the year. The evident geopolitical tensions and the apparent risk of trade wars seriously add to an uncertain outlook, which must be navigated. Any material impact from trade wars including implementation of tariffs is not included in the guidance.

GPV has adapted to the current market conditions by taking strong measures to protect earnings, including a substantial reduction in the number of employees. The effects of some of these measures will be reflected in financial results with a certain delay.

To further optimise the production platform, GPV has initiated a consolidation of the remaining cable manufacturing activities, a consolidation of the mechanics manufacturing activities and a relocation of certain electronics manufacturing activities. It is anticipated that this additional restructuring of the operational footprint will entail one-off costs negatively impacting EBITDA to the tune of DKK 40 million in 2025, which is included in the full-year guidance.

Against this background, GPV expects to generate full-year 2025 revenue in the range of DKK 8.7-9.3 billion and EBITDA in the range of DKK 590-650 million. If adjusted for the DKK 40 million in one-off costs the EBITDA would have equaled a DKK 630-690 million range.

HydraSpecma is a specialised trading and engineering company with core competencies in trading, production and know-how in hydraulics components, electrification, turnkey solutions and systems, central lubrication, manifolds, pipes, hoses and fittings as well as cooling systems, filtration and lubrication systems, pitch systems and connectors within the renewables industry. HydraSpecma serves industry sectors such as Commercial Vehicles, Wind Turbines, Construction Equipment, Marine, Material Handling, Agriculture, Forestry and many others.

At HydraSpecma, we focus on balancing growth and operational efficiency. We continue to drive sustainable long-term value while navigating an evolving market to secure growth and stability.

Morten Kjær, CEO of HydraSpecma

Market
Hydraulic solutions are the basic tools of the Power & Motion business area. Transmission of extreme power is essential in a broad range of technical applications, such as contractors' equipment and cranes, in agriculture and forestry and in other areas where heavy machinery can generate power and motion. In mobile hydraulic solutions, power is typically generated by diesel engines, and their systems use a number of different components, such as hoses, fittings and valves. Increasingly, focus is on electrification of power generation in an attempt to limit the use of fossil fuels and to reduce climate impact. HydraSpecma supplies entire electric solutions as well as hybrid solutions in which certain parts of a system are electrified.

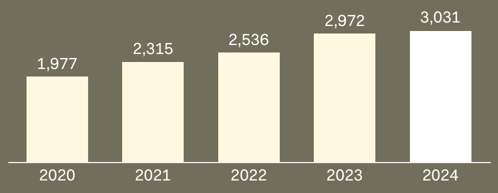
Cooling solutions are basically based on liquid that is moved through cooling matrices, thereby reducing the temperature in the system. Cooling systems contribute to more efficient operations, which reduces energy consumption.

HydraSpecma supplies complete customised solutions and systems as well as components for the entire Power & Motion segment. The company serves a broad range of industries, from the wind turbine sector to the vehicle and shipping industries. HydraSpecma is a supplier to large OEM customers as well as to the aftermarket, and its customer-facing organisational structure consists of three divisions: the Renewables Division, the Global OEM Division and Nordic OEM/IAM Division (the Nordic OEM and Industrial After-Market). HydraSpecma is present in international markets with a broad product range in order to be close to its customers and able to supply the needed products and services fast and efficiently.

Geography
HydraSpecma is headquartered in Skjern, Denmark, and has production units in Denmark, Sweden, Finland, Norway, Poland, the UK, the Netherlands, China, India, the USA and Brazil.

Ownership – past and present
Hydra-Grene A/S was founded as an independent business in 1974 and has been a wholly-owned part of Schouw & Co. since 1988. Specma AB was founded in 1918 and has formed part of HydraSpecma since 2016.

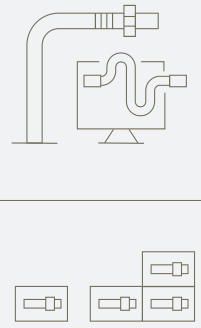
Revenue performance (DKKm)



HydraSpecma

Broad customer base drove strong performance

High activity levels within Renewables and Power Systems contributed to a strong performance. Further, efficiency in logistics and automation drove EBITDA to the very top of the most recent guidance range. 2025 revenue is expected to remain on a par with 2024 while EBITDA is strengthened.



Financial review
In the fourth quarter of 2024, HydraSpecma generated revenue of DKK 790 million, compared to DKK 729 million in the same quarter of 2023, a year-on-year increase of 8%. The increase was primarily driven by high activity levels in the Renewables Division, where HydraSpecma is well positioned on strong product platforms within the wind turbine industry, and by the product range within Power Systems, where particularly sales to the marine and defence customers in the Global OEM Division were strong. Conversely, other parts of the Global OEM Division as well as the Nordic OEM/IAM Division experienced a decline in activity, as was expected. For full-year 2024, HydraSpecma reported revenue of DKK 3,031 million, compared to DKK 2,972 million in 2023, reflecting modest growth of 2%, with variations across divisions.

HydraSpecma is now harvesting the benefits of recent investments in facilities, logistics and automation, which supported EBITDA in the Global OEM Division. Total EBITDA for the fourth quarter of 2024 was DKK 86 million, a 16% increase compared to DKK 74 million last year that propelled EBITDA to the very top of the most recent guidance range. Full-year EBITDA amounted to DKK 339 million, compared to DKK 323 million in 2023, when EBITDA was negatively affected by a purchase price allocation effect on inventory of DKK 15 million related to the Ymer acquisition.

Working capital decreased by DKK 50 million, from DKK 934 million at 31 December 2023 to DKK 884 million at 31 December 2024, mainly driven by a reduction in inventory levels. The return on invested capital (ROIC) excluding goodwill was 13.5% at 31 December 2024, a minor increase from 13.4% at the end of 2023.

Business review
HydraSpecma is always highly alert to changes in customer demand and localisation in order to ensure cost efficiency and to provide the necessary customer service. Part of the production activity is currently being relocated to HydraSpecma's new production facility in Poland, which became operational at the end of 2023. The previous facility in Poland was sold in January 2025 with a profit of around DKK 10 million.

At 1 February 2023, HydraSpecma acquired Swedish industrial company Ymer Technology's wind turbine business. Following the acquisition, an integration process was initiated to merge the acquired activities with HydraSpecma's existing wind turbine operations into the newly established

HydraSpecma (DKKm)	**2024 Q4**	**2023 Q4**	**2024 FY**	**2023 FY**
Revenue	790	729	3,031	2,972
EBITDA	86	74	339	323
EBIT	50	45	203	200
CF from operations	95	75	287	191
Working capital	884	934	884	934
ROIC excluding goodwill (%)	13.5%	13.4%	13.5%	13.4%

Renewables Division. This included consolidating the acquired companies in India, China and Denmark with HydraSpecma's existing entities in these regions to optimise operations and enhance efficiency.

The integration of the companies within the Renewables Division progressed as planned during 2024. In Denmark, the process has been completed, and in India, the activities have been consolidated in HydraSpecma's production facilities in Oragadam outside Chennai, where a 2,000 m² extension was inaugurated in Q2 2024. Furthermore, the two Chinese units in the Tianjin area have been brought under a unified management, and all activity was merged in February 2025, which will further streamline operations and enhance efficiency.

In response to increased competition from Asia, which is impacting the entire wind turbine industry, HydraSpecma has launched several development and operational initiatives to maintain its position as an attractive partner for customers within the Renewables Division. With a more agile production setup in place, HydraSpecma can relocate production across production facilities in 2025 to ensure the right local presence, flexibility, enhanced competitiveness and improved production efficiency.

In 2024, HydraSpecma earned the EcoVadis Commitment Badge and is now aiming for a bronze rating in 2025. As part of its sustainability efforts, HydraSpecma has installed solar panels and heat pumps at its facility in Poland, enabling carbon-neutral production on an annual basis. Additionally, HydraSpecma has applied for permission to install solar panels at its production facility in India, with the goal of achieving carbon-neutral production there as well.

HydraSpecma has formalised its R&D department within the Renewables Division to enhance partnerships with customers, and in the Global OEM Division, resources have been scaled up to meet the significant increase in demand for new products and solutions from both existing and new customers. HydraSpecma is also expanding competencies within its Centre of Excellence, focusing on electrification and software development to provide more sustainable solutions for customers.

Outlook

The market outlook remains uncertain across all three divisions. The Renewables Division anticipates a strong performance in the first half of the year, followed by a slowdown in the latter half. In the Global OEM Division, the positive momentum in Power Systems is expected to be sustained, while softer activity is expected within the Mobile OEM segment in the early part of the year. The Nordic OEM/IAM Division is also likely to see soft demand at the beginning of the year. Overall, total revenue for 2025 is projected to remain at the same level as in 2024.

Within the Global OEM and Renewables Divisions, certain production relocations will be required to ensure cost efficiency and to provide the necessary customer service. These relocations will entail additional one-off costs in 2025, but the initiatives are expected to pay off starting in 2026. The total one-off cost in 2025 is estimated at around DKK 30 million, which, however, will be partially offset by the profit from the sale of the previous production facility in Poland.

On this basis, HydraSpecma expects to generate full-year 2025 revenue of DKK 2.9-3.2 billion and EBITDA in the range of DKK 340-370 million, including the above mentioned relocation costs.

Borg Automotive is Europe's largest independent automotive remanufacturing business. The company's principal business activity is to remanufacture defective parts and sell them in the B2B market under a circular business model. Borg Automotive offers a full product range by also supplying new products to complement remanufactured items. Borg Automotive has a strong market position, and remanufacturing is a business area offering a wide range of environmental and resource benefits.

Borg Automotive is built on a circular business model with resource-saving solutions that enable us to extend a car's lifespan.

Kim Kruse Andersen, CEO of Borg Automotive

Market
With about 250 million cars on the European roads and an average age per vehicle of more than 11 years, there is a great need to ensure spare parts for a growing fleet. The proportion of electric and hybrid cars on the roads is growing, but these also need spare parts. About half of the items in Borg Automotive's product range can be used whether a vehicle has an electric motor or a combustion engine. The transition is in progress, both in the industry at large and at Borg Automotive, where the product assortment is expanded on a regular basis to accommodate new needs.

Borg Automotive offers a broad product range, of which the largest share is products derived through remanufacturing (Reman) of existing used products (cores). Compared with the production of a new product, the remanufacturing process requires fewer resources and materials and accordingly has less of an environmental impact. The company's business model applies a return system combined with remanufacturing, which is a good example of a circular business model.

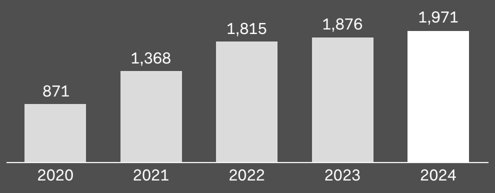
Borg Automotive covers most of the European car fleet through its broad assortment of remanufactured automotive spare parts, which includes starters, alternators, brake callipers, air-condition compressors, EGR valves, steering racks, steering pumps and turbochargers.

The company supplements its assortment of remanufactured spare parts with a large assortment of new parts (Newman), including many wearing parts that are not suitable for remanufacturing. This assortment of goods for resale, which was added through the acquisition of SBS Automotive, includes mechanical and hydraulic brake spare parts, steering components and wheel bearing sets, suspension and transmission components, clutch components and electrical components.

Geography
Headquartered in Silkeborg, Denmark. Production or large distribution facilities in Poland, the UK, Spain, Germany and Tunisia.

Ownership – past and present
Borg Automotive was founded in 1975 and has been a part of Schouw & Co. since 2017. Growth through acquisitions is part of the strategy.

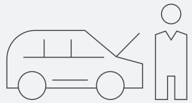
Revenue performance (DKKm)

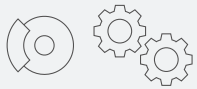


Borg Automotive

Optimising footprint for increased competitiveness

Strengthened use of combined Reman and Newman offerings to withstand increasing pressure from competitors, with prospects supported by expanded footprint. Revenue and EBITDA growth expected for 2025.





Financial review
In the fourth quarter of 2024, Borg Automotive experienced continued soft demand in the Reman segment and persistently fierce competition in Newman. Despite this, a DKK 430 million, revenue for the quarter was nearly on a par with the same period of 2023. For the full year of 2024, total revenue was DKK 1,971 million, a year-on-year increase of 5%.

The soft demand, combined with increased production costs in Reman due to a substantial increase in Polish minimum wages, affected the company's Q4 performance, and EBITDA for the fourth quarter of 2024 amounted to DKK 31 million, a year-on-year decrease of 11% from DKK 35 million in the fourth quarter of 2023. For the full year of 2024, EBITDA totalled DKK 171 million compared to DKK 153 million in 2023.

Working capital at 31 December 2024 amounted to DKK 711 million, a year-on-year increase of DKK 56 million that was mainly driven by higher trade receivables. ROIC excluding goodwill increased from 10.4% at 31 December 2023 to 10.7% at 31 December 2024.

Business review
Through the acquisition of SBS Automotive in July 2021, Borg Automotive acquired a trading company dealing in new automotive spare parts. These Newman products complement the company's traditional Reman operations, but Reman products still make up the major part of Borg Automotive's business and bring in most of the revenue. The company sells its remanufactured products under four different brands: the international brand Lucas and the company's three private label brands: Elstock, DRI and TMI. The Newman products are sold under the NK or Eurobrakes brands.

Borg Automotive sells different types of automotive spare parts aligned with different market conditions. Thus, the market for brake callipers and brake discs, in particular, is currently under strong price competition, and Borg Automotive has launched a number of measures to improve the market position. Borg Automotive offers a market concept where synergies from Newman and Reman can ensure a competitive offer to withstand increasing market competition.

Hence, securing a strong market position by offering the market both Reman units and Newman products remains Borg Automotive's strategic ambition. Borg Automotive's target is to cover 90% of all passenger cars in the market, and a total of 440 new

Borg Automotive (DKKm)	**2024 Q4**	**2023 Q4**	**2024 FY**	**2023 FY**
Revenue	430	433	1,971	1,876
EBITDA	31	35	171	153
EBIT	13	16	96	79
CF from operations	43	35	28	76
Working capital	711	655	711	655
ROIC excluding goodwill (%)	10.7%	10.4%	10.7%	10.4%

product references were added to the product programme in 2024 as part of the ongoing development of the overall market proposition.

Based on an assessment of the environmental impact of refabricated automotive spare parts, Borg Automotive has published comparative life cycle assessments of its eight product groups. These life cycle assessments were prepared by Linköping University in accordance with ISO 14040 and ISO 14044, and the results clearly indicate a reduced environmental impact from the use of refabricated auto spare parts compared with new parts. For example, remanufacturing of auto spare parts typically emits 60% less CO_2 equivalents than the production of new parts and typically consumes 40% less energy.

During the fourth quarter of 2024, Borg Automotive finalised the acquisition of a subcontractor located in Tunisia. The purchase price was marginal, so the main impact on financials was an increased tie-up in net working capital.

The subcontractor has produced exclusively for Borg Automotive over the past two years and is a well-run starter and alternator facility with about 165 employees on site and more than 40 years of experience in the industry.

Through the acquisition of the Tunisian entity, Borg Automotive has obtained an important cornerstone for the future development of its manufacturing footprint that will improve the company's overall competitiveness. Production output in Tunisia is expected to double in 2025, which will free up production capacity at the Polish production sites, allowing for increased volumes of other products for which demand currently exceeds production capacity.

Outlook

In the fourth quarter of 2024, Borg Automotive experienced continued soft demand for remanufactured products in the European aftermarket. Sales of Newman products are on an upward trend, but the market is very competitive, and to fully compensate for the loss of the significant Russian market, continued intensive efforts are still needed to strengthen the position in other European markets.

Although general market conditions currently reflect soft demand and fierce competition, some product lines are still showing healthy growth potential, and combined with the optimised manufacturing footprint, this could well support further growth later on in 2025.

The level of activity is expected to show some growth in the coming months, but results are still impacted by fierce competition on traded products and increased production costs in Europe. Consequently, Borg Automotive expects to generate full-year 2025 revenue in the range of DKK 2.1-2.3 billion and EBITDA in the DKK 170-200 million range.

FIBERTEX PERSONAL CARE

Fibertex Personal Care is one of the world's largest manufacturers of spunbond/spunmelt nonwovens and printed nonwovens for the hygiene industry. The company's nonwovens fabrics are key components in absorbent hygiene products such as baby diapers, feminine hygiene and incontinence care products. Products are offered as customised solutions, subject to tough requirements in terms of safety, health and comfort.

Fibertex Personal Care is known for developing material breakthroughs enabling brand owners in the hygiene industry to produce more sustainable solutions.

Mikael Staal Axelsen, CEO of Fibertex Personal Care

Market
Diapers, sanitary towels and incontinence care products are typical necessities. In other words, demand for these products is relatively stable, and they are used all over the world. The general economic developments and gains in standards of living are the factors generating growth and expanding the market. Growth has historically been strongest in Asia, where the adoption of disposable diapers manufactured from nonwoven materials is significantly lower than in Europe and the USA. Asia is also experiencing the biggest improvements in income and standards of living, and a long-term increase in the use of nonwovens is expected in the region.

Nonwovens is a non-woven material made from plastics. It has a range of applications and is characterised by being light and soft, and it can be manufactured using fewer resources and at lower costs than other materials.

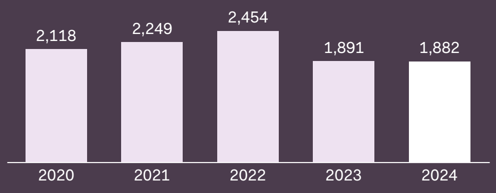
Being among the world's ten largest manufacturers of nonwovens for the hygiene industry, Fibertex Personal Care has a global market share of over 5%. The company operates manufacturing facilities in Europe and Asia, as well as specialised print production facilities in Europe and the USA. Fibertex Personal Care is a leader in innovation, service and quality with a great focus on sustainability, including the use of certified, recycled and bio-based materials, which is expected to increase.

Customers use the company's nonwovens fabrics to manufacture hygiene products such as baby diapers, feminine hygiene and incontinence care products, which are then distributed to consumers via supermarkets, public institutions and web shops. Customers are both medium-sized and multinational brand names.

Geography
Head office in Aalborg, Denmark. Nonwovens manufacturing facilities in Denmark and Malaysia and printing facilities in Germany and the USA.

Ownership – past and present
Fibertex was founded in 1968 and acquired by Schouw & Co. in 2002. The Personal Care activities have been a part of Fibertex since 1998 and were hived off as an independent portfolio business directly under Schouw & Co. in 2011.

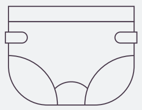
Revenue performance (DKKm)

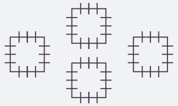


Fibertex Personal Care

Strong Q4 performance despite continued overcapacity in Asia

Fibertex Personal Care reported full-year revenue on a par with 2023. Q4 EBITDA was better than expected, while full-year EBITDA fell due to fierce competition in Asia and one-off costs related to capacity reductions in Malaysia. Continued overcapacity in Asia impacts revenue and EBITDA expectations for 2025.





Financial review
Fibertex Personal Care generated revenue of DKK 455 million in the fourth quarter of 2024, in line with the Q4 2023 performance. The stable revenue in the fourth quarter of 2024 was derived through a combination of higher sales prices and lower volume sales compared to the fourth quarter of 2023. Full-year revenue amounted to DKK 1,882 million, in line with expectations and on a par with 2023.

Despite the lower sales volumes, Fibertex Personal Care saw a marginal increase in EBITDA to DKK 53 million in the fourth quarter of 2024 from DKK 52 million in Q4 2023, outperforming the most recent guidance. The higher earnings in Q4 2024 were mainly driven by a strong performance in both Europe and the USA.

Total EBITDA for 2024 came to DKK 187 million, compared with DKK 262 million in 2023. The earnings decline was driven by lower margins in the Asian market as a result of changed market dynamics and strong competition in the region.

Fibertex Personal Care reduced its working capital from DKK 349 million at 31 December 2023 to DKK 342 million at 31 December 2024. The lower working capital is primarily the result of changes in trade receivables and trade payables. Due to the reduced earnings, the return on invested capital (ROIC) excluding goodwill fell to 4.5% at 31 December 2024 from 9.1% at 31 December 2023.

Business review
Fibertex Personal Care continued to experience weak demand for nonwovens in Asia. Large-scale production capacity expansion in the Asian market in recent years, mainly in China, coupled with a birth rate below historic levels, has resulted in significant overcapacity of nonwovens and subsequently unsustainable selling prices. Additionally, increased exports of baby diapers and other related hygiene products from China to other markets in the Asian region have been observed. This adds another obstacle to the otherwise reasonable growth and related demand for nonwovens in the region.

To counter these market challenges, Fibertex Personal Care decided to temporarily reduce capacity at its Malaysian sites to adapt to current market conditions. This process was completed in December, the temporary production capacity

Fibertex Personal Care (DKKm)	**2024 Q4**	**2023 Q4**	**2024 FY**	**2023 FY**
Revenue	455	447	1,882	1,891
EBITDA	53	52	187	262
EBIT	21	20	66	137
CF from operations	29	33	162	234
Working capital	342	349	342	349
ROIC excluding goodwill (%)	4.5%	9.1%	4.5%	9.1%

reduction being implemented with a focus on ensuring the best possible operational efficiency and strengthening earnings going forward, while maintaining the ability to scale up capacity again when needed. One-off costs related to the changes in Malaysia amounted to around DKK 15 million in 2024.

Contrary to the weakened nonwovens demand in the Asian region, the European nonwovens market is healthier. While sales of baby diapers are stagnant, pants-style baby diapers and incontinence care products are gaining a growing share of the market. As pants-style diapers involve proportionately greater use of nonwovens, total consumption is rising.

Fibertex Personal Care has launched a new bonding pattern for nonwovens, gaining a unique opportunity to apply its expertise within both nonwovens and print products. The new pattern has a soft feel without compromising the strength of the material, and it allows print on the material to appear sharper and more uniform compared to standard nonwoven materials. To accommodate this new bonding pattern and to increase flexibility and output, an upgrade of one of the production lines in Denmark has been initiated. This upgrade will be fully implemented in Q1 2025, increasing the potential output of the production line by around 25%.

As the print operation of Fibertex Personal Care in Germany has experienced weakened demand, a capacity reduction was initiated and fully implemented at the end of the year. On the other hand, the print operation in the USA is seeing increasing demand and is supported by the German facility through intercompany materials transfer.

Fibertex Personal Care still benefits from being the first in the market to introduce a nonwoven material weighing just 5 grams per m². This ultralight product enables the amount of raw materials used in baby diapers to be reduced and supports demand for more sustainable solutions.

Committed to being able to meet customer requirements for innovation, high quality standards, reliability of supply and flexibility, Fibertex Personal Care is striving to strengthen capabilities by having an agile mindset. The focus is on strengthening the ability to offer value-added products and services well suited to compete in these extremely price sensitive markets.

Outlook

The Asian hygiene market has experienced high growth rates over the past decades, primarily centred around China. Before the coronavirus pandemic, the Chinese market accounted for around 60% of the total hygiene market in Asia. However, growth in China has slowed since then, and for some segments like baby diapers, the market has declined substantially. While the birth rate in China has now stabilised, brand and private label owners are still struggling with competition on their sales of baby diapers in Asia due to overcapacity. How long this situation is going to prevail remains to be seen.

On the other hand, the rest of Asia is expected to show fairly strong growth rates in the demand for baby diapers in the years to come, primarily driven by strong demand in countries like Indonesia, Vietnam and India. Overall, the combination of rising household incomes and relatively high birth rates, particularly in Southeast Asia, contributes to this positive outlook.

The supply and demand situation in the European hygiene market remains positive, and the US market shows solid growth rates in the adult incontinence care segment.

Against this background, Fibertex Personal Care expects to generate full-year 2025 revenue in the DKK 1.4-1.6 billion range and EBITDA in the range of DKK 130-160 million. As always, changes in raw materials prices and exchange rates may affect revenue and, to lesser extent, EBITDA.

Fibertex Nonwovens is among the world's leading manufacturers of specialised nonwovens. Nonwovens are fibre sheets produced on high-tech processing equipment with various purpose-specific post-processings. The processed materials have a broad range of different applications, including in cars, in the construction industry and for filtration solutions. In addition, Fibertex Nonwovens produces textiles for special-purpose disposable wipes for hygiene, cleaning and other purposes.

Nonwovens is a versatile material that Fibertex Nonwovens uses to create value-adding applications through innovation and product development.

Jørgen Bech Madsen, CEO of Fibertex Nonwovens

Market
In cars, nonwovens are used to reduce weight and thereby lower carbon emissions, but nonwovens are also used as an acoustic fabric, as it absorbs sound and thereby increases comfort. In the construction sector, nonwoven materials are used to prolong the life of roads and bridges, and the material can be used to construct energy-efficient liquid and air filter solutions in cars, for industrial filtration and in ventilation systems, for example.

In the disposable wipes segment, nonwovens form part of products for industrial cleaning, while the focus in the healthcare sector is on disinfection solutions, and here Fibertex Nonwovens supplies a number of products, including special-purpose disinfectant wipes.

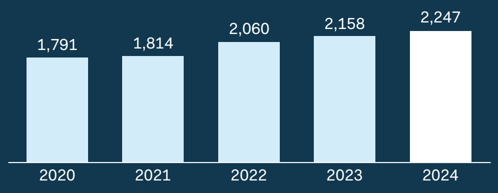
Customers demand sustainable solutions, and thanks to new technology, Fibertex Nonwovens is able to produce wipes from non-synthetic fibre, replacing the use of synthetic fibre. Recently, Fibertex Nonwovens launched a range of products based on organic cotton for use in, for example, feminine hygiene and skin care products.

Fibertex Nonwovens has increasingly focused on circular solutions, and aims to increase the proportion of recycled plastics in production, which means using much fewer resources and lowering greenhouse gas emissions substantially.

Geography
Head office in Aalborg, Denmark. Production facilities in Denmark, France, Czechia, Türkiye, the USA, South Africa and Brazil.

Ownership – past and present
Fibertex was founded in 1968 and acquired by Schouw & Co. in 2002. The company previously included the Personal Care activities, which were hived off as an independent portfolio company in 2011.

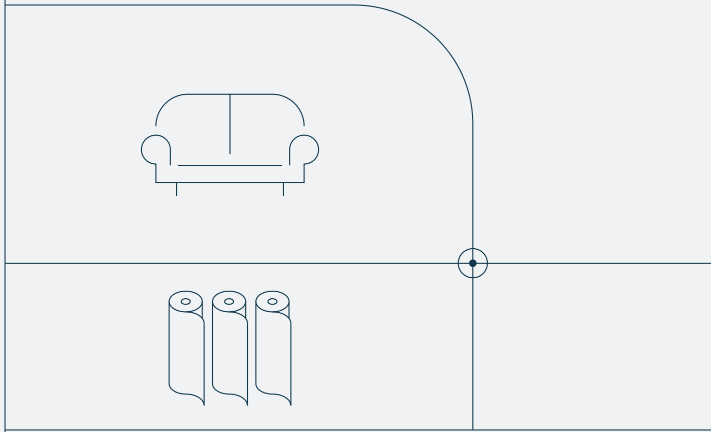
Revenue performance (DKKm)



Fibertex Nonwovens

Progress expected to be sustained in 2025

Growth in full-year revenue and EBITDA compared with the previous year despite US operations remaining a drag on earnings. Q4 earnings fell short of expectations, but efforts to strengthen US operations give rise to expectations of revenue and EBITDA growth in 2025.



Financial review
Fibertex Nonwovens reported Q4 2024 revenue of DKK 503 million, on a par with Q4 2023. Despite a 1% reduction in volumes sold, revenue was maintained thanks to positive sales mix changes that also more than offset the effects of adverse changes in foreign exchange rates. Compared to Q4 2023, increased sales of wipes and similar products in the USA, enabled by the new production line installed at the company's site in Greenville, South Carolina, more than outweighed an expected decline in sales to the auto industries in Europe and the USA. The positive change in the sales mix was further underpinned by increased sales within the European filtration and MedTech industry. Overall, full-year 2024 revenue was up by 4% year-on-year to DKK 2,247 million, in line with expectations.

Partly due to lack of volume growth, EBITDA fell from DKK 39 million in Q4 2023 to DKK 35 million in Q4 2024, a year-on-year reduction of 11%. The US operation in Greenville remained a drag on earnings due to a still outstanding full phase-in of the new production capacity, coupled with a persistent imbalance between costs and selling prices despite the cost-out plan executed at the end of Q3. Full-year 2024 EBITDA was up by 15% year on year to DKK 194 million, which was nevertheless just below the most recent guidance.

Working capital increased to DKK 574 million at the end of Q4 2024, up DKK 24 million on 31 December 2023. The increase was driven in particular by a significant reduction in trade payables. Inventories and trade receivables were kept at a stable level in line with the revenue development.

ROIC excluding goodwill improved from 3.8% at 31 December 2023 to 4.4% at 31 December 2024 due to the increased earnings. The still relatively low return was impacted by the substantial investments made in new technology and as yet only partially commissioned production capacity.

Business review
Fibertex Nonwovens has invested to expand its production capacity in recent years. This enabled the company to capitalise on the business opportunities unfolding in the wake of the coronavirus pandemic, which, however, were followed by a prolonged period of extremely challenging market conditions.

By continually investing in innovation and sustainable solutions, Fibertex Nonwovens has made its factories competitive, and the company continues to see a strong growth

Fibertex Nonwovens (DKKm)	2024 Q4	2023 Q4	2024 FY	2023 FY
Revenue	503	504	2,247	2,158
EBITDA	35	39	194	169
EBIT	6	15	84	72
CF from operations	-13	38	44	83
Working capital	574	550	574	550
ROIC excluding goodwill (%)	4.4%	3.8%	4.4%	3.8%

potential, especially for products for more specialised applications. To accommodate future demand, Fibertex Nonwovens launched an investment programme in 2021, which is intended to provide a platform for strong future growth and significantly improved earnings in the years ahead. The programme is mainly for two production lines applying the spunlacing technology, where the fibres of non-woven textiles are entangled using high-speed jets of water.

The first of the two production lines has been installed at the company's site in Greenville, South Carolina, and was put into commercial operation in early 2024. The company is seeing considerable market interest in the products which the line will manufacture. The second line will be installed in Czechia where it is expected to become operational in early 2026.

Developing new products and business concepts is essential to securing profitable and sustainable developments for Fibertex Nonwovens. The company introduces production- and capacity-enhancing measures at its factory sites on an ongoing basis as part of its high-priority efforts to build a more competitive business. Fibertex Nonwovens has adopted a strategy under which development efforts are strategically managed from Denmark but are driven by the company's local R&D centres. Development efforts are for the most part conducted in close cooperation with customers, but strategic development projects also involve suppliers of new technology as well as universities.

Outlook

For some time, Fibertex Nonwovens has been in the process of commissioning new production capacity and technology, which has put a strain on its performance. However, the current situation does not change the company's expectations of sound profitable growth in most market segments over the coming years. Fibertex Nonwovens has compelling technology and a promising pipeline and is therefore well positioned in the international competition. The short-term goal for 2025 is to further build volume while securing sustainable earnings power, positioning the company to capitalise on the full potential of the capacity-expanding investments made in recent years.

The market was impacted by moderate demand in 2024, in part due to the uncertainty prevailing in terms of the global economy and the geopolitical tensions. Further, the US and European auto industries have been impacted by reduced Chinese imports and increased Chinese exports of electrical cars, especially to the European market, putting pressure on European manufacturers.

However, Fibertex Nonwovens still expects to grow its revenue in 2025 relative to 2024, supported in part by the ramped-up production capacity in the USA, which enables the company to better accommodate North American customers' demand for materials for wipes. The European auto industry and the construction industry still appear to be challenged, but sales of materials to other important segments are expected to grow, including sales of materials for filtration solutions and MedTech products.

Hence, revenue for 2025 is expected to increase to a level of DKK 2.3-2.5 billion, while earnings are expected to increase to EBITDA in the range of DKK 200-230 million.

FY Portfolio company financial highlights

FULL YEAR	BioMar		GPV		HydraSpecma		Borg Automotive		Fibertex Personal Care		Fibertex Nonwovens		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
INCOME STATEMENT														
Revenue	16,616	17,878	8,931	10,450	3,031	2,972	1,971	1,876	1,882	1,891	2,247	2,158	34,666	37,210
Contribution profit	2,160	1,855	1,177	1,282	814	760	457	437	312	387	412	381	5,332	5,103
EBITDA	1,476	1,250	625	743	339	323	171	153	187	262	194	169	2,931	2,849
Depreciation, amortisation and impairment losses	347	390	313	311	136	123	74	74	121	125	111	97	1,104	1,121
EBIT	**1,129**	**860**	**311**	**432**	**203**	**200**	**96**	**79**	**66**	**137**	**84**	**72**	**1,827**	**1,727**
Profit after tax in associates and JVs	36	6	0	0	0	2	0	0	0	0	0	0	36	8
Net financial items	-220	-212	-207	-167	-67	-40	-60	-4	-24	-24	-99	-107	-450	-369
Profit before tax	**945**	**654**	**105**	**266**	**136**	**162**	**36**	**75**	**41**	**114**	**-15**	**-35**	**1,413**	**1,367**
Tax on profit for the year	-239	-171	-70	-99	-38	-34	-9	-11	-10	-22	-18	-8	-424	-376
Profit before non-controlling interests	**706**	**484**	**34**	**167**	**98**	**128**	**27**	**64**	**32**	**91**	**-33**	**-43**	**989**	**991**
Non-controlling interests	-31	-22	0	0	1	0	0	0	0	0	-2	0	-39	-56
Profit for the year	**675**	**461**	**34**	**167**	**99**	**128**	**27**	**64**	**32**	**91**	**-34**	**-44**	**950**	**935**
CASH FLOWS														
Cash flow from operating activities	1,585	665	291	351	287	191	28	76	162	234	44	83	2,553	1,777
Cash flow from investing activities	-151	-207	-148	-237	-89	-646	-58	-260	-119	-63	-57	-107	-623	-1,521
Cash flow from financing activities	-1,189	-562	-128	-125	-173	502	39	180	-45	-173	21	-11	-1,628	-367
BALANCE SHEET														
Intangible assets[1]	1,422	1,376	989	1,045	570	619	239	259	60	62	115	119	4,420	4,505
Property, plant and equipment	1,746	1,716	1,049	1,036	510	484	259	216	1,276	1,196	1,512	1,500	6,375	6,169
Other non-current assets	1,111	1,188	452	398	140	155	149	153	13	17	13	14	1,923	1,949
Cash and cash equivalents	434	184	254	231	101	74	22	12	8	12	73	72	892	584
Other current assets	6,579	6,709	4,663	4,792	1,427	1,486	1,381	1,269	604	589	881	885	14,513	14,690
Total assets	**11,292**	**11,172**	**7,406**	**7,500**	**2,748**	**2,818**	**2,049**	**1,908**	**1,962**	**1,874**	**2,593**	**2,590**	**28,123**	**27,896**
Equity	3,570	3,116	2,447	2,372	1,037	980	608	576	1,011	1,007	819	864	12,233	11,556
Interest-bearing liabilities	2,891	3,729	2,852	2,727	1,091	1,226	742	665	587	519	1,428	1,369	6,444	7,107
Other liabilities	4,831	4,327	2,107	2,402	620	611	699	667	364	348	346	358	9,446	9,233
Total equity and liabilities	**11,292**	**11,172**	**7,406**	**7,500**	**2,748**	**2,818**	**2,049**	**1,908**	**1,962**	**1,874**	**2,593**	**2,590**	**28,123**	**27,896**
Average no. of employees	1,598	1,613	7,862	8,583	1,466	1,452	2,128	2,018	706	709	1,117	1,094	14,899	15,488
FINANCIAL DATA														
EBITDA margin	8.9%	7.0%	7.0%	7.1%	11.2%	10.9%	8.7%	8.2%	9.9%	13.9%	8.6%	7.8%	8.5%	7.7%
EBIT margin	6.8%	4.8%	3.5%	4.1%	6.7%	6.7%	4.9%	4.2%	3.5%	7.3%	3.7%	3.3%	5.3%	4.6%
ROIC excluding goodwill	26.7%	22.1%	8.2%	10.9%	13.5%	13.4%	10.7%	10.4%	4.5%	9.1%	4.4%	3.8%	13.0%	12.8%
ROIC including goodwill	19.7%	16.2%	7.6%	10.2%	11.6%	11.5%	7.5%	7.1%	4.2%	8.5%	4.2%	3.6%	10.9%	10.7%
Working capital	1,671	2,141	2,624	2,620	884	934	711	655	342	349	574	550	6,774	7,225
Net interest-bearing debt	1,577	2,531	2,379	2,391	958	1,100	691	635	579	508	1,354	1,292	5,376	6,339

1) Excluding consolidated goodwill in Schouw & Co.

Amounts in DKK million

Q4 Portfolio company financial highlights

FOURTH QUARTER	BioMar		GPV		HydraSpecma		Borg Automotive		Fibertex Personal Care		Fibertex Nonwovens		Group	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
INCOME STATEMENT														
Revenue	4,261	4,214	2,111	2,530	790	729	430	433	455	447	503	504	8,547	8,851
Contribution profit	581	567	261	292	211	184	103	109	77	84	79	93	1,311	1,330
EBITDA	382	397	139	178	86	74	31	35	53	52	35	39	709	763
Depreciation, amortisation and impairment losses	86	132	76	82	36	30	18	19	31	32	29	24	277	319
EBIT	**296**	**265**	**63**	**97**	**50**	**45**	**13**	**16**	**21**	**20**	**6**	**15**	**432**	**444**
Profit after tax in associates and JVs	1	-31	0	0	0	2	0	0	0	0	0	0	1	-29
Net financial items	-57	-61	-37	-28	-13	-9	-22	7	8	3	-21	-33	-84	-81
Profit before tax	**240**	**173**	**26**	**68**	**37**	**37**	**-9**	**23**	**29**	**23**	**-14**	**-18**	**350**	**334**
Tax on profit for the year	-64	-65	-23	-16	-16	-8	-1	0	-5	-1	1	-2	-120	-100
Profit before non-controlling interests	**176**	**108**	**3**	**52**	**22**	**30**	**-10**	**23**	**24**	**23**	**-13**	**-19**	**229**	**234**
Non-controlling interests	-8	-5	0	0	0	0	0	0	0	0	0	0	-9	-16
Profit for the year	**168**	**103**	**3**	**52**	**22**	**30**	**-10**	**23**	**24**	**23**	**-14**	**-20**	**221**	**219**
CASH FLOWS														
Cash flow from operating activities	703	-482	27	272	95	75	43	35	29	33	-13	38	888	29
Cash flow from investing activities	-39	-83	-19	-25	-14	-136	-7	-213	-39	-24	-18	-29	-135	-512
Cash flow from financing activities	-576	385	-12	-237	-74	50	-31	163	4	-38	24	-20	-668	239
BALANCE SHEET														
Intangible assets[1]	1,422	1,376	989	1,045	570	619	239	259	60	62	115	119	4,420	4,505
Property, plant and equipment	1,746	1,716	1,049	1,036	510	484	259	216	1,276	1,196	1,512	1,500	6,375	6,169
Other non-current assets	1,111	1,188	452	398	140	155	149	153	13	17	13	14	1,923	1,949
Cash and cash equivalents	434	184	254	231	101	74	22	12	8	12	73	72	892	584
Other current assets	6,579	6,709	4,663	4,792	1,427	1,486	1,381	1,269	604	589	881	885	14,513	14,690
Total assets	**11,292**	**11,172**	**7,406**	**7,500**	**2,748**	**2,818**	**2,049**	**1,908**	**1,962**	**1,874**	**2,593**	**2,590**	**28,123**	**27,896**
Equity	3,570	3,116	2,447	2,372	1,037	980	608	576	1,011	1,007	819	864	12,233	11,556
Interest-bearing liabilities	2,891	3,729	2,852	2,727	1,091	1,226	742	665	587	519	1,428	1,369	6,444	7,107
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Total equity and liabilities	**11,292**	**11,172**	**7,406**	**7,500**	**2,748**	**2,818**	**2,049**	**1,908**	**1,962**	**1,874**	**2,593**	**2,590**	**28,123**	**27,896**
Average no. of employees	1,607	1,614	7,548	8,324	1,464	1,488	2,125	2,021	697	708	1,128	1,100	14,590	15,275
FINANCIAL DATA														
EBITDA margin	9.0%	9.4%	6.6%	7.0%	10.9%	10.2%	7.3%	8.1%	11.6%	11.7%	6.9%	7.8%	8.3%	8.6%
EBIT margin	6.9%	6.3%	3.0%	3.8%	6.4%	6.1%	3.1%	3.7%	4.7%	4.4%	1.3%	3.0%	5.1%	5.0%
ROIC excluding goodwill	26.7%	22.1%	8.2%	10.9%	13.5%	13.4%	10.7%	10.4%	4.5%	9.1%	4.4%	3.8%	13.0%	12.8%
ROIC including goodwill	19.7%	16.2%	7.6%	10.2%	11.6%	11.5%	7.5%	7.1%	4.2%	8.5%	4.2%	3.6%	10.9%	10.7%
Working capital	1,671	2,141	2,624	2,620	884	934	711	655	342	349	574	550	6,774	7,225
Net interest-bearing debt	1,577	2,531	2,379	2,391	958	1,100	691	635	579	508	1,354	1,292	5,376	6,339

1) Excluding consolidated goodwill in Schouw & Co.

Amounts in DKK million

Group information

GOV-1

Board of Directors

Chairman
Jørgen Dencker Wisborg

Born 1962.
Elected to the Board in 2009.

MSc, Aarhus School of Business and LEAP, Leadership Programme, Insead, France. Professional board member with special expertise in management and sales as well as in strategy, business development, financial reporting, treasury and finance. Member of the company's audit committee and chairman of the company's nomination and remuneration committee.

Directorships
Chairman: Blue Water International A/S, Blue Water Holding A/S, Blue Water Property A/S, Blue Water Shipping A/S, Danoil II ApS, Danoil Exploration A/S, Per Aarsleff A/S, Per Aarsleff Holding A/S.

Board member: BioMar Group A/S, Borg Automotive A/S, Fibertex Nonwovens A/S, Fibertex Personal Care A/S, GPV Group A/S, HydraSpecma A/S.

Executive management: Rotensia ApS.

Shares held in Schouw & Co.
Holds 15,000 shares in Schouw & Co. (End 2023: 15,000 shares)

Independence as a board member
Jørgen Dencker Wisborg is not considered to be independent, having served more than 12 years on the Board.

Deputy chairman
Kenneth Skov Eskildsen

Born 1973.
Elected to the Board in 2018.

Business training from Aarhus Business College and managing director of Givesco A/S. Special expertise in international business relations, accounting and economics as well as sales and production, including specifically in foods. Member of the company's nomination and remuneration committee.

Directorships
Chairman: Eliza Chokolade ApS, Givesco Ejendomme A/S, Grocon Holding ApS, MTK GmbH, TC Brød ApS.

Board member: Almondy AB, Almondy Fastighets AB, Carletti A/S, Carletti Fastigheter AB, Daniatech ApS, Daniatech Holding ApS, Dina Food ApS, Givesco A/S, Humlum A/S, Jacobsen Bakery Ltd A/S, Jens Eskildsen og Hustru Mary Antonie Eskildsens Mindefond, Kakes A/S, Leighton Foods A/S, OK Snacks A/S, Switsbake Int AB, Vorgod Bageri A/S.

Executive management: Givesco A/S, Givesco Bakery A/S, Grocon Holding ApS, Porto ApS, Selskabet af 4. oktober 2017 ApS.

Shares held in Schouw & Co.
Holds 381,990 shares in Schouw & Co. (End 2023: 381,990 shares)

Independence as a board member
Kenneth Skov Eskildsen is not considered to be independent, due to his affiliation with the main shareholder Givesco A/S.

Board member
Kjeld Johannesen

Born 1953.
Elected to the Board in 2003.

Business diploma (HD), Marketing economics, Copenhagen Business School and a professional board member. Special expertise in management, production and sales as well as in strategy, business development and international business relations. Member of the company's nomination and remuneration committee.

Directorships
Chairman: KP Invest Herning A/S, Spar Nord Bank A/S.

Executive management: CLK 2016 Holding ApS, Kjeld Johannesen Holding ApS.

Shares held in Schouw & Co.
Holds 22,000 shares in Schouw & Co. (End 2023: 22,000 shares)

Independence as a board member
Kjeld Johannesen is not considered to be independent, having served more than 12 years on the Board.

Board member
Hans Martin Smith

Born 1979.
Elected to the Board in 2017.

MSc (Economics), Aarhus University and former CFO of Vestas Wind Systems A/S. Special expertise in finance, business development, strategy, M&A, capital markets and investor relations. Chairman of the company's audit committee.

Directorships
None

Shares held in Schouw & Co.
Holds 1,950 shares in Schouw & Co. (End 2023: 1,950 shares)

Independence as a board member
Hans Martin Smith is considered to be independent.

Board member
Søren Stæhr

Born 1967.
Elected to the Board in 2022.

LL.M., Aarhus University and Master of Laws, King's College, London. Attorney and partner of Gorrissen Federspiel Law Firm. Special expertise in structuring and organising international trade, M&A transactions and investments, in establishing and operating joint ventures, consortia and the like, and expertise in ESG-related matters.

Directorships
Board member: Givesco Bakery A/S, Købmand Th. C. Carlsens Mindefond.

Shares held in Schouw & Co.
Holds 1,265 shares in Schouw & Co. (End 2023: 1,265 shares)

Independence as a board member
Søren Stæhr is not considered to be independent due to his affiliation with the main shareholder Givesco A/S and his affiliation to a law firm which acts as an adviser to the company.

Board member
Sisse Fjelsted Rasmussen

Born 1967.
Elected to the Board in 2024.

MSc in Business Administration and Auditing, Copenhagen Business School, state authorised public accountant. Professional board member with special expertise in finance, treasury, tax and IT as well as in M&A, risk management and ESG-related matters. Member of the company's audit committee.

Directorships
Board member: Aase og Ejnar Danielsens Fond, Conscia A/S, Dades A/S, Demant A/S, Heinrich og Laurine Jessens Fond, Hempel Fonden.

Shares held in Schouw & Co.
Holds 635 shares in Schouw & Co. (End 2023: 0 shares)

Independence as a board member
Sisse Fjelsted Rasmussen is considered to be independent.

GOV-1

Executive Management

President & CEO
Jens Bjerg Sørensen

Born 1957. Appointed in 2000.

Business graduate, Niels Brock Business College, Business diploma (HD), Marketing Economics, Copenhagen Business School, IEP – Insead Executive Programme, Insead, France.

Directorships
Chairman: A. Kirk A/S, BioMar Group A/S, Borg Automotive A/S, Danfoss A/S, F. Salling Holding A/S, F. Salling Invest A/S, Fibertex Nonwovens A/S, Fibertex Personal Care A/S, GPV Group A/S, HydraSpecma A/S, Købmand Herman Sallings Fond.

Deputy chairman: Salling Group A/S.

Board member: Aida A/S, Ejendomsselskabet FMJ A/S, F.M.J. A/S, Købmand Ferdinand Sallings Mindefond.

Executive management: Jens Bjerg Sørensen Datterholding 1 ApS, Jens Bjerg Sørensen Holding ApS.

Shares held in Schouw & Co.
Holds 56,000 shares in Schouw & Co. (End 2023: 56,000 shares)

Vice president
Peter Kjær

Born 1956. Appointed in 1993.

BSc, Electronic Engineering, Engineering College of Aarhus, Business diploma (HD), Marketing Economics, Aarhus School of Business, MBA from IMD, Lausanne, Switzerland.

Directorships
Chairman: Den Gamle By, Incuba A/S.

Board member: A. Espersen A/S, Beck Pack Holding ApS, Beck Pack Systems A/S, Direktør J.P.A. Espersen og hustru, fru Dagny Espersens Fond, HydraSpecma A/S, Insepa A/S.

Shares held in Schouw & Co.
Holds 26,500 shares in Schouw & Co. (End 2023: 26,500 shares)

These pages list relevant directorships in other companies and other relevant management positions held. Shareholdings include each board member's or executive's shares in Schouw & Co. and those held by their related parties.

Management bodies at Schouw & Co.

The Board of Directors of Schouw & Co. consists of not less than four and not more than seven shareholder-elected members who elect a chairman and a deputy chairman from among its members. Board members are elected for a term of one year and are eligible for re-election. The Board of Directors of Schouw & Co. also serves as the Board of Directors of Direktør Svend Hornsylds Legat.

The Board of Directors is responsible for the overall management of the company, which includes appointing the members to the Executive Management, laying down guidelines for and exercising control of the work performed by the Executive Management, organising the company's business in a responsible manner, including oversight over sustainability matters, defining the company's business concept and strategy, including sustainability impacts related to this, and evaluating the adequacy of the company's capital contingency programme. The Board of Directors has set up an audit committee and a nomination and remuneration committee.

The Executive Management is in charge of the day-to-day management of the company both at parent company and group level and complies with the guidelines and directions issued by the Board of Directors.

Corporate governance

Pursuant to section 107b of the Danish Financial Statements Act and ESRS 2 GOV-1, GOV-2, GOV-5

As a public listed company, the supreme authority of Aktieselskabet Schouw & Co. is the shareholders. The shareholders exercise their rights at the Annual General Meeting. At the Annual General Meeting, the non-executive Board of Directors is appointed for a term of one year, and together with the Executive Management, the Board of Directors is responsible for the management of the company.

Schouw & Co. complies with the recommendations for good corporate governance, which are available at the website of the Danish Committee on Corporate Governance, www.corporategovernance.dk. Schouw & Co. complies with all the recommendations set forth in the guidelines, except for the recommendation on a majority of independent members of the Board of Directors and board committees and the recommendation that the Board of Directors should use external counselling every third year for the conduct of the annual assessment of the Board's performance. The complete report on compliance with the recommendations is available at the company's website at www.schouw.dk/en/cg.

The Board of Directors

The Board of Directors of Schouw & Co. consists of not less than four and not more than seven shareholder-elected members, none of whom are also part of the company's Executive Management. There are no employee representatives among the members. Board members are elected for a term of one year and are eligible for re-election, and the Board elects a chairman and a deputy chairman from among its members. The Board of Directors of Schouw & Co. also serves as the Board of Directors of Direktør Svend Hornsylds Legat.

In 2024, the Board of Directors consisted of six members, 33% of whom were considered independent. The gender composition was 17% female members and 83% male members. Ordinary board meetings are scheduled at least six months in advance. Board meetings are normally attended by all members of the Board of Directors and of the Executive Management. In 2024, the Board of Directors held a total of six board meetings and a board seminar. In 2024, two board members each were absent from one meeting.

The Board of Directors is responsible for the overall management of the company, which includes appointing the members to the Executive Management, laying down guidelines for and exercising control of the work performed by the Executive Management, organising the company's business in a responsible manner, including oversight over sustainability matters, defining the company's business concept and strategy, including sustainability impacts related to this, and evaluating the adequacy of the company's capital contingency programme.

Committees

The Board of Directors has set up an audit committee and a nomination and remuneration committee.

Audit committee

The Board of Directors has set up an audit committee, which has supervisory responsibility and reports to the Board of Directors. The primary task of the audit committee is to monitor the work and processes related to financial and non-financial reporting. The committee supports the Board of Directors with assessments and controls regarding audit, accounting practices, internal control systems, financial reporting, etc. Its tasks also include non-financial reporting.

The members of the committee are Hans Martin Smith (chairman), Jørgen Wisborg and Sisse Fjeldsted Rasmussen. All three members of the audit committee are considered to meet the legal requirements for accounting qualifications. The audit committee's responsibilities are set

out in further detail in the charter available at the company's website: www.schouw.dk/en/cg.

Nomination and remuneration committee
The nomination and remuneration committee is responsible for overseeing the qualifications and competencies of the Board of Directors and the Executive Management. It is also responsible for the remuneration policy and for ensuring that the principles of this policy are upheld in relation to the remuneration of the Board of Directors and the Executive Management. The members of the committee are Jørgen Wisborg (chairman), Kenneth Skov Eskildsen and Kjeld Johannesen. The nomination and remuneration committee's responsibilities are set out in further detail in the charter available at the company's website: www.schouw.dk/en/cg.

Annual assessment of performance
The Board of Directors carries out an annual self-assessment, applying a structured model to determine, among other things, whether the Board of Directors possesses the right competencies and expertise for the performance of its work and the fulfilment of its responsibilities in relation to overseeing sustainability impacts, risks and opportunities relevant to the Group and the individual portfolio businesses, including the competencies of the Group's committees.

The Board of Directors performed its most recent self-assessment in January 2025, concluding that the Board has the competencies required to perform its duties and that it is performing satisfactorily.

The Executive Management

The Executive Management is responsible for the day-to-day management of the company at both the parent company and the group level in accordance with the guidelines and instructions provided by the Board of Directors.

Sustainability committee
Executive Management has set up a sustainability committee that is responsible for the Group's double materiality process, including management and procedures related to impacts, risks and opportunities, the sustainability strategy of the Group and the overall structure of the reporting of non-financial data. Management receives updates on sustainability matters during meetings and the Board of Directors and the audit committee are updated on sustainability matters on a regular basis as specified in the annual plan for board meetings.

The Group's sustainability committee consists of the Executive Management plus members of the general management and the group head of sustainability to ensure that skills and expertise are available and that these are directly related to the matters that the Group faces. The sustainability committee is responsible for the overall procedures and controls related to sustainability matters, which includes the annual review of the double materiality assessment and general management of impacts, risks and opportunities. The day-to-day management of these issues as well as the actual assessment of the impacts are assigned to the Group's sustainability department, which has dedicated procedures in place to ensure the management of impacts, including the monthly and annual reporting on sustainability matters. The sustainability committee receives information from the sustainability department on the management of impacts, risks and opportunities at least once each quarter. In 2024, the committee addressed all material impacts, risks and opportunities included in the overview of material matters as part of the performance of the double materiality assessment.

The Board of Directors and the sustainability committee receive monthly reports on the financial performance of the company. These reports include sustainability matters, including performance data on key metrics and an update on key projects.

Management in the portfolio businesses

Schouw & Co. has a decentralised structure, under which the individual portfolio businesses operate with a high degree of operational independence, have their own organisations and are responsible for the day-to-day management. The individual portfolio businesses are structured as focused sub-groups with their own subsidiaries. The Board of Directors of the portfolio businesses is generally composed of representatives from the Board of Directors and the Executive Management of Schouw & Co. as well as external board members with special expertise in the relevant industries.

Risks and internal controls

The Group's internal control and risk management systems for financial and non-financial reporting are established to ensure that reporting is in accordance with applicable laws and international accounting standards. The purpose of establishing processes for internal controls and risk management is to ensure a high degree of certainty that significant errors and irregularities in connection with reporting are detected and corrected, so that the annual report and interim reports provide a true and fair view without material misstatement, and to ensure the selection and application of appropriate accounting practices and the prudent exercise of accounting estimates.

While the Group strives to align internal controls and risk management for its financial and non-financial reporting, the maturity level of the two reporting areas as well as the general nature of the specific type of reporting differ significantly. Consequently, management has a general focus on establishing procedures for non-financial reporting, since this area is less mature than the financial reporting area, which poses a general risk in terms of data accuracy.

Control environment

The audit committee oversees the financial and the non-financial reporting and reports to the Board of Directors. The responsibility for an effective control environment and internal control and risk management system related to both financial and non-financial reporting lies with the Executive Management. Managers at different levels, including the Executive Management of the Group's portfolio businesses, are responsible within their respective areas. Roles and responsibilities are defined in internal guidelines, procedures and policies that are approved by the Board of Directors. Control activities are established to prevent and detect potential errors and irregularities, including risks regarding non-financial data immaturity. These activities are integrated into the Group's standardised accounting and reporting procedures, which include procedures for authorisation, attestation, approval, reconciliation, segregation of duties, IT application controls and general IT controls. The same principles apply to non-financial reporting, subject, however, to a general acceptance that maturity levels are not at the same level as for financial reporting. Control activities are supplemented with the ongoing issuance of reporting instructions and necessary updates to accounting practices in connection with new accounting standards. Additionally, a group accounting manual as well as a group ESG guidebook are available to all relevant personnel.

Risk assessment

The audit committee annually conducts an overall assessment of the risk of significant errors in financial and non-financial reporting, including a separate assessment of the risk that the consolidated financial statements may contain material errors due to fraud. The risk assessment is based on business processes, reporting processes and policies ensuring that relevant risks are managed and minimised to an acceptable level. The audit committee annually evaluates whether the establishment of an internal audit function for both financial and non-financial reporting would be appropriate. Based on the audit committee's recommendation, the Board of Directors of Schouw & Co. has decided that, for the time being, no internal audit function will be established.

Monitoring

The Group's comprehensive internal financial reporting enables the Board of Directors and the Executive Management to continuously monitor the Group's and the individual segments' performance, both on financial and on selected non-financial performance indicators. Ongoing reporting helps to detect and correct any reporting errors and irregularities at an early stage, including weaknesses or violations of established business processes, procedures, etc.

Compliance with accounting practices is continuously monitored at both group and segment level through controlling activities. This also includes the parent company's review and assessment of portfolio business processes and of whether internal controls meet the standards defined by Schouw & Co. The results are assessed on an ongoing basis and communicated annually to the audit committee. The audit committee also receives observations from the auditor. The audit committee monitors whether the Executive Management promptly addresses identified weaknesses or deficiencies and whether this leads to the implementation of more effective internal controls that ensure an appropriate accounting process.

Audit

At Schouw & Co.'s Annual General Meeting, an independent auditor is appointed based on the Board of Directors' recommendation. In addition, an auditor is elected for the sustainability statement. Prior to this, the audit committee, on behalf of the Board of Directors, conducts a critical assessment of the auditor's independence, qualifications, etc. The auditor appointed by the general meeting reports in writing, by means of long-form audit reports, to the entire Board of Directors of Schouw & Co. at least once a year and additionally immediately after identifying any matters of which the Board of Directors should be informed. The appointed auditor is the auditor for all the Group's businesses. However, in some foreign entities, a different local auditor may be appointed for practical reasons, but the audit is carried out in all group entities according to instructions from the appointed auditor.

Investor information

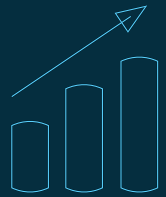
Capital and share structures

The shares of Aktieselskabet Schouw & Co. are listed in the large cap segment on Nasdaq Copenhagen under the short name SCHO and the ISIN code DK0010253921.

The company has 25,000,000 issued shares of DKK 10 nominal value, equal to a total share capital of DKK 250,000,000 nominal value. Each share carries one vote, no share carries any special rights and no restrictions apply as to the transferability of the shares.

The Board of Directors reviews the company's capital and share structures at least once a year, giving priority to retaining a high equity ratio in order to ensure the necessary financial versatility. At its most recent review in December 2024, the Board of Directors found the company's capital and share structures to be appropriate and adequate relative to the company's plans and expectations. At the annual general meeting held in April 2024, the Board of Directors proposed to reduce the share capital by 500,000 shares, equal to a nominal value of DKK 5,000,000, by cancelling treasury shares to the effect that going forward the share capital will consist of 25,000,000 shares with a nominal value of DKK 10 each for a total nominal share capital of DKK 250,000,000. The proposal was adopted and the share capital was reduced effectively by 17 May 2024.

Treasury shares and share buyback programme



In 2024, Schouw & Co. acquired 431,937 treasury shares at an aggregate price of DKK 241 million under the Group's share buyback programmes, which were launched under the safe harbour rules on 15 November 2023 and 1 March 2024. In addition, Schouw & Co. sold 88,000 treasury shares and acquired 88,000 treasury shares in connection with the Group's share-based incentive programme.

As a result, the company held 1,969,913 treasury shares, equal to 7.88% of the share capital at the end of 2024, The market value of the holding of treasury shares was DKK 1,060 million at 31 December 2024. The portfolio of treasury shares is recognised at DKK 0.

Register of shareholders

The company's registrar is:

Computershare A/S
Lottenborgvej 26D, 1. sal
DK-2800 Kgs. Lyngby, Denmark

Dividend policy

Schouw & Co. aims to pay stable or growing dividends, always with due consideration for the company's earnings and any potential major investments or acquisitions.

The Board of Directors proposes that the dividend for the 2024 financial year remain unchanged at DKK 16 per share.

16

per share (DKK)

Incentive programmes

Since 2003, Schouw & Co. has operated a share-based incentive programme comprising the Executive Management and senior managers of the Group, including the executive managements of subsidiaries.

In 2024, however, the long-term incentive programme has been restructured to the effect that the incentive programmes for senior managers in the Group's portfolio companies are now more closely linked to the performance of the individual company. These programmes are currently not share-based.

For senior managers of the Group's parent company, the Board of Directors has decided that the long-term incentive programme will remain share-based. In continuation hereof the Board of Directors has resolved to award 100,000 share options.

The share options are exercisable during a 13-month period following the publication of Schouw & Co.'s annual report for the 2026 financial year at a strike price of DKK 526.00 plus a 2% premium per annum from the date of grant until the date of exercise. The exercise price is adjusted by deduction of ordinary dividends, which cannot exceed the accrued interest.

The overall guidelines for incentive programmes can be found in the company's remuneration policy as approved by the company's shareholders in general meeting and which is available from the company's website, www.schouw.dk.

Financial calendar for 2025

10 APRIL
Annual General Meeting

15 APRIL
Expected distribution of dividend for the 2024 financial year

2 MAY
Release of interim report Q1 2025

15 AUGUST
Release of interim report Q2 2025

12 NOVEMBER
Release of interim report Q3 2025

Company announcements

Except for updates in relation to the ongoing share buyback programmes and other administrative disclosures, Schouw & Co. released the following company announcements in 2024. All announcements are available at the company's website, www.schouw.dk.

19.01.2024	**#04**	Good results for 2023 and expectations of continued good results in 2024
31.01.2024	**#07**	Change of CFO at Aktieselskabet Schouw & Co.
01.03.2024	**#12**	Annual Report 2023: Solid momentum
01.03.2024	**#13**	Schouw & Co. to initiate share buy-back programme of up to DKK 200 million
13.03.2024	**#16**	Notice of the Annual General Meeting of Schouw & Co.
10.04.2024	**#21**	Annual general meeting of Schouw & Co.
30.04.2024	**#26**	Interim report – First quarter of 2024
17.05.2024	**#30**	Reduction of share capital in Schouw & Co.
21.05.2024	**#32**	Major shareholder announcement – Direktør Svend Hornsylds Legat
15.08.2024	**#46**	Interim report – Second quarter of 2024
19.08.2024	**#48**	Notification of transactions with shares in Schouw & Co.
12.11.2024	**#61**	Schouw & Co. initiates evaluation of a possible separate listing of BioMar
12.11.2024	**#62**	Interim report – Third quarter of 2024
20.12.2024	**#68**	Schouw & Co.'s financial calendar 2025
23.12.2024	**#70**	Schouw & Co. to initiate share buy-back programme of up to DKK 50 million
23.12.2024	**#71**	Continuation of incentive programme

Share price performance

The Schouw & Co. share closed the year at a price of DKK 538 (official year-end price), compared with DKK 553 per share at 31 December 2023, corresponding to a return of 0.2% including payment of a dividend of DKK 16 per share.

Accordingly, the total market capitalisation of the company's listed share capital amounted to DKK 13,450 million at the close of the financial year, against DKK 14,102 million at the close of 2023. Adjusted for the holding of treasury shares, the company's market capitalisation was DKK 12,390 million at 31 December 2024.

Investor relations policy

Schouw & Co. aims to create value and achieve results to match the best of our industry peers.

The company strives to provide reliable information and to maintain professional relations with shareholders and the market so as to ensure that investors will always be able to make an assessment of the Group's true values. Schouw & Co. complies with the duty of disclosure rules applying to listed Danish companies.

The company's IR policy is available (in English) on the company's website, www.schouw.dk.

Any queries of an investor relations nature should be e-mailed to: ir@schouw.dk or to the company at: schouw@schouw.dk.

www.schouw.dk

The company's website contains press releases and company announcements, as well as more detailed information on the Group. Interested parties are also invited to subscribe to the company's news service.

Shareholder structure

12,500

Schouw & Co. has some 12,500 registered shareholders. Of these, the following are listed in the Company's register in accordance with section 56 of the Danish Companies Act:

28.66%

Givesco A/S

15.12%

Direktør Svend Hornsylds Legat

7.88%

Aktieselskabet Schouw & Co.
(at 31 December 2024)

Members of the Board of Directors and the Executive Management of Schouw & Co. and their related parties held a total of 422,840 and 82,500 shares, respectively, in the company at 31 December 2024.

Risk management

In 2024, Schouw & Co. updated and improved its risk management processes. A systematic and structured framework for identification of risks in the portfolio businesses has been rolled out with emphasis on mitigation actions and working with risk management.

Risk management

For many years, risk management at Schouw & Co. has been centred around overall risks, as the conglomerate structure ensures a very diverse risk exposure. Schouw & Co. has operations across the world in many different industries, markets and supply chains that are not interconnected. Therefore, a risk materialising in one portfolio business or one geography will most likely impact only that specific business, not the Group as a whole. However, a group-wide approach and enterprise risk management (ERM) framework was implemented in 2024 to strengthen transparency, enhance informed decision-making and increase general risk awareness. Schouw & Co. has built both the process and the framework to secure alignment across inputs. Risk management is prioritised across the Group and supports strategic and operational targets.

The improved ERM framework includes an annual wheel with four defined steps that the portfolio businesses follow. The identified risks are split into six categories: strategic, commercial, operational, financial, compliance, reputational and safety. The tangible outcome of the ERM framework is a risk book encompassing all relevant risks of Schouw & Co. and a risk profile concluding on the key risks and mitigation actions within a time horizon of 1-5 years.

A structured approach

The ERM framework was introduced to the management teams of the portfolio businesses who participated in individual risk identification sessions. Some portfolio businesses involved a broader range of people, such as subject-matter experts or site directors, to identify broader risks. In one of the portfolio businesses, the risks were identified in a joint session with the management team in an extended workshop format rather than individual sessions. All identified risks were rated and ranked based on impact and likelihood of occurrence.

The management teams of the portfolio businesses aligned and calibrated the most important risks that were subsequently consolidated into a risk book to secure strong documentation. The top risks in the portfolio businesses were weighted, narrowed down and combined with group-wide risks, and together these constitute the key risks of Schouw & Co. The risk profile and key risks were reviewed and validated by a risk committee before final review and sign-off by the Board of Directors of Schouw & Co. in January 2025.

The risk profile

A total of 251 risks were identified in the risk identification sessions, which resulted in 62 top risks and eight key risks that constitute the Schouw & Co. risk profile. The key risks and mitigation actions are described in the risk table. The risk profile highlights the natural risk spread across the conglomerate, ensuring that no single risk poses a high level of risk magnitude to the Group.

Risk insights
Having a diverse portfolio gives the opportunity to look for trends or patterns despite a broad risk spread. Of the 62 top risks, the majority are operational (31%), strategic (28%) and commercial (17%), which is consistent with a portfolio of large industrial businesses.

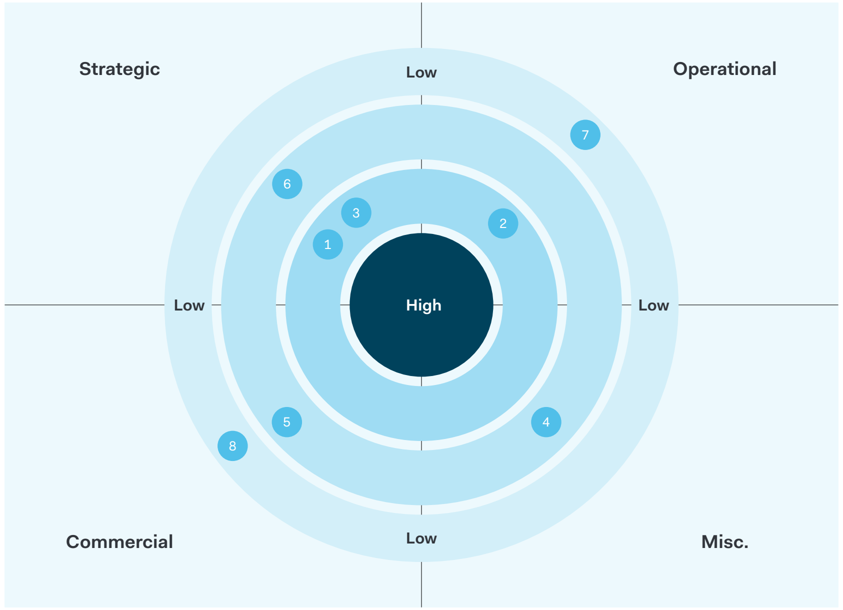
Mitigation
Mitigation actions and progress, especially concerning key risks, are monitored intently to ensure a strong follow-up and advancement. The status and mitigation progress of the risk is reviewed by the assigned risk committee and reported to the executive management of Schouw & Co.

It should be noted that the identified risks could impact Schouw & Co. both positively and negatively. If a risk develops favourably or is successfully mitigated, the impact could be better than anticipated and potentially entail an opportunity or competitive advantage.

Future ambitions
After the completion of the first full annual wheel, learnings and key takeaways from the process will be implemented and incorporated. Further, a full review of the process will be conducted with the portfolio businesses during the first half of 2025 to ensure continuous improvements and a relevant framework.

So far, the focus has centred on establishing a clear baseline of the current risk landscape with multiple bottom-up inputs from all portfolio businesses. Going forward, more attention will be given to emerging risks and top-down group-wide risks. The next full risk identification and assessment process will be conducted in the second half of 2025.

Risk profile



The circles show different levels of risk with the highest risk magnitude, and the further from the inner circle, the lower risk magnitude

Risk table

Risk	What is the risk?	How is the risk mitigated?
1. Geopolitical tensions	An increase and/or escalation of geopolitical tension and conflicts can have major impacts on global supply chains. Trade sanctions, regulations and tariffs can hinder or disrupt supply, demand and logistics and heavily affect companies working internationally.	With sales to more than 100 countries, Schouw & Co.'s diversification as to performance, markets and global footprint limits the impact. For all portfolio businesses, staying alert and updated while continuously optimising footprint and reducing dependence on any single supplier, customer, market, etc. reduces the impact. Further, local agility and speed in decision-making are prioritised to be able to respond quickly to further reduce the impact.
2. Prices and availability of raw materials	Fluctuations in prices and availability of raw materials create uncertainty and impact the business environments. Supply chain disruptions, geopolitical tensions and different climate-related events may affect raw materials.	Across the Group, the cost of raw materials and components is to a considerable extent passed on to customers by way of sales prices or hedging mechanisms. No single raw material is critical at group level, and several hundreds of various raw materials are used across the portfolio businesses, limiting the dependency on any specific raw material.
3. Europe competitiveness	In some industries, competitiveness is under pressure due to unequal market conditions, with cheaper products floating the European market and EU requirements and regulations make it hard to compete on margins.	To strengthen competitiveness, attention is given to product quality, being selective and taking the 'right' orders. Focus is on quality, innovation, engineering and customers that value trust and reliability. Another mitigating element is continuously optimising the organisation and production capacity, maintaining a strong cost focus and ensuring operational and commercial excellence.
4. Financing and interest rates	Higher interest rates mean higher capital costs and may reduce capital availability.	At Schouw & Co., debt is managed centrally, and the parent company and the portfolio businesses are jointly liable for debts, which are raised through four major banks and other facilities. The Group has a strategic goal of having a ratio of consolidated net interest-bearing debt/EBITDA of a maximum of 2.5x and the strong set-up and control limits the impact of the risk.
5. Biological conditions	There is an ever-present threat of a disease outbreak within different fish and shrimp species. Diseases can be both infectious or non-infectious, and there are many products and strategies for preventing or controlling diseases in aquaculture species. The risk only applies to BioMar.	The risk is not directly connected to BioMar's own operations, but diseases can affect all parts of the value chain. Ensuring high quality in production and high-quality feed can promote and contribute to a preventive approach to disease management. BioMar's broad geographical footprint and exposure to multiple species minimise the impact.
6. Climate impact	Rising sea temperatures and changing weather conditions can bring challenges and consequences for various parts of the aquaculture value chain, both downstream and upstream. The risk only applies to BioMar.	The geographic diversification of BioMar's operations reduces the implications of local and regional natural disasters and weather phenomena. A strong customer diversification and maintaining the right insurances and guarantees also mitigate the impact. The magnitude of the risk could be higher on a time horizon extending beyond 1-5 years.
7. Cyber attacks	The threat of malicious attacks on IT systems has risen significantly in later years. Further, as businesses become increasingly digitalised, the vulnerability has increased.	The IT systems used by the portfolio businesses are completely independent from each other, which limits the impact. Across the portfolio, there is a strong focus on IT security and awareness training, and ongoing investments are made to prevent, detect and respond to cybersecurity attacks.
8. Customer dependency	Operating B2B with large players can imply that major customers have considerable bargaining strength, and their decisions may impact business operations.	All portfolio businesses operate in B2B markets and serve relatively large customers, but no single customer accounts for more than 5% of the consolidated revenue, which limits the impact. Maintaining a well-balanced customer portfolio continues to be the strongest mitigation action.

Statement on data ethics

Pursuant to section 99d of the Danish Financial Statements Act

Description of the company's policy on data ethics
Schouw & Co. has a policy on data ethics. The policy is available at www.schouw.dk/en/cg and sets out requirements for maintaining a high standard of data integrity, which is considered essential to ensuring the trust of business partners, employees and the general public. The policy recognises the Group's responsibility in relation to data collection and data processing, including the responsibility for ensuring that technical and organisational measures support the ethically responsible use of data. The policy also expresses the Group's expectations for its portfolio businesses. As working with data is very context-specific, the policy does not provide a specific description of the procedures and measures to be introduced by the portfolio businesses with a view to ensuring compliance with the Group's data ethics values.

The portfolio businesses are characterised by a relatively low level of data complexity. They operate in business-to-business markets and process a limited amount of personally identifiable data. Such processing typically takes place in connection with the collection of data that are relevant and required in a labour market context. Other types of data are collected and used in a more business-specific context and always in compliance with the principles for responsible data use. When processing data in general, the portfolio businesses are expected to comply with the Group's policy on data ethics and the fundamental principles stated therein: responsible conduct, purpose limitation, data minimisation, lawfulness, fairness, transparency, accuracy, integrity, confidentiality and storage limitation.

Cybercrime and unauthorised access to data pose a constant risk. Consequently, the portfolio businesses are expected to ensure implementation of adequate security levels in and around the systems and technologies used for data storage and data processing. Security measures are implemented at both the technical and the organisational levels, and the required security levels are determined on the basis of risk assessments of the specific processing activities and the technology applied to process the data. The portfolio businesses have systems in place to protect against cyberattacks and have trained their employees in minimising the risk of phishing attacks or the like. Data security is given high priority with each portfolio business being responsible for ensuring correct and secure handling of data, as there are no integrated group-wide IT systems.

Actions and initiatives during the year
During 2024, a cyber maturity assessment was conducted for each portfolio business and for the parent company. The assessment showed that Schouw & Co. generally has a high focus on cybersecurity and protection of data. The assessment also identified improvement areas for the individual businesses and the parent company. Action plans will be drafted by each portfolio business according to context and assessed needs.

Sustainability statement

General information

Basis for preparation

For the first time, Schouw & Co. reports in accordance with the European Sustainability Reporting Standards under the Corporate Sustainability Reporting Directive. This section describes the basis for preparation of the sustainability statement.

Consolidation principles
The sustainability statement of Schouw & Co. is a consolidated statement and has been prepared in accordance with the European Sustainability Reporting Standards. The scope of the consolidation equals that of the financial statement, except for the inclusion of value chain information, and the consolidated quantitative ESG data thus comprise the parent company and subsidiaries controlled by Schouw & Co.

Value chain information
The sustainability statement covers the value chain as shown in the value chain section of the management report. However, as a result of the double materiality assessment, additional emphasis has been placed on the value chain of BioMar, as it has been assessed that there is a heightened risk of adverse impacts related to this business. Concerning Scope 3 emissions, both upstream and downstream emissions have been assessed, and sector average emission factors have been used which means that there is a greater level of uncertainty around that type of data, especially related to downstream usage of products, where estimates have been applied on specific product groups usage and expected life time and energy consumption. For more information, see the section on value chain emissions in E1.

Use of estimates
Beside the use of estimates in value chain emissions accounting, estimates have only been used to a small extent to ensure completeness where invoices are not received in time. In these cases, estimates on consumption of the last month are used. In the EU Taxonomy, judgements are made regarding allocation of CapEx, except buildings and vessels, and OpEx using the allocation key from the activities reported under the revenue section.

Phase in provisions
While no options to omit information of a sensitive character have been utilised, the option to apply the transitional provision has been used related to the financial effects of risks and opportunities and all other datapoints that are to be phased are not reported yet, in accordance with the individual time frames. Time horizons used in the reporting do not deviate from those specified in the ESRS and are therefore short, medium and long term.

Comparative figures
In the 2024 sustainability statement, not all datapoints have comparative figures as the accounting policies have in many instances been updated to reflect the European Sustainability Reporting Standards. Where comparative figures are presented, it is disclosed if there are differences in the reporting methodology and that the comparative figures are not subject to limited assurance by the independent auditor.

Key acronyms in this section

CO_2e	Carbon dioxide equivalent
CSRD	Corporate Sustainability Reporting Directive
DMA	Double materiality assessment
ESRS	European Sustainability Reporting Standards
ESRS 2 SBM	Strategy, business model and value chain
GHG	Greenhouse gas emissions
IEA	International Energy Agency
ILO	International Labour Organization
IPCC	Intergovernmental Panel on Climate Change
IROs	Impacts, risks and opportunities
LTIFR	Lost time injury frequence rate
OECD Guidelines	Organisation for Economic Co-operation and Development Guidelines on Multinational Enterprises
SBTi	Science Based Targets initiative
SFDR	Sustainable Finance Disclosures Regulation
SS	Sustainability statement
UNGP	United Nations Guiding Principles on Business and Human Rights

Sustainability strategy

Schouw & Co. has several sustainability targets that are part of an overarching sustainability strategy, and a status is presented in the following.

Our general investment strategy is centred on generating the best possible return in a proper and trustworthy manner, which means that sustainability matters are integrated into the overall strategy via the responsibility target presented in the strategic target section of the management report. Since 2021, Schouw & Co. has had several underlying targets within both E, S and G, and a status on these targets is presented here.

Furthermore, the individual portfolio businesses were also tasked with setting targets on their own to ensure implementation and anchoring within the individual portfolio businesses with the operational responsibility.

Produce

efficiently and responsibly

2030 ambitions

Reduce greenhouse gas emissions by 35% (Scope 1+2). Baseline 2020

21% | 35%

Transition to 100% renewable electricity

27% | 100%

Calculate a baseline for Scope 3 before 2025

100% | 100%

Protect

workers and ensure attractive places to work

2030 ambitions

Achieve a high employee satisfaction score across the Group

85% | 100%

4 of 6 portfolio businesses have established employee engagement surveys, covering almost 85% of the employees. Two have not implemented systems yet.

Strengthen our diversity mindset

17% | 29%

17% underrepresented gender at the Board of Directors with a target of 29% in 2025.

Achieve an LTI frequency rate below 3 at group level. Baseline 6.6 in 2020.

27% | 55%

Promote

innovation and strong governance

2030 ambitions

Improve in-house governance procedures

Active ownership committees established for each business, sustainability committee established, monthly reporting to the Board of Directors on key non-financial metrics.

Invest in and facilitate innovative sustainability

Signing a power purchase agreement to secure renewable energy certificates for the portfolio businesses. Investments in solar panels in Fibertex Personal Care and GPV.

Strengthen ESG reporting and taxonomy alignment

First ESG reporting according to the European Sustainability Reporting Standards including limited assurance on the sustainability statement.

Double materiality assessment

An essential part of the new European reporting framework on sustainability (the European Sustainability Reporting Standards) is the concept of double materiality. The double materiality assessment is the starting point and an integral part of reporting on sustainability matters in the standard and addresses materiality from both an impact and financial perspective.

Impact materiality and financial materiality
The concept of double materiality refers to both the impact materiality and the financial materiality of a certain sustainability matter. Impact materiality refers to the way in which a company can impact people, society or the environment in a positive or negative way, sometimes also referred to as the inside-out perspective of the company towards the environment. Financial materiality refers to the way in which the outside environment or society can or will impact a company's ability to conduct business now and in the future via financial risks and opportunities.

Double materiality process
Schouw & Co. has conducted a double materiality assessment (DMA) in accordance with the provisions of the European Sustainability Reporting Standards. The Schouw & Co. DMA process was structured into two separate streams: a bottom-up stream and a top-down stream.

Bottom-up perspective
The bottom-up perspective allowed for the different portfolio businesses to identify and assess their individual impacts, risks and opportunities (IROs) to ensure a faithful representation of the business's context. This included considering individual business models, segments, and value chain positions as well as ensuring involvement from relevant internal and external stakeholders.

Top-down perspective
The top-down perspective was directed at a parent company level and was performed to reflect the overall perspectives of the Group and to ensure consistency across

the different portfolio businesses. Here, the main focus was on areas that could pose a heightened risk of adverse impacts, and this was the guiding principle in deciding the scope of operations to be covered by the assessment. However, the parent company applied certain limitations regarding the value chains of the businesses as well as certain allocation metrics to direct focus towards areas with heightened risk.

Focus on the value chain of BioMar

This approach meant that an increased focus was directed towards the value chain of BioMar, given the specific risk that the aquaculture value chain poses in relation to the downstream use of feed, especially to the sourcing of marine and agricultural raw materials and due to the size of BioMar compared to the other portfolio businesses.

Focus was also on certain geographies within the Group related to our business processes and employees, given that Schouw & Co. is present in more than 35 countries around the world. For the purpose of the assessment, many parameters were considered concerning the impact and the scale of the business in relation to business partners. For instance how GPV, as an electronic manufacturing service provider (EMS), does not own any proprietary products and in most cases procures components from large distributors, as specified by customers. This limits the impact that GPV has in relation to the value chain as well as in other cases, where the portfolio businesses are relatively small suppliers to large multinational companies responsible for the final product.

Consolidation principles

In performing the consolidation and merging the top-down and the bottom-up perspectives, various factors were considered. The consolidation was based on a high-level analysis at the parent company level, reviewing data and other input from the businesses, e.g. share of GHG emissions, water consumption, employee turnover and revenue. Previous materiality assessments were also considered to ensure consistency over time. In performing the assessment, the overall aim was to ensure comparability between the different businesses of the Group and the identified IROs, while simultaneously ensuring that material information was not obscured and that the differences between the businesses were well represented. When IROs from the different businesses revolved around the same topics, they were merged and aligned, while still respecting individual differences. Some of the IROs included are only applicable to certain businesses.

As an example, the impact on eutrophication under E2 Pollution, was above the materiality threshold for the Group, even though the IRO was only identified for BioMar. Consultation was also conducted with relevant internal stakeholders with respect to the general enterprise risk management system of the Group, which has been strengthened further.

The results of the assessment were presented to the Schouw & Co. sustainability committee for final approval and discussions on borderline IROs as well as a general step-back analysis of the results resulted in final approval from the Board of Directors.

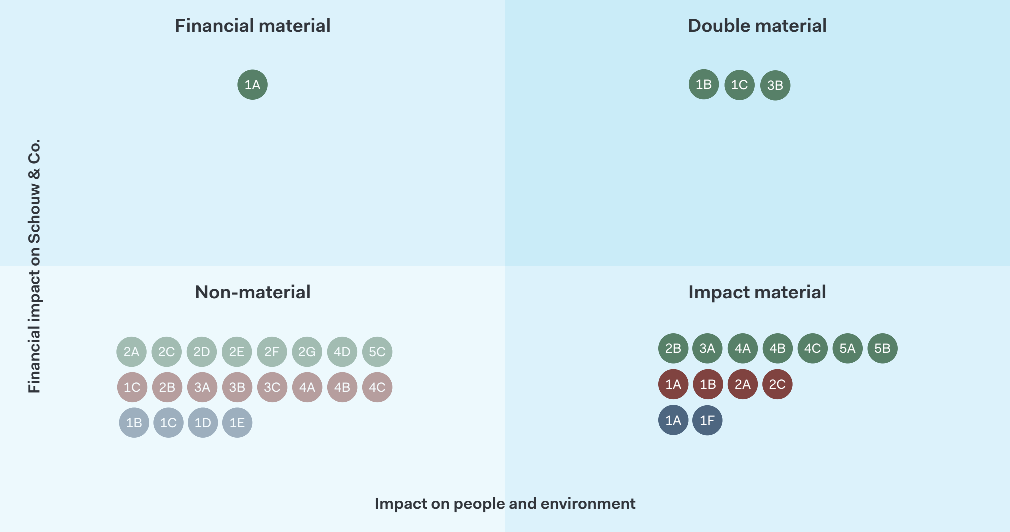
Results of the materiality assessment

The results of the double materiality assessment and identification have been aggregated on a sub-topic level to present the overall results of the assessment. Presenting the themes at sub-topic level showcases the difference between the materiality of different sub-topics.

SEE RESULTS OF THE DMA ON NEXT PAGE

Results of the materiality assessment

Schouw & Co. has material impacts related to all environmental topics, the most material being climate change, energy and marine resources. There are material impacts on both own workers and workers in the value chain, especially in relation to working conditions, since industrial manufacturing typically involves some degree of manual labour. Since Schouw & Co. invests in business-to-business companies, consumers and end-users are not material. While the Group has a positive impact on local communities where the businesses operate, this is not material for the Group. Schouw & Co. does not have a material negative impact on local communities, indigenous communities or similar, as production facilities are generally located in industrial areas.



Environmental

E1 Climate change
- 1A Climate change adaptation
- 1B Climate change mitigation
- 1C Energy

E2 Pollution
- 2A Pollution of air
- 2B Pollution of water
- 2C Pollution of soil
- 2D Living organisms and food resources
- 2E Substance of concern
- 2F Substance of very high concern
- 2G Microplastics

E3 Water and marine resources
- 3A Water
- 3B Marine resources

E4 Biodiversity and ecosystems
- 4A Direct impact drivers on biodiversity loss
- 4B Impacts on the state of species
- 4C Impacts on the extent and condition of ecosystems
- 4D Impacts and dependencies on ecosystem services

E5 Resource use and circular economy
- 5A Resource inflows
- 5B Resource outflows related to products and services
- 5C Waste

Social

S1 Own workforce
- 1A Working conditions
- 1B Equal treatment and opportunities
- 1C Other work related rights

S2 Workers in the value chain
- 2A Working conditions
- 2B Equal treatment and opportunities
- 2C Other work-related rights

S3 Affected communities
- 3A Economic, social and cultural rights
- 3B Civil and political rights
- 3C Particular rights of indigenous rights

S4 Consumer & end-user
- 4A Information related impacts
- 4B Personal safety of consumers
- 4C Social inclusion of consumers

Governance

G1 Business conduct
- 1A Corporate culture
- 1B Protection of whistleblowers
- 1C Animal welfare
- 1D Political engagement
- 1E Management of relationships with suppliers, incl. payment practices
- 1F Corruption and bribery

Material impacts, risks and opportunities

The purpose of the double materiality assessment is to assess impacts, risks and opportunities and this section presents the ones that were assessed as material as part of the process.

In the double materiality process the purpose is to assess impacts, risks and opportunities for their materiality passed on the threshold set. This section presents an overview of the material IROs split into the topical standards pursuant to ESRS 2 IRO-2. The overview also presents the scope of the IROs as well as sections in the report where the IROs are disclosed.

E1 Climate change

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Climate change adaptation		
Risk	Physical climate risks affecting vegetable and marine raw materials	**Value chain** BioMar
Climate change mitigation		
Negative impact	GHG emissions from energy and gas usage (Scope 1 and 2)	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens
Negative impact	GHG emissions due to raw materials and use of sold products (Scope 3)	**Value chain** GPV, HydraSpecma, BioMar
Risk	Financial risk of large investments to decarbonise	**Own operations** BioMar
Energy		
Negative impact	Impact from energy consumption, electricity and gas usage	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens
Risk	Risk of volatile energy prices	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens

E2 Pollution

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Pollution of water		
Negative impact	Eutrophication as a result of nutrients release from aquaculture production	**Value chain** BioMar

E3
Water and marine resources

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Water		
Negative impact	Drain on water resources due to water consumption	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens
Negative impact	Impact on water availability through sourcing of agricultural commodities	**Value chain** BioMar
Marine resources		
Negative impact	Sourcing of marine ingredients impacting fish stocks	**Value chain** BioMar
Risk	Disruptions in the supply chain of marine ingredients affecting availability and cost of raw materials	**Value chain** BioMar

E4
Biodiversity and ecosystems

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Direct impact drivers on biodiversity loss		
Negative impact	Potential land-use change and deforestation through sourcing of agricultural commodities	**Value chain** BioMar
Impacts on the state of species		
Negative impact	Impact on the abundance of marine species from sourcing of marine ingredients and unintended by-catch	**Value chain** BioMar
Impacts on the extent and condition of ecosystems		
Negative impact	Suppliers using damaging fishing practices which can lead to degradation of marine ecosystems	**Value chain** BioMar

E5
Resource use and circular economy

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Resource inflows		
Negative impact	Potential impact on resource scarcity from the extraction of virgin resources	**Value chain** BioMar, Fibertex Nonwovens, Fibertex Personal Care
Resource outflows related to products and services		
Positive impact	Circular business model in the remanufactured automotive parts, which reduces the use of virgin materials	**Value chain** Borg Automotive

S1
Own workforce

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Working conditions		
Negative impact	Overtime and excessive working hours	**Own operations** BioMar, GPV
Negative impact	Health and safety impacts, e.g. accidents in own operations	**Own operations** Group
Equal treatment and opportunities		
Negative impact	Potentially not having equal treatment of own workforce leading to possible discrimination	**Own operations** Group

S2
Workers in the value chain

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Working conditions		
Negative impact	Potential impacts on the general working conditions for workers in the supply chain	**Value chain** Group
Other work-related rights		
Negative impact	Potential impacts on value chain workers due to forced and/or child labour in the supply chain	**Value chain** BioMar

G1
Business conduct

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE
Corporate culture		
Negative impact	Potential impact on the overall way we do business if the principles of responsible conduct that Schouw & Co. stands for are not adhered to	**Own operations** Group
Corruption and bribery		
Negative impact	Potential negative impact on society if engaged in unethical or corruption practices	**Own operations** Group

Double materiality methodology

The assessment of materiality has been organised to reflect the specifications of the ESRS 1. Consequently, all IROs are categorised as being located either within own operations or in the value chain. Furthermore, the time horizon is specified as short-, medium- or long-term. The IROs are also assigned to individual portfolio businesses or the Group. All IROs are scored on a scale from 1-5, and the final score is calculated based on parameters such as scale, scope and irremediability. The materiality threshold was set at 3, meaning that impacts, risks or opportunities needed to score on or above this level to become material. This threshold was set by the sustainability committee and approved by the Board of Directors. Schouw & Co. performed a simple sensitivity analysis, assessing what would have been included had the threshold been set differently. This was done both downwards and upwards.

Assessment of impacts
For negative impacts, the materiality assessment was based on an assessment of severity in terms of scale, scope and irremediability of impact and, for potential negative impacts, likelihood of impact, as defined in ESRS 1 3.4. Positive impacts were assessed based on the scale and scope of the impact as well as the likelihood of impact for potential impacts. When assessing human rights-related impacts, severity took precedence over likelihood, which was included in the assessment by using a weighted average with a 75% weight attributed to severity and 25% to likelihood.

Assessment of financial risks and opportunities
In the assessment of financial materiality, the assessment of risks and opportunities was based on the size and likelihood of the financial effect, and the nature of the financial effect was addressed using the structure specified in ESRS 1: development, financial position, financial performance, cash flows, access to finance or cost of capital. The intervals of the scale have been determined in collaboration with relevant stakeholders, e.g. within finance and risk management. Likelihood is assessed on the same scale as impact. Risks and opportunities have been assessed simultaneously with impacts to ensure that connections between the two have been identified. The threshold and scoring have also been aligned with impact assessments despite the overall focus on financial effects.

Assessment of the information to be presented
When a sustainability matter was assessed as material according to the threshold set, the impact, risk or opportunity was coupled with the individual disclosure requirements in an analysis that applied the criteria listed in ESRS 1, i.e. the significance of information and the capacity of that information to meet users' needs. For Schouw & Co., this meant consulting with management and the investor relations to facilitate knowledge on what matters users of the report are generally interested in, together with management looking at the connection with the financial statement.

Stakeholder involvement and decision-making
Stakeholders have been engaged throughout the process by conducting separate business track assessments where the portfolio businesses were asked to include stakeholders that represented their business. Generally, internal stakeholders covering management, sales, quality/manufacturing, procurement and HR, were involved as subject-matter experts, and specifically in BioMar, several external stakeholders were interviewed to reflect their perspectives.

Each portfolio business was responsible for its own double materiality process and the involvement of relevant stakeholders in this process. Generally, the portfolio businesses' top management teams have been included in the assessment. In the consolidation process, internal control of individual business assessments was conducted by the parent company to ensure coherence across assessments. After consolidation, two internal alignment workshops were conducted to ensure consistency, calibration and internal validation and controlling of the results before approval by the sustainability committee. After review by the sustainability committee the final double materiality assessment was presented to and approved by the Board of Directors.

Stakeholder engagement

This section presents how Schouw & Co. works with its primary stakeholders and how engagement with these stakeholders occurs pursuant to ESRS 2 SBM-2.

Stakeholders	Purpose	Engagement channels	Outcome of engagement
Employees	– Understanding employee satisfaction and perception on well-being, health and safety, pay and rewards, diversity and inclusion, transformation and change, anti-discrimination, anti-bullying and focus on feedback culture – Contributing to a responsible workplace	– Employee engagement survey – Workplace assessments – Whistleblower system	– Result of employee engagement survey – Action plans drafted based on the results to ensure that action is taken to address relevant concerns or suggestions – Policy updates or implementation, e.g. human rights policy, diversity policy – Company-specific initiatives
Suppliers and business partners	– Manage relationship and secure favourable terms – Ensuring compliance with supplier codes of conduct – Protecting human rights and labour rights of workers	– Relations management – Supplier assessments and audits – Formal engagement through contracts, due diligence and codes of conduct – Whistleblower system	– Solid relations with suppliers – Ensuring a stable delivery of goods and services – Streamlined expectations – Informed decision-making
Customers	– Understanding customer needs and expectations – Trust and transparency – Establish strong customer relations and high retention	– Customer inquiries – Customer survey	– Improved collaboration – Product or service optimisation
Investors and financial institutions	– Knowledge of Schouw & Co.'s equity story and shares – Information and Q&A concerning developments, targets, dividends, capital allocation, ESG progress, etc. – Understanding investor concerns – Trust and transparency	– Communication and meetings with analysts – Quarterly conference calls with analysts and investors – Annual general meetings – ESG ratings and assessments	– Management and understanding of expectations for financial and non-financial targets and development – Shareholder value – Reliable information flow – Ensure a strong financial return – Market perception of Schouw & Co.
Legislative bodies, legislation, regulation	– Ensuring compliance with regulatory frameworks and standards		– Operational adjustments to ensure compliance

Content index

This section presents an overview of the disclosure requirements that are addressed in the sustainability statement along with references to individual sections and pages. Incorporation by reference has been used for the SBM-1 and the GOV-1, GOV-2, GOV-3 and GOV-5.

General topical standards

SS = sustainability statement. MR = management's report. RR = remuneration report

1) SBM-3 is presented at the beginning of each corresponding topical section as per ESRS 2 SBM-3, 49.

Environmental topical standards

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS E1 Climate Change			
GOV-3	Integration of sustainability-related performance in incentive scheme	RR - Remuneration of members of the Executive Management	7-8
E1-1	Transition plan for climate change mitigation	SS – Impacts, risk and opportunities related to climate change	90
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – Impacts, risk and opportunities related to climate change	90
IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	SS – Impacts, risk and opportunities related to climate change	90
E1-2	Policies related to climate change mitigation and adaptation	SS – Towards more renewable energy	91
		SS – Reducing greenhouse gas emissions from own operations	94
		SS – Establishment of a consolidated baseline on value chain emissions	95
E1-3	Actions and resources in relation to climate change policies	SS – Towards more renewable energy	91
		SS – Reducing greenhouse gas emissions from own operations	94
		SS – Establishment of a consolidated baseline on value chain emissions	95
E1-4	Targets related to climate change mitigation and adaptation	SS – Towards more renewable energy	91
		SS - Reducing greenhouse gas emissions from own operations	94
		SS – Establishment of a consolidated baseline on value chain emissions	95
E1-5	Energy consumption and mix	SS – Energy consumption	92
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SS – Greenhouse gas emissions	96
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SS – Climate change risks affecting marine and vegetable raw materials	97

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS E2 Pollution			
IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	SS – Impacts, risk and opportunities related to pollution	99
E2-1	Policies related to pollution	SS – Impact of potential eutrophication	100
E2-2	Actions and resources in relation to pollution	SS – Combating eutrophication through innovation	101
E2-3	Targets related to pollution	SS – Impact of potential eutrophication	100
ESRS E3 Water and marine resources			
IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	SS – Water and marine related impacts, risk and opportunities	103
E3-1	Policies related to water and marine resources	SS – Water withdrawal and consumption from own operations	104
		SS – Water availability impacts related to agriculture in the value chain	105
		SS – Responsible management of marine resources	106
E3-2	Actions and resources related to water and marine resources	SS – Water withdrawal and consumption from own operations	104
		S – Water availability impacts related to agriculture in the value chain	105
		SS – Responsible management of marine resources	106
E3-3	Targets related to water and marine resources	SS – Water withdrawal and consumption from own operations	104
		SS – Responsible management of marine resources	106
E3-4	Water consumption	SS – Water withdrawal and consumption from own operations	104

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS E4 Biodiversity and ecosystems			
IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	SS – Biodiversity-related impacts, risk and opportunities	109
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	SS – Utilising R&D efforts to strengthen resilience and reduce dependence on critical raw materials	110
E4-2	Policies related to biodiversity and ecosystems	SS – Working towards deforestation-free supply chains	111
		SS – Mitigating biodiversity impacts through certified raw materials	112
E4-3	Actions and resources related to biodiversity and ecosystems	SS – Working towards deforestation-free supply chains	111
		SS – Mitigating biodiversity impacts through certified raw materials	112
E4-4	Targets related to biodiversity and ecosystems	SS – Mitigating biodiversity impacts through certified raw materials	112
ESRS E5 Resource use and circular economy			
IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	SS – Impacts, risk and opportunities related to resource use and circular economy	114
E5-1	Policies related to resource use and circular economy	SS – Responsible use of raw materials	115
E5-2	Actions and resources related to resource use and circular economy	SS – Responsible use of raw materials	115
E5-3	Targets related to resource use and circular economy	SS – Responsible use of raw materials	115
E5-4	Resource inflows	SS – Technical and biological inflows	116
E5-5	Resource outflows	SS – Borg Automotive: Circular economy in practice	117

Social topical standards

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS S1 Own workforce			
SBM-2	Interests and views of stakeholders	SS – Stakeholder engagement	79
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – Impacts, risk and opportunities related to own workforce	126
S1-1	Policies related to own workforce	SS – Human rights due diligence	128
		SS – Working hours	129
		SS – Health and safety	130
		SS – Working to strengthen diversity and eliminate discrimination	131
		SS – Gender diversity in management	132
S1-2	Processes for engaging with own workers and workers' representatives about impacts	SS – Human rights due diligence	128
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SS – Human rights due diligence	128
S1-4	Taking action on material impacts on own workforce, approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS – Human rights due diligence	128
		SS – Working hours	129
		SS – Health and safety	130
		SS – Working to strengthen diversity and eliminate discrimination	131
		SS – Gender diversity in management	132
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS – Working hours SS – Health and safety SS – Gender diversity in management	129 130 132
S1-6	Characteristics of the undertaking's employees	SS – The workforce of Schouw & Co.	127
S1-9	Diversity metrics	SS – Gender diversity in management	132
S1-14	Health & safety metrics	SS – Health and safety	130

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS S2 Workers in the value chain			
SBM-2	Interests and views of stakeholders	SS – Stakeholder engagement	79
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS – Impacts, risk and opportunities related to value chain workers	134
S2-1	Policies related to value chain workers	SS – Responsibility in the value chain	135-136
S2-2	Processes for engaging with value chain workers about impacts	SS – Responsibility in the value chain	135-136
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SS – Responsibility in the value chain	135-136
S2-4	Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions and approaches	SS – Responsibility in the value chain	135-136
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS – Responsibility in the value chain	135-136

Governance topical standards

DISCLOSURE REQUIREMENTS		SECTIONS IN THE REPORT	PAGE
ESRS G1 Business conduct			
GOV-1	The role of the administrative, management and supervisory bodies	MR – Board of Directors, Executive Management	55-57
		MR – Corporate governance	58-60
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SS – Business conduct related impacts, risk and opportunities	139
G1-1	Business conduct policies and corporate culture	SS – Guidelines on responsible business conduct	140
		SS – Combating corruption and bribery	142
G1-3	Prevention and detection of corruption and bribery	SS – Combating corruption and bribery	142
G1-4	Confirmed incidents of corruption or bribery	SS – Combating corruption and bribery	142

Datapoints that derive from other EU legislation

The table includes all datapoints deriving from other EU legislation as listed in ESRS 2 Appendix B, indicating where the data points can be found in the report and which data points are assessed as 'Not material' pursuant to ESRS 2 IRO-2.

DISCLOSURE REQUIREMENTS	DATAPOINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTIONS IN THE REPORT	PAGE
GOV-1	21 (d)	Board's gender diversity	●		●		MR – Corporate governance	58
GOV-1	21 (e)	Percentage of board members who are independent			●		MR – Corporate governance	58
GOV-2	30	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	●				MR – Corporate governance	58-59
SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	●	●	●		Not material	-
SBM-1	40 (d) ii	Involvement in activities related to chemical production	●		●		Not material	-
SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	●		●		Not material	-
SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			●		Not material	-
E1-1	14	Transition plan to reach climate neutrality by 2050				●	SS – Impacts, risk and opportunities related to climate change	90
E1-1	16 (g)	Undertakings excluded from Paris-aligned benchmarks		●	●		Not material	-
E1-4	34	GHG-emission reduction targets	●	●	●		SS – Reducing greenhouse gas emissions from own operations	94
E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	●				SS – Energy consumption	92
E1-5	37	Energy consumption and mix	●				SS – Energy consumption	92
E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	●				SS – Energy consumption	92
E1-6	44	Gross Scope 1, 2, 3 and total GHG emissions	●	●	●		SS – Greenhouse gas emissions	96
E1-6	53-55	Gross GHG-emissions intensity	●	●	●		SS – Greenhouse gas emissions	96
E1-7	56	GHG removals and carbon credits				●	Not material	-
E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			●		Not material	-
E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		●			Not material	-
E1-9	66 (c)	Location of significant assets at material physical risk		●			Not material	-
E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		●			Not material	-
E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			●		Not material	-

DISCLOSURE REQUIREMENTS	DATAPOINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTIONS IN THE REPORT	PAGE
E2-4	28	Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	●				Not material	-
E3-1	9	Water and marine resources	●				SS – Water withdrawal and consumption from own operations SS – Responsible management of marine resources	104 106
E3-1	13	Dedicated policy	●				SS – Water withdrawal and consumption from own operations	104
E3-1	14	Sustainable oceans and seas	●				SS – Responsible management of marine resources	106
E3-4	28 (c)	Total water recycled and reused	●				Not material	-
E3-4	29	Total water consumption in m³ per net revenue on own operations	●				SS – Water withdrawal and consumption from own operations	104
E4 SBM-3	16 (a) (i)	Activities negatively affecting biodiversity-sensitive areas	●				SS – Biodiversity-related impacts, risks and opportunities	109
E4 SBM-3	24 (c)	Land degradation, desertification or soil sealing	●				SS – Biodiversity-related impacts, risks and opportunities	109
E4 SBM-3	24 (d)	Threatened species	●				SS – Biodiversity-related impacts, risks and opportunities	109
E4-2	24 (b)	Sustainable land/agriculture practices or policies	●				SS – Working towards deforestation free supply chains	111
E4-2	24 (c)	Sustainable oceans/seas practices or policies	●				SS – Mitigating biodiversity impacts through certified raw materials	112
E4-2	24 (d)	Policies to address deforestation	●				SS – Working towards deforestation free supply chains	111
E5-5	37 (d)	Non-recycled waste	●				Not material	-
E5-5	39	Hazardous waste and radioactive waste	●				Not material	-
S1 SBM3	14 (f)	Risk of incidents of forced labour	●				SS – Impacts, risk and opportunities related to own workforce	126
S1 SBM3	14 (g)	Risk of incidents of child labour	●				SS – Impacts, risk and opportunities related to own workforce	126
S1-1	20	Human rights policy commitments	●				SS – Human rights due diligence	128
S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		SS – Human rights due diligence	128
S1-1	22	Processes and measures for preventing trafficking in human beings	●				SS – Human rights due diligence	128
S1-1	23	Workplace accident prevention policy or management system	●				SS – Health and safety	130
S1-3	32 (c)	Grievance/complaints handling mechanisms	●				SS – Human rights due diligence	128
S1-14	88 (b) (c)	Number of fatalities and number and rate of work-related accidents	●		●		SS – Health and safety	130
S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	●				SS – Health and safety	130
S1-16	97 (a)	Unadjusted gender pay gap	●		●		Not material	-
S1-16	97 (b)	Excessive CEO pay ratio	●				Not material	-
S1-17	103 (a)	Incidents of discrimination	●				Not material	-
S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	●		●		Not material	-

DISCLOSURE REQUIREMENTS	DATAPOINT		SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	SECTIONS IN THE REPORT	PAGE
S2 SBM-3	11 (b)	Significant risk of child labour or forced labour in the value chain	●				SS – Identification of impacts, risk and opportunities related to value chain workers	134
S2-1	17	Human rights policy commitments	●				SS – Responsibility in the value chains	135-136
S2-1	18	Policies related to value chain workers	●				SS – Responsibility in the value chains	135-136
S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	●		●		SS – Responsibility in the value chains	135-136
S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			●		SS – Responsibility in the value chains	135-136
S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	●				SS – Responsibility in the value chains	135-136
S3-1	16	Human rights policy commitments	●				Not material	-
S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	●		●		Not material	-
S3-4	36	Human rights issues and incidents	●				Not material	-
S4-1	16	Policies related to consumers and end-users	●				Not material	-
S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	●		●		Not material	-
S4-4	35	Human rights issues and incidents	●				Not material	-
G1-1	10 (b)	United Nations Convention against Corruption	●				SS – Combating corruption and bribery	141
G1-1	10 (d)	Protection of whistleblowers	●				SS – Guidelines on responsible business conduct	140
G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	●		●		SS – Combating corruption and bribery	141
G1-4	24 (b)	Standards of anticorruption and anti-bribery	●				SS – Combating corruption and bribery	141

Statement on due diligence

This statement presents an index of sections in the report that address sustainability due diligence related to people and the environment pursuant to ESRS GOV-4.

CORE ELEMENTS OF DUE DILIGENCE	SECTIONS IN THE REPORT	PEOPLE/ENVIRONMENT	PAGE
A. Embedding due diligence in governance, strategy and business model	MR – Corporate governance	Environment and people	58-60
	SS – Sustainability strategy	Environment and people	71
B. Engaging with affected stakeholders in all key steps of the due diligence	SS – General – Stakeholder information	Environment and people	79
	SS – S1 Human rights due diligence	People	128
	SS – S2 Responsibility in the value chains	People	135-136
C. Identifying and assessing adverse impacts	SS – E3 Water and marine-related impacts, risks and opportunities	Environment	103
	SS – E4 Biodiversity-related impacts, risks and opportunities	Environment	109
	SS – S1 Impacts, risks and opportunities related to own workforce	People	126
	SS – S1 Human rights due diligence	People	128
	SS – S2 Identification of impacts, risks and opportunities related to value chain workers	People	134

CORE ELEMENTS OF DUE DILIGENCE	SECTIONS IN THE REPORT	PEOPLE/ENVIRONMENT	PAGE
D. Taking actions to address those adverse impacts	SS – E3 Responsible management of marine resources	Environment	106
	SS – E4 Working towards deforestation-free supply chains	Environment	111
	SS – E4 Mitigating biodiversity impacts through certified raw materials	Environment	112
	SS – S1 Human rights due diligence	People	128
	SS – S2 Responsibility in the value chains	People	135-136
E. Tracking the effectiveness of these efforts and communicating	SS – E3 Responsible management of marine resources	Environment	106
	SS – E4 Working towards deforestation free supply chains	Environment	111
	SS – E4 Mitigating biodiversity impacts through certified raw material	Environment	112
	SS – E5 Responsible use of raw materials	Environment	115
	SS – S1 Human rights due diligence	People	128
	SS – S2 Responsibility in the value chains	People	135-136

Environment

E1
Climate change

Commitment to combat climate change

Schouw & Co. is working actively on reducing greenhouse gas emissions and deploying more renewable energy. In 2024, a power purchase agreement was signed with a developer of a Spanish solar park, which will supply renewable electricity with additionality to the grid.

E1
Climate change

SBM-3, IRO-1

Impacts, risks and opportunities related to climate change

Input for the assessment of impacts, risks and opportunities
As part of the assessment of impacts, risks and opportunities related to climate change, Schouw & Co. has included information on greenhouse gas emissions from operations and in the value chain, assessments of the physical risk related to operations as well as an assessment of the transition risk associated with business as usual. While no physical or transition risks were identified in relation to own operations, risks were identified in the value chain of BioMar, where climate-related hazards could impact the cost and availability of raw materials.

While the diversified nature of the business model of Schouw & Co. is inherently resilient by diversifying risks across the portfolio, Schouw & Co. has not performed a stand alone climate resilience analysis for its business model, but has instead relied on available material, including material from the enterprise risk management system as well as assessing the consolidated greenhouse gas emissions and the emissions of the individual portfolio businesses that have been used in scoring the materiality of the impacts, risks and opportunities, including a process of assessing value chain emissions that have not previously been reported.

Implementation of climate transition plan
Schouw & Co. has not implemented a transition plan for climate change mitigation but expects to do so in 2025. Schouw & Co. targets to reduce Scopes 1+2 emissions by 35% towards 2030. Key actions and decarbonisation levers are listed throughout the climate change and energy sections.

Since a climate transition plan has not yet been initiated, key transition events have not been identified. However, this will be a part of the project that will commence in 2025. Focus will, among other things, be on key transition events that could impact the sourcing of raw materials in BioMar, as well as changes in the regulatory landscape concerning greenhouse gas emissions.

Effects from material risks and opportunities
In the process of assessing the material risks, it was found that the risks are not likely to influence the financial position of Schouw & Co. due to the active measures taken through mitigation measures e.g. contract mechanism on energy and diversifying raw materials.

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Climate change adaptation				
Risk	Physical climate risks affecting vegetable and marine raw materials	**Value chain** BioMar	Medium-term	Climate change risks affecting marine and vegetable raw materials →
Climate change mitigation				
Negative impact	GHG emissions from energy and gas usage (Scope 1 and 2)	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens	Medium-term	Reducing greenhouse gas emissions from own operations → Greenhouse gas emissions →
Negative impact	GHG emissions due to raw materials and use of sold products (Scope 3)	**Value chain** GPV, HydraSpecma, BioMar	Medium-term	Establishing a consolidated baseline for value chain emissions → Greenhouse gas emissions →
Risk	Financial risk of large investments to decarbonise	**Own operations** BioMar	Medium-term	Reducing greenhouse gas emissions from own operations →
Energy				
Negative impact	Impact from energy consumption, electricity and gas usage	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens	Short-term	Towards more renewable energy → Power purchase agreement securing additional renewable electricity → Energy consumption →
Risk	Risk of volatile energy prices	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens	Medium-term	Towards more renewable energy → Power purchase agreement securing additional renewable electricity → Energy consumption →

E1 - Energy

Towards more renewable energy

Impacts

Energy consumption from feed and nonwovens production

Schouw & Co. owns businesses that use a substantial amount of energy, as some of them are using technology such as extrusion and nonwovens production. As a consequence, the energy consumption of the Group in 2024 was 896,726 MWh and thereby assessed as material in terms of impact materiality. In addition to this, energy is assessed as financially material due to the volatile nature of energy prices. This applies to BioMar, Fibertex Personal Care and Fibertex Nonwovens, as they are all dependent upon electricity from the national grid as well as gas.

Policies

Schouw & Co. environmental policy

To address responsible use of energy as well as other environmental impacts and to mitigate the effects this could have on the environment, Schouw & Co. has drawn up an environmental policy that addresses a wide range of topics related to energy usage, climate change, pollution, water and marine resources, biodiversity and resource use. The environmental policy has been approved by the Board of Directors of Schouw & Co. and is reviewed annually. The management teams of the portfolio businesses are responsible for implementing the principles of the policy in their own operations and policy frameworks.

The policy themes are monitored in different ways, including by means of internal monthly reporting to the Board of Directors of key metrics such as energy consumption, renewable energy share and water usage, as well as an annual review of environmental impacts. The scope of the policy is the operations of the Group, meaning that the value chain is not included. The policy is publicly available on Schouw & Co.'s website.

Target

Towards 100% renewable electricity

Schouw & Co. is committed to increasing the share of renewable energy when feasible, as specified in the environmental policy. Since 2021, Schouw & Co. has had a target of reaching a 100% renewable electricity share by 2030, meaning that 100% of the electricity purchased should be from renewable sources covered by contractual instruments, guarantees of origin, renewable energy certificates or similar. In 2024, the share of renewable electricity was at 27%, while the total share of renewable energy reached 16%.

Actions

Energy efficiency and renewable energy deployment

The principle in the environmental policy and the target expressed in the aforementioned is that the portfolio businesses must implement energy efficiency measures and deploy renewable energy whenever feasible. In 2024, the increase in renewable electricity was primarily due to installation of solar panels at two GPV sites in Thailand and signing a power purchase agreement that has increased the share of renewable energy in GPV to 33% in 2024 contributing to the increase of 2 percentage points at group level.

As Schouw & Co. does not rely on coal, this is not in scope, but a significant amount of both liquefied petroleum gas and natural gas is used, both for BioMar's extrusion processes and for transportation, also in BioMar. This also includes leased vessels that are under operational control and which are included for the first time in direct energy consumption, meaning that the total energy consumption in 2024 equals 896,726 MWh, an 8% increase from 2023 primarily due to the inclusion of the vessels in BioMar.

Risks

The financial effects of energy

The cost of energy is assessed to be financially material for the Group on the medium-term. The cost of energy is primarily related to Fibertex Personal Care, Fibertex Nonwovens and BioMar. However, the risk of this impacting the financial position of Schouw & Co. is mitigated via contract mechanism passing on the cost to the customers, and therefore the residual risk associated with energy is not judged to affect the financial position of the Group as such.

E1 - Energy

Energy consumption

Metrics

Consolidated energy consumption

	2024			2023[1]		
	Renewable sources	Non-renewable sources	Total	Renewable sources	Non-renewable sources	Total
Energy consumption from coal and coal products (MWh)	-	0	0	-	0	0
Energy consumption from petroleum products including LPG (MWh)	-	173,963	173,963	-	181,302	181,302
Energy consumption from natural gas (MWh)	-	224,756	224,756	-	157,006	157,006
Energy consumption from other fossil fuels (MWh)	-	1,010	1,010	-	933	933
Energy consumption from own-generated renewable energy (MWh)	6,021	-	6,021	3,776	-	3,776
Total direct energy consumption (MWh)	**6,021**	**399,729**	**405,750**	**3,776**	**339,241**	**343,017**
Consumption of purchased electricity, heating, cooling and steam (MWh)	134,105	356,871	490,976	110,052	377,992	488,044
Total indirect energy consumption (MWh)	**134,105**	**356,871**	**490,976**	**110,052**	**377,992**	**488,044**
Total energy consumption (MWh)	**140,126**	**756,600**	**896,726**	**113,828**	**717,233**	**831,061**
Share of renewable energy (%)	16%			14%		
Share of renewable electricity (%)	27%			23%		
Energy intensity (MWh/DKKm)			25.9			22.3

1) Comparative information is not covered by the independent auditor's limited assurance.

§ Accounting policies

High-impact climate sectors
All businesses in Schouw & Co. are engaged in manufacturing, a high-impact climate sector according to the ESRS.

Direct energy consumption
Energy consumption includes the energy resulting from the use and burning of fuels at sites within the organisational boundaries of the Group, which includes all stationary combustion, primarily the use of gas, both natural gas and LPG for e.g. extrusion processes as well as gas used for heating purposes for sites within the organisational boundary. From 2024 this also includes fuel from mobile combustion for both owned and leased assets that are recognised as assets according to IFRS 16. This includes leased cars in all businesses as well as leased vessels in BioMar that were not included in the 2023 numbers. When calculating the energy usage in MWh from the consumption, data conversion factors for the lower heating value from the GHG Protocol tool have been used.

Own-generated renewable energy
Included in direct energy consumption is own-generated renewable energy, which means any renewable energy that is produced on-site. This is for Schouw & Co. solar panels that have been installed at sites within the organisational boundary.

Indirect energy consumption
Indirect energy consumption is all acquired energy, meaning electricity purchased from electricity providers and district heating or cooling used at sites within the organisational boundary.

Share of renewable energy
The total share of renewable energy includes own-generated renewable energy from on-site solar panels as well as purchased electricity whose origin is clearly defined in the contractual arrangements with the suppliers, i.e. renewable power purchasing agreements, standardised green electricity tariffs, market instruments like Guarantee of Origin or similar instruments like Renewable Energy Certificates. Since the Group does not use any biofuels or other types of renewable fuels like hydrogen these are not included.

Share of renewable electricity
Measures only the share of renewable indirect energy usage, mainly purchased electriciy.

Energy intensity
Energy intensity includes all direct and indirect energy consumption divided by the Group revenue in DKKm as found in the financial statements.

Power purchase agreement securing additional renewable electricity

In 2024, Schouw & Co. announced that it had entered into a long-term power purchase agreement with Encavis AG to supply renewable energy certificates to Schouw & Co. This will support the portfolio businesses in their efforts to reduce emissions associated with electricity consumption and contribute substantially to the group target of 100% renewable electricity in 2030.

Under the agreement, Schouw & Co. will receive renewable electricity certificates from Encavis' solar park, Fundici, in Andalusia, Spain. The PPA is expected to commence in the first half of 2025 and will provide Schouw & Co. with approximately 88 GWh of electricity per year, which corresponds to more than 40% of the electricity consumed by Schouw & Co.'s European business.

This power purchase agreement is a crucial step towards meeting Schouw & Co.'s target, along with the on-site installations already implemented by the portfolio businesses in several locations.

E1 - Climate change mitigation

Reducing greenhouse gas emissions from own operations

Impacts

Emissions from electricity and gas usage

Schouw & Co. has actively been measuring and reporting on greenhouse gas emissions in its own operations for many years. The Group acknowledges that large-scale industrial manufacturing and processing of raw materials entails a potential impact on climate change. The portfolio businesses are all industrial businesses with different production processes, but the emissions of the Group are material, due to mainly BioMar, Fibertex Personal Care and Fibertex Nonwovens, which have identified material impacts related to emissions from own operations, e.g. gas for extrusion and electricity for feed and nonwovens production. The combined Scope 1 and 2 GHG emissions of Schouw & Co. amounted to 204,571 tonnes of CO_2e in 2024.

Policies

Climate change in the environmental policy

As stated in the environmental policy, Schouw & Co. acknowledges the need to mitigate and adapt to the effects of climate change. As a long-term and responsible owner, Schouw & Co. is committed to reducing the emission of greenhouse gases related to both own operations and the value chain. The purpose of Schouw & Co. is to transform businesses, which could include transforming them towards a low-emission society, e.g. by increasing the share of renewable energy or implementing new technology when feasible.

The policy states that all portfolio businesses are required to set short-to-medium term reduction targets and that energy efficiency plays a vital role in reducing emissions as well as costs related to energy. The businesses must therefore prioritise this and measure the effectiveness of efforts in addition to deploying renewable energy when feasible.

Targets

Reducing GHG emissions by 35%

In 2021, Schouw & Co. set a target to reduce Scopes 1+2 market-based emissions by 35% in 2030 relative to the 2020 base year. This target was in line with the recommendations of the Science Based Targets Initiative to keep global warming below 1.5 degrees, but only BioMar has an SBTi-approved target. In 2024, the total Scopes 1+2 emissions were reduced by 5%, resulting in a total reduction of 21% since the 2020 base year.

Recalculation

A comprehensive recalculation of the baseline was conducted in 2023, when both GPV and HydraSpecma acquired companies of a significant size, prompting recalculation of the Group's baseline as per the Schouw & Co. recalculation policy. The Scopes 1+2 baseline was revised again in 2024, as the new ESRS requirements prompted a change in the organisational boundary, to the effect that leased vessels in BioMar have been included in the organisational boundaries in Scope 1 instead of Scope 3. This change resulted in an increase in emissions in the base year to include the vessels that were leased at the time. The target has not changed as a result of this recalculation.

Actions

Decarbonisation levers

A very important Scope 2 decarbonisation lever for Schouw & Co. is increasing the share of renewable electricity. Since a large share of the base-year emissions derive from electricity, this has been a major focus area as a way to decarbonise and has been the main driver of the 21% reductions achieved since 2020. In 2024, GPV initiated projects in several locations, meaning that the total share of renewable energy in 2024 is 33% in GPV compared to 6% in 2023. This resulted in a 37% reduction of Scopes 1+2 greenhouse gas emissions in GPV from 2023 to 2024.

Actions

Large scale power purchase agreement

To pursue further reduction potentials, Schouw & Co. has entered into a power purchase agreement to secure credible renewable energy attributes with additionality for the production units within the European AIB. When fully operational, this will provide certification for around 40% of the total electricity consumption within Europe contributing significantly to the reduction target.

Risks

Investments needed to reduce Scope 1 emissions

Other decarbonisation levers include switching of fuel types to address Scope 1 emissions. This primarily applies to BioMar, where investments are needed to switch from gas to electric boilers in countries with a large share of renewable electricity in the public grid. This has been assessed as a material financial risk in case these investments are timed at a wrong pace or with the wrong technology, as this may affect the competitiveness of the business. This also includes investments to decarbonise BioMar's leased vessels. Two of them have already been upgraded to hybrid vessels using both LNG and diesel, reducing emissions from operations.

E1 - Climate change mitigation

Establishing a consolidated baseline for value chain emissions

Impacts

Consolidating diverse value chains

For the first time, Schouw & Co. is reporting consolidated Scope 3 emissions thereby achieving the target from 2021. In a conglomerate, the value chains are very diverse, and the portfolio businesses differ in size, influence and nature of their value chains. Therefore, consolidating emissions between the businesses is a complex task and reporting the results in a meaningful manner is equally difficult.

Policies

Adressing value chain emissions

As this is a new reporting area, the scope of the environmental policy of Schouw & Co. does not include the value chain, but contains principles to reduce emissions and effects of climate change that can be further elaborated by the portfolio businesses.

Actions

Getting the baseline right

In 2024, many of the portfolio businesses worked on establishing a Scope 3 greenhouse gas inventory and baseline for the value chain emissions. All businesses have screened their value chains in relation to emissions and have determined their material Scope 3 categories. At a consolidated level, Schouw & Co. has assessed that value chain emissions are material from three categories: raw materials, associated transport and the use of sold products.

Emissions from products' energy usage

In GPV, HydraSpecma and Borg Automotive, use of sold products emissions account for the majority of value chain emissions due to the nature of the products. Some of these products use electricity, gas or diesel when integrated in customers' products. These downstream impacts are hard to measure accurately, as many assumptions are implied in the calculations. They are difficult to influence, since the businesses owned by Schouw & Co. do not produce the finished products themselves, but rather supply components or semi-manufactured products that are then installed in cars, wind turbines, trains, medical equipment or a range of other products. Schouw & Co. is now reporting these emissions, but they are generally hard to compare even between the different portfolio businesses.

Purchased goods and services

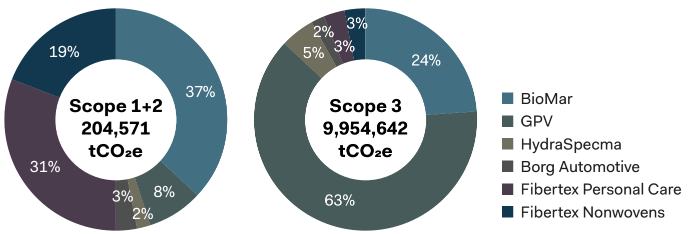
The picture is somewhat different when it comes to upstream emissions, where many customers already require our businesses to manage and reduce impacts when possible. All businesses in the Group have emissions associated with the procurement of raw materials, e.g. purchased goods and services. However, due to the volume and the nature of the raw materials that BioMar sources, this business is the biggest contributor to this category of emissions, and the same is the case with the other upstream category, transportation and distribution.

Targets

Working on a Scope 3 target in the upcoming transition plan

The Group has not yet set a Scope 3 target, but will during the course of 2025 work with each of the portfolio businesses on setting individual Scope 3 targets in addition to setting a group target as part of the work to draw up a climate transition plan.

Greenhouse gas emissions split by scopes and portfolio business



E1 - Climate change mitigation

Greenhouse gas emissions

Metrics

Consolidated GHG emissions

	Retrospective				Milestones and target years	
	Base year (2020)	2023[1]	**2024**	Δ	2030	Annual % target/base year
Scope 1 GHG emissions:						
Gross Scope 1 GHG emissions (tCO_2e)	95,827	96,003	92,830	-3%		
Scope 2 GHG emissions:						
Location-based Scope 2 GHG emissions (tCO_2e)	149,820	142,050	133,610	-6%		
Market-based Scope 2 GHG emissions (tCO_2e)	164,025	119,759	111,741	-7%		
Total Scopes 1+2 GHG emissions location-based	**245,647**	**238,053**	**226,440**	-5%		
Total Scopes 1+2 GHG emissions market-based	**259,852**	**215,762**	**204,571**	-5%	-35%	-3.5%
Significant Scope 3 GHG emissions:						
Total Gross Scope 3 GHG emissions (tCO_2e)	**n/a**	**n/a**	**9,954,642**	n/a		
Category 1: Purchased goods and services	n/a	n/a	3,311,414	n/a		
Category 4: Upstream transportation and distribution	n/a	n/a	213,876	n/a		
Category 11: Use of sold products	n/a	n/a	6,429,352	n/a		
Total GHG emissions (location-based) (tCO_2e)	n/a	n/a	**10,181,082**	**n/a**		
Total GHG emissions (market-based) (tCO_2e)	n/a	n/a	**10,159,213**	**n/a**		
GHG emission intensity (tCO_2e/mDKK)	n/a	n/a	293			

1) Comparative information is not covered by the independent auditor's limited assurance.

§ Accounting policies

Schouw & Co.'s reporting on greenhouse gas emissions is based on the ESRS and the GHG Protocol and is reported in CO_2 equivalents (CO_2e) using the global warming potential factors from the sixth IPCC assessment report. The reporting is structured based on the division into Scopes 1 , 2 and 3. The organisational boundary applied in Scope 1 and Scope 2 is the same as for the financial report and includes owned and controlled entities. Joint ventures, associates or similar, not under operational control of Schouw & Co., are not consolidated in the financial statements. Leased cars and vessels are included if assessed as being under operational control.

Scope 1
Covers all direct emissions within the organisational boundary. This includes the emission of GHG related to the combustion of fossil fuels such as natural gas, LPG, diesel or the like. Activity data from the portfolio businesses are gathered and subsequently multiplied by relevant emission factors, primarily using the GHG Protocol emission factors on stationary combustion. Portfolio businesses are allowed to substitute emission factors if they can provide better factors, which, in turn, must be documented.

Mobile combustion emissions are calculated using the GHG Protocol Mobile Combustion Tool based on fuel consumption or electricity usage, if available; otherwise, milage is used based on best available information. An exemption is BioMar's leased vessels, which are calculated separately based on activity data supplied by the leasing company multiplied by emission factors from the GHG Protocol tool.

Schouw & Co. has no activities falling under the European Emissions Trading Scheme and does not use biomass as a fuel for which reason biogenic emissions are not reported.

Scope 2
Covers indirect emissions from purchased electricity, district heating or cooling purchased from external sources. Consumption data for electricity are compiled from invoices and meter readings and used to calculate emissions. The activity data are multiplied by emission factors from the Internal Energy Agency for the country in which the consumption occurred. The portfolio businesses have the potential to use more specific regional emission factors obtained from local suppliers or other sources if that produces more precise data and the credibility can be verified. This calculation forms the basis of the locations-based Scope 2 emissions. For markets-based Scope 2 emissions, the contractual instruments verified against the quality criteria of the GHG Protocol and the ESRS requirements form the basis for calculation. Such contractual instruments include guarantees of origin, renewable energy certificates, green tariffs, etc. The market-based approach is used for calculation purpose and in relation to targets.

Scope 3
In Schouw & Co., three categories are included, category 1: Purchased goods and services, category 4: Upstream transportation and distribution and category 11: Use of sold products were assessed as material. The reason for not including the other categories is that, in the screening of all categories they represent less than 2% of the total value chain emissions at group level. Schouw & Co. does not own investment and does not have franchises, and the use of sold products as well as raw materials generally represent such a large share that elements like employee commute and business travel are insignificant.

Category 1: Purchased goods and services
The majority of the data used in calculating emissions from goods and services are calculated using activity data in weight that are then multiplied by appropriate emission factors from various sources like EcoInvent and ExioBase as well as supplier-specific emission factors when available. The exemption is GPV, where the emissions from purchased goods and services are calculated using spend data.

Category 4: Upstream transportation and distribution
Emissions from transportation are calculated using supplier emissions or emission factors if possible. Otherwise, assumptions on distance and mode of transportation are used to calculate emissions. In most cases, the businesses are aware of the freight method and distances and use appropriate emission factors to calculate the emissions from freight. This was not the case for HydraSpecma, and an allocation key was used to split the total spend between modes of transportation.

Category. 11: Use of sold products
This category is only applicable to GPV, HydraSpecma and Borg Automotive, as the products of the other businesses do not consume energy in the use phase. Category 11 is calculated using estimates about the energy usage of a specific product group per year, multiplied by a general world average electricity emission factor if the product could be sold anywhere in the world and then multiplied by an estimate on the expected lifetime of that product to calculate emissions throughout the life of the given product. In some instances, the product, e.g. a motor, used diesel or gasoline, and then the emission factor applied is for stationary combustion.

Emission intensity
The emission intensity is calculated as the total emissions market-based method, divided by net revenue as found in the financial statements.

Critical accounting estimates
When calcluating scope 3 emissions, estimates are used in cases where primary data is not available e.g. in relation to spend data in GPV's calculations of category 1. However, critical estimates are mostly applied in relation to use of sold products, where estimates have been applied regarding products' energy usage, period of time used and expected lifetime of the products. These categories are a material part of the consolidated scope 3 emissions.

E1 Climate change adaptation

Climate change risks affecting marine and vegetable raw materials

Risks

Climate change affecting cost and availability of raw materials

In the double materiality assessment process, climate hazards and climate change adaption were considered material in terms of the value chain but not in terms of own operations. It was assessed that Schouw & Co. is exposed to financial risk in the related to climate-related hazards in the value chain at medium to long term. The risk is related to the cost and availability of raw materials to produce fish feed since these raw materials stem from agriculture and fisheries and are sensitive to both chronic and acute risks related to climate change. This is subject to a high degree of uncertainty, but climate change impacts are likely to influence these to a greater extent going forward. Fluctuations have the potential to cause financial risk if not mitigated.

Policies

Mitigation as part of the business

Schouw & Co. has not implemented policies that address climate change adaptation in own operations or in the value chain. However, BioMar has extensive mitigation efforts in place regarding the financial risks of raw materials.

Targets

Diversifying raw material usage

The mitigation consist of diversifying the use of raw materials to include both vegetable, marine and novel ingredients so that the dependency on a few raw materials from one source or one specific location is minimised. However, BioMar does not have any specific targets related to this.

E2
Pollution

Utilising new and proven technologies to combat pollution/nutrient release

BioMar has initiatives and actions related to feed recipe optimisation, enhancing farming practices and using new technology. This includes artificial intelligence to mitigate possible pollution from nutrients release that could potentially cause eutrophication in the surrounding environment.

SBM-3, IRO-1

Pollution-related impacts, risks and opportunities

Assessing pollution in own operations
Prevention of pollution is a central element of today's business environment. Schouw & Co. complies with relevant legislation and is committed to minimising its environmental impact. As part of the double materiality assessment, Schouw & Co. conducted a review at both parent and portfolio business level to assess the level of impacts, risks and opportunities related to pollution and use of chemicals.

The screening of sites and business activities established that the Group's production processes generally do not rely heavily on substances of concern, nor do they generate significant amounts of hazardous waste or wastewater. As a result, no substantial impacts, risks or opportunities related to the businesses' own operations were identified.

Pollution from nutrient release
Through the double materiality process, Schouw & Co. has identified a material impact in relation to the value chains of the portfolio businesses. This concerns the value chain of BioMar and nutrient release into surrounding water bodies from aquaculture. This impact is solely related to BioMar, and all information presented in this section relates exclusively to BioMar. The impact has been assessed by both internal experts at BioMar as part of the double materiality assessment as well as in consultation via interviews with external stakeholders such as NGOs that are considered proxies on the environment's behalf.

E2
Pollution

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Pollution of water				
Negative impact	Eutrophication as a result of nutrients release from aquaculture production	**Value chain** BioMar	Long-term	Impact of potential eutrophication → Combating eutrophication through innovation →

E2 Pollution of water

Impact of potential eutrophication

Impacts

Release of nutrients in the downstream value chain

In relation to water pollution, Schouw & Co. has identified an indirect impact in the downstream value chain of BioMar, where nutrients like phosphorous and nitrogen are emitted to water bodies from BioMar's customers (i.e. fish and shrimp farmers), which may contribute negatively to eutrophication of water bodies. Eutrophication occurs when an excess of nutrients enters water bodies, causing a rapid increase in algae growth. These algae block the sunlight, and as they decompose, they deplete the oxygen in the water. The resulting low oxygen levels make it difficult for aquatic life to survive, as most species rely on dissolved oxygen.

Impact drivers of eutrophication

Globally, the main drivers of eutrophication are nutrient releases from agriculture and untreated wastewater, though aquaculture also contributes to a lesser extent. These nutrient releases occur at the customer level but are linked to the feed since nutrients are an essential component of aquafeed. Emissions to the surrounding environment stem from fish/shrimp excrements as well as uneaten feed that is dissolved into the environment. This impact can be partially mitigated through feed optimisation, improving nutrient absorption by fish or shrimp, and optimising feeding practices.

Policies

Environmental policy addresses pollution in own operations

Schouw & Co. has group-wide environmental policy addressing various issues and potential impacts, including pollution of air, water and soil. While it does not list specific substances or pollutants, the policy mandates compliance with all relevant legislation and requires businesses to implement effective measures to prevent and mitigate pollution. Additionally, it emphasises substituting substances of concern and phasing out substances of very high concern wherever possible and feasible. This policy primarily focuses on the company's own operations rather than the entire value chain. The policy also specifies that, if incidents occur, the negative effects should be minimised.

Policies

BioMar's approach to minimising pollution

At the portfolio level, BioMar does not have a specific policy targeting customers regarding feed use and optimisation in the downstream value chain. Instead, it follows an overarching environmental policy aligned with the general principles of the Schouw & Co. policy.

Targets

A collaborative approach

BioMar has adopted a collaborative approach in which it actively engages with customers to help prevent and mitigate environmental impacts. However, BioMar has not currently set specific targets for this area and do not plan to do so while this is not an area that has a formalised follow up process in regard to performance.

E2 Pollution of water

Combating eutrophication through innovation

Mitigation efforts pursued
To actively mitigate the negative impacts of eutrophication, BioMar is committed to optimising feed composition and usage. This approach not only reduces pollution but also enhances feed competitiveness, as customers favour feeds that are highly digestible and where nutrients are readily absorbed by the aquatic species. Consequently, many projects and initiatives focus on optimising feed usage and minimising eutrophication. Acknowledging that nutrient releases cannot be avoided entirely, BioMar's mitigation efforts target both increasing uptake of the nutrients from eaten feed, keeping the amount of nutrients, such as phosphorus and nitrogen, in feed to a minimum and lastly reducing the amount of uneaten feed.

Actions
Feed measures for reducing eutrophication
The feeds produced by BioMar are formulated to ensure optimal nutrient content, adapted to the farmed aquatic species. A primary goal for the R&D is to ensure optimal diet meaning that the cost of the feed is kept as low as possible, while still retaining optimal nutrient balance. This includes optimising the components of the feed to make the nutrients as available and digestible as possible. This improves the so-called feed conversion ratio (FCR), which means that the farmed species absorb a higher amount of the nutrients, thereby requiring less feed for achieving the same growth. This is done by recipe optimisation and changing the composition of the feed through careful selection and testing of raw materials. This is something that the R&D is continuously working on, and in 2024, several projects were concluded. Another aspect of this is the general feed concept called Blue Impact that is sold in a variety of markets. The concept is tailored to customers, and depending on the recipe, it can lead to e.g. phosphorus release being reduced by 20% and even up to 40% in some cases while also reducing environmental impacts in other areas.

Actions
Improving farming practices
Even if the feed is highly optimised, pollution may occur if the dosage of feed is too high, or the feed is distributed at the wrong time. Therefore, it is crucial to engage with stakeholders, in this case customers, and especially with small farmers to educate them on proper feed delivery and dosage. BioMar has a capacity building programme to enhance knowledge and build capacity among aquaculture farmers. The programme is also aimed at enhancing the feedback from farmers to BioMar's R&D, meaning that insights can be shared and feed optimisation can be tested in real life circumstances to ensure the intended outcomes are achieved. More than 70 employees in BioMar are part of this programme, which includes on-site visits, farm trials and a variety of training courses to give them knowledge about nutrition, farming efficiencies and best practices.

Actions
Advanced feeding technologies
Feeding technologies provide a powerful approach to mitigating eutrophication. These technologies help farmers manage feed more efficiently, leading to better growth performance and reduced nutrient release into water bodies. Utilising a combination of sensors, algorithms and real-time data analytics, they ensure that feed is delivered accurately and efficiently.

BioMar has invested in capabilities to build and improve feeding technologies to reduce nutrient releases from aquaculture, such as through the subsidiary AQ1. AQ1 specialises in acoustic and optical sensing technologies that provide real-time data insights for improved feeding management. The system for shrimp feeding uses intelligent sound filtering algorithms to monitor feeding activity and adjust feed delivery based on shrimp appetite, ensuring optimal dosage. This system helps reduce feed waste and nutrient pollution and in turn also improves growth rates.

E3
Water and marine resources

Towards a more sustainable aquaculture

With BioMar being the biggest business in the portfolio, marine resources play a central role in the responsible business operations for Schouw & Co. The responsible management of marine resources is key in ensuring healthy and more sustainable protein sources for a growing population.

SBM-3, IRO-1

Water and marine-related impacts, risks and opportunities

Water in own operations
Water and marine resources have been examined in the double materiality assessment, focusing on both Schouw & Co.'s operations with significant water use and the sourcing of marine ingredients from suppliers for fish feed production in BioMar. Schouw & Co. has identified key operational impacts on water consumption within BioMar, Fibertex Personal Care and Fibertex Nonwovens. Most of the water used across these operations is discharged back into the public water supply. However, at BioMar, water is consumed during fish feed extrusion and cooling processes, where a large part evaporates during the process. In Fibertex Nonwovens, water is used in the spunlacing production process, which requires water withdrawal. However, most of the water is subsequently treated and discharged.

Water and marine impacts in the value chain of BioMar
Three other material impacts have been identified in relation to water and marine resources. These are located in the value chain of BioMar and rely on large quantities of vegetable and marine raw materials sourced globally. These impacts are closely tied to marine resources and water availability and are specific to BioMar's value chain. The impacts have been assessed both by internal experts at BioMar during the double materiality assessment, as well as in consultation with external stakeholders via interviews.

Effects from material risk and opportunities
The general assessment regarding the material risks concerning disruptions in the supply chain of marine ingredients is that they are not likely to influence the financial position of Schouw & Co. due to the mitigation measures implemented and the active measures that BioMar has taken regarding diversification of raw materials.

E3

Water and marine resources

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Water				
Negative impact	Drain on water resources due to water consumption	**Own operations** BioMar, Fibertex Personal Care, Fibertex Nonwovens	Short-term	Water withdrawal and consumption from own operations →
Negative impact	Impact on water availability through sourcing of agricultural commodities	**Value chain** BioMar	Long-term	Water availability impacts related to agriculture in the value chain →
Marine resources				
Negative impact	Sourcing of marine ingredients impacting fish stocks	**Value chain** BioMar	Short-term	Responsible management of marine resources →
Risk	Disruptions in the supply chain of marine ingredients affecting availability and cost of raw materials	**Value chain** BioMar	Short- to medium-term	Risk of disruptions in the supply of marine ingredients →

E3 Water

Water withdrawal and consumption from own operations

Impacts

Water consumption in feed and nonwovens production

All Schouw & Co. businesses withdraw water for general use, sanitation, cleaning, etc. However, most of this water is discharged into water treatment facilities rather than being consumed and the material impact that has been identified is associated with water withdrawal and water consumption in BioMar, Fibertex Nonwovens and Fibertex Personal Care.

In aquafeed production, water is essential for mixing ingredients, though a significant portion evaporates during the extrusion process, where high temperatures transform the mixture into solid pellets. This impacts water resources in the short- to medium-term. In Fibertex Nonwovens, the spunlace process uses high-speed jets of water to entangle fibres. This process makes it possible to produce materials with better uniformity and at low weight with specific properties such as soft handle and drapability. Most of the water is discharged for water treatment. In Fibertex Personal Care, water is used for cooling in the production facilities in Malaysia where a share of the water is consumed as a result of evaporation.

Policies

Sound management of water

Schouw & Co. has adopted several initiatives to ensure responsible and sound management of water in production processes and in relation to e.g. cooling. The environmental policy lays out the general principles regarding water management, e.g. that water is a resource that must be managed responsibly, that pollution should be avoided or minimised and that the use of water must be minimised when possible.

The policy also specifies that in areas or processes where water is consumed, the portfolio businesses must investigate possibilities of recycling water to lower the pressure on water resources. Special attention must also be given to potential water consumption in areas of high water stress, and the use here should be reduced. However, as of now, the portfolio businesses do not have water consumption in areas of high water stress. The policy does not address marine resources or product design, as it is a group-wide policy.

Targets

Highly diversified impacts

Schouw & Co. has not set any group-wide targets as this impact is highly diversified and therefore, it is the individual businesses' own responsibility to set appropriate targets, if relevant.

Metrics

Water withdrawal and consumption

	2024
Water withdrawal (m^3)	1,185,368
Water discharge (m^3)	664,266
Water consumption (m^3)	521,102
- Of which is consumption in areas of high water stress (m^3)	0
Water intensity (1,000m^3/DKKm)	15.03

§ Accounting policies

Water withdrawal
The amount of water taken from ground or surface water sources or the public water supply and drawn into the boundaries of the businesses.

Water discharge
Water leaving the boundaries of the business and released to surface water, groundwater or third parties. The water discharge is measured or based on a calculation key based on a representative sampling process. In some businesses, water is primarily used for sanitation and water discharge, and here it is assumed to equal withdrawal.

Water consumption
The amount of water drawn into the boundaries of the business (or facility) and not discharged to the water environment or a third party. At businesses with significant water consumption, water consumption is calculated as water withdrawal less water discharge.

High water stress
Defined as regions where the percentage of water withdrawn is high (40-80%) or extremely high (greater than 80%) in the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI).

Water intensity
Water intensity is based on water consumption in 1,000 m^3 per DKKm revenue as specified in the financial statements.

E3 Water

Water availability impacts related to agriculture in the value chain

Impacts

Water consumption in the growing of crops

In the identification of impacts related to water consumption in the value chain, Schouw & Co. has assessed that there is a material impact related to water consumption associated with the procurement of agricultural commodities. This is due to crops often being water-intensive and sourced from various regions, including areas that are prone to acute or chronic water stress. The sourcing of these commodities can contribute to regional water scarcity, potentially straining limited water supplies and affecting local communities.

Policies

Water management in procurement polices

With the impact being closely related to the value chain of BioMar, this is addressed in the procurement policies, the responsible sourcing policy and the supplier code of conduct of BioMar which incorporate sound water management and specify requirements for suppliers. These two policies apply to all of BioMar's business units and the sourcing director is the responsible party. To follow up and ensure that the principles of the policies are upheld, BioMar applies life cycle assessment tools through a process called water footprinting in order to systematically monitor the water consumption associated with raw materials.

Water footprinting in life cycle assessments

The water footprinting approach functions as a risk management tool, enabling BioMar to assess various water risks. BioMar's life cycle assessment framework incorporates two distinct methodologies for quantifying water impacts in the value chain. First, the PEF AWARE (Product Environmental Footprint Available Water Remaining) method assesses the potential impact of water usage on downstream users, quantifying the extent to which other water users may experience shortages due to BioMar's consumption. This provides a measure of how BioMar's sourcing practices affect local water availability for other users, which is critical in regions where water is particularly scarce.

The second method, ReCiPe, developed by RIVM and Radboud University, CML and PRé as a recipe for life cycle assessments, is a way of doing life cycle impacts by calculating water impacts based on the volume of water consumed relative to the volume extracted. This ratio serves as an indicator of the efficiency and sustainability of water use within BioMar's supply chain.

Actions

Gathering data from suppliers

To enhance data accuracy and reliability, BioMar collects primary data directly from suppliers. Where primary data are not available, the company relies on secondary data from recognised sources, such as the Global Feed LCA Institute (GFLI) or other comprehensive life cycle inventory databases. By combining primary and secondary data, BioMar ensures that its water impact assessments reflect a realistic view of its sourcing practices, supporting informed decision-making and contributing to BioMar's commitment to responsible resource management.

Targets

A collaborative approach

BioMar has not set a target on specific water reductions in the value chain and do not expect to do so, as it requires further collaboration with customers across the value chain.

E3 Marine resources

Responsible management of marine resources

Impacts

Sourcing of marine raw materials in BioMar

BioMar sources approximately 300,000 tonnes of marine materials annually. Given the finite and often fragile state of some fish stocks, this could potentially have a negative impact on them if not managed responsibly. Fish stocks are volatile in nature and prone to fluctuations in supply. Therefore, the sourcing of these resources must be diversified to ensure that demand can be met. In addition to this, responsible management of marine ingredients, i.e. via certifications, is key to ensuring that negative impacts on fish stocks are minimised and mitigated.

Policies

BioMar's position statement of marine ingredients

Given the impact on BioMar's value chain, particularly at the supplier level, the commitment towards responsible sourcing of marine ingredients is formalised in BioMar's responsible sourcing policy, supplier code of conduct and its position statement on marine ingredients. The position statement owned by the sourcing director, underscores BioMar's dedication to procuring marine ingredients that are certified and responsibly sourced. BioMar also works to diversify the raw material base to reduce the dependency on fish meal and fish oil. This includes increasing the use of plant-based proteins, insect protein and microalgae. By diversifying ingredient sources, BioMar lessens its vulnerability to fluctuations in marine resources and overfishing, thereby reducing supply chain risks.

Targets

The commitment towards certified ingredients

BioMar commits to the sourcing of certified materials from responsible fisheries by actively participating in fishery improvement programmes (FIPs) and commits to source at least 80% of its marine ingredients each year from fisheries certified by the Marine Stewardship Council (MSC), MarinTrust, or from FIPs demonstrating recent progress through validated methodologies such as those from the Sustainable Fisheries Partnership or the MarinTrust Improver Programme.

BioMar also uses trimmings and by-products that meet Aquaculture Stewardship Council (ASC) family standards which are part of the approach to responsible sourcing and count toward the target. As part of this commitment, BioMar continually works to increase the inclusion of circular marine ingredients in feed formulations to help alleviate pressure on fish stocks.

Actions

Fermented algae-based alternatives

In addition to ensuring certification of marine and vegetable ingredients to verify that they are responsibly sourced, BioMar actively explores diversifying the raw material basket and introduces supplements or alternatives to reduce negative impacts on ocean ecosystems. This includes lipids made from algae fermentation. Many of the species BioMar produces feed for need dietary lipids, among other types of fats, and these typically come from either fish oils or oilseed-based crops, which may have terrestrial environmental impacts.

In this instance, microalgae-based lipids are a promising novel ingredient. During the fermentation process, organic materials are converted to marine fatty acids and other valuable feed components. The fermentation process is a form of nature-based solution to the use of materials that would otherwise have been characterised as waste. Since its scaling-up, algae-based lipids are now common raw materials and are included in a wide range of customer feeds. See E5 for more information on novel ingredients.

E3 Marine resources

Risk of disruptions in the supply of marine ingredients

Risks

The volatile nature of fish supply

Roughly one-third of BioMar's costs are associated with marine ingredients, and even though promising alternatives are being developed and implemented, there is still a great need for omega-3 fatty acids of marine origin, making BioMar dependent upon healthy oceans and seas to ensure a continuous supply of marine resources. In the short term, disruptions in raw material supply (e.g. fishmeal and fish oil) and new regulatory requirements could increase operational costs and create cash flow volatility. In the medium term, depletion of marine resources, water scarcity, and reputational risks associated with not using certified ingredients may lead to higher sourcing costs, a potential decline in revenue and the need for investments in alternative ingredients.

Policies

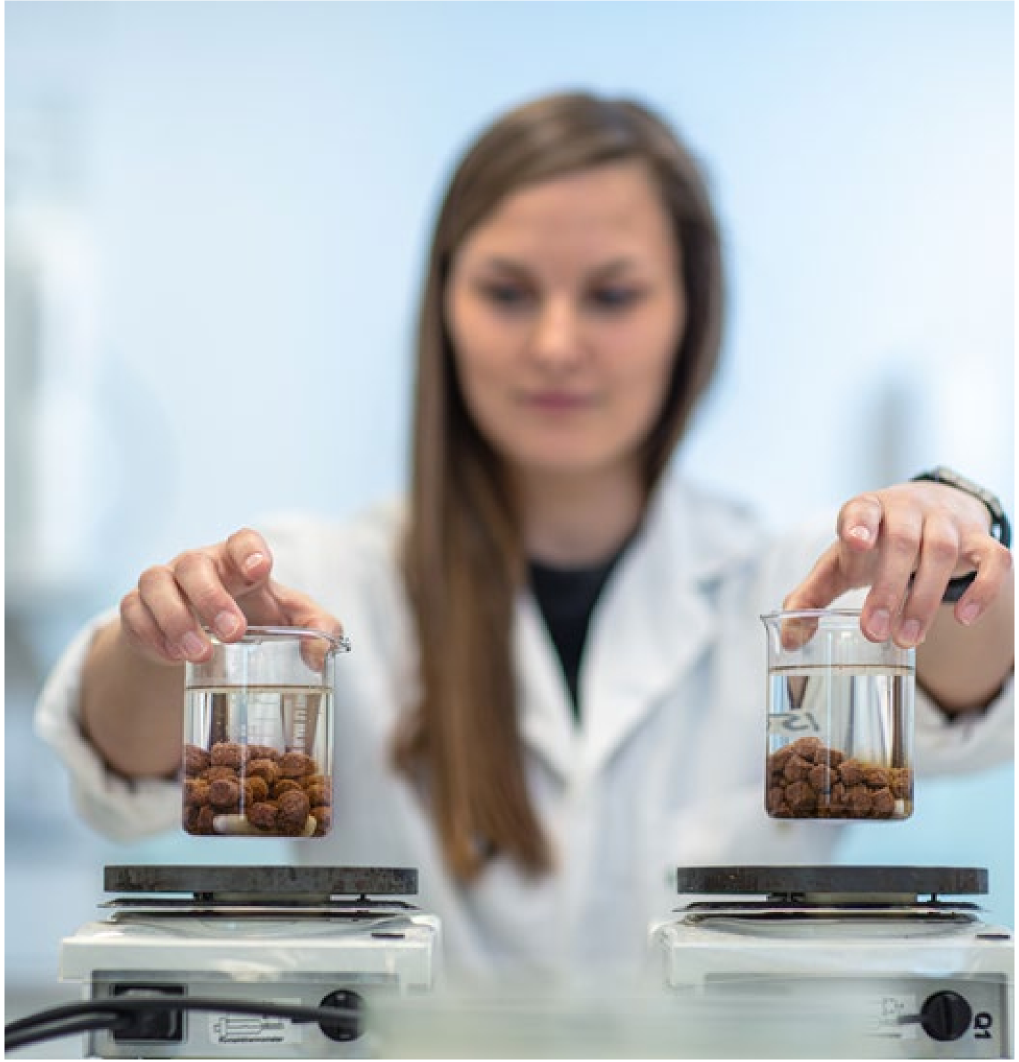
Resilience of the business

BioMar proactively works on improving the management of fisheries it sources from and diversifies its sources of omega-3 fatty acids, incorporating both marine and vegetable alternatives to enhance flexibility and resilience against fish oil market shortages. However, this is not adressed in any policy.

Targets

Mitigation via diversification

It is assessed that, after mitigation, changes in the supply of marine ingredients are unlikely to affect the financial position of BioMar, due to extensive efforts in optimising recipes and substituting raw materials, even if such changes affect the cost of raw materials. Consequently, there are no targets in this area and no plans to do so.



E4
Biodiversity and ecosystems

Responsible sourcing of marine and plant-based raw materials

The concept of biodiversity is growing in importance as society faces a rapid decline in species and the degradation of natural ecosystems due to human activities. Businesses are reliant on healthy ecosystems and biodiversity for their operations, and as BioMar sources both marine and vegetable raw materials, it is essential to mitigate negative impacts on both land and marine ecosystems as well as endangered species.

SBM-3, IRO-1

Biodiversity-related impacts, risks and opportunities

Biodiversity related to own operations
As part of the double materiality assessment, a screening of potential biodiversity impacts from the production sites and locations related to own operations has been conducted. No material impacts on biodiversity from own operations were identified, and no sites are materially affecting biodiversity. One site is located near a Natura 2000 area, however, the operations of the site do not impact the protected area negatively, and there are no other sites located near biodiversity-sensitive areas. Consequently, as no internal material impacts have been identified, Schouw & Co. does not use biodiversity offsets.

Value chain impacts on biodiversity
Several material impacts were identified in relation to the value chain of BioMar, which sources a large amount of vegetable and marine raw materials from various geographical locations. The impacts relate to marine wildlife, deforestation and land-use change, but not specifically to desertification or soil sealing.

The Group's operations do not directly affect threatened species, however, there are impacts in the value chain related to unintended by-catch that can influence threatened species. The impacts solely relate to BioMar, and consequently, all information, including policies in this section, only applies to BioMar. The impacts have been assessed both by internal experts at BioMar during the double materiality assessment as well as in consultation with external stakeholders such as NGOs and similar via interviews.

E4
Biodiversity and ecosystems

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Direct impact drivers on biodiversity loss				
Negative impact	Potential land-use change and deforestation through sourcing of agricultural commodities	**Value chain** BioMar	Short-term	Working towards deforestation-free supply chains →
Impacts on the state of species				
Negative impact	Impact on the abundance of marine species from sourcing of marine ingredients and unintended by-catch	**Value chain** BioMar	Short-term	Mitigating biodiversity impacts through certified raw materials →
Impacts on the extent and condition of ecosystems				
Negative impact	Suppliers using damaging fishing practices which can lead to degradation of marine ecosystems	**Value chain** BioMar	Medium-term	Mitigating biodiversity impacts through certified raw materials →

E4 Transition plan

Utilising R&D efforts to strengthen resilience and reduce dependence on critical raw materials

Diversifying the raw material basket
BioMar is part of a larger acquaculture value chain, where biodiversity impacts can occur both in oceans and on land due to the use of both marine and vegetable ingredients. These can potentially be linked to impacts drivers like deforestation, conversion of land and overfishing. However, over many years, BioMar has gained expertise through investments in R&D, enabling the business to use a much wider variety of feed raw materials for feeding the range of species produced in aquaculture.

This diversification has led to significantly larger flexibility in selecting raw materials for feed production, making the business model far less dependent on any single source of raw material, as the supply of especially marine ingredients is prone to fluctuations. This change has over the past 30 years of aquaculture feed development resulted in a reduction in the percentage of marine raw materials per tonne of feed, helping to alleviate overfishing.

Negative effects on biodiversity
This strategy has been helpful in reducing the negative impact on ocean ecosystems as well as securing supply by introducing vegetable raw materials. As the focus on climate change drivers and biodiversity impacts has increased, the environmental effects of using vegetable raw materials have become increasingly evident. While these raw materials were introduced to reduce overfishing their production, crops like soy and palm oil have been linked to deforestation, biodiversity loss on land, and climate change. This highlights the complex trade-offs in sustainable sourcing efforts.

Novel ingredients as supplements and replacements
As R&D has played a central role in enhancing the business's resilience, efforts are now focused on novel ingredients, which is a term encompassing various new alternatives that can supplement or replace both marine and vegetable ingredients. These include materials like fermented algae-based proteins or other single-cell ingredients, as well as by-products from other types of food production that might otherwise be treated as waste.

E4 Direct impact drivers of biodiversity loss

Working towards deforestation-free supply chains

Impacts

BioMar's hot spot materials

BioMar sources close to one million tonnes of vegetable raw materials on average each year, and some of these are associated with biodiversity-related impacts if not properly managed. Soy and palm oil are labelled as so-called hot spot materials, meaning that they are often associated with potential negative impacts, including deforestation and conversion. However, palm oil makes up a very small percentage of the total sourcing volume in BioMar; in 2024, it amounted to 0.06% of the total sourced volume. Consequently, soy is the primary focus when considering potential negative impacts related to vegetable ingredients in BioMar's value chain, as it accounts for nearly 20% of the sourced raw materials.

Policies

BioMar vegetable ingredients position statement

BioMar has a robust and effective procurement setup with a strong focus on due diligence. This setup is formalised in BioMar's procurement process that involves extensive due diligence.

The responsible sourcing policy outlines requirements for vegetable ingredients, which are further specified in the BioMar vegetable ingredients position statement. This is being implemented throughout 2024 and 2025, is managed by the sourcing director and can be found on BioMar's website. This statement outlines BioMar's commitment to deforestation-free and conversion-free supply chains for sourcing all vegetable ingredients. It specifies that BioMar will not accept high-volume or high-risk vegetable ingredients (such as soy and palm oil) from cropland that has been deforested or from natural habitats converted after December 2020.Specific local or indigenous communities are not explicitly addressed in this policy, but stakeholder involvement is a part of the review of the policy.

Actions

Due diligence on deforestation-free and conversion-free certifications

To follow up on this policy, BioMar requires suppliers of both soy and palm oil and other high-volume vegetable ingredients to demonstrate low risk of both legal and illegal deforestation and conversion and collects proof of this from suppliers, e.g. through certification schemes, when engaging with them in relation to the overall supplier due diligence process. Furthermore, suppliers are encouraged to share their own commitments to end deforestation and conversion. BioMar will also engage with suppliers to ensure that they are compliant with the upcoming requirements of the EU Deforestation Regulation in addition to the requirements set out by BioMar. BioMar will source from certified supply chains for the raw materials within scope. For those where no certification currently exists, they will engage with their supply chain partners to seek evidence of compliance within the supply chain network.

E4 Impacts on the state of species
E4 Impacts on the extent and condition of ecosystems

Mitigating biodiversity impacts through certified raw materials

Impacts

Impact drivers on abundance of species

Aquaculture is an essential part of ensuring a sustainable supply of fish and helps alleviate overfishing. However, the sourcing of marine ingredients has the potential to negatively affect marine wildlife by affecting both the abundance of species if the sourcing of marine ingredients is associated with by-catch of threatened species or if the amount of fish caught is too great for populations to sustain. Therefore, sustainable fishing practices are needed. Another impact has been assessed related to the impacts on the condition of the oceans as an ecosystem if suppliers use damaging and illegal fishing practices. To ensure that suppliers abide by the law, strict requirements, extensive certification schemes and initiatives are in place to make sure that BioMar only sources from approved suppliers.

Policies

BioMar marine ingredients position statement

BioMar has a long-term focus on minimising and managing the risks concerning the marine ingredients supply chain. This includes both certification schemes and a due diligence setup focused on the requirements elaborated in BioMar's code of conduct and marine ingredients position statement. The position statement, which is also described in E3 in the marine resources section, stipulates a number of principles regarding responsible sourcing practices. In relation to biodiversity, the statement sets out requirements that no marine ingredients shall be sourced from Illegal, Unreported or Unregulated (IUU) fisheries or species classified as endangered or critically endangered on the International Union for Conservation of Nature (IUCN) Red List or listed under any Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Appendix. BioMar expects suppliers to take all appropriate measures to manage and minimise by-catch, including specific actions to protect vulnerable by-catch populations. Furthermore, no illegal transhipment practices are allowed.

Actions

Further initiatives to protect and improve biodiversity

BioMar is engaged in specific projects aiming to improve biodiversity and ecosystem outcomes such as Fisheries Improvement Projects (FIP) and is a partner of the small pelagic FIP in Mauritania, the FIP in Ecuador and is a member of the North Atlantic Pelagic Advocacy group, seeking a long-term sharing agreement between the coastal states for key North Atlantic fish stocks. These initiatives also aim to position more fisheries and marine ingredient producers towards achieving certification. The due diligence setup regarding the position statement is described in the marine resources section in E3.

Actions

Novel ingredients to reduce biodiversity impacts

BioMar also actively explores alternatives to substitute ingredients and mitigate negative impacts associated with these through the use of other low-impact ingredients. This could be for instance lipids made from algae fermentation as mentioned in the E3 marine resources section.

Targets

The commitment towards certified ingredients

As stated in the marine ingredients position statement, a cornerstone of BioMar's contribution towards minimising biodiversity and ecosystem outcomes is increasing the level of certified marine ingredients sourced and increasing the inclusion of trimmings compliant with the ASC family of standards. BioMar has set a target, as disclosed in the E3 marine resources section, of a certification rate of at least 80% for marine ingredients each year. This means that BioMar is actively working towards responsible management of marine resources as well as minimising negative impacts on biodiversity associated with the sourcing of marine ingredients. For more information on the certification schemes and the progress towards the target, see the resource inflows section in E5 Resource use. No ecological thresholds were applied when setting this target.

E5
Resource use and circular economy

Efficient use of natural resources

Schouw & Co. focuses on efficient use of resources and works towards a reduction of the use of virgin raw materials to secure the future of the businesses and to avoid the depletion of natural resources. Moreover, Schouw & Co. contributes actively to the deployment of circular economy principles through the ownership of Borg Automotive, which remanufactures used automotive spare parts.

SBM-3, IRO-1

Impacts, risks and opportunities related to resource use and circular economy

Raw material processing
For the purposes of the double materiality assessment, the production processes and the materials used were screened and reviewed in relation to both own operations and to the value chain. This process involved consulting with internal experts in each of the businesses to identify different impacts, risks and opportunities. During the double materiality process, a material positive impact related to resource outflows and circular economy was identified in relation to own operations. Additionally, a material negative impact was found regarding to resource inflows from the procurement of raw materials within the value chains of some of the Group's businesses.

Schouw & Co. invests in businesses within industrial manufacturing and some engage in process manufacturing, which is often associated with large quantities of primary raw materials. The raw materials are processed and transformed into products, which are then further processed down the value chain, ultimately becoming consumer products. This is especially the case for BioMar, Fibertex Personal Care and Fibertex Nonwovens as revealed by the double materiality assessment, which disclosed that the material resource inflows for the Group are related to these businesses.

A list of the primary resources identified can be found in the metrics section. This includes vegetable and marine ingredients used for fish feed, as well as polymers used for nonwovens production, which are the primary and material resources utilised.

E5

Resource use and circular economy

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Resource inflows				
Negative impact	Potential impact on resource scarcity from the extraction of virgin resources	**Value chain** BioMar, Fibertex Nonwovens, Fibertex Personal Care	Short-term	Responsible use of raw materials →
Resource outflows related to products and services				
Positive impact	Circular business model in the remanufactured automotive parts, which reduces the use of virgin materials	**Value chain** Borg Automotive	Short-term	Borg Automotive: Circular economy in practice →

E5 Resource inflows

Responsible use of raw materials

Impacts

Use of primary raw materials

Even though the businesses are actively working towards minimising the use of virgin raw materials as well as increasing the use of renewable sources and sustainably sourced materials, the double materiality assessment revealed that BioMar, Fibertex Personal Care and Fibertex Nonwovens have a potential negative value chain impact as they use significant amounts of raw materials that could put pressure on finite resources. BioMar utilises vegetable and marine ingredients, primarily soy and soy products, as well as vegetable oils and marine meal and oils. Fibertex Nonwovens and Fibertex Personal Care produce nonwovens from fibres from various materials such as polypropylene and polyester as well as natural or semi-natural fibres such as cotton and viscose.

Policies

Schouw & Co. environmental policy

Generally, Schouw & Co. has integrated principles in regard to the efficient management of natural resources in the environmental policy. The policy stipulates that the use of finite resources should be managed responsibly. This includes using certified and/or recycled materials/by-products when possible and feasible and promoting circular economy practices when possible.

Policies

Fibertex Personal Care sustainability policy

Fibertex Personal Care has adopted a sustainability policy which promotes reducing consumption through responsible use of products, minimising waste and using alternative raw materials. The policy also addresses partnering with suppliers to reduce impacts from raw materialssourcing and transport as well as engaging in responsible end-of-life projects to reduce waste. Fibertex Personal Care also has a sustainable sourcing policy, which encourages suppliers to respect the ten principles of the UN Global Compact.

Policies

Fibertex Nonwovens environmental and energy policy

Fibertex Nonwovens' environmental and energy policy focuses on responsible raw material consumption. Among other things, this entails waste reduction projects focusing on waste management, as well as collaboration with suppliers who commit to Fibertex Nonwovens' approach to the environment. The policy includes principles of reducing the consumption of raw materials, chemicals and hazardous substances through innovative design.

Policies

BioMar responsible sourcing policy

BioMar addresses the use of raw material in a responsible sourcing policy, which outlines five fundamental principles that all suppliers must comply with. The principles include conducting business lawfully and with integrity, being dedicated to collaboration and transparency, ensuring product quality and food safety, protecting natural resources and upholding human rights. BioMar also focusses on a circular economy, investigating how to replace fossil products with renewable products while minimising waste.

Targets

Commitment to certified marine ingredients

Concerning marine ingredients, BioMar has set a short-term target regarding the volume of certified materials from responsible fisheries as described in the E3 marine resources section. BioMar has committed to source at least 80% of its annual marine ingredients from certified fisheries. For more information on certifications, see the accounting policies for resource inflows. In 2024, the share of certified marine ingredients amounted to 95% well above the target.

Targets

Use of recycled or reused materials

Schouw & Co. generally encourages its portfolio businesses to implement recycled or reused raw materials when possible and feasible. This can be both technical or biological materials like recycled polymers or fish oil or fish meal from trimmings that are defined as by-products, which would otherwise have been characterised as waste. In 2024, the total amount of recycled materials was at 19%. The Group has not yet set targets in this area but expects to do so during the next reporting period.

E5 Resource inflows

Technical and biological inflows

Metrics

Consolidated material technical and biological inflows

(Tonnes)	2024 Virgin	Recycled/ by-products	Total	Certified share
Polymers	152,974	18,275	171,249	
Nonwovens	2,949	0	2,949	
Total technical materials	**155,923**	**18,275**	**174,198**	
Soy products	249,982		249,982	86%
Other plant dry matter	457,435		457,435	0%
Palm oil	784		784	100%
Rapeseed oil	135,212		135,212	53%
Other plant oils	20,417		20,417	0%
Fish meal	89,797	104,663	194,460	95%
Krill meal	18,096		18,096	100%
Fish oil	15,701	64,003	79,704	94%
Other marine oils	12,447	0	12,447	100%
Land animal proteins/Processed animal proteins	1,801	99,844	101,645	0%
Novel raw materials	18,506		18,506	n/a
Viscose fibres	14,171		14,171	35%
Cotton fibres	1,907		1,907	49%
Biobased polymers	275		275	100%
Total biological materials	**1,036,531**	**268,510**	**1,305,041**	**45%**
Total weight of technical and biological materials	**1,192,454**	**286,785**	**1,479,239**	
Total share of recycled or reused materials		19%		
Total share of certified marine materials				95%
Total share of certified biological materials				45%

§ Accounting policies

Technical materials

Virgin polymers
Virgin polymers are all types of polymers purchased in the reporting period. This includes pellets or fibres and include polypropylene (PP), polyester (e.g. PET) and other types of polymers. Applicable to the Fibertex businesses.

Recycled polymers
Recycled polymers are any type of polymers that has been through one life cycle and considered waste and are then procured as recycled polymers from suppliers or via external processing that enter our production once again. Polymers recycled inhouse are not included. Applicable to the Fibertex-businesses.

Nonwovens
Purchased nonwovens used for printing at factories in Fibertex Personal Care.

Biological materials

Sustainably sourced is defined as certified according to the relevant certification or compliant with the ASC familiy of standards.

Recycled/by-products includes by-products from trimmings in accordance with the ESRS 'secondary materials' definition.

Marine materials are fish meal, krill meal, fish oil and other marine oils.

Soy products
Soy protein concentrate, high protein soymeal and soy oil. Certified materials include soy protein concentrate, soy high protein meal and soy oil certified to the RTRS, Proterra, Donau/Europe Soy and/or U.S. SSAP certification schemes. Applicable to BioMar.

Other plant dry matter
Includes plant-based protein concentrates, high protein meals, starch, bran, whole grains, lecithin and dehulled pulses from non-soy sources, e.g. peas, beans, potatoes, oats, etc. Applicable to BioMar.

Palm oil
Oil from the fruit of certain palms.Certifications are the RSPO, Green Palm or equivalent schemes. Applicable to BioMar.

Rapeseed oil
Oil obtained from rapeseed. Certified include rapeseed oil certified to the REDCert or equivalent scheme. Applicable to BioMar.

Other plant oils
Plant-based oils, excluding rapeseed oil, palm oil and soy oil e.g. sunflower, algae oil, linseed. Applicable to BioMar.

Fish meal
Fish meal derived from i) whole wild fish or ii) farmed and wild trimmings. Certified is defined at sourced from MSC, MarinTrust, FIP's with recent progress based on validated methodology (Sustainable Fisheries Partnership or MarinTrust Improver Programme), or trimmings/by-products compliant with the ASC family of standards. Trimmings include fish meal derived from cut-offs or waste produced during wild fish catch processing. Applicable to BioMar.

Krill meal
Meal derived from krill. Certified to the MSC certification scheme. Applicable to BioMar.

Fish oil
Fish oil derived from i) whole wild fish or krill or ii) farmed and wild trimmings. Certified is sourced from MSC, MarinTrust, FIP's with recent progress based on validated methodology (Sustainable Fisheries Partnership or MarinTrust Improver Programme), or trimmings/by-products compliant with the ASC family of standards. By-product includes fish oil derived from cut-offs or waste produced during wild fish catch processing. Applicable to BioMar.

Other marine oils
Marine oils derived from other sources such as the human consumption market. Applicable to BioMar.

Land animal proteins/Processed animal protein:
By-products or waste derived from non-ruminant terrestrial animal origin, e.g. feather meal, blood meal, poultry fat. Applicable to BioMar.

Novel raw materials
Non-conventional feed ingredients used as alternatives for conventional ingredients traditionally used by aquafeed manufacturers, e.g. insect meal, single cell proteins. This includes insect meal fed by waste and agriculture waste/by-products. Applicable to BioMar.

Viscose fibres
Viscose is a semi-synthetic fibre made from tree wood pulp. Certifications include Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC). Applicable to Fibertex Nonwovens.

Cotton fibres
All types of fibres made from the cotton plant. Certified materials include cotton that is certified organic according to GOTS or equivalent certification schemes. Applicable to Fibertex Nonwovens.

Biobased virgin polymers
Defined as polymers that are produced from biomass, and in this context sourced with the ISCC PLUS mass-balance certification. Applicable to Fibertex Personal Care.

E5 Resource outflows related to products and services

Borg Automotive: Circular economy in practice

Schouw & Co. has identified a positive circular economy impact related to the remanufacturing business of one of its portfolio businesses, Borg Automotive. Borg Automotive is Europe's largest independent automotive remanufacturing business, and its primary business activity is to remanufacture defective parts and sell them in the B2B market and 78% of Borg Automotive's revenue is generated by remanufacturing parts. Borg Automotive's business model applies a return system making it a showcase example of a circular business model as the remanufactured products have a smaller environmental impact and require fewer resources and materials.

To document the resource savings and to support the claims of remanufacturing's positive impact in terms of both GHG emissions and resource use, Borg Automotive has conducted lifecycle assessments for all primary product groups and compared them with newly produced products of the same type. The average results are that remanufacturing across product groups on average saves 60% GHG emissions and 70% resource use and even in some instances up to 99 % of resource use compared to newly manufactured products of the same type.

This is not covered by a policy, nor has Borg Automotive set any targets related to this, as it is their general business model. However, the revenue of Borg Automotive is EU Taxonomy aligned, indicating the positive impact associated with their business.

EU Taxonomy

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

The Taxonomy Regulation sets out a classification system for economic activities aimed at establishing a framework for identifying environmentally sustainable activities. The EU Taxonomy defines six environmental objectives: climate change mitigation and adaptation, water, circular economy, pollution and biodiversity, to which revenue, capital expenditure (CapEx) or operating expenses (OpEx) must contribute substantially in order to be taxonomy-aligned. Furthermore, the activities must do no significant harm (DNSH) to the other five environmental objectives and must comply with minimum social safeguards.

Assessment of eligible activities
As a diversified conglomerate, Schouw & Co. is widely exposed to various sectors within industrial manufacturing. A number of these sectors are not currently addressed by the adopted delegated acts. The only three categories related to revenue that apply to Schouw & Co. are related to the environmental objective 'transition to a circular economy' within the categories 5.1 Repair, refurbishment and remanufacturing and 5.2. Sale of spare parts and category 3.1 Manufacture of renewable energy technologies related to the environmental objective of climate change mitigation.

It is assessed that Borg Automotive's business, which is remanufacturing of spare parts for cars and sale of new manufactured spare parts, is subject to this. Furthermore, it is assessed that all CapEx of Borg Automotive is "related to assets or processes that are associated with taxonomy-aligned economic activities". To avoid double counting, CapEx related to buildings is deducted.

In addition to this, Schouw & Co. has economic activities in category 3.1 Manufacture of renewable energy technologies. These activities are related to HydraSpecma's Renewables Division, which generates revenue from e.g. the wind turbine industry, including hydraulic systems and cooling systems. This revenue derives from an enabling activity as defined in the delegated act and a share of CapEx related to assets or processes that are associated with taxonomy-aligned economic activities are included as well.

Eligible CapEx
CapEx related to categories 7.1 Construction of new buildings and 7.6 Installation, maintenance and repair of renewable energy technologies under climate change mitigation is also taxonomy-eligible. These categories apply to the whole group, where construction of new production sites as well as installation of solar panels and heat pumps are taxonomy-eligible. In 2024, additions related to a vessel in BioMar is reported in the CapEx section as eligible according to category CCM 6.10, Sea and coastal freight water transport, but this not aligned.

The assessment of taxonomy-eligible OpEx is an estimate based on the same allocation key as used for CapEx, which is determined based on taxonomy-eligible revenue since we are not able to refer OpEx directly to the specific econonomic activities. Accordingly, a proportion of OpEx for HydraSpecma's Renewables Division related to category 3.1 is eligible, while Borg Automotive's OpEx is taxonomy-eligible, based on categories 5.1 and 5.2 which also includes a small share related to the aquired activities in Tunisia which is also assessed as eligible.

Assessment of alignment
The taxonomy-eligible economic activities have been assessed according to the technical screening criteria set out in the delegated acts.

Due to its business model, Borg Automotive is assessed as exclusively supplying products falling within an economic activity that either "consists of extending the lifetime of products by repairing, refurbishing or remanufacturing products that have already been used for their intended purpose by a customer (physical person or legal person)" or "consists of the sale of spare parts beyond legal obligations", where "each sold spare part for a product replaces, or intends to replace in the future, an existing part in order to restore or upgrade the product's functionality, in particular in case where the existing part is broken".

As these economic activities account for Borg Automotive's entire revenue, almost all of the revenue is aligned, except for a small part, that is from the newly aquired business in Tunisia, that is assesed as not aligned. Since this business became part of Borg Automotive in December, its share is very small but is still shown in the table. The total share of aligned revenue from these activies increased from 3.8% in 2023 to 4.4% in 2024 regarding remanufacturing and 1.2% to 1.3% regarding sale of spare parts.

As for HydraSpecma, revenue in the Renewables Division in category 3.1 Manufacture of renewable energy technologies under Climate change mitigation is taxonomy-eligible. As this is an enabling activity, the associated revenue complies with the substantial contribution criterion by significant parts or technology in the making of these renewable energy technologies. The aligned share of revenue for this category has increased from 2.7% in 2023 to 3.3% in 2024.

DNSH criteria
In connection with the assessment of the DNSH criteria, an analysis was prepared by each of the portfolio businesses that has eligible revenue concerning taxonomy alignment. In this context, each of the specific DNSH criteria was assessed by HydraSpecma and Borg Automotive in relation to climate, water, pollution, circularity and biodiversity. All of the eligible revenue was included in the assessment.

Minimum safeguards
In the assessment of minimum safeguards, the companies' due diligence systems were analysed and assessed in terms of compliance with the requirements of the UN Guiding Principles and OECD Guidelines. In this respect, all businesses in the Group have made a human rights impacts assessment and have described their due diligence setup to demonstrate compliance with the UN Guiding Principles and the OECD Guidelines on Multinational Enterprises and are therefore deemed to have the required safeguards in place.

The assessment of compliance is evaluated from the perspectives presented in Final Report on Minimum Safeguards from the EU's Platform for Sustainable Finance, in which it is emphasised that companies should not be involved in disputes or cases of violation of the minimum safeguards, and that they should have human rights and business conduct policies in place as well as systems ensuring compliance, complaints mechanisms, including a whistleblower scheme, and the right to redress in case of violation.

§ Accounting policies

The EU Taxonomy reporting of Schouw & Co. relies on financial data reported and consolidated through the financial system regarding revenue, additions of tangible and intangible assets and operating expenses. When splitting the revenue into economic activities, the portfolio businesses report this split based on internal financial reporting.

Critical estimates
Critical estimates are only used when reporting CapEx and OpEx related to eligible revenue and in this case, an allocation key based on the share of revenue is used to allocate CapEx and OpEx to the eligible categories. Buildings, vessels and solar panels are not estimated.

Revenue
To calculate the proportion of taxonomy-eligible revenue, total revenue for the financial year is used as the denominator in the calculation of the KPIs. The revenue is specified in note 2 (revenue) in the financial statements. Taxonomy-eligible revenue is used as the numerator, see the delegated acts. For the 2024 financial year, only HydraSpecma and Borg Automotive had revenue that were taxonomy-eligible and therefore reported on.

CapEx
To calculate the proportion of taxonomy-eligible CapEx, total additions of property, plant and equipment and intangible assets, specified in notes 10 and 11 of the financial statements, are used as the denominator in the calculation of the KPI excluding goodwill. Taxonomy-eligible CapEx is used as the numerator, see the delegated acts. For the 2024 financial year, this includes additions of buildings and in 2024 a vessel in BioMar, as defined in the delegated acts. Also included are additions related to taxonomy-eligible revenue including immaterial additions. These have not been recorded separately in the ERP system and have therefore been determined according to the allocation base following from the allocation of revenue in the same category which is a critical estimate.

OpEx
In the EU Taxonomy, OpEx is narrowly defined as direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. As for CapEx, the allocation base used for taxonomy-eligible revenue is used to determine taxonomy-eligible OpEx.

Revenue for the 2024 financial year

Economic activities	Code	Absolute revenue (DKKm)	Proportion of revenue	Substantial contribution criterion: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	DNSH criteria ('do no significant harm'): Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible revenue 2023	Enabling activity	Transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy alignment):																			
Manufacture of renewable energy technologies	CCM3.1	1,128	3.3%	Y						-	Y	Y	Y	Y	Y	Y	2.7%	Y	
Repair, refurbishment and remanufacturing	CE5.1	1,531	4.4%				Y			Y	Y	Y	-	Y	Y	Y	3.8%		
Sale of spare parts	CE5.2	440	1.3%				Y			Y	Y	Y	-	Y	Y	Y	1.2%		
A.1 Total taxonomy-aligned revenue		**3,099**	**8.9%**														**7.7%**		
Of which enabling		1,128	3.3%																
Of which transitional activities		0	0.0%																
A.2 Taxonomy-eligible but not aligned:																			
Repair, refurbishment and remanufacturing[1]	CE5.1	0	0.0%														0%		
A.2 Total taxonomy-eligible but not aligned revenue		**0**	**0.0%**														**0%**		
Total (A.1 + A.2)		**3,100**	**8.9%**														**7.7%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue, non-eligible activities		31,566	91.1%																
Total revenue (A + B)		**34,666**	**100%**																

1) A total of DKK 0.3 million from the activities in Tunisia is eligible, but not aligned.

Y = Yes. N = No.

CapEx for the 2024 financial year

Economic activities	Code	Absolute CapEx (DKKm)	Proportion of CapEx	Substantial contribution criterion: Climate change mitigation	Substantial contribution criterion: Climate change adaptation	Substantial contribution criterion: Water and marine resources	Substantial contribution criterion: Circular economy	Substantial contribution criterion: Pollution	Substantial contribution criterion: Biodiversity and ecosystems	DNSH criteria ('do no significant harm'): Climate change mitigation	DNSH criteria ('do no significant harm'): Climate change adaptation	DNSH criteria ('do no significant harm'): Water and marine resources	DNSH criteria ('do no significant harm'): Circular economy	DNSH criteria ('do no significant harm'): Pollution	DNSH criteria ('do no significant harm'): Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible CapEx 2023	Enabling activity	Transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy alignment):																			
Manufacture of renewable energy technologies	CCM3.1	26	3.7%	Y						-	Y	Y	Y	Y	Y	Y	25.9%	Y	
Repair, refurbishment and remanufacturing	CE5.1	4	0.6%				Y			Y	Y	Y	-	Y	Y	Y	0.7%		
Sale of spare parts	CE5.2	1	0.2%				Y			Y	Y	Y	-	Y	Y	Y	0.2%		
Installation, maintenance and repair of renewable energy technologies	CCM7.6	3	0.4%	Y						-	Y	n/a	n/a	n/a	n/a	Y	0.0%		
A.1 Total taxonomy-aligned CapEx		**35**	**4.8%**														**26.8%**		
Of which enabling		26	3.7%																
Of which transitional activities																			
A.2 Taxonomy-eligible but not aligned:																			
Sea and coastal freight water transport	CCM6.10	11	1.6%	N													n/a		
Construction of new buildings	CCM7.1	252	35.1%	N													31.0%		
Repair, refurbishment and remanufacturing[1]	CE5.1	0	0.0%				N												
A.2 Total taxonomy-eligible but not aligned CapEx		**264**	**36.8%**														**31.0%**		
Total (A.1 + A.2)		**298**	**41.6%**														**57.8%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx, non-eligible activities		419	58.4%																
Total CapEx (A + B)		**718**	**100%**																

1) A total of DKK 0.5 million from the activities in Tunisia is eligible, but not aligned.

Y = Yes. N = No.

OpEx for the 2024 financial year

Economic activities	Code	Absolute OpEx (DKKm)	Proportion of OpEx	Substantial contribution criterion: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	DNSH criteria ('do no significant harm'): Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned or taxonomy-eligible OpEx 2023	Enabling activity	Transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy alignment):																			
Manufacture of renewable energy technologies	CCM3.1	16	2.2%	Y						-	Y	Y	Y	Y	Y	Y	2.0%	Y	
Repair, refurbishment and remanufacturing	CE5.1	40	5.7%				Y			Y	Y	Y	-	Y	Y	Y	2.9%		
Sale of spare parts	CE5.2	11	1.6%				Y			Y	Y	Y	-	Y	Y	Y	1.2%		
A.1 Total taxonomy-aligned OpEx		**67**	**9.5%**														**6.1%**		
Of which enabling		16	2.2%														2.0%		
Of which transitional activities																			
A.2 Taxonomy-eligible but not aligned:																			
Repair, refurbishment and remanufacturing[1]	CE5.1	0	0%				N												
A.2 Total taxonomy-eligible but not aligned OpEx		**0**	**0%**														**0%**		
Total (A.1 + A.2)		**67**	**9.5%**														**6.1%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx, non-eligible activities		642	90.5%																
Total OpEx (A + B)		**710**	100%																

1) A total of DKK 0.1 million from the activities in Tunisia is eligible, but not aligned.

Y = Yes. N = No.

Table for nuclear and gas related activities

Nuclear energy related activities	Yes	No
1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.		●
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.		●
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.		●

Fossil gas related activities	Yes	No
4. The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.		●
5. The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.		●
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.		●

Social

S1
Own workforce

Respect, safety and equal opportunities

At Schouw & Co., we believe that results are created by people, and good working conditions, equal treatment and other work-related rights are therefore fundamental principles of the way Schouw & Co. does business. Working within industry and production, the safety and well-being of the employees are key focus areas.

SBM-3, IRO-1

Impacts, risks and opportunities related to own workforce

The workforce of Schouw & Co.
Schouw & Co. directly employs almost 15,000 employees across the six portfolio businesses, and potential impacts have been identified as the portfolio businesses are involved in industrial manufacturing in various ways. Schouw & Co. has businesses operating in both low-, medium-, and high-risk countries as regards human rights risks and has processes to ensure good working conditions for its own employees.

The double materiality process
Schouw & Co. has conducted a review of the impacts, risks and opportunities related to its own workforce through the double materiality assessment as well as a supplementing human rights impact assessment. In the double materiality process, internal stakeholders from the portfolio businesses representing their own workforce were included to allow representation and to ensure that input from affected stakeholders was included. This resulted in an assessment of material potential negative impacts associated with basic working conditions and equal treatment and opportunities related to the diverse nature of their own workforces. The main employees in scope concerning the impacts identified are blue-collar employees working directly with equipment and machinery, including contractors working within the premises of the businesses' operations.

The systematic nature of the impacts
The impacts identified are considered systemic and widespread in nature as they relate to the labour markets in some of the countries in which Schouw & Co. has operations. However, the negative impact on own operations is also related to potential accidents associated with industrial manufacturing.

S1
Own workforce

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Working conditions				
Negative impact	Overtime and excessive working hours	**Own operations** BioMar, GPV	Short-term	Working hours →
Negative impact	Health and safety impacts, e.g. accidents in own operations	**Own operations** Group	Short-term	Health and safety →
Equal treatment and opportunities				
Negative impact	Potentially not having equal treatment of own workforce leading to possible discrimination	**Own operations** Group	Medium-term	Working to strengthen diversity and eliminate discrimination →

S1 Working conditions

The workforce of Schouw & Co.

The employees of Schouw & Co.
Schouw & Co. is involved in industrial operations requiring labour for manufacturing, assembly and for operating machinery. Some of these processes are labour-intensive. Schouw & Co. has almost 15,000 employees in total and operates factories in more than 35 countries around the world. GPV employs a large proportion of the total workforce, especially in Thailand as electronic manufacturing services involve labour-intensive tasks. Borg Automotive is also engaged in labour-intensive manufacturing and have many employees, especially in Poland. Schouw & Co. is now reporting employees split between gender for both temporary and permanent employees for the first time and are now reporting the employee numbers in headcount as prescribed in the ESRS.

Metrics

Employees of Schouw & Co. broken down by gender and type of contract

	2024				2023[1, 2]			
	Male	Female	Other/not reported	Total	Male	Female	Other/not reported	Total
Employees (headcount average across the year)	8,612	6,366	4	**14,982**	8,846	6,639	n/a	**15,485**
Permanent employees (headcount end of year)	8,006	5,589	4	**13,599**	n/a	n/a	n/a	**14,798**
Temporary employees (headcount end of year)	347	208	0	**555**	n/a	n/a	n/a	**753**
Non-guaranteed hours employees (headcount end of year)	5	1	1	**7**	n/a	n/a	n/a	**n/a**

1) Comparative information is not covered by the independent auditor's limited assurance.
2) In 2023 the number of employees where measured as FTEs not headcount.

Metrics

Employees per country

Country	Number of employees (FTE)
Poland	1,682
Thailand	1,530
Denmark	1,215
Sweden	1,132
China	1,091
Slovenia	1,047
Sri Lanka	1,040
Estonia	832
Finland	556
Austria	450
Malaysia	410
Chile	347
Czechia	312
Mexico	307
Germany	307
Switzerland	300
United Kingdom	290
Spain	271
Norway	270
United States of America	267
Equador	236
France	215
Brazil	145
Other	649
Total	**14,899**

§ Accounting policies

Total number of employees
Measured as an average across the year, broken down by gender. This means that the number of employees at the beginning of each month is added to the number at the end of the month, then divided by 13.

Permanent employees
Measured at year-end. Generally permanent employees are employees with a contract for more than one year and usually without expiration date. Everyone with an individual contract for labour, including temporary workers, is counted as an employee in the headcount number.

Temporary employees
Measured at year-end. Temporary workers are workers with a labour contract that expires after less than one year. A one-year time horizon is used to account for fixed-term contracts, with the goal of continuing the employment.

Number of employees broken down by country
To enable comparison between the financial statements and the sustainability statement, the numbers are calculated using FTEs. However, the difference between FTEs and headcount as shown in the total number is rather small. The number of FTEs is determined as the number of employees converted to full-time equivalents.

S1 Working conditions

Human rights due diligence

Policies

Schouw & Co. human rights policy

Schouw & Co. is committed to supporting and respecting internationally declared human rights and actively works with this in several areas. Schouw & Co. has implemented a human rights policy stipulating the overall principles that the portfolio businesses must comply with. These principles are based on the International Bill of Human Rights and The International Labour Organization's Declaration on Fundamental Principles and Rights at Work as well as the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

The human rights policy explicitly states that trafficking in human beings, forced labour, compulsory labour or child labour are in no way, shape or form tolerated within the Group, a matter which is continuously monitored through human rights impact assessments. The human rights policy has been prepared with input from relevant stakeholders, including representatives from the portfolio businesses, to ensure completeness of the policy at group level. Each of the portfolio businesses is responsible for adopting the human rights policy and integrating it into its operational policies, elaborating where necessary, including engagement with its own workforce.

The due diligence process

Given the nature of Schouw & Co., the due diligence process consists of stipulating policies, guidelines and expectations for the portfolio businesses. In the due diligence process, each portfolio business is required to conduct a human rights impact assessment. This was implemented and conducted for the first time in 2024. Each business described its policies, implementing the general principles of the Group human rights policy, and assessed the nature of its own workforce as well as key business relationships. They also assessed the human rights and employee impacts they have or could have. In this process, the portfolio businesses also described and elaborated on their due diligence setup. Thus, the parent company has assessed the maturity levels of the portfolio businesses and the nature of their due diligence setups with a particular focus on the scope and scale of the adverse impacts identified in both the portfolio businesses' own operations and value chains, making up the total Group due diligence process.

Schouw & Co. whistleblower system

Schouw & Co. is committed to ensuring that appropriate and adequate remedial measures that target any reported violation have been established. When risks or adverse human rights impacts are identified, the relevant portfolio business takes all necessary steps to ensure fair remediation through appropriate collaboration as specified in the human rights policy. The human rights policy stipulates that the businesses are to implement proper channels for employees to raise concerns.

In addition to this, Schouw & Co. has a whistleblower system that provides all employees and other stakeholders with a secure channel to raise concerns directly. It secures a supplementary measure alongside the grievance mechanisms in place within the portfolio businesses or in cases involving more serious issues that may require anonymity and greater legal protection. For more information on the whistleblower system, see the Business conduct section. Schouw & Co. ensures that whistleblower reports do not have any negative consequences for the reporting person. The management teams of the portfolio businesses openly and actively support the protection of the reporting person, both in any local policies and in all practical compliance matters such as policies related to specific internal investigations.

Engagement

Employee engagement surveys

Given the nature of the conglomerate, the engagement with workers primarily takes place at portfolio business level, and there are only a few systematic group-wide procedures for engagement with own workers. However, there is an ongoing process whereby the parent company receives input from the portfolio businesses' annual employee engagement surveys, which are conducted in four out of six businesses accounting for more than 85% of the workforce.

Through these employee engagement surveys, the businesses gather feedback on the extent to which the employees are engaged in their work for the portfolio businesses. The surveys span areas such as satisfaction, well-being, health and safety, pay and rewards, diversity and inclusion, transformation and change, anti-discrimination, anti-bullying and focus on a feedback culture. The portfolio businesses have set individual thresholds for satisfactory response rates and aim for a response rate of above 90%. Based on the results of the engagement surveys, the portfolio businesses draft action plans in order to ensure that actions are taken to address relevant concerns or suggestions raised by employees.

S1 Working conditions

Working hours

Impacts

A systemic challenge

Potenial negative impacts have been identified in relation to overtime and excessive working hours in GPV and BioMar. In these two businesses and in many of the countries in which they operate, overtime is a systemic challenge or is seen as a necessity, primarily in countries in Asia and South America but in other locations as well. This is a widespread problem in the electronics industry and one that also affects GPV, as the business is sometimes compelled to supply overtime in order to attract employees and maintain a competitive advantage regarding recruitment of employees. It also affects BioMar's feed production, where seasonality means thay overtime may occur during certain periods.

Policies

Responsible employment policies

The impact is assessed to be partly remediable via clear policies and related actions. However, the systemic nature of the issues is sometimes a result of the way the industries function and is difficult to alleviate completely. The portfolio businesses are working actively to mitigate the negative effects. The issues of overtime and excessive working hours are addressed not only in the human rights policy of Schouw & Co., which states that applicable laws must be upheld, but also in the two businesses' own procedures. GPV does not have a specific policy, but actions in this area, and BioMar's responsible employment policy specifies that working hours must not exceed the maximum set by local legislation. Industry standards on breaks, daily rest and annual leave must be applied, and overtime must be voluntary and may not be requested regularly.

Actions

Global overtime tracking systems

To mitigate any possible negative effects on workers, both GPV and BioMar have implemented or are implementing overtime tracking systems. GPV has implemented an overtime tracking system which tracks employee working hours to prevent excessive overtime and ensure compliance with labour laws. This measure helps protect employees from exploitation and promotes a better balance. BioMar is working towards implementing a similar overtime tracking system during 2025.

Metrics

Employee turnover

Too much overtime can lead to employees feeling stressed out and to them leaving the business, and employee turnover can therefore be an indication of whether employees are content or discontented with working in the portfolio businesses.

Targets

Portfolio business responsibility

The Group has no targets in this area and is not planning to implement any on a group-wide level.

Employee turnover

	2024
Employee turnover (#)	2,798
Employee turnover (%)	19.8%

§ Accounting policies

Employee turnover rate

Employee turnover includes both voluntary turnover and turnover as a result of dismissal, retirement or death in service. Temporary workers with a contract for less than one year are not included in the turnover rate. The number of employees is measured as an average for the year.

S1 Working conditions

Health and safety

Impacts

Ensuring workplace safety

A material impact has been identified in relation to the risk of accidents with respect to the industrial manufacturing processes that, to a varying degree, characterise the businesses of Schouw & Co. Manual labour is applied within the Group, and production equipment is utilised to different degrees. However, the risk of serious injuries is in many instances lower than in high-risk industries such as construction or agriculture.

Policies

Policies on health and safety in all portfolio businesses

In addition to its human rights policy, Schouw & Co. has internal guidelines in place specifying that all employees of Schouw & Co. should be able to perform their work without risk to their health and safety. Personal safety is always given top priority, and work-related illness or accidents, no matter how serious, are always unacceptable, as they could be indicative of potential incidents of a more serious nature. This means that the portfolio businesses must make continuous efforts to improve occupational health and safety and minimise work-related risks. The fundamental approach to health and safety must be reflected in all portfolio businesses, and each of them has implemented health & safety policies to ensure workplace accident prevention and have management systems in place to monitor and assess risks, while actively working with accident prevention. All relevant employees must also receive sufficient and regular instructions on relevant safety issues and ensure ongoing improvement of procedures as well as follow-up discussions with relevant employee groups.

Actions

Enhancing safety control systems for external partners

Schouw & Co. is deeply committed to ensuring that the principles of the policies are upheld. Unfortunately, a worker from an external service provider passed away in 2024 due to a work-related accident at the BioMar factory in Ecuador. The worker fell through a roof window while performing a maintenance task. Safety procedures had been implemented to safeguard against such incidents but were not followed to a sufficient degree. Actions to strengthen the safety culture, enhance safety control systems, build access systems, and reinforce training compliance for external workers have been initiated. Generally, Schouw & Co. stresses the need to intensify the focus on safety with the LTIFR increasing in 2024. However, this was partly due to changes in working hours at GPV, and each portfolio business has set action plans and individual targets.

Targets

Keeping employees safe at work

Schouw & Co. has set a target to achieve an LTIFR rate on less than 3 injuries per million working hours no later than 2030 and have reduced the rate from 6.6 in 2020 to 4.8 in 2024.

Metrics

Consolidated health and safety metrics

	2024	Target
Percentage of own workers covered by an H&S Management System	80%	
Total number of work-related fatalities own employees	0	0
Total number of work-related fatalities from value chain workers working on business sites	1	0
Total recordable incident rate (TRIR)	10.7	
Number of lost time injuries (LTI)	134	
Lost time injury frequency rate (LTIFR)	4.8	<3.0 in 2030
Days lost to work-related injuries	3,620	

§ Accounting policies

Percentage of employees covered by an H&S management system
Schouw & Co. includes every employee employed at a production site certified according to an H&S management system in this number. The H&S management system must be certified to ISO 45001 or a standard similar to this, e.g. if it is something industry-specific or similar.

Total number of work-related fatalities
A work-related fatality is defined as a death occuring while a person is at work or performing work-related tasks. This number is broken down into fatalities among own employees and among value chain workers working at the Group's sites.

Total recordable injuries (TRI)
TRI is defined as fatalities, lost time injury (LTI) cases, restricted work (RW) cases (meaning an injury resulting in an employee being unfit for their normal job assignment), cases of substitute work due to injury, and medical treatment (MT) cases (meaning injuries requiring treatment by a medical professional).

Total recordable injury rate (TRIR)
The rate is calculated using the TRI number multiplied by 1 million and then divided by the number of working hours for the reporting period. Working hours are based on clock-in and clock-out times, if possible, which includes paid overtime and excludes paid absent hours. Where this number is not available, average working hours in the country of employment are used to estimate working hours.

Lost time injury frequency rate (LTIFR)
Measures the number of lost time injury (LTI) per million working hours. A lost time injury is an injury leaving an employee unfit for their job assignment the following day.

Days lost to work-related injuries
This number includes the first full day and last day of absence. Calendar days are considered for the calculation, meaning that days on which the affected individual is not scheduled for work (for example weekends and public holidays) will also count as lost days.

S1 Equal treatment and opportunities for all
Pursuant to section 107d of the Danish Financial Statements Act

Working to strengthen diversity and eliminate discrimination

Impacts

Different aspects of diversity

Given the number of employees, cultures and nationalities represented at Schouw & Co., there is a natural degree of diversity among the Group's workforce. Schouw & Co. has identified a material potential impact related to negative effects of potential discrimination of employees if the rights of different ethnicities, genders or similar are not respected. On one hand, Schouw & Co. has a diverse representation of religions and ethnicities in countries where different religions are practiced or various ethnicities work together. On the other hand, Schouw & Co. is generally involved in industrial processing, where one gender is overrepresented, especially in management. As a result, the Group's diversity and inclusion efforts focus on gender and aim to enhance opportunities for the underrepresented gender in management.

Policies

Zero tolerance approach to discrimination at Schouw & Co.

Schouw & Co. is committed to respecting diversity and equal opportunities for all, regardless of gender, ethnicity, race, etc., which is stipulated in the human rights policy. The Group has zero tolerance for discrimination and expects its portfolio businesses to work actively towards enhancing equality for all employees, and the portfolio businesses all have diversity policies in place to implement these principles. They are also responsible for advancing diversity and inclusion in accordance with these policies. Additionally, this area is highlighted through the human risks impact assessment conducted at group level, which delves into issues related to diversity and inclusion in the portfolio businesses.

Policies

Diversity policy for the parent company

In addition to the human rights policy, Schouw & Co. has implemented a separate diversity policy that elaborates on the principles and actions related to the parent company and the Board of Directors of Schouw & Co. This policy has been approved by the Board of Directors and is related both to the diversity of gender and a range of other diversity aspects. Among other things, the policy specifies a focus on procedures supporting an inclusive culture, especially regarding recruitment and appointments, as well as an ambition to always have at least one representative of each gender among the final candidates for management positions. The Executive Management of Schouw & Co. and Board of Directors are responsible for implementing the policy in the parent company.

Actions

BioMar's participation in Lead the Future

The portfolio businesses are working with diversity in various ways, which are often not coordinated group-wide. Some of the businesses have launched initiatives to create awareness and enhance diversity in their organisations.

For example, BioMar participates in the Lead the Future campaign led by the Above & Beyond organisation. This initiative aims to close the gender gap for women in STEM by focusing on young women's careers and leadership roles. In 2024, Fibertex Personal Care implemented a new diversity policy setting out principles and guidelines that serve as the foundation for a new social strategy, "Aspire for a Future-Fit Workforce".

S1 Equal treatment and opportunities for all
Pursuant to section 107d of the Danish Financial Statements Act

Gender diversity in management

Policies

Focus on enhancing possibilities for diversity in management
The focus on diversity is both on securing an inclusive culture in general and combating discrimination and on enhancing possibilities for the underrepresented gender, as Schouw & Co. is aware that the ratio of the underrepresented gender at management levels in the Group is proportionately lower than for the Group's employees in general.

As a result, Schouw & Co., as well as the portfolio businesses, are increasingly focused on creating a framework supporting the career development of the underrepresented gender as specified in the diversity policy of the parent company.

Targets

Working towards equal gender distribution in management
Schouw & Co. defines its goal for the proportion of the underrepresented gender on the Board of Directors as at least two out of a maximum of seven shareholder-elected members, corresponding to a representation of at least 29%. Schouw & Co. has not set a goal for the Executive Management.

As a long-term goal, Schouw & Co. strives to achieve equal gender distribution on the parent company's Board of Directors and its other management levels. An equal gender distribution is considered to be each gender making up at least 40% of the individual management layers. In 2025, the targets are to be reviewed, and new targets will be set.

Actions

Changes during 2024
In 2024, a female member of the Board of Directors stepped down and was replaced by another female member, meaning that the share remains at 17%. No changes was made in the Executive Management of Schouw & Co.

Metrics

Gender diversity in management

	2024		2023[1]		2025
	Number	Percent	Number	Percent	Target
Board of Directors:					
Male	5	83%	5	83%	
Female	1	17%	1	17%	**29%**
Executive Management:					
Male	2	100%	2	100%	
Female	0	0%	0	0%	

1) Comparative information is not covered by the independent auditor's limited assurance.

§ Accounting policies

Management is defined as the Board of Directors and the Executive Management as shown in the management report. Only members of the Board of Directors that are elected at the annual general meeting are included in this metric.

Executive Management is composed of the the first management level below the Board of Directors and encompasses persons registered with the Danish Business Authority and that are authorised to sign for the company.

S2
Workers in the value chain

Due diligence in the value chain

The portfolio businesses have due diligence processes related to value chain workers. While the scope and depth vary, supplier codes of conduct, risk assessment of suppliers and audits are an integrated part of the way in which the portfolio businesses structure their sourcing setup. Generally, the value chains related to agriculture and fisheries are in focus due to a heightened risk of adverse impacts.

SBM-3, IRO-1

Identification of impacts, risks and opportunities related to value chain workers

Impacts related to workers in agriculture and fisheries
As regards material impacts affecting value chain workers, the focus at group level has been directed towards value chain workers who are working on the sites of the portfolio businesses as well as potential systemic impacts related to the value chain of BioMar e.g. to agricultural commodities and marine resources. In this regard, the possibility of child labour and forced labour occurring is assessed as material. In its double materiality assessment, BioMar has consulted external stakeholders, including suppliers and NGOs, for the purpose of implementing perspectives from these stakeholder groups in the assessment.

Value chain workers related to electronics and metals
In the value chains of GPV, Borg Automotive and HydraSpecma, suppliers of different components and metals are assessed to present a risk of adverse impacts concerning general working conditions. However, as described in the double materiality section, the impact is more imminent for BioMar that sources directly from some of these suppliers, whereas GPV, HydraSpecma and Borg Automotive primarily source from large distributors or multinational technology corporations, and their potential negative impacts are thus farther away in the value chain.

The systemic nature of the impacts
These potential impacts are systemic in nature and difficult to fully avoid as these raw materials and components are needed to produce fish feed, metals and electronics. At the same time, the value chain of Schouw & Co. is highly diversified, and all of the businesses in the portfolio are suppliers to multinational corporations that are often much larger, meaning that the responsibility for the products that are put on the market does not lie with the businesses owned by Schouw & Co. This means that the impact relating to Schouw & Co.'s value chain workers is focused on the portfolio businesses' direct business relations and the due diligence related to this.

S2

Workers in the value chain

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Working conditions				
Negative impact	Potential impacts on the general working conditions for workers in the supply chain	**Value chain** Group	Short-term	Responsibility in the value chains →
Other work-related rights				
Negative impact	Potential impacts on value chain workers due to forced and/or child labour in the supply chain	**Value chain** BioMar	Short- to medium-term	Responsibility in the value chains →

S2 Working conditions

Responsibility in the value chains

Impacts

Human rights in the value chain

Both general working conditions and forced and child labour in the value chain are potential human rights issues that have been assessed as material. General working conditions applies both to value chain workers working the sites of the portfolio businesses as well as general value chain workers, whereas the risk of child labour and forced labour are related to value chains workers.

Policies

Human rights policy encompassing the value chain

The Schouw & Co. human rights policy addresses human rights in its own operations as well as in the value chain. The human rights policy is described in the S1 section in the human rights due diligence section, and the scope of the policy also includes the value chains of the businesses. The same principles apply to business partners in the value chain as to the businesses themselves, e.g. that child labour, forced labour and human trafficking are prohibited and that health and safety is a key priority. General working conditions are also addressed, and suppliers must comply with all relevant legislation and adhere to the principles of the Internal Labour Organisation.

While the policy is based on the principles of the UN Bill of Human Rights as well as the UN Guiding Principles on Human Rights and the OECD Guidelines for Multinational Enterprises, the parent company does not specify any specific engagement with value chain workers, as this is the responsibility of the individual businesses. Schouw & Co. does not have and has not had any cases of non-respect for these guidelines.

Actions

Due diligence process

The human rights policy also addresses the due diligence processes of the portfolio businesses, as this is an integral part of the human rights impact assessment. The assessment is integrated into the yearly procedures and includes a description and analysis of the due diligence processes in place concerning both own workforce and the value chain. The human rights impact assessment was initiated in 2024 to determine the readiness of the businesses and create a baseline for future work within human rights due diligence. In the assessment process, all portfolio businesses were to map actual and potential human rights impacts, as well as measures in place to mitigate or prevent these impacts.

The human rights impact assessment found that the portfolio businesses have measures in place, including codes of conduct, policies and audits, to address the potential negative impacts identified. The maturity varies between the businesses, and based on this, Schouw & Co. has increased its focus on supplier due diligence and audits and has defined a number of recommendations for improvement of the due diligence process, including extended stakeholder involvement, a broadened supplier scope and an increased focus on preventing negative impacts within poor working conditions, child labour and forced labour.

Policies

Supplier codes of conduct

The portfolio businesses ensure that due diligence processes are reflected in their own operations in order to demonstrate that the principles of the policy have been implemented. This is done by the portfolio businesses e.g. by having their own policies and procedures. All of the portfolio businesses have a supplier code of conduct, and their suppliers must document that they act in accordance with the code of conduct, either by signing the code of conduct or by providing documentation that they act in accordance with a code of conduct equal to or stricter than that of the portfolio business.

Targets

Code of conduct signature

Additionally, the parent company has established an entity-specific metric for the portfolio businesses concerning the percentage of suppliers that have signed their code of conduct based on spend. As a parent company, Schouw & Co. does not have a supplier code of conduct, rather it is the responsibility of each portfolio business to implement a code of conduct specific to their business and industry and therefore no consolidated target have been set. Schouw & Co. will assess during 2025 whether a threshold target should be set.

Metrics

Code of conduct signature

2024	BioMar	GPV	HydraSpecma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens
Percentage of suppliers that have signed the business' code of conduct	97%	65%	55%	94%	99%	93%

Actions

New supplier performance score in GPV

In addition to getting signatures, the portfolio businesses have implemented various follow-up procedures, including risk assessment of suppliers, supplier self-assessment and supplier audits based on assessments of the risk of adverse impacts among suppliers.

For instance, in 2024, GPV introduced a new supplier partnership programme with supplier ESG performance scoring of key suppliers, gradually including more and more suppliers. The performance score is a foundation for collaboration and continuous improvement and is also a key instrument in gathering insights on the value chain, both in terms of human rights issues and value chain emissions, as the collaboration matures.

Policies

BioMar's due diligence process

All the other businesses have different initiatives addressing sustainability in the value chain. Suppliers to BioMar receive the responsible sourcing policy and the code of conduct, which outline core principles they must adhere to. A supplier approval questionnaire is sent to evaluate compliance and assess risk, along with a request for relevant certificates. The questionnaire includes a scoring system, and based on the results, suppliers will be approved or not. It also highlights important points to check during audits to prevent or mitigate risks.

Policies

Sustainable sourcing policy of Fibertex Personal Care

The purpose of the Fibertex Personal Care sustainable sourcing policy is to ensure that suppliers comply with the values and standards of Fibertex Personal Care and to enable them to understand and learn about the sustainability impacts and activities of its suppliers in order to inspire and motivate suppliers to improve their sustainability efforts. The principles that Fibertex Personal Care expects its suppliers to comply with are specified in the sustainable sourcing policy, which is supplemented by a supplier management process, an ESG dialogue approach and a self-assessment.

Engagement

Individual approaches to value chain workers in the businesses

There are no systematic processes in place for engaging with value chain workers directly at parent company level. The individual portfolio businesses address value chain workers individually through value chain initiatives, and Schouw & Co. has not implemented a group-wide approach to engaging with value chain workers. In the human rights policy, Schouw & Co. stipulates that access to remedy must be provided by the portfolio businesses should cases arise. Channels for raising concerns are offered by the Group through the whistleblower system, which is described in more detail in the Business conduct section under Governance. This channel is available - in multiple languages - to all businesses and their value chain partners, and Schouw & Co. ensures that any concerns raised are handled anonymously and with legal protection against retaliation.

§ Accounting policies

Code of conduct signature
The share is based on how much of the total supplier spend is covered by suppliers who have signed the supplier code of conduct, meaning that a share of e.g. 90% means that 90% of spend is covered by a code of conduct signature or similar.

Large suppliers who have equivalent or stricter codes of conduct are to be understood as having signed the code of conduct even if they have declined to sign minor suppliers' codes of conduct and proof of compliance is subsequently gathered to justify this.

Governance

G1
Business conduct

Responsible business conduct

Working proactively with a sound corporate culture and responsible business conduct is a high priority for Schouw & Co., and the portfolio businesses are required to comply with a set of internal guidelines specifying that Schouw & Co. does not tolerate corruption and bribery and requires relevant employees to receive training in responsible business conduct.

SBM-3, IRO-1

Business conduct-related impacts, risks and opportunities

A history of responsible business conduct

Schouw & Co. has a long history of responsible business conduct. Since the company was founded by Victor Schouw in 1878, a fundamental principle has been to run the business in a way that reflects responsibility towards employees, shareholders and the rest of society. With the introduction of the conglomerate structure in 1988, these principles became an essential part of how businesses in the conglomerate had to behave as part of Schouw & Co. Since then, Schouw & Co. has grown, and the businesses that are part of the portfolio are all large international businesses with activities in many parts of the world. Therefore, it is more important than ever that the culture and responsible business conduct of Schouw & Co. is integrated as part of the ownership strategy.

Impacts

Corporate culture and anti-corruption impacts

Two material impacts have been identified in relation to governance and business conduct: corporate culture and efforts to combat corruption and bribery. For purposes of the assessment, internal stakeholders across the portfolio businesses assessed the impacts, risks and opportunities related to these topics. Though Schouw & Co. and the portfolio businesses are not highly involved with industries or trades that are normally associated with corruption or bribery, as there is no close contact with authorities as such, there are still potential negative impacts as we are present in many locations around the world. Furthermore, many stakeholders require the disclosure of information on this topic to ensure compliance.

G1

Business conduct

IMPACT, RISK OR OPPORTUNITY	NAME	SCOPE	TIME HORIZON	SECTIONS IN THE REPORT
Corporate culture				
Negative impact	Potential impact on the overall way we do business if the principles of responsible conduct that Schouw & Co. stands for are not adhered to	**Own operations** Group	Medium-term	Guidelines on responsible business conduct →
Corruption and bribery				
Negative impact	Potential negative impact on society if engaged in unethical or corruption practices	**Own operations** Group	Short-term	Combating corruption and bribery →

G1 Corporate Culture

Guidelines on responsible business conduct

Policies

Schouw & Co. internal guidelines

During the materiality assessmen process, a negative impact was identified related to potential non-compliance with the principles of responsible conduct that is fundamental to Schouw & Co. In this regard, Schouw & Co. has implemented a larger policy framework of internal guidelines that contain a large number of different policies related to areas such as insider trading, investor relations guidelines, supply chain financing, currency as well as responsible business conduct, including human rights, environmental stewardship, data ethics and anti-corruption and these are all based on the principles in both the UNGP and the OECD Guidelines.

The responsibility for ensuring a sound corporate culture and responsible business conduct lies with the management of the individual businesses, and management is responsible for upholding the basic principles that are part of the Schouw & Co. internal guidelines.

Actions

Schouw & Co. whistleblower system

Schouw & Co. has a group-wide whistleblower system in place that provides all employees across the businesses and other stakeholders of the Group with a secure channel to raise concerns. This serves as a supplementary measure alongside the grievance mechanisms in place within the portfolio businesses or can be used in cases involving more serious issues that may require anonymity and greater legal protection. All concerns raised through the whistleblower system are handled with appropriate confidentiality and a high degree of sensitivity, and they undergo a preliminary screening to assess whether or not the instance of non-compliance falls within the scope of the whistleblower system.

If the report concerns an instance related to one of the portfolio businesses, the matter will be referred to the relevant business segment for further investigation and processing. Cases reported that fall within the scope of the scheme may eventually lead to remedial and/or preventative actions or be referred to an external body. The audit committee of Schouw & Co. is regularly informed of all reports submitted under the whistleblower policy on an overall level.

Targets

Awareness of the system

The effectiveness of the whistleblower system is ensured through increased awareness of the existence of the system, which is a focus area of Schouw & Co. as well as the portfolio businesses. There is no structured training on the awareness and use of the system, however, in recent years, there has been an increase in the number of whistleblower cases reported, which is positive as the systems is rather new. However, Schouw & Co. has not set any targets for the number of cases to be reported and does not plan to do so.

Metrics

Group whistleblower reports

	2024	2023[1]
Total number of whistleblower cases reported	**29**	**19**
Cases within scope	13	9
Cases that led to corrective and/or preventive actions	7	4
Cases handed over to public authorities	0	0

1) Comparative information is not covered by the independent auditor's limited assurance.

§ Accounting policies

Whistleblower cases reported
Cases reported in the whistleblower system are screened to ensure that they are within scope. The scope of the whistleblower system is defined in the Schouw & Co. whistleblower policy, section 6. "Which offences may be reported".

Cases within scope
If a case has been assessed as being within scope of the whistleblower system, it is assigned for further investigation within the relevant portfolio business, and the case is reported as within scope.

Cases that led to corrective and/or preventive actions
Corrective and/or preventive actions may include change of internal policies, procedures, monitoring or controls; disciplinary actions for mismanagement or employee misconduct; enhancement of training programmes; test or review of compliance programmes. Corrective and preventive actions must be reported within the financial year in which such actions were taken, regardless of when the misconduct was reported. A time delay, if any, will be commented on in the aggregate figures.

Cases handed over to public authorities
This includes cases that lead to the filing of police reports, a report to appropriate public authorities or external regulatory/enforcement bodies; and filing of complaints/initiation of legal proceedings.

G1 Corruption and bribery

Combating corruption and bribery

Impacts

Operations in many countries

A potential material impact has been identified related to potential cases of corruption or similar unethical practices. Schouw & Co. is committed to combating corruption. None of the portfolio businesses have specific direct dealings with authorities or are significantly engaged in lobbying activities or the like, but Schouw & Co. has operations in many countries, some of them with a higher risk of corruption, but none in very risk-high countries (defined as a score below 29 in Transparency International's Corruption Perception Index).

Policies

Anti-corruption in internal guidelines

Schouw & Co. has implemented an anti-corruption policy as part of its internal guidelines that the portfolio businesses must adhere to. This policy specifies that Schouw & Co. combats all forms of corruption and that the portfolio businesses must comply with all relevant laws and regulations, regardless of where in the world they operate. The responsibility for compliance with the policies lies with the management teams of the individual portfolio businesses, and all businesses have implemented anti-corruption guidelines in their own policies, such as codes of conducts or employee handbooks.

Actions

Anti-corruption training

Schouw & Co. requires the portfolio business to complete anti-corruption and bribery training for all functions at risk, which are typically defined as management and functions in contact with suppliers, customers or authorities. In the portfolio companies, the anti-corruption and bribery training consists of e-learning systems tailored to individual needs and circumstances and includes an assessment of adequate comprehension of the training. This also includes the parent company's employees who have completed training consisting of a focused anti-corruption and bribery seminar that included definitions, cases and practical examples of anti-corruption and bribery in a conglomerate structure.

Targets

Implementing the guidelines in the portfolio businesses

Schouw & Co. has not set any targets for anti-corruption training, but will assess the need for this in 2025.

Metrics

Anti corruption performance

	2024
Total number of confirmed incidents of corruption or bribery	0
The number of convictions for violation of anti-corruption and anti-bribery laws	0
The amount of fines for violation of anti-corruption and anti-bribery laws (DKK)	0
Percentage of employees functions-at-risk covered by training programmes	80%

§ Accounting policies

The number of convictions for violation of anti-corruption and anti-bribery laws
Any convictions made/issued by a relevant public authority on corruption or bribery as defined in laws that are part of a country's or jurisdiction's legal framework.

The number of fines for violation of anti-corruption and anti-bribery laws
Any fines made/issued by a relevant public authority on corruption or bribery as defined in laws that are part of a country's or jurisdiction's legal framework.

Confirmed incidents of corruption or bribery
Confirmed incidents of corruption do not include incidents of corruption that are still under investigation at the end of the reporting period. A non-compliance case may be determined to be substantiated by either the Schouw & Co. general counsel or an authority. A determination as substantiated by a court of law is not required. Conviction cases are also counted as confirmed incidents.

Total number function-at-risk employees
'Functions at risk' are defined as functions deemed to be at risk of corruption or bribery because of their tasks and responsibilities. This encompasses management, including parent company top management , sales, procurement, R&D and to some degree administrative functions, etc. Blue collar workers are typically not included.

Financial statements

Consolidated financial statements

Statements of income and comprehensive income

1 January – 31 December

Note	Income statement	2024	2023
2.1, 2.2	Revenue	34,666	37,210
2.3	Operating expenses	-31,777	-34,386
2.4	Other operating income	56	39
2.4	Other operating expenses	-14	-14
	EBITDA	**2,931**	**2,849**
2.5	Depreciation, amortisation and impairment losses	-1,104	-1,121
2.6	**EBIT**	**1,827**	**1,727**
3.4	Profit after tax in associates	-16	-36
3.4	Profit after tax in joint ventures	52	45
4.1	Financial income	163	157
4.1	Financial expenses	-613	-526
	Profit before tax	**1,413**	**1,367**
5.1	Tax on profit for the year	-424	-376
	Profit for the year	**989**	**991**
	Shareholders of Schouw & Co.	950	935
	Non-controlling interests	39	56
	Profit for the year	**989**	**991**
2.7	Earnings per share (DKK)	40.88	39.78
2.7	Diluted earnings per share (DKK)	40.82	39.76

Note	Statement of comprehensive income	2024	2023
	Items that cannot be reclassified to the income statement:		
	Actuarial gains/losses on defined benefit pension liabilities	24	-28
5.1	Tax on other comprehensive income	-4	5
	Total items that cannot be reclassified to the income statement	**20**	**-23**
	Items that can be reclassified to the income statement:		
	Foreign exchange adjustments of foreign subsidiaries	241	-228
	Value adjustment of hedging instruments for the year	5	34
	Hedging instruments transferred to operating expenses	-24	-38
	Hedging instruments transferred to financials	4	-5
	Hyperinflation restatements	35	18
	Other comprehensive income from associates and joint ventures	0	-37
	Other adjustments to other comprehensive income	13	3
5.1	Tax on other comprehensive income	-8	1
	Total items that can be reclassified to the income statement	**267**	**-254**
	Other comprehensive income after tax	**287**	**-277**
	Profit for the year	989	991
	Total recognised comprehensive income	**1,276**	**713**
	Attributable to:		
	Shareholders of Schouw & Co.	1,193	679
	Non-controlling interests	83	35
	Total recognised comprehensive income	**1,276**	**713**

Amounts in DKK million

Cash flow statement

1 January – 31 December

Note		2024	2023
	EBITDA	2,931	2,849
	Adjustment for non-cash operating items:		
2.11	Changes in working capital	533	-377
	Provisions	-29	-44
	Other non-cash operating items, net	14	191
	Cash flow from operations before interest and tax	**3,449**	**2,619**
	Interest received	97	60
	Interest paid	-549	-449
5.3	Income tax paid	-444	-452
	Cash flow from operating activities	**2,553**	**1,777**
2.11	Purchase of intangible assets	-40	-48
	Sale of intangible assets	1	0
2.11	Purchase of property, plant and equipment	-652	-819
	Sale of property, plant and equipment	12	8
3.6	Acquisitions of businesses	-2	-684
	Acquisition of non-controlling interests	-4	0
	Acquisition of investments in associates	0	-1
	Dividends received from associates	40	29
	Loans to customers	26	-6
	Additions/disposals of other financial assets	-3	0
	Cash flow from investing activities	**-623**	**-1,521**

Note		2024	2023
	Loan financing:		
4.2	Repayment of lease debt	-301	-289
	Repayment of other non-current liabilities	-1,312	-902
2.11	Proceeds from non-current liabilities incurred	1,194	1,677
	Increase/repayment of bank overdrafts	-565	-494
4.3	**Cash flow from debt financing**	**-985**	**-9**
	Shareholders:		
	Dividends paid	-399	-377
	Purchase of treasury shares	-291	-75
	Sale of treasury shares	46	94
	Cash flow from financing activities	**-1,628**	**-367**
	Cash flow for the year	302	-111
	Cash and cash equivalents, beginning of period	584	712
	Value adjustment of cash and cash equivalents	6	-17
	Cash and cash equivalents, end of period	**892**	**584**

Of the total cash and cash equivalents at 31 December 2024, DKK 26 million was placed in Russia and subject to restrictions implying that the cash may not be readily available for general use or distribution by the Group.

Amounts in DKK million

Balance sheet
31 December

Note	Assets	2024	2023
3.1	Intangible assets	4,420	4,505
3.2	Property, plant and equipment	6,375	6,169
3.3	Lease assets	796	846
3.4	Investments in associates	417	417
3.4	Investments in joint ventures	226	198
6.1	Financial investments	95	92
5.2	Deferred tax	177	203
3.5	Receivables	212	193
	Total non-current assets	**12,718**	**12,623**
2.8	Inventories	7,249	8,003
2.9	Receivables	7,122	6,490
5.3	Income tax receivable	143	197
	Cash and cash equivalents	892	584
	Total current assets	**15,405**	**15,274**
	Total assets	**28,123**	**27,896**

Note	Equity and liabilities	2024	2023
4.4	Share capital	250	255
	Hedging reserve	-5	3
	Exchange-adjustment reserve	74	-127
	Hyperinflation adjustment reserve	83	53
	Retained earnings	10,477	10,064
	Proposed dividend	400	408
	Equity attributable to shareholders of Schouw & Co.	**11,279**	**10,656**
	Non-controlling interests	954	900
	Total equity	**12,233**	**11,556**
5.2	Deferred tax	503	488
6.2	Pension liabilities	78	78
6.3	Other payables	157	160
6.4	Liability regarding put options	479	545
4.2	Interest-bearing debt	4,619	5,089
	Non-current liabilities	**5,837**	**6,360**
4.2	Interest-bearing debt	1,825	2,018
2.10	Trade payables and other payables	7,583	7,258
6.4	Liability regarding put options	444	396
5.3	Income tax	202	309
	Current liabilities	**10,053**	**9,981**
	Total liabilities	**15,890**	**16,341**
	Total equity and liabilities	**28,123**	**27,896**

Notes without reference: Significant accounting estimates (note 1), Impairment testing (note 3.7), Contingent liabilities (note 6.5), Guarantees (note 6.6), Financial risk (note 6.7), Categories of financial assets and liabilities (note 6.8), Fees to auditors appointed by the general meeting (note 6.9), Related party transactions (note 6.10), Events after the balance sheet date (note 6.11), New financial reporting regulations (note 6.12) and Basis of preparation (note 7).

Amounts in DKK million

Statement of changes in equity

	Share capital	Hedge transaction reserve	Translation reserve	Hyperinflation adjustment reserve	Retained earnings	Proposed dividend	Total	Non-controlling interests	Equity
Equity at 1 January 2023	255	9	121	45	9,535	383	10,348	889	11,237
Profit and other comprehensive income in 2023									
Profit for the year		0	0	0	527	408	935	56	991
Other comprehensive income		-6	-249	9	-10	0	-256	-21	-277
Total recognised comprehensive income		**-6**	**-249**	**9**	**517**	**408**	**679**	**35**	**713**
Transactions with owners:									
Share-based payment		0	0	0	34	0	34	0	34
Distributed dividends		0	0	0	30	-383	-353	-24	-377
Value adjustment of put option		0	0	0	-70	0	-70	0	-70
Sale of treasury shares		0	0	0	94	0	94	0	94
Purchase of treasury shares		0	0	0	-75	0	-75	0	-75
Total transactions with owners during the year	**0**	**0**	**0**	**0**	**12**	**-383**	**-371**	**-24**	**-395**
Equity at 31 December 2023	**255**	**3**	**-127**	**53**	**10,064**	**408**	**10,656**	**900**	**11,556**
Profit and other comprehensive income in 2024									
Profit for the year		0	0	0	550	400	950	39	989
Other comprehensive income		-8	202	29	20	0	243	44	287
Total recognised comprehensive income		**-8**	**202**	**29**	**570**	**400**	**1,193**	**83**	**1,276**
Transactions with owners:									
Share-based payment		0	0	0	30	0	30	0	30
Distributed dividends		0	0	0	35	-408	-373	-25	-399
Value adjustment of put option		0	0	0	18	0	18	0	18
Additions/disposals of non-controlling interests		0	0	0	0	0	0	-4	-4
Reduction of share capital	-5	0	0	0	5	0	0	0	0
Sale of treasury shares		0	0	0	46	0	46	0	46
Purchase of treasury shares		0	0	0	-291	0	-291	0	-291
Total transactions with owners during the year	**-5**	**0**	**0**	**0**	**-156**	**-408**	**-569**	**-29**	**-599**
Equity at 31 December 2024	**250**	**-5**	**74**	**83**	**10,477**	**400**	**11,279**	**953**	**12,233**

Amounts in DKK million

Key figures and alternative performance measures

Definitions of financial ratios
The financial ratios in the annual report are defined as follows:

Return on equity	$\frac{\text{Profit for the year excluding minorities}}{\text{Avg. equity excluding non-controlling interests}}$
ROIC excluding goodwill	$\frac{\text{EBITA}}{\text{Avg. invested capital excluding goodwill}}$
ROIC including goodwill	$\frac{\text{EBITA}}{\text{Avg. invested capital including goodwill}}$
Equity ratio	$\frac{\text{Equity at year end}}{\text{Total liabilities and equity at year end}}$
Earnings per share	$\frac{\text{Profit for the year excluding minorities}}{\text{Average number of shares in circulation}}$
Diluted earnings per share	$\frac{\text{Profit for the year excluding minorities}}{\text{Diluted average number of shares in circulation}}$
Net asset value per share	$\frac{\text{Equity at year end excluding non-controlling interests}}{\text{Number of shares at year end excluding treasury shares}}$
Price/net asset value	$\frac{\text{Market capitalisation, end of period}}{\text{Equity at year end excluding non-controlling interests}}$
Market capitalisation	Number of shares excluding treasury shares, multiplied by share price

Financial ratios
Schouw & Co.'s consolidated financial statements apply the following Alternative Performance Measures (APM) not defined by IFRS: EBIT, EBITA, EBITDA, working capital, net interest-bearing debt and invested capital both with and without goodwill. These Alternative Performance Measures are used in the daily Group controlling and in the communication with Group stakeholders.

Amounts in DKK million

Alternative performance measures:

Income statement ratios	2024	2023	Change
Profit before tax	1,413	1,367	
Financial expenses	613	526	
Financial income	-163	-157	
Profit after tax in associates and joint ventures	-36	-8	
EBIT	**1,827**	**1,727**	**5.8%**
EBIT	1,827	1,727	
Amortisation of intangible assets	190	203	
Impairment of intangible assets	1	42	
EBITA	**2,018**	**1,972**	**2.3%**
EBITA	2,018	1,972	
Depreciation of property, plant and equipment	628	601	
Impairment of property, plant and equipment	0	8	
Depreciation of lease assets	285	267	
Impairment of lease assets/reversed impairment	0	0	
EBITDA	**2,931**	**2,849**	**2.9%**

Balance sheet ratios	2024	2023	Change
Inventories	7,249	8,003	
Trade receivables	6,415	5,868	
Other current receivables (non-interest bearing)	462	420	
Other non-current operating receivables	7	3	
Prepayments	205	169	
Trade payables	-5,787	-5,422	
Core liabilities	-250	-277	
Other current liabilities (non-interest bearing)	-1,281	-1,319	
Customer prepayments	-149	-191	
Other non-current operating liabilities	0	-1	
Deferred income (current)	-97	-28	
Working capital	**6,774**	**7,225**	**-6.2%**

Balance sheet ratios	2024	2023	Change
Interest-bearing debt	6,444	7,107	
Other non-current receivables (interest-bearing)	-136	-151	
Other current receivables (interest bearing)	-39	-33	
Cash and cash equivalents	-892	-584	
Net interest-bearing debt (NIBD)	**5,376**	**6,339**	**-15.2%**
Working capital	6,774	7,225	
Intangible assets	4,420	4,505	
Goodwill	-2,970	-2,921	
Property, plant and equipment	6,375	6,169	
Lease assets	796	846	
Non-current provisions	-41	-40	
Prepayments (non-current)	-42	-45	
Current provisions	-81	-91	
Invested capital (ex. goodwill)	**15,231**	**15,648**	**-2.7%**
Invested capital (ex. goodwill)	15,231	15,648	
Goodwill	2,970	2,921	
Invested capital (incl. goodwill)	**18,201**	**18,570**	**-2.0%**
Invested capital (ex. goodwill) - Q1	15,696	15,595	
Invested capital (ex. goodwill) - Q2	15,799	15,567	
Invested capital (ex. goodwill) - Q3	15,281	15,006	
Invested capital (ex. goodwill) - Q4	15,231	15,648	
Average invested capital (ex. goodwill)	**15,502**	**15,454**	**0.3%**
Invested capital (incl. goodwill) - Q1	18,618	18,541	
Invested capital (incl. goodwill) - Q2	18,741	18,514	
Invested capital (incl. goodwill) - Q3	18,184	17,989	
Invested capital (incl. goodwill) - Q4	18,201	18,570	
Average invested capital (incl. goodwill)	**18,436**	**18,403**	**0.2%**

Amounts in DKK million

Note 1
Significant accounting estimates

In preparing the financial statements, management makes a number of assessments and estimates and determines assumptions necessary for calculating the carrying amount of certain assets and liabilities.

The estimates made and assumptions applied are based on factors such as historical experience and other factors that management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Due to the risks and uncertainties the Group is subject to, actual outcomes may deviate from estimates made. It may be necessary to revise previous estimates as a result of changes to the assumptions on which such estimates were based or due to new information or subsequent events.

Inventories
The uncertainty involved in estimating inventories is related to the assessment of obsolescence and lack of marketability. Goods considered to be obsolete or to have impaired marketability are written down to net realisable value. As Schouw & Co. consists of companies of a diverse nature, the process of estimating net realisable value of inventories varies from company to company.

The uncertainty involved in estimating inventories for Schouw & Co. is predominantly related to the portfolio businesss GPV, HydraSpecma and Borg Automotive. See note 2.8 to the consolidated financial statements for more information.

GPV generally produces to order and its inventories predominantly consist of electronics components and metal sourced and/or manufactured to meet customer needs. In 2024, management in GPV has re-assessed the assumptions made for the accounting estimates for the impairment model for all electronic sites, based on input from the local sites, changes in market demands and on obtained knowledge of the expected timing for selling out old inventories to customers. In total, the modification of the inventory impairment model have had a positive effect in 2024 of DKK 70 million. After the modification of the inventory impairment model, it is the Group's best estimate, that the model provides an appropriate and fair presentation of the net realisable value of inventories.

HydraSpecma applies a general impairment model that automatically writes down goods after they have been in stock for a certain period of time. The company reviews its impairment model on a regular basis, and in the Group's best estimate, the model provides an appropriate and fair presentation of the net realisable value of inventories.

Borg Automotive remanufactures used components – called cores – such as alternators, starters, brake callipers, etc. When a remanufactured component is sold, Borg Automotive also takes a deposit which gives the customer the right to return a similar core in return for the deposit.

Borg Automotive has an obligation to accept the returned core, and eventually the market for the type of cores in question will shrink, and Borg Automotive will be left with unusable cores. As a result, Borg Automotive has relatively large impairment losses on the part of its inventory relating to cores.

Borg Automotive applies an impairment model which is based on expected future sales. In the Group's best estimate, the model provides an appropriate and fair presentation of the net realisable value of inventories.

Trade receivables
Trade receivables are considered a significant accounting estimate.

Management applies estimates when assessing whether receivables at the balance sheet date are recoverable. For Schouw & Co., the largest risks of losses on trade receivables have historically related to customers of BioMar. BioMar sells a significant part of its products in markets in South America, and in southern and central Europe. Historically, the largest debtor risks have been for customers in Chile and in southern Europe, especially Greece. The Group has substantial receivables with certain customers in these geographical areas. Thorough analyses have been made of the credit quality of these debtors, and management believes that adequate provisions for losses on debtors had been made at 31 December 2024. See note 2.9 to the consolidated financial statements for more information.

Acquisitions
Acquisitions are accounted for by recognising the acquired enterprise's assets, liabilities and contingent liabilities at fair value. The most important assets are generally intangible assets, including goodwill, as well as inventories and property, plant and equipment. The intangible assets most often identified are the value of customers, brands and know-how. Intangible assets are valued at the present value of expected future cash flows related to the asset. Depending on the nature of the item, the determination of the fair value of the acquired enterprise's assets, liabilities and contingent liabilities may be subject to uncertainty and may subsequently be adjusted. See note 3.6 to the consolidated financial statements for more information.

In 2024, the Group has acquired Agder Slangeservice through HydraSpecma and Electro Rebuild Tunisie through Borg Automotive. In connection with the acquisition in Tunisia, DKK 13 million was recognised as the fair value of technology. None of the acquisitions resulted in any goodwill.

The wind division of Ymer Technology was acquired through HydraSpecma in 2023. In connection with the acquisition, intangible assets of DKK 454 million including goodwill were identified. Also in connection with the acquisition of Ymer, values of DKK 3 million in excess of the carrying amounts of property, plant and equipment and of DKK 15 million in excess of carrying amounts of inventories were identified. With the exception of the goodwill identified, deferred tax was calculated on the identified excess values at the acquisition of Ymer.

Goodwill

Goodwill is tested annually for impairment, and other intangible assets are tested if there is evidence of impairment.

An assessment is made as to whether the cash-generating unit to which the asset relates will be able to generate sufficient cash flows in future to support the carrying amount of the asset.

Assessments are made of the estimated cash flows for the next many years and of the long-term growth rate and a reasonable discount rate reflecting the risk inherent to the asset or cash-generating unit, all of which is inherently subject to uncertainty.

In 2024, no goodwill impairment is recognised. BioMar recognised a write-down of DKK 36 million in Viet-Uc in 2023. See note 3.7 to the consolidated financial statements for more information.

Deferred tax assets

The calculation of deferred tax assets is based on estimates of the extent to which prior-year losses can be utilised against future earnings. For Danish companies, tax assets have been capitalised at a tax rate of 22%. The Group has operations and is liable for tax in many different countries. The calculation of tax payable for the year and the computation of taxable income involves making significant estimates regarding tax assets/liabilities and provisions for uncertain tax positions. However, in some instances the tax treatment in the relevant tax jurisdictions has not been finalised. This may result in discrepancies between calculated tax and actual tax payments.

Deferred tax, including prior-year tax losses, is recognised at the tax rate expected to apply taking into account current local tax rules. Tax losses are capitalised to the extent management believes they can be used within a few years. Such estimates are made at least once a year on the basis of budgets and business plans for the following years. Accordingly, those estimates are inherently subject to a degree of uncertainty. Another factor considered is the distribution of taxable income on the basis of the companies' transfer pricing policies.

See note 5.2 to the consolidated financial statements for more information.

Liability regarding put options

In connection with the acquisition of Alimentsa (BioMar Ecuador), the parties agreed that the non-controlling shareholder would have a put option on the non-controlling shareholder's ownership interest in the company. The option runs to 2027. Until the time of exercise, the liability will be calculated as the expected average EBITDA for the three years prior to exercise, multiplied by a multiple.

In connection with the acquisition of Enics, an agreement was reached allowing the non-controlling shareholder to exercise an option during the period after the release of the 2026 and 2027 annual reports. Until the time of exercise, the liability will be calculated as the expected average EBITDA for the two years prior to exercise, multiplied by a multiple and adjusted for normalisation of the working capital and the interest-bearing debt at the time of exercise.

In particular in connection with the put option related to Enics, future earnings in GPV may be subject to uncertainty, including developments in working capital and interest-bearing debt.

At 31 December 2024, the liability relating to the acquisition of Alimentsa was calculated at DKK 444 million, and the liability relating to the acquisition of the non-controlling interest in GPV was calculated at DKK 479 million. See note 6.4 to the consolidated financial statements for more information.

Significant accounting estimates – note reference

Note	Page	Name of note	Uncertainty assessment
2.8	160	Inventories	■ ■ □ □
2.9	161	Receivables - current	■ ■ □ □
3.6	172	Acquisitions	■ ■ ■ □
3.7	173	Impairment testing	■ ■ ■ ■
5.2	182	Deferred tax	■ ■ □ □
6.4	189	Liability regarding put options	■ ■ ■ □

Scale of 1 to 4

■ □ □ □ = Assessment subject to little uncertainty

■ ■ □ □ = Assessment subject to relatively little uncertainty

■ ■ ■ □ = Assessment subject to medium uncertainty

■ ■ ■ ■ = Assessment subject to considerable uncertainty

Note 2
Profit, working capital and cash flow

2.1
Segment reporting

Reporting segments 2024	BioMar	GPV	Hydra-Specma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens	Reporting segments	Parent company	Group eliminations, etc.	Total
External revenue	16,616	8,929	3,031	1,971	1,871	2,247	34,666	0	0	34,666
Intra-group revenue	0	1	0	0	10	0	12	16	-28	0
Segment revenue	**16,616**	**8,931**	**3,031**	**1,971**	**1,882**	**2,247**	**34,678**	**16**	**-28**	**34,666**
Cost of sales, incl. write-down of inventories, net	-13,218	-5,986	-1,813	-1,015	-1,074	-1,170	-24,276	0	12	-24,264
Staff costs	-765	-1,628	-635	-471	-265	-448	-4,213	-55	0	-4,268
Repairs and maintenance	-130	-55	-12	-12	-40	-72	-322	0	0	-322
Energy costs	-231	-61	-13	-16	-119	-103	-544	0	0	-544
Freight costs	-290	-157	-24	-102	-116	-86	-775	0	0	-775
Other costs	-514	-430	-197	-188	-87	-183	-1,600	-21	16	-1,605
Total operating expenses	**-15,148**	**-8,317**	**-2,695**	**-1,806**	**-1,700**	**-2,063**	**-31,729**	**-76**	**28**	**-31,777**
EBITDA	1,476	625	339	171	187	194	2,991	-60	0	2,931
Depreciation, amortisation and impairment losses	-347	-313	-136	-74	-121	-111	-1,102	-1	0	-1,104
EBIT	1,129	311	203	96	66	84	1,889	-61	0	1,827
Share of profit in associates and JVs	36	0	0	0	0	0	36	0	0	36
Tax on profit for the year	-239	-70	-38	-9	-10	-18	-384	-41	0	-424
Profit for the year	706	34	98	27	32	-33	864	125	0	989
Segment assets	11,722	7,406	2,748	2,565	2,010	2,625	29,077	17,712	-18,665	28,123
Of which goodwill	1,581	358	294	516	99	123	2,970	0	0	2,970
Equity investments in associates and JVs	632	0	11	0	0	0	643	0	0	643
Segment liabilities	7,722	4,959	1,711	1,441	951	1,775	18,558	6,432	-9,101	15,890
Working capital	1,671	2,624	884	711	342	574	6,807	-33	0	6,774
Net interest-bearing debt	1,577	2,379	958	691	579	1,354	7,537	-2,161	0	5,376
Cash flow from operating activities	1,585	291	287	28	162	44	2,398	131	24	2,553
Capital expenditure	217	147	83	57	119	56	679	2	0	680
Acquisitions (divestments)	0	0	6	0	0	1	6	0	0	6
Average no. of employees	1,598	7,862	1,466	2,128	706	1,117	14,877	22	0	14,899

Amounts in DKK million

Based on management control and financial management, Schouw & Co. has identified six reporting segments, which are BioMar, GPV, HydraSpecma, Borg Automotive, Fibertex Personal Care and Fibertex Nonwovens. Management primarily evaluates reporting segments based on the performance measures EBITDA and EBIT but also regularly considers the segments' cash flow from operations and working capital. All inter-segment transactions were made on an arm's length basis.

No customers exceeds 10% of the Group's revenue neither this year nor last year.

Capex is defined as the net cash flow for the year for investment in property plant and equipment and intangible assets.

Acquisitions are defined as cash flow for the year from investment in acquisition and divestment of enterprises, including associates and joint ventures.

§ Accounting policies

Segment reporting is consistent with the internal management reporting. Schouw & Co. is an industrial conglomerate consisting of a number of portfolio businesses operating in various industries and independently of the other portfolio businesses. Currently, six portfolio businesses are classified as independent reporting segments. The reporting segments are presented separately and without aggregation of operating segments.

Included in the reporting segments are revaluations of assets and liabilities made in connection with Schouw & Co.'s acquisition of the segment in question and consolidated goodwill arising as a result of an acquisition. The operational impact of amortisation and impairment losses on the above revaluations or goodwill is also included in the profit or loss presented for each reporting segment.

Geographical segment information indicates the group's revenue and assets by national market.

The data on revenue by geography are based on customers' geographical location, while data on property, plant and equipment and lease assets by geography are based the geographical location of the assets.

For intangible assets, geograptical location is based on the legal ownership. The specification shows individual countries that account for more than 5% of the Group in terms of revenue or assets. As Schouw & Co.'s consolidated revenue is generated in some 100 different countries, a very large proportion of revenue derives from the 'Other' category.

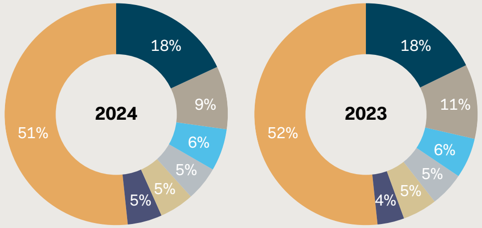
2.1
Segment reporting (continued)

Reporting segments 2023	BioMar	GPV	Hydra-Specma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens	Reporting segments	Parent company	Group eliminations, etc.	Total
External revenue	17,878	10,449	2,972	1,876	1,877	2,158	37,210	0	0	37,210
Intra-group revenue	0	1	0	0	14	0	15	13	-28	0
Segment revenue	**17,878**	**10,450**	**2,972**	**1,876**	**1,891**	**2,158**	**37,225**	**13**	**-28**	**37,210**
Cost of sales, incl. write-down of inventories, net	-14,773	-7,324	-1,797	-1,020	-1,050	-1,184	-27,147	0	15	-27,133
Staff costs	-712	-1,680	-611	-406	-247	-406	-4,062	-47	0	-4,109
Repairs and maintenance	-126	-56	-12	-11	-41	-64	-311	0	0	-311
Energy costs	-242	-66	-13	-18	-111	-114	-564	0	0	-565
Freight costs	-332	-177	-21	-88	-93	-85	-795	0	0	-795
Other costs	-444	-416	-198	-178	-92	-140	-1.469	-18	13	-1.474
Total operating expenses	**-16,629**	**-9,719**	**-2,653**	**-1,721**	**-1,634**	**-1,992**	**-34,348**	**-65**	**28**	**-34,386**
EBITDA	1,250	743	323	153	262	169	2,901	-52	0	2,849
Depreciation, amortisation and impairment losses	-390	-311	-123	-74	-125	-97	-1,120	-1	0	-1,121
EBIT	860	432	200	79	137	72	1,781	-53	0	1,727
Share of profit in associates and JVs	6	0	2	0	0	0	8	0	0	8
Tax on profit for the year	-171	-99	-34	-11	-22	-8	-345	-31	0	-376
Profit for the year	484	167	128	64	91	-43	891	100	0	991
Segment assets	11,602	7,500	2,818	2,424	1,922	2,622	28,888	17,770	-18,762	27,896
Of which goodwill	1,526	361	300	516	99	120	2,921	0	0	2,921
Equity investments in associates and JVs	603	0	11	0	0	0	615	0	0	615
Segment liabilities	8,056	5,129	1,838	1,332	867	1,726	18,947	7,115	-9,721	16,341
Working capital	2,141	2,620	934	655	349	550	7,249	-24	0	7,225
Net interest-bearing debt	2,531	2,391	1,100	635	508	1,292	8,457	-2,118	0	6,339
Cash flow from operating activities	665	351	191	76	234	83	1,601	145	31	1,777
Capital expenditure	231	233	169	53	63	107	856	2	0	858
Acquisitions (divestments)	1	0	478	207	0	0	685	0	0	685
Average no. of employees	1,613	8,583	1,452	2,018	709	1,094	15,469	19	0	15,488

Amounts in DKK million

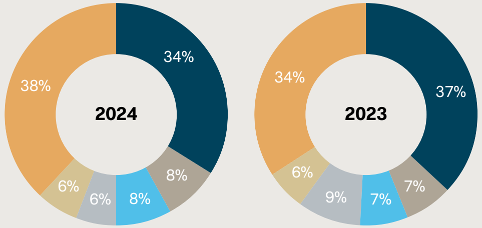
2.1
Segment reporting (continued)

Revenue by country



	2024	2023
Norway	6,339	6,784
Chile	3,158	4,087
Denmark	2,116	2,276
UK	1,818	1,686
USA	1,781	1,734
Ecuador	1,764	1,427
Other	17,690	19,216
Total	**34,666**	**37,210**

Intangible assets, property, plant and equipment and lease assets by country



	2024	2023
Denmark	3,976	4,214
Malaysia	898	816
USA	887	818
Switzerland	740	1,069
Norway	642	704
Other	4,448	3,898
Total	**11,591**	**11,520**

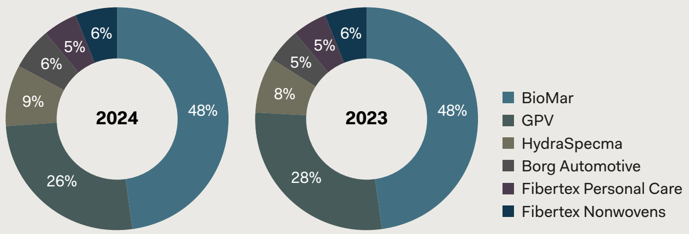
Amounts in DKK million

2.2
Revenue

	2024	2023
Revenue by type of product/service:		
Sale of goods	34,271	36,680
Sale of biological assets	105	201
Sale of services	290	324
Royalties	0	4
Total revenue	**34,666**	**37,210**

The sale of biological assets relates to BioMar's sale of fish from the LetSea research centre.
The sale of services relates to Fibertex Personal Care's sale of print services.

Revenue by portfolio businesses



§ Accounting policies
Revenue from the sale of goods for resale and finished goods is recognised in the income statement if transfer of risk to the buyer has taken place before year-end and if the income can be reliably measured. Although a sales agreement for the sale of finished goods and goods for resale often contains more than one performance obligation, such obligations are treated as one combined performance obligation because delivery typically takes place at the same point in time. The sale of services mainly consists of Fibertex Personal Care's print business. Print services typically involve a delivery obligation recognised in revenue on a straight-line basis during the period the service is provided. The terms of payment set out in the Group's sales agreements with customers depend on the underlying performance obligation and on the underlying customer relationship. For the sale of goods for which control passes at a specific point in time, the terms of payment will typically be from one to three months. Revenue also comprises the market value of cores and adjustments of the provision for cores in connection with the sale of remanufactured automotive parts by the Borg Automotive group. Revenue is measured excluding VAT and other taxes and duties charged on behalf of third parties. All discounts granted are deducted from revenue.

2.3
Operating expenses

	2024	2023
Cost of sales, including write-down of inventories, net	-24,264	-27,133
Staff costs	-4,268	-4,109
Repairs and maintenance	-322	-311
Energy costs	-544	-565
Freight costs	-775	-795
Other costs	-1,605	-1,474
Total operating expenses	**-31,777**	**-34,386**

Operating expenses include research and development costs of DKK 159 million (2023: DKK 140 million).

	2024	2023
Staff costs are specified as follows:		
Remuneration to the Board of Directors of Schouw & Co.	-5	-5
Wages and salaries	-3,526	-3,401
Defined contribution pension plans	-221	-205
Defined benefit pension plans	-25	-22
Other social security costs	-461	-437
Share-based payment	-30	-38
Total staff costs	**-4,268**	**-4,109**
Of which capitalised under non-current assets	9	18
Staff costs recognised in the income statement	**-4,259**	**-4,091**
Average no. of employees	14,899	15,488

§ Accounting policies
Operating expenses comprise costs incurred for the manufacture and sale of goods, primarily cost of sales, consumables, energy consumption and transportation of goods. Operating expenses furthermore comprise wages and salaries and expenses for the company's administration and management. Also recognised in operating expenses are estimated changes in the value of inventories and changes in bad debt provisions as well as product development and research costs.

Equity-settled share options are measured at fair value at the grant date and their value is recognised in the income statement under staff costs over the vesting period. The balancing item is recognised directly in equity as a shareholder transaction. On initial recognition of the share options, the number of options expected to vest is estimated. Subsequently, adjustment is made for changes to the estimated number of vested options, to the effect that the total amount recognised is based on the actual number of vested options. The fair value of options granted is estimated using a valuation model that takes into account the terms and conditions of the options granted. Costs relating to the option programme are calculated on the basis of the Black & Scholes model and are expensed under staff costs on a straight-line basis over the vesting period.

Amounts in DKK million

2.3
Operating expenses (continued)

Share-based payment: Share option programme
The company has an incentive programme for the Management and senior managers, including the executive management of subsidiaries. The programme entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at around the date of grant (2024: DKK 526.00) plus a premium (2024: 2.00%) from the date of grant until the date of exercise. The exercise price is adjusted by deduction of ordinary dividends, which cannot exceed the accrued interest. Costs relating to the option programme are calculated on the basis of the Black & Scholes model and are expensed under staff costs on a straight-line basis over the vesting period. The 2024 grant is described in more detail in company announcement no. 71/2024 of 23 December 2024.

Outstanding options	Executive management	Other	Total
Granted in 2020	45,000	88,000	133,000
Granted in 2021	40,000	363,000	403,000
Granted in 2022	62,000	385,000	447,000
Granted in 2023	69,187	403,000	472,187
Total outstanding options at 31 December 2023	**216,187**	**1,239,000**	**1,455,187**
Granted in 2024	70,000	30,000	100,000
Exercised (from 2020 grant)	0	-88,000	-88,000
Lapsed (from 2020 grant)	-45,000	0	-45,000
Lapsed (from 2021 grant)	0	-10,000	-10,000
Lapsed (from 2022 grant)	0	-12,000	-12,000
Lapsed (from 2023 grant)	0	-6,117	-6,117
Total outstanding options at 31 December 2024	**241,187**	**1,152,883**	**1,394,070**

The expected volatility is calculated as 12 months' historical volatility based on average prices. If the option holders have not exercised their share options within the period specified, the share options will lapse without any compensation to the holders. Exercise of the share options is subject to the holders being in continuing employment during the above-mentioned periods. If the share option holder leaves the company before a share option vests, the holder may, in some cases, have the right to exercise the share options early during a four-week period following Schouw & Co.'s next following profit announcement. In the event of early exercise, the number of share options will be reduced proportionately.

The following assumptions were applied in calculating the fair value of outstanding share options at the date of grant:

Fair value assumptions	2024 grants	2023 grants	2022 grants	2021 grants
Expected volatility	17.65%	25.03%	24.82%	31.60%
Expected term	39 mo.	47 mo.	49 mo.	49 mo.
Expected dividend per share	DKK 16	DKK 15	DKK 14	DKK 14
Risk-free interest rate	1.74%	2.66%	-0.17%	-0.54%
Other information on option programmes:				
Exercise price (DKK)[1]	535.21	577.53	527.07	678.19
Fair value (DKK) per option at date of grant	48.63	96.55	68.35	125.37
Total fair value in DKKm at date of grant	4.9	45.6	30.6	50.5
Exercisable from	March 2027	March 2026	March 2025	March 2024
Exercisable until	April 2028	April 2027	April 2026	April 2025

1) On exercise after four years (at the latest possible date).

Determination of remuneration to the Board of Directors and the Executive Management
Aktieselskabet Schouw & Co. has a remuneration policy describing guidelines for the remuneration to members of the company's Board of Directors and Executive Management. A remuneration report has been prepared for 2024, describing remuneration to members of the company's Board of Directors and Executive Management. The remuneration policy and the remuneration report are available from the company's website.

The remuneration to board members consists of a fixed basic fee, which in 2024 amounted to DKK 400,000. The base fee for 2025 is proposed to remain unchanged. Total fees to the Board of Directors amounted to DKK 5.2 million (2023: DKK 5.2 million). Remuneration to the Board of Directors includes a fee for serving on committees of DKK 0.8 million (2023: DKK 0.8 million) and fees from subsidiaries of DKK 1.0 million (2023: DKK 0.9 million).

Total remuneration to the executive management of Schouw & Co. amounts to DKK 24.0 million (2023: DKK 23.4 million), of which share-based payment amounted to DKK 4.2 million (2023: DKK 4.7 million). There are no termination benefits included in the remuneration in 2024 or 2023.

Key members of management are defined as the Executive Management.

2.4
Other operating income and expenses

	2024	2023
Gains on disposal of property, plant and equipment and intangible assets	8	9
Government grants	12	16
Other operating income	36	13
Total other operating income	**56**	**39**
Loss on disposal of property, plant and equipment and intangible assets	-4	-6
Other operating expenses	-10	-8
Total other operating expenses	**-14**	**-14**

Fibertex Personal Care recognised a DKK 4.8 million investment grant received in Malaysia under government grants in 2024 (2023: DKK 4.8 million). The grant is primarily subject to Fibertex Personal Care Malaysia continuing to generate a taxable profit over the coming years, which is considered likely. BioMar has received a DKK 1.7 million grant for development projects in the UK, and GPV has received a DKK 1.4 million grant in China. In addition to the above, minor grants were received in the USA and South Africa.

§ Accounting policies
Other operating income and costs comprise items secondary to the primary activities of the enterprises and consists of the following:

Gains or losses on the disposal of intangible assets, property plant and equipment and leased assets.

Government grants include grants and funding of development work and grants for investments, etc.

Investment grants in the form of certain tax-privileged schemes in individual countries are recognised in the balance sheet under receivables and as deferred income under liabilities. Grants are recognised in the income statement under other operating income as the underlying investments are depreciated. The receivable is reduced as the grant is received and the deferred income item is reduced as the grant is recognised in the income statement.

2.5
Depreciation, amortisation and impairment losses

	2024	2023
Amortisation of intangible assets	-190	-203
Impairment of intangible assets	-1	-6
Depreciation of property, plant and equipment	-628	-601
Impairment of property, plant and equipment	0	-8
Depreciation of lease assets	-285	-267
Impairment of goodwill	0	-36
Total depreciation, amortisation and impairment losses	**-1.104**	**-1,121**

A goodwill impairment charge was recognised in Viet-Uc in 2023. See note 3.7 – Impairment testing for more information.

§ Accounting policies
The item comprises depreciation and impairment of property, plant and equipment and lease assets and amortisation and impairment of intangible assets.

Amounts in DKK million

2.6
Income statement classified by function

Management in Schouw & Co. monitors earnings on EBITDA level in the Group and in subsidiaries. The profit and loss statement does not include EBITDA either presented by functions or nature. Presentation of the profit and loss statement divided by functions will look as follows:

	2024	2023
Revenue	34,666	37,210
Cost of sales	-29,439	-32,151
Gross profit	5,227	5,059
Distribution costs	-1,897	-1,898
Administrative expenses	-1,503	-1,433
EBIT	**1,827**	**1,727**

In the above income statement, depreciation, amortisation and impairment of intangible assets, property, plant and equipment and lease assets have been allocated to functions as follows:

	2024	2023
Cost of sales	-732	-698
Distribution costs	-283	-292
Administrative expenses	-89	-131
Total depreciation, amortisation and impairment losses	**-1,104**	**-1,121**

In the above income statement, staff costs have been allocated to functions as follows:

	2024	2023
Cost of sales	-2,820	-2,716
Distribution costs	-745	-720
Administrative expenses	-695	-655
Total staff costs recognised in the income statement	**-4,259**	**-4,091**

2.7
Earnings per share

	2024	2023
Share of the profit for the year attributable to shareholders of Schouw & Co.	950	935
Average number of shares	25,187,158	25,500,000
Weighted average number of treasury shares	-1,943,316	-1,998,490
Average number of outstanding shares	**23,243,842**	**23,501,510**
Average dilutive effect of outstanding share options	32,680	10,305
Diluted average number of outstanding shares	**23,276,522**	**23,511,815**
Earnings per share of DKK 10	40.88	39.78
Diluted earnings per share of DKK 10	40.82	39.76

The calculation of diluted earnings per share includes 535,000 shares (2023: 580,000 shares) that are in the money. The calculation of diluted earnings per share does not include 859,070 shares (2023: 875,187 shares) that are out of the money.

§ Accounting policies

Earnings per share are presented as both basic and diluted earnings per share. Basic earnings per share are calculated as net profit divided by the average number of shares outstanding. Diluted earnings per share are calculated as net profit divided by the sum of average number of shares outstanding, including the dilutive effect of the outstanding share options.

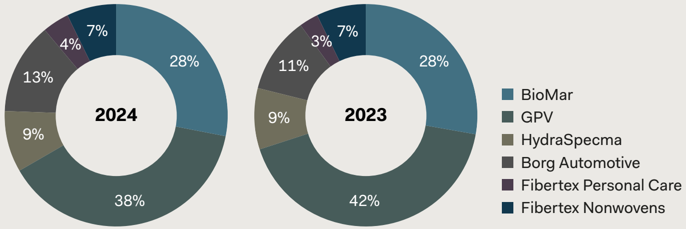
Amounts in DKK million

2.8
Inventories

	2024	2023
Raw materials and consumables	4,428	5,219
Work in progress	441	485
Finished goods and goods for resale	2,257	2,256
Biological assets	123	43
Total inventories	**7,249**	**8,003**
Cost of inventories for which impairment losses have been recognised	1,051	1,153
Accumulated write-down of inventories	-516	-509
Net sales value	**534**	**643**
Inventory impairment at 1 January	-509	-359
Change in the year	-7	-150
Inventory impairment at 31 December	**-516**	**-509**

The Group's biological assets consist exclusively of fish used for fish feed trials.

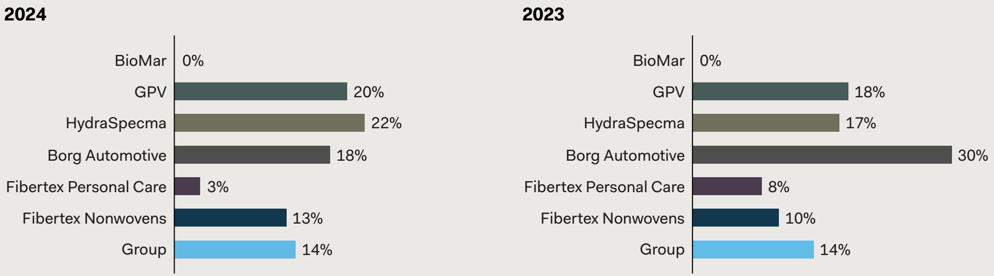
Inventories, end of year by portfolio company



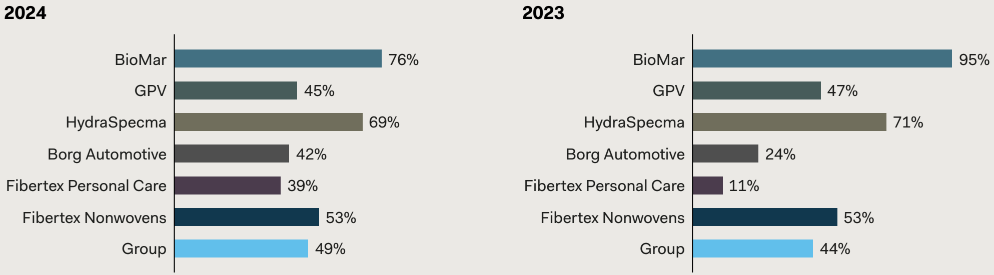
§ Accounting policies
Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs. The cost of finished goods and work in progress comprises the cost of raw materials, consumables, direct labour and indirect production costs. Indirect costs of production include indirect materials and labour as well as maintenance of and depreciation and impairment of the machines, factory buildings and equipment used in the manufacturing process as well as factory management and administrative expenses. The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in the expected selling price. Biological inventories are recognised at fair value less estimated selling costs.

Amounts in DKK million

Proportion of inventory with impairment



Impairment rate of the impaired inventories

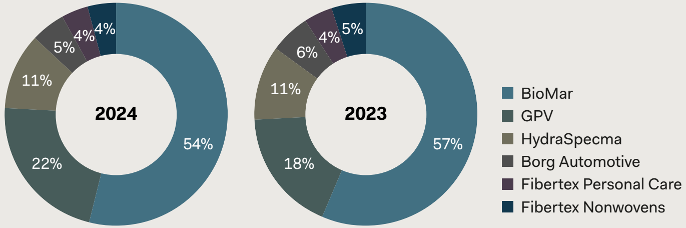


2.9
Receivables - current

	2024	2023
Trade receivables	6,415	5,868
Other current receivables	501	453
Prepayments	205	169
Total current receivables	**7,122**	**6,490**

Other current receivables primarily comprise VAT and similar government receivables, interest receivables and other financial receivables including fair value adjustment of derivative financial instruments.

Trade receivables by portfolio business



§ Accounting policies
Receivables are measured at amortised cost. Provisions for bad debts are made in accordance with the simplified expected credit loss-model, under which total losses are recognised immediately in the income statement at the same time as the receivable is recognised in the balance sheet in the amount of the lifetime expected credit loss on the receivable. Impairment write-downs on receivables are recognised in the income statement under operating expenses. In certain markets, the Group enters into factoring agreements, which involve selling receivables from sale of goods to a factor. Receivables are derecognised once the criteria for derecognition have been met and all substantial risks and rewards transferred. Non-recourse part of factoring is recognised as other receivables until the customer pays the factor. Other receivables are measured at amortised cost. Prepayments include expenses paid in respect of subsequent financial years.

		Due between (days)			
2024	Not fallen due	1-30	31-90	>91	Total
Trade receivables	5,346	569	249	401	6,566
Provision on trade receivables	-33	-4	-16	-98	-151
Trade receivables, net	**5,314**	**565**	**232**	**303**	**6,415**
Proportion of total receivables expected to be settled					97.7%
Proportion of total receivables provisioned for	0.6%	0.7%	6.6%	24.4%	2.3%

		Due between (days)			
2023	Not fallen due	1-30	31-90	>91	Total
Trade receivables	4,848	598	319	237	6,003
Provision on trade receivables	-37	-3	-15	-79	-134
Trade receivables, net	**4,811**	**595**	**304**	**158**	**5,868**
Proportion of total receivables expected to be settled					97.8%
Proportion of total receivables provisioned for	0.8%	0.5%	4.6%	33.4%	2.2%

Provisions on trade receivables	2024	2023
Provisions, beginning of period	-134	-195
Foreign exchange adjustments	1	14
Disposal on company divestment	5	0
Provisions for the year	-34	-10
Realised loss	12	57
Provisions, end of period	**-151**	**-134**

Amounts in DKK million

2.9
Receivables – current (continued)

2024	Not fallen due	Due between (days) 1-30	31-90	>91	Total
High risk of loss	9	0	11	80	101
Medium risk of loss	18	2	2	15	38
Low risk of loss	5	2	3	3	12
Total provision made	**33**	**4**	**16**	**98**	**151**

2023	Not fallen due	Due between (days) 1-30	31-90	>91	Total
High risk of loss	9	1	5	56	71
Medium risk of loss	17	2	10	26	54
Low risk of loss	4	2	0	2	9
Total provision made	**30**	**5**	**15**	**84**	**134**

The risk assessment is based on a combination of country risk and market risk as well as a company-specific risk assessment.

The Group has taken out credit insurance for 53% (2023: 40%) of its trade receivables of DKK 6.4 billion. In addition, customers have provided collateral in the amount of DKK 576 million (2023: DKK 270 million). The collateral provided consists mainly of assets such as fish stocks and fish farming equipment.

The portfolio businesses closely monitor trade receivables in order to estimate the need to make provisions for bad debts. Provisions for bad debts are determined on the basis of a general impairment model and an individual assessment of the debtor's expected ability to pay with due consideration for any collateral provided by the customer plus any debtor insurance.

2.10
Trade payables and other payables - current

	2024	2023
Trade payables	5,787	5,422
Core liability	188	208
Other current debt	1,281	1,319
Provisions	81	91
Customer prepayments	149	191
Prepayments	97	28
Total current trade payables and other payables	**7,583**	**7,258**

All trade payables and other payables generally fall due within one year.

For a number of years, BioMar has facilitated a supply chain financing programme (reverse factoring) through banks. The purpose of the programme is to develop and ensure long-term relations with strategically important suppliers of raw materials. The supply chain finance programme contributes to ensuring low raw materials prices and financing costs in the value chain. Suppliers participating in the programme have the option of receiving early payment. Under the system, BioMar assigns approved invoices to the bank in a factoring arrangement without recourse. The bank then pays the supplier early while ensuring the best possible credit period for BioMar. Supply chain finance debt of DKK 939 million is recognised in the balance sheet under trade payables (2023: DKK 764 million).

Payment terms in supply chain factoring programmes are in average 155 days, compared to similar suppliers which are not part of the supply chain factoring programme, where the average payment terms are 120 days.

Borg Automotive sells remanufactured automotive spare parts charging a deposit for a product's core component. The system of deposits gives the customers an incentive to return the cores, ensuring a flow of raw materials to the company. The liability amounted to DKK 250 million at 31 December 2024 (2023: DKK 277 million). Of this amount, DKK 188 million (2023: DKK 208 million) is recognised as current liabilities, while the rest is recognised as other non-current liabilities.

§ Accounting policies
Trade payables are recognised initially at fair value and subsequently measured at cost. Trade payables comprise purchase of goods and services, including payables to supplier finance vendors. Other payables comprise core liabilities where the company has an obligation to repurchase cores for refabrication of automotive spare parts. Contingent consideration (earn-out) agreed in connection with company acquisitions and paid to the seller if certain conditions are met, is recognised at fair value and considered part of the total consideration when acquiring the company. Changes in fair value of the contingent consideration are recognised in the income statement under financial items.

Deferred income comprises payments received relating to income in subsequent financial years, including investment grants.

Amounts in DKK million

2.11
Cash flow specifications

	2024	2023
Cash change in inventories	817	945
Cash change in receivables	-523	28
Cash change in trade payables and other payables	239	-1,350
Total cash changes in working capital	**533**	**-377**
Purchase of intangible assets	-41	-49
Of which was not paid at the balance sheet date/date of adjustment for the year	1	1
Paid relating to purchase of intangible assets	**-40**	**-48**
Purchase of property, plant and equipment	-658	-841
Of which was not paid at the balance sheet date/date of adjustment for the year	6	22
Paid relating to purchase of property plant and equipment	**-652**	**-819**
Financial liabilities incurred	1,392	1,927
Of which lease debt	-198	-250
Proceeds from incurring financial liabilities	**1,194**	**1,677**

Amounts in DKK million

Note 3
Invested capital

3.1
Intangible assets

2024	Goodwill	Customer relations	Brands	Technology	Other intangible assets	Total
Cost at 1 January 2024	3,011	1,251	230	730	454	5,676
Foreign exchange adjustments	50	1	0	9	0	60
Addition	0	0	0	0	41	41
Additions on company acquisitions	0	0	0	13	0	13
Disposals	0	-4	0	0	-1	-5
Transferred/reclassified	0	0	0	0	5	5
Cost at 31 December 2024	**3,061**	**1,248**	**230**	**753**	**499**	**5,791**
Depreciation and impairment at 1 January 2024	-89	-425	-120	-232	-305	-1,171
Foreign exchange adjustments	-1	-5	1	-6	0	-12
Transferred/reclassified	0	0	0	0	-2	-2
Impairment	0	0	0	0	-1	-1
Depreciation	0	-80	-17	-53	-40	-190
Amortisation and impairment of assets disposed of	0	4	0	0	0	4
Depreciation and impairment at 31 December 2024	**-91**	**-506**	**-136**	**-290**	**-348**	**-1,371**
Carrying amount at 31 December 2024	**2,970**	**742**	**94**	**462**	**151**	**4,420**

The Group had additions of intangible assets in 2024 in connection with the acquisition of Electro Rebuild Tunisie.
The category other intangible assets consists mainly of IT projects, but also includes various ongoing and completed development projects.

See note 3.7 regarding impairment testing of intangible assets.

2023	Goodwill	Customer relations	Brands	Technology	Other intangible assets	Total
Cost at 1 January 2023	2,873	1,127	231	596	371	5,198
Foreign exchange adjustments	-35	7	-1	-6	5	-30
Addition	0	0	0	0	49	49
Additions on company acquisitions	172	118	0	140	24	454
Disposals	0	0	0	0	0	0
Transferred/reclassified	0	0	0	0	5	5
Cost at 31 December 2023	**3,011**	**1,251**	**230**	**730**	**454**	**5,676**
Depreciation and impairment at 1 January 2023	-57	-335	-98	-180	-261	-931
Foreign exchange adjustments	3	0	0	1	0	4
Transferred/reclassified	0	0	0	0	0	0
Impairment	-36	0	0	0	-6	-42
Depreciation	0	-90	-22	-53	-37	-203
Amortisation and impairment of assets disposed of	0	0	0	0	0	0
Depreciation and impairment at 31 December 2023	**-89**	**-425**	**-120**	**-232**	**-305**	**-1,171**
Carrying amount at 31 December 2023	**2,921**	**827**	**110**	**498**	**148**	**4,505**

§ Accounting policies
Goodwill is initially measured in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment. Goodwill is not amortised. The carrying amount of goodwill is allocated to the Group's cash-generating units at the date of acquisition. The determination of cash-generating units is based on the management structure and the in-house financial management. Intangible assets such as customer relations, brands and technology, acquired in connection with business combinations are measured at cost less accumulated amortisation and impairment. Other intangible assets comprise IT solutions and development projects. Intangible assets are amortised on a straight-line basis over the expected useful lives of the assets, which are as follows: Customer relations 7-20 years, Brands 10-20 years, Technology 5-15 years and Other intangible assets 3-10 years. Goodwill is not amortised, but is tested for impairment once a year.

Amounts in DKK million

3.2
Property, plant and equipment

2024	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Assets under construction	Total
Cost at 1 January 2024	3,981	7,293	579	668	12,522
Adjustment for hyperinflation	9	26	3	0	39
Foreign exchange adjustments	89	151	-2	20	258
Additions	142	122	47	347	658
Additions on company acquisitions	3	0	1	0	5
Disposal on company divestment	-8	-1	-1	0	-10
Disposals	-2	-8	-11	-1	-22
Transferred/reclassified	-34	219	21	-212	-5
Cost at 31 December 2024	**4,179**	**7,803**	**638**	**823**	**13,444**
Depreciation and impairment at 1 January 2024	-1,145	-4,792	-415	0	-6,353
Adjustment for hyperinflation	-1	-9	-1	0	-11
Foreign exchange adjustments	-10	-91	1	0	-101
Transferred/reclassified	44	-47	5	0	2
Amortisation and impairment of assets disposed of	1	3	8	0	13
Disposal on company divestment	7	1	1	0	9
Impairment	1	-1	0	0	0
Depreciation	-125	-443	-60	0	-628
Depreciation and impairment at 31 December 2024	**-1,229**	**-5,379**	**-460**	**0**	**-7,069**
Carrying amount at 31 December 2024	**2,950**	**2,424**	**178**	**823**	**6,375**

2023	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Assets under construction	Total
Cost at 1 January 2023	3,425	6,806	521	1,268	12,019
Adjustment for hyperinflation	3	6	1	1	10
Foreign exchange adjustments	-94	-195	-7	-37	-333
Additions	111	225	57	448	841
Additions on company acquisitions	1	5	3	0	9
Disposals	0	-7	-12	0	-20
Transferred/reclassified	535	454	17	-1,012	-6
Cost at 31 December 2023	**3,981**	**7,293**	**579**	**668**	**12,522**
Depreciation and impairment at 1 January 2023	-1,060	-4,490	-376	0	-5,927
Adjustment for hyperinflation	0	-1	0	0	-1
Foreign exchange adjustments	31	135	6	0	173
Transferred/reclassified	0	0	0	0	0
Amortisation and impairment of assets disposed of	0	3	9	0	12
Impairment	-7	-1	0	0	-8
Depreciation	-110	-438	-54	0	-601
Depreciation and impairment at 31 December 2023	**-1,145**	**-4,792**	**-415**	**0**	**-6,353**
Carrying amount at 31 December 2023	**2,836**	**2,501**	**164**	**668**	**6,169**

At the end of 2024, the Group had entered into contracts for the purchase of property, plant and equipment for future delivery for an amount of DKK 160 million (2023: DKK 224 million).

Propertiy, plant and equipment with indications of impairment have been tested. Earlier impairments of property, plant and equipment were reversed with DKK 1 million in 2024 (2023: impairment of DKK 7 million).

Assets under construction relate to Fibertex Personal Care's construction of production line 9 in Malaysia, Fibertex Nonwovens' construction of additional nonwovens capacity in Europe and BioMar's construction of a new delivery vessel to distribute feed to customers in Australia and New Zealand. Borrowing costs of DKK 15 million were capitalised in 2024 in connection with the construction of new production lines (2023: DKK 34 million).

§ Accounting policies

Land and buildings, plant and machinery, fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use. For assets produced in-house, cost comprises direct and indirect costs of materials, components, third-party suppliers and labour. Cost is increased by the present value of estimated liabilities for the removal and disposal of the asset and restoration of the site on which the asset was used. The cost of a total asset is divided into separate components that are depreciated separately if such components have different useful lives. Interest expense of constructing a new asset and incurred during the construction period is recognised in the cost of the asset. Subsequent costs, such as the cost of replacing components of property, plant and equipment, are included in the asset's carrying amount. The replaced components are no longer recognised in the balance sheet, and the carrying amount is transferred to the income statement. All other ordinary repair and maintenance costs are recognised in the income statement when incurred. Property, plant and equipment are depreciated on a straight-line basis over the expected useful lives of the assets/components, which are as follows: Buildings 10-50 years, Plant and machinery 4-15 years, Other fixtures and fittings, Tools and equipment 3-10 years. Land is not depreciated.

The basis of depreciation is calculated in due consideration of the asset's residual value, reduced by any impairment losses. The residual value is determined at the acquisition date and reassessed annually. Where the residual value exceeds the carrying amount, the property ceases to be depreciated. If the depreciation period or the scrap value is changed, the effect on depreciation going forward is recognised as a change in accounting estimates. Depreciation is recognised in the income statement in the line item depreciation and amortisation.

Amounts in DKK million

3.3
Lease assets

2024	Ships	Property	Other assets	Total
Cost at 1 January 2024	641	951	180	1,773
Foreign exchange adjustments	-30	-3	2	-31
Additions	0	152	53	205
Additions on company acquisitions	0	0	5	5
Disposals	0	-57	-38	-95
Disposals from divestments	0	-3	0	-3
Remeasurement of lease assets	16	20	11	47
Reclassified	0	-6	0	-6
Cost at 31 December 2024	**628**	**1,053**	**214**	**1,895**
Depreciation and impairment at 1 January 2024	-378	-439	-110	-927
Foreign exchange adjustments	18	2	-1	19
Impairment/reversed impairment	0	0	0	0
Depreciation	-77	-160	-48	-285
Disposals from divestments	0	3	0	3
Amortisation and impairment of assets disposed of	0	50	34	84
Reclassified	0	6	0	6
Depreciation and impairment at 31 December 2024	**-436**	**-538**	**-125**	**-1,099**
Carrying amount at 31 December 2024	**192**	**516**	**89**	**796**

BioMar has end of 2024 leased six ships in Norway. The ships are used for transport of fish feed from our factories to the customers.

DKK 45 million (2023: DKK 54 million) was recognised in the income statement for 2024 regarding leases not recognised in the balance sheet, the amount consisting of DKK 10 million in services (2023: DKK 9 million), DKK 5 million in small assets (2023: DKK 6 million) and DKK 30 million in short-term leases (2023: DKK 39 million).

At the balance sheet date, lease liabilities relating to small assets and services amounted to DKK 40 million (2023: DKK 20 million), of which DKK 13 million falls due within 12 months (2023: DKK 11 million) and DKK 21 million falls due in between one and five years (2023: DKK 9 million), and DKK 6 million falls due after five years (2023: DKK 0 million).

For further information about lease debt, see note 4.2.

2023	Ships	Property	Other assets	Total
Cost at 1 January 2023	606	693	153	1,452
Foreign exchange adjustments	-38	-2	-2	-42
Additions	0	207	43	250
Additions on company acquisitions	0	0	0	0
Disposals	0	-56	-28	-84
Remeasurement of lease assets	73	109	15	197
Cost at 31 December 2023	**641**	**951**	**180**	**1,773**
Depreciation and impairment at 1 January 2023	-314	-348	-96	-758
Foreign exchange adjustments	18	-1	2	19
Impairment/reversed impairment	0	0	0	0
Depreciation	-82	-144	-41	-267
Amortisation and impairment of assets disposed of	0	53	26	79
Depreciation and impairment at 31 December 2023	**-378**	**-439**	**-110**	**-927**
Carrying amount at 31 December 2023	**264**	**512**	**70**	**846**

§ Accounting policies

Leases are recognised in the balance sheet as a lease asset (right of use of the lease) and a lease liability. However, leases and lease agreements for minor assets and short-term agreements (of less than one year) are exempt from the recognition requirement. Lease assets are depreciated on a straight-line basis over their expected useful lives, and rent and lease payments are broken down into a principal component reducing the lease debt and an interest component recognised in financial expenses. Lease assets are depreciated on a straight-line basis over the expected term, which is as follows: Ships up to 15 years, Property 3-10 years and Other assets up to 5 years.

Many of the property leases have extension options, which are recognised in the lease asset if the Group reasonably expects to exercise the option. Other assets mainly consist of cars, trucks and other production equipment. The lease liability is calculated as the present value of future lease payments and discounted using the internal rate of return of the lease or an alternative borrowing rate. Service elements included in the lease are not included in the lease liability, but are disclosed separately. For purposes of assessing expected lease terms, the Group identifies the non-cancellable lease term of the agreement plus periods comprised by an extension option which management reasonably expects to exercise.

Amounts in DKK million

3.4
Investments in subsidiaries, associates and joint arrangements

The Group has the following subsidiaries and joint operations:

Name	Registered office	Ownership interest 2024	Ownership interest 2023
BioMar Group A/S	**Aarhus, Denmark**	**100%**	**100%**
Alimentsa S.A.	Guayaquil, Ecuador	70%	70%
AQ1 Systems JBO	Shimonoseki-city, Japan	100%	100%
AQ1 Systems Pty Ltd	Hobart, Australia	100%	100%
AQ1 Systems S.A.	Panama city, Panama	100%	100%
AQ1 Systems Ecuador	Quito, Ecuador	100%	0%
AQ1 Systems Honduras	Choluteca, Honduras	100%	0%
BioMar A/S	Brande, Denmark	100%	100%
BioMar A/S Chile Holding S.A.	Puerto Montt, Chile	100%	100%
BioMar AB	Malmö, Sweden	100%	100%
BioMar Aquacorporation Products S.A. [1]	Cañas, Costa Rica	50%	50%
BioMar Aquacultura Corporation S.A.	Cañas, Costa Rica	100%	100%
BioMar AS	Myre, Norway	100%	100%
BioMar Chile SA	Puerto Montt, Chile	100%	100%
BioMar Hellenic S.A.	Volos, Greece	100%	100%
BioMar Iberia S.A.	Dueñas, Spain	100%	100%
BioMar Ltd.	Grangemouth, Scotland	100%	100%
BioMar OOO	Ropsha, Russia	100%	100%
BioMar Pty. Ltd.	Hobart, Australia	100%	100%
BioMar S.A.S.	Nersac, France	100%	100%
BioMar Sp. z. o.o.	Zielona Góra, Poland	100%	100%
Oy BioMar Ab	Vanda, Finland	100%	100%
Sensaq Investment Pty Ltd	Hobart, Australia	100%	100%
Viet Uc Aqua Feed Company Limited	An Hiep Village, Vietnam	68%	68%
GPV Group A/S	**Vejle, Denmark**	**80%**	**80%**
GPV (Hong Kong) Ltd.	Hong Kong, China	100%	100%
GPV Americas México S.A.P.I de CV	Guadalajara, Mexico	100%	100%
GPV Asia (Thailand) Co. Ltd.	Bangkok, Thailand	100%	100%
GPV Austria Cable GmbH	Frankenmarkt, Austria	100%	100%
GPV Austria GmbH	Frankenmarkt, Austria	100%	100%
GPV Beijing Ltd.	Beijing, China	100%	100%
GPV DACH (Asia) AG	Lachen, Switzerland	100%	100%
GPV DACH (Nordic) AG	Zürich, Switzerland	100%	100%
GPV DACH AG	Lachen, Switzerland	100%	100%
GPV Estonia AS	Elva, Estonia	100%	100%

Name	Registered office	Ownership interest 2024	Ownership interest 2023
GPV Finland (Oulu) OY	Oulu, Finland	100%	100%
GPV Finland OY	Lohja, Finland	100%	100%
GPV Germany GmbH	Hildesheim, Germany	100%	100%
GPV International A/S	Vejle, Denmark	100%	100%
GPV Lanka (Private), Ltd.	Kochchikade, Sri Lanka	100%	100%
GPV Property Solutions (private) Limited [2]	Kochchikade, Sri Lanka	49%	49%
GPV Slovakia (Nova) s.r.o.	Nova Dubnica, Slovakia	100%	100%
GPV Slovakia s.r.o.	Hlohovec, Slovakia	100%	100%
GPV Suzhou Ltd.	Suzhou, China	100%	100%
GPV Sweden AB	Västerås, Sweden	100%	100%
GPV Switzerland SA	Mendrisio, Switzerland	100%	100%
GPV Zhongshan Co., Ltd.	Zhongshan, China	100%	100%
GPV Trading Suzhou Ltd.	Suzhou, China	100%	0%
HydraSpecma A/S	**Skjern, Denmark**	**100%**	**100%**
Dansk Afgratningsteknik A/S	Skjern, Denmark	100%	60%
GSS Hydraulics B.V.	Huizen, Netherlands	100%	100%
HydraSpecma AB	Göteborg, Sweden	100%	100%
HydraSpecma Co. Ltd.	Shanghai, China	100%	100%
HydraSpecma Components AB	Skellefteå, Sweden	100%	100%
HydraSpecma Do Brazil Ltda	Curitiba, Brazil	90%	90%
HydraSpecma Hydraulic Polska sp. z.o.o.	Stargard, Poland	100%	100%
HydraSpecma Hydraulic Systems (Tianjin) Co., Ltd.	Tianjin, China	100%	100%
HydraSpecma Hydraulic U.S. Inc.	San Antonio TX, USA	100%	100%
HydraSpecma Norge AS	Flekkefjord, Norway	100%	100%
HydraSpecma OY	Espoo, Finland	100%	100%
HydraSpecma Renewables AB	Stockholm, Sweden	100%	100%
HydraSpecma Renewables China Ltd.	Tianjin, China	100%	100%
HydraSpecma Renewables Inc.	New Caney TX, USA	100%	100%
HydraSpecma Renewables India Private Ltd.	Kanchipuram Tamil Nadu, India	100%	100%
HydraSpecma Samwon Ltd.	Newton Aycliffe, UK	100%	100%
HydraSpecma USA Inc.	Chicago IL, USA	100%	100%
HydraSpecma Wiro AB	Motala, Sweden	100%	100%
Specma Fastighets AB	Göteborg, Sweden	100%	100%

Amounts in DKK million

3.4

Investments in subsidiaries, associates and joint arrangements (continued)

The Group has the following subsidiaries and joint operations:

Name	Registered office	Ownership interest 2024	Ownership interest 2023
Borg Automotive A/S	**Silkeborg, Denmark**	**100%**	**100%**
Borg Automotive Reman Spain S.L.U.	Navarra, Spain	100%	100%
Borg Automotive Sp.z.o.o.	Zdunska Wola, Poland	100%	100%
Borg Automotive Spain S.L.U.	Navarra, Spain	100%	100%
Borg Automotive UK Ltd.	Wednesbury, UK	100%	100%
Car Parts Industries Belgium SPRL	Nivelles, Belgium	100%	100%
Electro Steer UK Ltd.	Wednesbury, UK	100%	100%
Borg Automotive GmbH	Eisenach, Germany	100%	100%
Borg Automotive SAS	Chaumont-en-Vexin, France	100%	100%
Borg Automotive Newman A/S	Støvring, Denmark	100%	100%
Borg Automotive af 21. maj 2024 A/S	Silkeborg, Denmark	100%	0%
Electro Rebuild Tunisie sarl	Monastir, Tunisia	100%	0%
Fibertex Personal Care A/S	**Aalborg, Denmark**	**100%**	**100%**
Fibertex Personal Care AG	Ilsenburg, Germany	100%	100%
Fibertex Personal Care Corporation	Asheboro NC, USA	100%	100%
Fibertex Personal Care K.K.	Tokyo, Japan	100%	100%
Fibertex Personal Care Sdn Bhd	Nilai, Malaysia	100%	100%
Fibertex Personal Care Vietnam Limited Company	Hanoi, Vietnam	100%	100%
Fibertex Nonwovens A/S	**Aalborg, Denmark**	**100%**	**100%**
Elephant Nonwovens - Nao Tecidos U.P., Lda.	Estoril, Portugal	100%	100%
Fibertex Elephant	Sant Cugat del Vallés, Spain	100%	100%
Fibertex France S.A.S.U	Clermont, France	100%	100%
Fibertex Naotecidos Ltda.	Sao Paolo, Brazil	100%	100%
Fibertex Nonwovens Holding Ltd.	Hong Kong, China	100%	100%
Fibertex Nonwovens Inc.	Grey Court SC, USA	100%	100%
Fibertex Nonwovens S.A.S.	Chemillé, France	100%	100%
Fibertex Nonwovens Shanghai Co. Ltd.	Shanghai, China	100%	100%
Fibertex Nonwovens Tekstil Sanayi ve Ihracat A.Ş.	Cerkezkoy, Türkiye	100%	100%
Fibertex Nonwovens, a.s.	Svitavy, Czechia	100%	100%
Fibertex Private Limited	Bangalore, India	100%	100%
Fibertex South Africa Ltd.	Hammarsdale, South Africa	100%	74%
FIN North America Holding Inc.	Ingleside IL, USA	100%	100%
FIN North America Real Estate	Ingleside IL, USA	100%	100%
FIN Importadora Ltda.	Itajai, Brazil	100%	0%

1) BioMar Aquacorporation Products S.A. is a pro-rata consolidated 50%-owned company. This is a joint arrangement in which Schouw & Co. (BioMar) shares control over the production apparatus of the jointly-controlled entity with an external business partner. Accordingly, under IFRS 11, the arrangement is therefore classified as a joint operation and pro-rata consolidated. The company is recognised at the following amounts: current assets DKK 33 million (2023: DKK 42 million), non-current assets DKK 20 million (2023: DKK 21 million), current liabilities DKK 9 million (2023: DKK 24 million), non-current liabilities DKK 0 million (2023: DKK 2 million), revenue DKK 30 million (2023: DKK 49 million) and expenses DKK 30 million (2023: DKK 49 million).

2) Although the Group holds only 49% of GPV Property Solution (private) Limited, the Group is considered to have a controlling interest in the company.

In 2024, BioMar established AQ1 Systems Ecuador and AQ1 Systems Honduras.

GPV closed GPV Asia (Hong Kong) Ltd. and sold GPV Malaysia Sdn. Bhd. in 2024. GPV Switzerland (Nordic) AG was merged with GPV DACH (Nordic) AG.

In 2024, HydraSpecma A/S acquired the non-controlling interest (40%) of Dansk Afgratningsteknik A/S, and HydraSpecma A/S also acquired Agder Slangeservice. Agder Slangeservice was later in 2024 merged with HydraSpecma Norge AS. HydraSpecma Renewables ApS was merged with HydraSpecma A/S. Hydraulikhuset AB was merged with HydraSpecma Components AB.
Borg Automotive af 21. maj 2024 A/S was established in 2024 and acquired Electro Rebuild Tunisie sarl.

In 2024, Fibertex Nonwovens A/S acquired the non-controlling interest (26%) of Fibertex South Africa Ltd., and FIN Importadora Ltda. was established.

The non-controlling interest in GPV Group A/S of 20% is individually considered to be of significant importance to the Group. The comprehensive income in GPV Group for 2024 amounted to DKK 117 million (2023: DKK 124 million), its EBITDA was DKK 625 million (2023: DKK 743 million) and its NIBD at 31 December was DKK 2,379 million (2023: DKK 2,391 million).

GPV Group had non-current assets of DKK 2,489 million at 31 December 2024 (2023: DKK 2,478 million), current assets of DKK 4,917 million (2023: DKK 5,023 million), non-current debt of DKK 486 million (2023: DKK 464 million) and current debt of DKK 4,473 million (2023: DKK 4,664 million).

In 2024, the non-controlling interests in GPV Group received dividend of DKK 8 million (2023: DKK 0 million).

§ Accounting policies

Joint ventures and associates are recognised in consolidated income statement at the proportionate share of the profit or loss after elimination of the proportionate share of intra-group gains or losses after impairment of goodwill. Investments in joint ventures and associates are measured in the balance sheet at the proportionate share of the companies' net asset value calculated in accordance with the Group's accounting policies with the deduction or addition of the proportionate share of unrealised intra-group gains and losses and with the addition of the carrying amount of goodwill. Associates with a negative equity value are recognised at zero. Receivables from associates are written down to the extent they are deemed to be irrecoverable.

Amounts in DKK million

3.4
Investments in subsidiaries, associates and joint arrangements (continued)

The Group has the following associates:

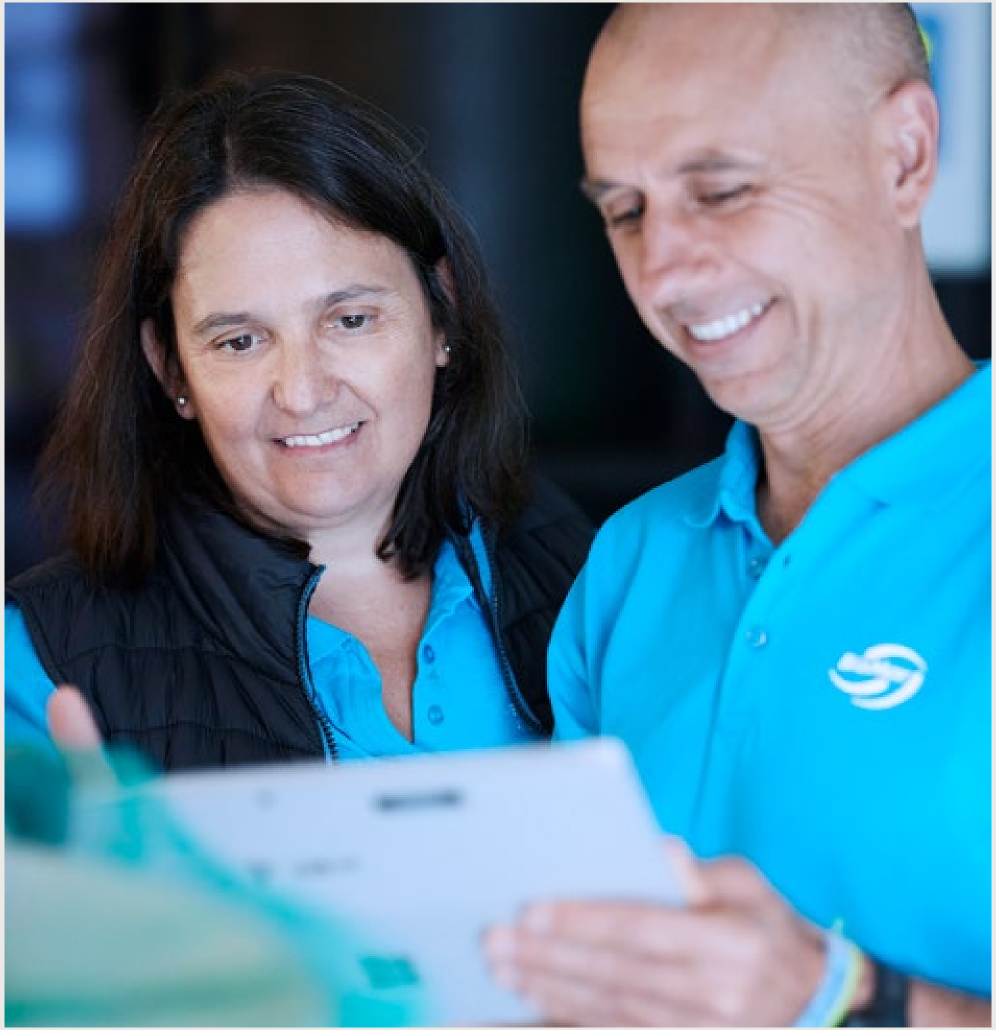
Name	Registered office	Ownership interest 2024	Ownership interest 2023
LetSea AS	Dønna, Norway	34%	34%
ATC Patagonia S.A.	Lenca, Chile	30%	30%
Salmones Austral S.A.	Puerto Montt, Chile	23%	23%
LCL Shipping Ltd.	Grangemouth, Scotland	40%	40%
Young Tech Co. Ltd.	Chongwon, South Korea	30%	30%
Micron Specma India (Pvt.) Ltd	Rohtak, Haryana, India	25%	25%
NGIN A/S	Aarhus, Denmark	40%	40%
AQ1 Thailand	Bangkok, Thailand	49%	49%

The Group has the following joint ventures:

Name	Registered office	Ownership interest 2024	Ownership interest 2023
BioMar-Sagun TTK	Söke, Türkiye	50%	50%
BioMar-Tongwei (Wuxi) Biotech Co., Ltd.	Wuxi, China	50%	50%

The two joint ventures are not considered material to the Group.

	2024		2023	
	Associates	Joint ventures	Associates	Joint ventures
Cost at 1 January	279	146	287	146
Foreign exchange adjustments	17	0	-10	0
Additions during the year	0	0	1	0
Cost at 31 December	**296**	**146**	**279**	**146**
Adjustments at 1 January	137	52	210	36
Foreign exchange adjustments and other changes in equity	5	10	-7	-28
Dividends paid	-6	-34	-29	0
Profit after tax	-16	52	-36	45
Adjustments at 31 December	**121**	**79**	**137**	**52**
Carrying amount at 31 December	**417**	**226**	**417**	**198**



Amounts in DKK million

3.4

Investments in subsidiaries, associates and joint arrangements (continued)

2024	Associates								Joint ventures	
	LetSea	ATC Patagonia	Salmones Austral	LCL Shipping	Young Tech Co. Sydkorea	Micron Specma India (Pvt.)	NGIN	AQ1 Asia	BioMar-Sagun	BioMar-Tongwei
Revenue	189	25	2,327	19	51	30	10	0	450	1,052
Profit for the year	-11	0	-56	2	3	-3	-1	0	67	36
Assets	180	41	4,035	54	38	29	4	0	240	407
Liabilities	114	5	2,504	30	16	19	2	0	83	119
Recognised in Schouw & Co.:										
Share of profit	-4	0	-13	1	1	-1	0	0	34	18
Share of equity	23	11	351	10	7	3	1	0	78	144
Goodwill	0	0	12	0	0	0	1	0	1	2
Carrying amount at 31 December	23	11	362	10	7	3	2	0	80	146

2023	Associates								Joint ventures	
	LetSea	ATC Patagonia	Salmones Austral	LCL Shipping	Young Tech Co. Sydkorea	Micron Specma India (Pvt.)	NGIN	AQ1 Asia	BioMar-Sagun	BioMar-Tongwei
Revenue	402	23	1,951	16	55	38	10	n/a	616	1,228
Profit for the year	14	-3	-189	3	4	4	0	n/a	68	21
Assets	194	38	3,779	51	43	33	5	n/a	295	383
Liabilities	94	4	2,290	29	23	19	2	n/a	157	131
Recognised in Schouw & Co.:										
Share of profit	5	-1	-43	1	1	1	0	0	34	11
Share of equity	34	10	341	9	6	3	1	0	69	126
Goodwill	0	0	11	0	0	0	1	0	1	2
Carrying amount at 31 December	34	10	352	9	6	3	2	0	70	128

Salmones Austral is individually considered to be of significant importance to the Group. The comprehensive income in Salmones Austral for 2024 amounted to DKK -56 million (2023: DKK -189 million), its EBITDA was DKK 190 million (2023: DKK 82 million) and its NIBD at 31 December was DKK 1,176 million (2023: DKK 1,027 million).

Salmones Austral had non-current assets of DKK 2,056 million at 31 December 2024 (2023: DKK 2,088 million), current assets of DKK 1,979 million (2023: DKK 1,691 million), non-current debt of DKK 1,432 million (2023: DKK 1,108 million) and current debt of DKK 1,072 million (2023: DKK 1,182 million).

Amounts in DKK million

3.5

Receivables – non-current

	2024	2023
Loans to customers	136	151
Other receivables - non-current	76	42
Total receivables - non-current	**212**	**193**

Loans to customers consist mainly of a loan to a single customer provided by BioMar in connection with the conclusion of a long-term feed contract. Established in 2021, the loan has a seven-year maturity and carries interest over its term.

3.6

Acquisitions

	Electro Rebuild Tunisie	Agder Slangeservice	2024	2023
Customer relations	0	0	0	118
Technology	13	0	13	140
Other intangible assets	0	0	0	24
Property, plant and equipment	3	1	5	9
Lease assets	5	0	5	0
Financial assets	0	0	0	3
Inventories	3	4	7	93
Receivables	0	1	1	77
Cash and cash equivalents	0	1	1	40
Credit institutions	-5	0	-5	0
Deferred tax	0	0	0	-66
Trade payables	-19	-3	-22	-52
Other debt	0	-1	-1	-40
Current tax	-1	0	-1	0
Net assets acquired	0	3	3	345
Goodwill	0	0	0	172
Acquisition cost	**0**	**3**	**3**	**517**
Of which cash and cash equivalents	0	-1	-1	-40
Settlement of purchase price for SBS	0	0	0	207
Total cash acquisition costs	**0**	**2**	**2**	**684**

Amounts in DKK million

2024

Agder Slangeservice

HydraSpecma acquired Agder Slangeservice in June 2024 as a part of an ambition to strengthen the presence in Norway. Agder Slangeservice is a good match to HydraSpecmas Nordic OEM/IAM Division, that serves customers within national manufacturers and aftermarket. A purchase price allocation was prepared in connection with the acquisition, which resulted in a minor write-down of the inventory at the time of acquisition. The cash acquisition price was DKK 2 million. There were only insignificant transaction costs in connection with the acquisition. The transaction costs were recognised under operating expenses. Had the acquisition been made effective from 1 January 2024, the revenue and earnings would have been unchanged.

Electro Rebuild Tunisie

Effective from 1 December 2024, Borg Automotive acquired 100% of the shares in Electro Rebuild Tunisie sarl. The company owns one production plant located in Monastir (Tunisia), and has more than 40 years of experience with remanufacturing of alternators and starters. A purchase price allocation was prepared in connection with the acquisition, which identified values of technology in excess of carrying amounts. The cash acquisition price was DKK 0.4 million. There were only insignificant transaction costs in connection to the acquisition. The transaction costs were recognised under operating expenses. Had the acquisition been made effective from 1 January 2024, the revenue and earnings would have been unchanged.

2023

Wind division from Ymer Technology

HydraSpecma acquired the wind division from Ymer Technology effective on 1 February 2023. The acquisition included approximately 180 employees working for companies in Sweden, Denmark, the USA, India and China. The acquisition gives HydraSpecma strong competencies within cooling and conditioning of wind turbine nacelles, which complement HydraSpecma's existing expertise as a subcontractor to the wind turbine industry.

SBS

In November 2023, Borg Automotive paid a purchase price of DKK 207 million relating to the acquisition of SBS.

§ Accounting policies

Newly acquired or newly established companies are recognised in the consolidated financial statements from the date of acquisition. Comparative figures are not adjusted to reflect acquisitions. The purchase method is applied on acquisitions if the parent company gains control of the company acquired. Assets, liabilities and contingent liabilities in companies acquired are measured at their fair value at the date of acquisition. Intangible assets are recognised if they can be separated or if they arise from a contractual right and the fair value can be reliably measured. Deferred tax on revaluations made is recognised. Any excess of the consideration paid for the business over the fair value of the acquired assets, liabilities and contingent liabilities is recognised as goodwill under intangible assets. In the event of uncertainty regarding measurement, goodwill may be adjusted until 12 months after the acquisition. Goodwill is not amortised, but is tested for impairment annually. The first impairment test is performed before the end of the year of acquisition. On acquisition, goodwill is transferred to the cash-generating units that will subsequently form the basis of future impairment tests. On initial recognition, non-controlling interests are either recognised at their fair value or at their pro-rata share of the fair value of the acquired company's identifiable assets, liabilities and contingent liabilities. Accordingly, for the former option, goodwill is recognised relating to non-controlling interests of the acquired business, while for the latter option, goodwill relating to non-controlling interests is not recognised. The method of measuring non-controlling interests is determined on a case-by-case basis and disclosed in the presentation of acquired businesses in the notes to the financial statements. When put options are issued as part of the consideration for business combinations, the fair value of the option is recognised as a liability. Fair value is determined as the present value of the exercise price of the option. The option is subsequently measured at amortised cost corresponding to the discounted value of the expected future cash flows. Value adjustments are recognised directly in equity. Contingent consideration agreed in connection with company acquisitions and paid to the seller if certain conditions are met, is recognised at fair value and considered part of the total consideration for acquiring the company. Changes in fair value of the contingent consideration are recognised in the income statement under financial items.

3.7
Impairment testing

Goodwill
Schouw & Co. has tested the carrying amounts of goodwill in the Group. In the tests performed, the expected free cash flows in a five-year budget and forecast period (2025-2029) are estimated.

In 2024 the definition of CGU has been changed in Schouw & Co. hence testing is performed on sub-group level. The factors that justify this change in CGU definition has developed over time as the portfolio companies have all gradually evolved. Performing impairment tests at this level alligns with how management reviews the business's performance and allocates resources, providing a more accurate reflection of how the goodwill is supported. The Schouw & Co. sub-groups still conduct impairment tests individually on a lower CGU level.

The impairment test estimates the present value of goodwill (value-in-use principle) by discounting expected free cash flows using an estimated discount rate to assess the company's total value and related goodwill, which is subsequently compared with the carrying amount recognised in the Schouw & Co. consolidated financial statements. The rate of growth after the forecast period, the so-called terminal growth, is based on general long-term growth forecasts for the individual markets. The estimates used for the CGUs are 2% growth.

It is important to emphasise that the impairment test is based on an "as-is" scenario, where a conservative approach is used in projecting the revenue and income in the next 5 years. This scenario may very well differ from the more broadly described scenarios in other context of the annual report, where other long term strategic targets may be included in the described scenarios, i.e. bolt on acquisitions or capacity expansions. Furthermore, the revenue in many of the portfolio businesses fluctuates with prices of raw materials; hence, the growth in revenue is an expression of a conservative estimate of organic revenue growth.

On 31 December 2024, capitalised goodwill in Schouw & Co. amounted to DKK 2,970 million, compared with DKK 2,921 million on 31 December 2023. The change in value consists only of foreign exchange adjustments of DKK 49 million.

The discount rate (WACC) was estimated on the basis of available market data and an assessment of the risk profile of the individual entities. Specifically, a risk-free interest rate based on the current yield of a 10-year government bond in the relevant geography, plus an estimated market-risk premium is used to estimate the required rate of return on equity. Estimated risk premiums are then added, depending on industry, business model and geography. The required rate of return on debt is based on an estimated credit assessment of the entities and current interest rate levels. The required rates of return on debt and equity are weighted using a capital structure based on a group of comparable peers.

The table below shows the amounts for each company:

		Assumptions			
2024	Carrying amount of goodwill	Revenue growth	Terminal year growth	WACC after tax	WACC before tax
BioMar	1,581	3.1%	2.0%	7.3%	9.2%
GPV	358	2.8%	2.0%	10.4%	13.0%
HydraSpecma	294	3.4%	2.0%	8.7%	10.5%
Borg Automotive	516	6.6%	2.0%	9.6%	11.9%
Fibertex Personal Care	99	3.5%	2.0%	8.1%	9.9%
Fibertex Nonwovens	120	4.1%	2.0%	9.4%	11.6%
Total	**2,970**				

		Assumptions			
2023	Carrying amount of goodwill	Revenue growth	Terminal year growth	WACC after tax	WACC before tax
BioMar (excl. Alimentsa)	804	2.0%	2.0%	9.4%	12.3%
Alimentsa (BioMar Ecuador)	606	12.2%	2.0%	13.8%	17.2%
Borg Automotive	516	5.9%	2.0%	11.7%	13.6%
Main companies/goodwill	**1,926**				
AQ1	116	22.1%	2.0%	10.4%	13.2%
Fibertex Personal Care	99	2.8%	2.0%	8.4%	9.9%
Fibertex Nonwovens	120	6.3%	2.0%	10.4%	12.3%
GPV International	197	4.4%	2.0%	10.1%	12.5%
Enics	164	1.6%	2.0%	9.9%	11.9%
Ymer	164	23.7%	3.0%	9.8%	11.6%
HydraSpecma	136	5.9%	3.0%	10.1%	12.1%
Other companies/goodwill	**995**				
Total	**2,921**				

Sensitivity analyses were performed as part of the tests to determine if reduced cash flow or a higher WACC would produce indication of impairment. The sensitivity analyses showed that a reasonable change in certain assumptions would lead to impairment in GPV, Borg Automotive and Fibertex Nonwovens if the expected EBITDA was reduced or WACC increased. For GPV, a reduction of 10% in EBITDA in the period 2025-2029 would result in an impairment. For Borg Automotive, a reduction of 6% in EBITDA in the period 2025-2029 or an increase in WACC of 0.7% would result in an impairment. For Fibertex Nonwovens, a reduction of 2% in EBITDA in the period 2025-2029 or an increase in WACC of 0.3% would result in an impairment.

Amounts in DKK million

3.7
Impairment testing (continued)

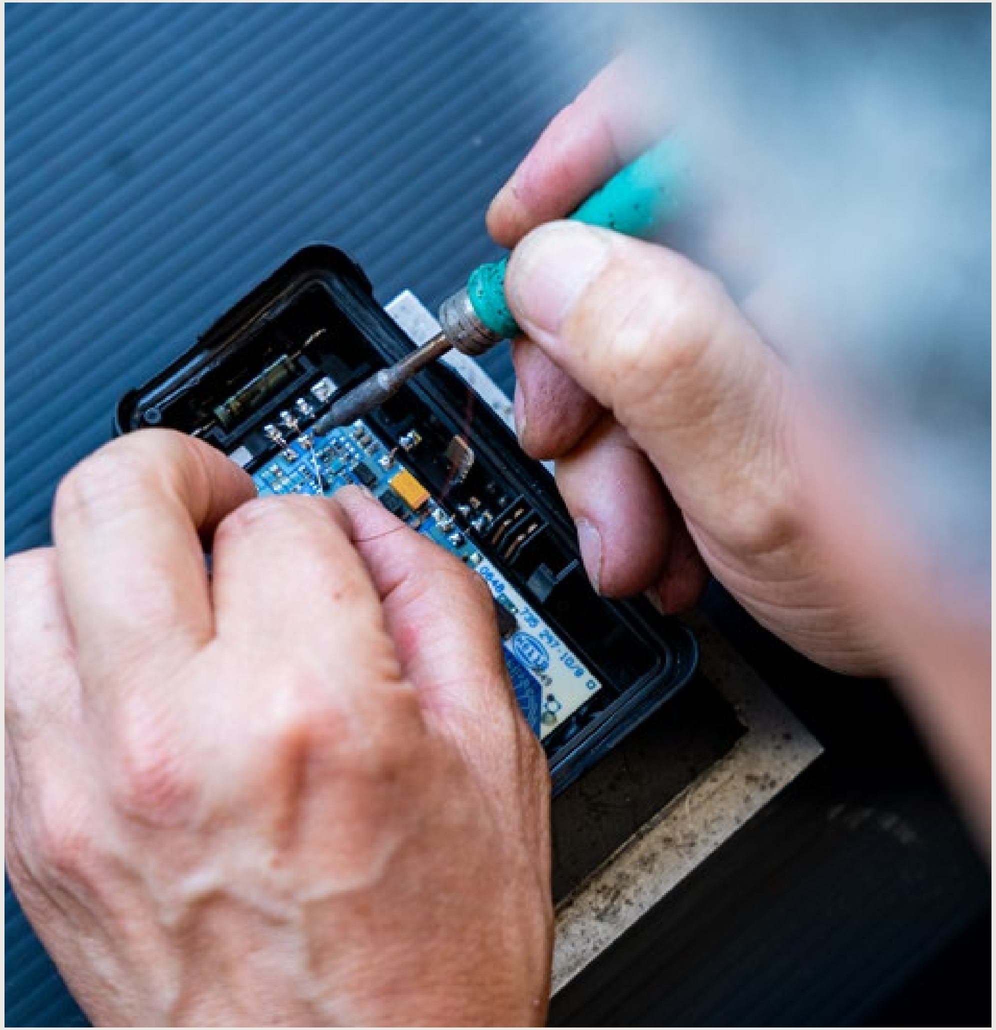
Intangible assets excluding goodwill
At 31 December 2024, Schouw & Co. recognised other intangible assets excluding goodwill of DKK 1,450 million, a reduction of DKK 134 million from 31 December 2023. An addition of DKK 13 million was recognised in relation to the Group's acquisition of Electro Rebuild Tunisie. A further addition of DKK 41 million was mainly related to IT projects. Other intangible assets were reduced by DKK 190 million due to amortisation, and other intangible assets were reduced by DKK 1 million due to write-downs. The remaining changes under other intangible assets were due to foreign exchange adjustments.

Property, plant and equipment
Impairment of property, plant and equipment was reversed with DKK 1 million in 2024.

Other non-current assets
There were no indications of impairment in other non-current assets.

§ Accounting policies
Goodwill and intangible assets with indefinite useful lives are tested annually for impairment, initially before the end of the year of acquisition. Development projects in progress are also tested for impairment annually. The carrying amount of goodwill is tested for impairment together with the other non-current assets of the cash-generating unit to which goodwill has been allocated and is written down over the income statement to the lower of the recoverable amount and the carrying amount. The recoverable amount is generally calculated as the net present value of expected future cash flows from the enterprise or activity (cash-generating unit) to which the goodwill relates. An impairment loss is recognised where the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or cash-generating unit. Impairments are recognised in the income statement in the line item depreciation, amortisation and impairment losses. Impairment of goodwill is not reversed. Impairment of other assets is reversed to the extent changes have occurred to the assumptions and estimates leading to the impairment. Impairment is only reversed to the extent the new carrying amount of an asset does not exceed the carrying amount the asset would have had net of depreciation, had the asset not been impaired. The carrying amounts of other non-current assets are tested annually to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is calculated. The recoverable amount is the higher of the fair value of the asset less expected costs to sell and the value in use.

Note 4
Capital structure



4.1
Financial income and expenses

Financial income

	2024	2023
Interest income	98	61
Foreign exchange adjustments	63	90
Fair value adjustment of hedging transactions transferred from equity	0	6
Fair value adjustment of financial assets	3	0
Total	**163**	**157**

Financial expenses

	2024	2023
Interest expenses	-504	-423
Amortisation of earn-out liabilities	0	-4
Amortisation of lease debt	-31	-25
Foreign exchange adjustments	-74	-70
Fair value adjustment of hedging transactions transferred from equity	-4	0
Expense on adjustment of contingent consideration (earn-out)	0	-2
Total	**-613**	**-526**

Borrowing costs of DKK 15 million were capitalised in 2024 (2023: DKK 34 million) based on an average rate of interest of 4.6% p.a. (2023: 5.8%).

§ Accounting policies
Financial income and expenses include interest and capital gains and losses on transactions in foreign currency and impairment losses on securities. Also included are amortisation of financial assets and liabilities, lease liabilities, surcharges and refunds under the on-account tax scheme, changes in fair values of derivative financial instruments that do not qualify as hedge accounting, financial expenses for supply chain financing, and adjustment of purchase obligations (earn-out). Financial expenses relating to the construction of non-current assets are recognised as part of the cost of the asset.

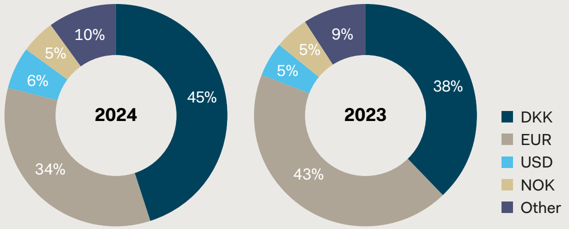
4.2
Interest-bearing debt

Debt recognised in the balance sheet:

	2024	2023
Credit institutions (non-current)	3,813	4,246
Mortgage debt (non-current)	245	224
Lease debt (non-current)	561	620
Recognised in non-current interest-bearing debt	**4,619**	**5,089**
Current portion of mortgage debt	11	11
Current portion of lease debt	279	273
Credit institutions (current)	1,534	1,734
Recognised in current interest-bearing debt	**1,825**	**2,018**
Total interest-bearing debt	**6,444**	**7,107**

The fair value of interest-bearing debt corresponds in all material respects to the carrying amount.

Interest-bearing debt by currency



§ Accounting policies
Debt to credit institutions is recognised at the raising of a loan at fair value less transaction costs. In subsequent periods, financial liabilities are measured at amortised cost, applying the "effective interest rate method", to the effect that the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the term of the loan. In addition, the capitalised residual lease liability under finance leases is recognised under financial liabilities.

Amounts in DKK million

4.2
Interest-bearing debt (continued)

Maturity profile of interest-bearing debt, including lease debt:

	2024		2023	
	Interest-bearing debt	Of which lease debt	Interest-bearing debt	Of which lease debt
Principal repayment:				
Overdraft facilities without planned repayment	755		985	
Less than 1 year	1,279	301	1,802	293
1-5 years	4,676	512	4,547	571
More than 5 years	482	86	497	85
Total	**7,193**	**899**	**7,831**	**949**
Interest:				
Overdraft facilities without planned repayment	0		0	
Less than 1 year	210	21	222	20
1-5 years	485	31	422	30
More than 5 years	54	6	80	6
Total	**749**	**58**	**724**	**56**
Carrying amount:				
Overdraft facilities without planned repayment	755		985	
Less than 1 year	1,069	279	1,581	273
1-5 years	4,191	481	4,126	541
More than 5 years	429	80	416	79
Total	**6,444**	**841**	**7,107**	**892**

Spot rate used for floating rate loans in the table above.

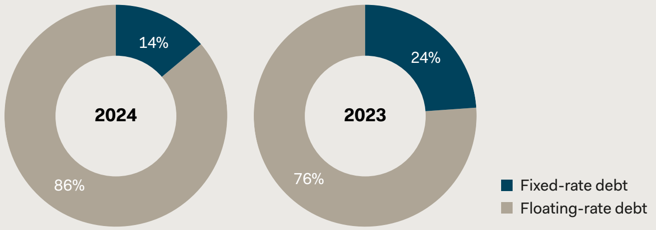
The fair value of liabilities relating to lease assets corresponds in all material respects to the carrying amount. The lease liability was calculated using mainly an alternative discount rate based on the lease term, the base rate of the country in question and a risk premium, among other factors. The average discount rate applied was 4.1% per annum (2023: 3.8%).

Total lease payments made in 2024 amounted to DKK 333 million (2023: DKK 314 million), consisting of repayments of DKK 301 million (2023: 289 million) and interest of DKK 31 million (2023: DKK 25 million).

The weighted average effective rate of interest for the year was 6.0% (2023: 5.2%). The weighted average effective rate of interest at the balance sheet date was 4.4% (2023: 4.7%).

For further information about lease assets, see note 3.3.

Percentage breakdown of interest-bearing debt by currency



Fixed-rate debt includes loans for which the rate of interest will not be reset within the next year. Interest on lease debt is treated as fixed-rate debt.

An increase in interest rates of 1 percentage point would cause the annual interest expense to increase by DKK 43 million after tax (2023: DKK 42 million). This is expected to reduce shareholders' equity by DKK 43 million after tax (2023: DKK 42 million).

A decrease in interest rates of 1 percentage point would cause the annual interest expense to decrease by DKK 43 million after tax (2023: DKK 42 million). This would expectedly increase shareholders' equity by DKK 43 million after tax (2023: DKK 42 million).

Capital resources

It is group policy when raising loans to maximise flexibility by diversifying borrowing in respect of maturity/renegotiation dates and counterparties, with due consideration to costs. The Group's capital resources consist of cash and undrawn credit facilities. The Group's objective is to have sufficient capital resources to make company acquisitions and to allow it to continue to operate the business in an adequate manner and to react to unforeseen fluctuations in the use of supply chain financing arrangements and any other fluctuations in its cash holdings.

Amounts in DKK million

4.2
Interest-bearing debt (continued)

Capital resources

	Loans and lines	Of which utilised	Unutilised	Commitment	Avg. term to maturity
Revolving credit facility	3,275	-1,182	2,093	Committed	1 year
Schuldschein	1,879	-1,879	0	Committed	2 yrs 11 mths
Mortgages debt	256	-256	0	Committed	17 yrs 10 mths
Term loan	350	-350	0	Committed	1 mth
NIB loan	356	-356	0	Committed	4 years
Nordic bond	1,161	-1,161	0	Committed	4 yrs 6 mths
Other credit facilities	684	-420	264	Uncommitted	
Leases	841	-841	0	Committed	3 years
Cash and cash equivalents			892		
Facility before deduction of guarantee commitments			**3,249**		
Guarantee commitments deducted from the facility			-41		
Total capital resources at 31 December 2024			**3,208**		

The portfolio businesses get a significant proportion of their financing from the credit facilities of the parent company Schouw & Co. The parent company's financing consists mainly of a syndicated bank facility with a total facility line of DKK 3,275 million. The facility expires in January 2026. The bank consortium consists of Danske Bank, DNB, Nordea and HSBC. Schouw & Co. issued Schuldscheins for EUR 136 million (DKK 1,014 million) in April 2019 and for EUR 225 million (DKK 1,677 million) in November 2023. Of the Schuldsheins established in 2019, EUR 109 million have expired, and EUR 27 million will expire in April 2026. The Schuldsheins established in 2023 expire in November 2026, November 2028 and November 2030. In December 2021, Schouw & Co. set up a DKK 400 million seven-year loan with the Nordic Investment Bank related to specific Danish capacity-expanding investments and development costs. In 2023, Schouw & Co. established a term loan of DKK 350 million, which falls due in January 2025. In June 2024, Schouw & Co. issued a bond in the Norwegian market of NOK 1,300 million (DKK 843 million), maturing in June 2029. In September 2024, the bond issue was increased by a tap issue of an additional NOK 500 million, increasing the total amount of the issue to NOK 1,800 million (DKK 1,161 million).

Rating
Schouw & Co. is BBB rated by Scope.

Capital management
Schouw & Co. gives priority to having a high equity ratio in order to ensure financial versatility as well as to having adequate capital resources. The Group believes that its combined capital resources of DKK 3,208 million represent appropriate cash resources. The Group aims to have a financial gearing of from 1.0x to 2.5x. During periods immediately following a (major) acquisition, however, gearing may exceed 2.5x. At 31 December 2024, the financial gearing was 1.8x.

4.3
Net interest-bearing debt

			Non-cash items				
2024	Beginning of year	Cash flows	Acquisitions / divestments	Foreign exchange adjustments	Leases	Other	End of year
Non-current debt	5,089	791	4	-2	-57	-1,206	4,619
Current debt	2,018	-1,776	2	65	310	1,206	1,825
Total interest-bearing liabilities	**7,107**	**-985**	**5**	**63**	**253**	**0**	**6,444**
Interest-bearing assets:							
Non-current receivables	151	0	0	7	0	-22	136
Current receivables	33	-26	0	1	0	31	39
Cash and cash equivalents	584	302	1	6	0	-1	892
Total interest-bearing assets	**769**	**277**	**1**	**14**	**0**	**8**	**1,067**
Net interest-bearing debt	**6,339**	**-1,261**	**4**	**49**	**253**	**-7**	**5,376**

			Non-cash items				
2023	Beginning of year	Cash flows	Acquisitions / divestments	Foreign exchange adjustments	Leases	Other	End of year
Interest-bearing liabilities:							
Non-current debt	5,842	815	0	-18	142	-1,692	5,089
Current debt	838	-823	0	12	315	1,677	2,018
Total interest-bearing liabilities	**6,680**	**-9**	**0**	**-6**	**457**	**-15**	**7,107**
Interest-bearing assets:							
Non-current receivables	152	17	0	3	0	-21	151
Current receivables	26	-15	0	0	0	21	33
Cash and cash equivalents	712	-151	40	-16	0	0	584
Total interest-bearing assets	**890**	**-148**	**40**	**-12**	**0**	**0**	**769**
Net interest-bearing debt	**5,790**	**140**	**-40**	**6**	**457**	**-15**	**6,339**

Amounts in DKK million

4.4
Share capital

The share capital consists of 25,000,000 shares with a nominal value of DKK 10 each. All shares rank equally. The share capital is fully paid up. Each share carries one vote, for a total of 25,000,000 voting rights.

Treasury shares	Number of shares	Nominal value (DKK)	Cost	Percentage of share capital
1 January 2023	2,082,176	20,821,760	763	8.17%
Share option programme	-182,000	-1,820,000	-26	-0.71%
Purchase of treasury shares	137,800	1,378,000	75	0.54%
31 December 2023	**2,037,976**	**20,379,760**	**812**	**7.99%**
Share capital reduction	-500,000	-5,000,000	-122	-1.96%
Share option programme	-88,000	-880,000	-13	-0.35%
Purchase of treasury shares	519,937	5,199,370	291	2.20%
31 December 2024	**1,969,913**	**19,699,130**	**968**	**7.88%**

In 2024, Schouw & Co. purchased treasury shares for DKK 291 million, of which DKK 50 million related to the share-based incentive programme and DKK 241 million related to a share buy-back programme. The share capital was reduced with 500,000 shares in 2024. The company sold 88,000 shares in connection with the share-based incentive programmes.

Schouw & Co. has been authorised by the annual general meeting to acquire up to 5,000,000 treasury shares, equal to 20% of the share capital. The authorisation is valid until 1 April 2025.

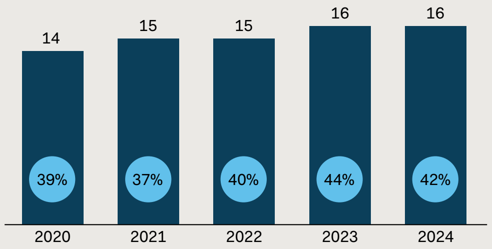
The company acquires treasury shares among other things for allocation to the Group's share-based incentive programmes and for adjustment of the company's capital structure in in connection with capital reductions. At 31 December 2024, the company's treasury shares had a market value of DKK 1,060 million (2023: DKK 1,127 million). The portfolio of treasury shares is recognised at DKK 0.

The share capital was reduced with 500,000 shares in May 2024, other than that, the share capital has not changed in the past five years.

Dividend

A dividend of DKK 16 per share is proposed in respect of the 2024 financial year for a total dividend amount of DKK 400 million and a dividend payout of 42% of the profit for the year. On 15 April 2024, the Group paid dividend in respect of 2023 of DKK 16 per share for a total dividend amount of DKK 408 million.

Dividend per share (DKK)



The dividend payout ratio expresses the total dividend paid relative to the consolidated profit for the year.

Schouw & Co. aims to pay stable or growing dividends, always with due consideration for the company's earnings and any potential major investments or acquisitions.

Amounts in DKK million

Note 5
Tax

5.1
Tax on profit for the year

	2024	2023
Tax on the profit for the year is specified as follows:		
Tax on profit for the year	-424	-376
Tax on other comprehensive income	-12	5
Total tax	**-436**	**-370**
Tax on the profit for the year has been calculated as follows:		
Current tax	-408	-449
Deferred tax	-24	60
Change in deferred tax due to change in corporate tax rates	-1	-1
Adjustment of prior-year tax charge	9	15
Total tax recognised in the income statement	**-424**	**-376**
Corporate tax rate in Denmark	22.0%	22.0%
Tax in foreign subsidiaries adjusted relative to 22%	2.6%	1.6%
Weighted consolidated income tax rate	**24.6%**	**23.6%**
Tax effect of:		
Change of corporate income tax rate	0.1%	0.2%
Non-deductible impairment of goodwill	0.0%	0.4%
Non-deductible costs	3.3%	2.7%
Non-taxable income	-2.6%	-2.0%
Investment grants	-1.8%	-0.8%
Adjustment of prior-year tax charge	-0.2%	-1.0%
Withholding tax	1.1%	1.1%
Non-recognised losses for the year	4.8%	4.4%
Revised valuation of tax asset	1.1%	-0.1%
Tax assets recognised during the year	0.4%	-0.9%
Effective tax rate	**30.8%**	**27.7%**

Global minimum taxation (OECD Pillar II)

From 1 January 2024 Schouw & Co. is subject to global minimum taxation rules (Pillar II). Most of Schouw & Co.'s jurisdictions are exempted in 2024 due to certain transitional rules. However, Thailand has a tax incentive arising from an investment agreement with the authorities (BOI) and partially because of that, Thailand does not fulfil the conditions for exemption under the transitional rules. Hence, a more complex calculation must be made in accordance with the permanent global minimum taxation rules that indicate a minor top-up tax which has not been provided for.

The Group has applied the temporary exception to the accounting requirements on deferred tax under IAS 12 as issued by the IASB in May 2023. Accordingly, the Group will not recognise or disclosed information about deferred tax assets in relation to the Pillar II income tax.

	2024		
Tax on items recognised in other comprehensive income	Before tax	Tax	After tax
Foreign exchange adjustments of foreign units, etc.	241	0	241
Hedging instruments for the year	5	1	6
Hedging instruments transferred to operating expenses	-24	8	-16
Hedging instruments transferred to financials	4	-1	3
Hyperinflation restatements	35	-6	28
Other comprehensive income from associates and JVs	0	0	0
Adjustment of defined benefit pension plan	24	-4	20
Other adjustments recognised directly in equity	13	-9	4
Total tax on items recognised in other comprehensive income	**299**	**-12**	**287**

	2023		
Tax on items recognised in other comprehensive income	Before tax	Tax	After tax
Foreign exchange adjustments of foreign units, etc.	-228	0	-228
Hedging instruments for the year	34	-14	20
Hedging instruments transferred to operating expenses	-38	16	-23
Hedging instruments transferred to financials	-5	1	-4
Hyperinflation restatements	18	-2	16
Other comprehensive income from associates and JVs	-37	0	-37
Adjustment of defined benefit pension plan	-28	5	-23
Other adjustments recognised directly in equity	3	0	3
Total tax on items recognised in other comprehensive income	**-282**	**5**	**-277**

§ Accounting policies

The parent company Schouw & Co. is taxed jointly with all its Danish subsidiaries. The current Danish income tax liability is allocated among the companies of the tax pool in proportion to their taxable income. Companies that use tax losses in other companies pay a joint tax contribution to the parent company at an amount corresponding to the tax value of the tax losses used. Companies whose tax losses are used by other companies receive joint tax contributions from the parent company corresponding to the tax value of the losses used (full absorption). The jointly taxed companies pay tax under the Danish on-account tax scheme. Tax for the year comprises current tax and changes in deferred tax for the year. In addition, the tax for the year comprises changes to prior-year tax and changes in assessed provisions for uncertain tax positions. Tax for the year is recognised in the income statement as regards the amount attributable to the loss for the year and in equity as regards the amount attributable to equity entries. In certain countries, the distribution of dividends is liable to taxation. Tax on dividends is provided for only to the extent a resolution to distribute dividends has been made or to the extent the company has a dividend distribution policy. To the extent Schouw & Co. benefits from a deduction in the determination of its taxable income in Denmark due to share-based incentive programmes, the tax effect of such programmes is included in income tax. Any tax deduction exceeding the accounting cost is recognised directly in equity.

Amounts in DKK million

5.2
Deferred tax

	2024	2023
Deferred tax at 1 January	285	292
Foreign exchange adjustments	4	-8
Adjustment of deferred tax at the beginning of the year	-9	0
Transferred to/from income tax payable	12	-1
Deferred tax for the year recognised in profit for the year	27	-60
Change of corporate tax rate	1	1
Deferred tax for the year recognised in equity	6	-6
Additions on acquisitions	0	66
Deferred tax at 31 December, net	**326**	**285**
Deferred tax is recognised as follows in the balance sheet:		
Deferred tax (asset)	-177	-203
Deferred tax (liability)	503	488
Deferred tax at 31 December, net	**326**	**285**

Schouw & Co. has recognised tax assets of DKK 177 million (2023: DKK 203 million), of which the value of recognised tax losses accounts for DKK 70 million (2023: DKK 59 million). It is expected that the deferred tax assets will be absorbed by taxable income within the next few years. All deferred tax liabilities are recognised in the balance sheet.

The tax value of unrecognised tax losses amounts to DKK 182 million (2023: DKK 199 million), as it is considered unlikely that the deferred tax assets will be realised within a period of a few years. However, most of the unrecognised tax losses can be used for an indefinite period and only 14.5% of the tax value of these unrecognised tax losses will expire within the next five years. The unrecognised tax losses are mainly related to GPV Sweden, GPV Slovakia, Fibertex Nonwovens USA and Fibertex Nonwovens South Africa. Part of the unrecognised tax losses from 2023 equal to DKK 12 million has been recognised through 2024, while DKK 61 million has been lost due to a sale of a company and merger of two companies.

§ Accounting policies

Deferred tax is measured in accordance with the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, no deferred tax is recognised on timing differences regarding non-deductible goodwill and other items for which timing differences have arisen at the acquisition date without affecting the financial results or taxable income. Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised under other non-current assets at the expected value of their utilisation, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax adjustments are made regarding eliminations of unrealised intercompany gains and losses. Deferred tax is measured based on the tax rules and rates in the respective countries that will apply under the legislation in force at the balance sheet date when the deferred tax asset is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement. Deferred tax assets are reviewed annually and recognised only to the extent that it is probable that they will be utilised. Depending on type, uncertain tax positions are measured either as a probability-weighted average of possible outcomes or as the most likely outcome. Uncertain tax positions are recognised in the tax positions they relate to, i.e. as current tax or deferred tax as the case may be, unless it is deemed highly probable that the tax authorities will accept the company's tax treatment of the matter in question.

Amounts in DKK million

5.2
Deferred tax (continued)

2024 **Change in deferred tax**	Balance at 1 January	Foreign exchange adjustments	Additions on acquisitions	Recognised in the profit for the year	Recognised in equity	Balance at 31 December
Intangible assets	298	-1	0	-34	0	264
Property, plant and equipment	277	13	0	-4	6	292
Receivables	-32	0	0	22	0	-10
Inventories	-45	-2	0	10	0	-37
Other current assets	-8	1	0	3	0	-4
Equity	24	-1	0	2	-1	24
Provisions	-24	0	0	12	0	-13
Other liabilities	-142	-2	0	24	0	-120
Expected utilisation of investment grant	-4	0	0	4	0	0
Tax losses	-59	-3	0	-8	0	-70
Total change in deferred tax	**285**	**4**	**0**	**31**	**6**	**326**

2023 **Change in deferred tax**	Balance at 1 January	Foreign exchange adjustments	Additions on acquisitions	Recognised in the profit for the year	Recognised in equity	Balance at 31 December
Intangible assets	262	1	66	-30	0	298
Property, plant and equipment	293	-11	1	-8	2	277
Receivables	-40	0	0	6	1	-32
Inventories	-12	-1	0	-32	0	-45
Other current assets	-2	0	0	-5	-2	-8
Equity	27	1	0	2	-6	24
Provisions	-44	0	0	19	0	-24
Other liabilities	-133	0	0	-8	-1	-142
Expected utilisation of investment grant	-10	0	0	6	0	-4
Tax losses	-51	1	0	-10	0	-59
Total change in deferred tax	**292**	**-8**	**66**	**-59**	**-6**	**285**

Amounts in DKK million

5.3
Income tax

	2024	2023
Income tax payable at 1 January	112	125
Foreign exchange adjustments	-2	0
Current tax for the year	399	446
Adjustment related to prior years	-7	-14
Transferred from deferred tax	-12	1
Current tax recognised in other comprehensive income	-3	0
Current tax on other equity adjustments	9	1
Withholding tax	7	4
Additions on company acquisitions	1	1
Income tax paid during the year	-444	-452
Income tax at 31 December	**60**	**112**
Which is specified as follows:		
Income tax (asset)	-143	-197
Income tax (liability)	202	309
Income tax at 31 December	**60**	**112**

At the beginning of 2024, the Danish and Malaysian tax authorities concluded the mutual agreement procedure (MAP) concerning Fibertex Personal Care. At group level, the conclusion of the MAP has had a minor negative effect on tax for the year.

Income tax paid in any year includes corporate income tax liabilities for both current and previous years and will therefore be different to the total tax recognised in the income statement comprising both current and deferred tax. The overview of income taxes paid by country includes the last three years' corporate tax paid. Withholding taxes are included in the country to which the tax is paid.

The corporate income tax paid in 2024 amounts to DKK 444 million (2023: DKK 452 million) and consists of tax paid on account for 2024 and tax paid for previous years. Specific matters are accounted for in the following:

Income tax paid in Ecuador amounts to DKK 62 million and includes a net tax of DKK 43 million after local tax credits, a DKK 5 million extraordinary tax to finance the war against gangs and a DKK 14 million withholding tax on dividends and service fees paid by foreign group companies.

In Norway, corporate income tax is paid only in the following year. BioMar Norway reported better financial results in 2023 which generated a higher corporate tax payment in 2024.

BioMar Chile pays monthly income tax on account based on the turnover and has paid DKK 28 million for 2024 and received DKK 30 million as excess tax payment for 2022 and 2023 in 2024.

Income taxes paid by country

	2024	2023	2022	Average 2022-2024
Ecuador	62	44	53	53
China	61	40	21	41
Denmark	0	56	58	38
Norway	84	17	0	34
Australia	25	25	27	26
Chile	-2	71	-8	20
Malaysia	14	18	21	17
France	17	16	15	16
Slovakia	32	11	1	15
Switzerland	21	11	11	14
Sri Lanka	13	21	8	14
Sweden	17	15	8	13
Poland	18	15	4	12
Scotland	19	9	8	12
Germany	3	21	9	11
Spain	17	11	4	11
Thailand	7	6	10	7
Greece	1	10	9	7
Brazil	5	8	7	6
Costa Rica	6	5	5	6
Finland	1	12	1	5
Estonia	13	0	0	4
Mexico	5	4	3	4
Belgium	-2	-1	8	2
Türkiye	3	1	0	2
Czechia	1	1	2	1
UK	2	1	1	1
Netherlands	0	2	0	1
India	-1	0	1	0
Russia	1	0	-3	-1
USA	1	2	-11	-3
Total income tax paid	**444**	**452**	**269**	**389**

The Group also has companies in Austria, Canada, Honduras, Hong Kong, Japan, Panama, Portugal, South Africa, Tunisia and Vietnam which have paid income tax less than DKK 0.5 million in the years comprised by the overview.

§ Accounting policies
Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the taxable income for the year, adjusted for tax on prior years' taxable income and for tax paid under the on-account tax scheme.

Amounts in DKK million

Note 6

Other notes to the consolidated financial statements

6.1
Financial investments

	2024	2023
Cost at 1 January	46	46
Additions	1	1
Disposals	0	0
Cost at 31 December	**47**	**46**
Adjustments at 1 January	45	46
Dividends paid	-1	-1
Disposals relating to divestment	0	0
Adjustments recognised in the income statement	3	0
Adjustments at 31 December	**48**	**45**
Carrying amount at 31 December	**95**	**92**

§ Accounting policies
Financial investments include ownership shares in companies which do not enable Schouw & Co. to exercise control or significant influence are measured at fair value. Value adjustments of financial investments for which changes in fair value are regularly monitored, are recognised under financial items in the income statement when they occur.

6.2
Pension liabilities

	2024	2023
Pension liabilities in Switzerland	34	29
Other minor pension liabilities	44	49
Total pension liabilities	**78**	**78**

It is group policy to fund all pension liabilities and thus predominantly to avoid defined benefit plans. Provisions for defined benefit pension liabilities mainly relate to GPV's acquisition of CCS in 2018 and GPV's acquisition of Enics in 2022. Total pension liabilities amounted to DKK 78 million at 31 December 2024 compared with DKK 78 million at 31 December 2023. GPV has pension plans in several countries, but mainly relating to Switzerland. Assumptions and information about the actuarially calculated pension liabilities in Switzerland appear from the following tables below. Other pension liabilities consist of a number of minor pension schemes, including pension liabilities in the parent company, Schouw & Co., which were taken over in connection with the merger of BioMar and Schouw & Co.

Breakdown of assets in pension schemes

	2024	2023
Cash and cash equivalents	29	24
Bonds – Fair value level 1	159	153
Shares in listed companies – Fair value level 1	299	262
Properties located in Switzerland – Fair value level 3	242	233
Other	94	108
Total	823	779

Actuarial assumptions

Discount rate	0.95%
Future rate of inflation	1.25%
Life tables	BVG2020 GT

Amounts in DKK million

6.2
Pension liabilities (continued)

2024	Present value of liabilities	Fair value of assets in pension schemes	Total	Asset cap	Net pension liability
Beginning of year	723	-779	-56	85	29
Service costs relating to 2024	7	0	7	0	7
Service costs relating to prior years	0	0	0	0	0
Administrative expenses	0	0	0	0	0
Interest expense/income on pension scheme assets	6	-5	0	0	0
Total adjustments	**13**	**-5**	**7**	**0**	**7**
Recognised in the profit for the year	**736**	**-784**	**-48**	**85**	**37**
Remeasurement:					
Return on pension scheme assets	0	-32	-32	0	-32
Actuarial gains/losses on changes in demographic assumptions	0	0	0	0	0
Actuarial gains/losses on changes in financial assumptions	26	0	26	0	26
Experience adjustments	10	0	10	0	10
Changes to asset cap, excluding amounts include in interest income	0	0	0	53	53
Recognised in other comprehensive income	**36**	**-32**	**4**	**53**	**57**
Foreign exchange adjustments	-10	11	1	0	1
Contributions:					
Employer	0	-7	-7	0	-7
Plan particiments	-8	8	0	0	0
Pension benefits paid	0	0	0	0	0
Change in plan consolidation scope	21	-20	2	-84	-82
Fair value of pension schemes	**774**	**-823**	**-49**	**54**	**5**
Plan 1 - Profond	423	-389	34	0	34
Plan 2 - Rivora	352	-434	-83	54	-29
Total	**774**	**-823**	**-49**	**54**	**5**

2023	Present value of liabilities	Fair value of assets in pension schemes	Total	Asset cap	Net pension liability
Beginning of year	662	-773	-111	111	0
Service costs relating to 2023	7	0	7	-1	6
Service costs relating to prior years	0	0	0	0	0
Administrative expenses	0	0	0	0	0
Interest expense/income on pension scheme assets	15	-18	-3	3	0
Total adjustments	**22**	**-18**	**-4**	**-2**	**6**
Recognised in the profit for the year	**685**	**-790**	**-106**	**112**	**6**
Remeasurement:					
Return on pension scheme assets	0	28	28	-14	14
Actuarial gains/losses on changes in demographic assumptions	1	0	1	0	1
Actuarial gains/losses on changes in financial assumptions	45	0	45	-19	27
Experience adjustments	-12	0	-12	3	-9
Changes to asset cap, excluding amounts include in interest income	0	0	0	-5	-5
Recognised in other comprehensive income	**34**	**28**	**63**	**-35**	**28**
Foreign exchange adjustments	44	-49	-4	6	1
Contributions:					
Employer	0	-8	-8	2	-7
Pension scheme participants	8	-8	0	0	0
Pension benefits paid	-48	48	0	0	0
Change in plan consolidation scope	0	0	0	0	0
Fair value of pension schemes	**723**	**-779**	**-56**	**85**	**29**
Plan 1 - Profond	381	-353	29	0	29
Plan 2 - Rivora	342	-427	-85	85	0
Total	**723**	**-779**	**-56**	**85**	**29**

Amounts in DKK million

6.2
Pension liabilities (continued)

Sensitivity analysis

	2024	2023
Sensitivity regarding discount rate -0.5%:		
Effect on liability	-51	-39
Effect on service costs	-1	-1
Sensitivity regarding discount rate +0.5%:		
Effect on liability	44	35
Effect on service costs	1	1

The above sensitivity analyses were determined on the basis of a method that extrapolates the effect of a defined benefit liability from changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on changes to a key assumption on the discount factor, while all other assumptions are held constant. The sensitivity analyses are subject to uncertainty, as it is unlikely that changes in assumptions will occur independently of each other.

The average duration of the defined benefit pension obligations at the end of the reporting period is from 11.6 to 14.6 years (2023: 10.4 to 14.4 years).

§ Accounting policies
The Group has set up pension plans and similar arrangements with the majority of the Group's employees. Liabilities relating to defined contribution plans are recognised in the income statement in the period in which the benefits vest, and payments due are recognised in the balance sheet under other debt. For defined benefit plans, annual actuarial calculations are made of the net present value of future benefits to be paid under the plan. The net present value is calculated based on assumptions of the future developments of salary, interest, inflation and mortality rates, among other things. The net present value is calculated only for those benefits earned by the employees through their past employment with the Group. The actuarial calculation of the net present value less the fair value of any plan assets is recognised in the balance sheet as pension liabilities. Current service cost is recognised in the income statement based on actuarial estimates and financial forecasts at the beginning of the year. Differences between the expected development of pension assets, liabilities and the realised values are termed actuarial gains and losses and are recognised in other comprehensive income. If changes occur in benefits payable regarding the employees' past service with the company, a change in the actuarial net present value arises. This is termed past service cost. Past service cost is recognised immediately if the employees' right to the changed benefit has already vested. If not, it is recognised in the income statement over the period during which the employees' right to the changed benefits vests.

6.3
Total other payables – non-current

	2024	2023
Provisions	41	40
Core liabilities	62	69
Other non-current liabilities	12	6
Prepayments	42	45
Total other payables	**157**	**160**

Provisions made comprise warranty commitments, etc. For certain products, the Group has a contractual commitment to provide warranties from 12 to 24 months. Under these warranties, the Group undertakes to replace or repair goods that do not function satisfactorily. The statement of expected expiry dates is based on previous experience of when claims for repair are typically received or goods are returned. Prepayments mainly consists of investment grants.

§ Accounting policies
Provisions are recognised when, as a consequence of an event occurring before or at the balance sheet date, the Group has a legal or constructive obligation, the settlement of which is likely to result in an outflow from the Group of economic benefits. In the measurement of provisions, the expenditure required to settle the obligation is discounted. Changes in present values during the year are recognised as financial expenses. Warranty commitments are recognised as the sale of goods and services is effected, based on incurred warranty costs from prior financial years. Restructuring costs are recognised as liabilities when a detailed, formal restructuring plan has been announced to the parties affected by such plan on or before the balance sheet date.
On acquisition of enterprises, restructuring provisions relating to the acquired enterprise are included in the calculation of goodwill only if the acquired enterprise has a liability at the date of acquisition.

A provision for onerous contracts is recognised when the unavoidable costs under a contract exceed the expected benefits to the Group from the contract.

Other liabilities are measured at net realisable value.

Contingent consideration (earn-out) agreed in connection with company acquisitions and paid to the seller if certain conditions are met, is recognised at fair value and considered part of the total consideration for acquiring the company. Changes in fair value of the contingent consideration are recognised in the income statement under financial items.

Amounts in DKK million

6.4
Liability regarding put options

	2024	2023
Put options at 1 January	941	871
Foreign exchange adjustments	25	-13
Additions in the year	0	0
Change in liability during the year	-44	83
Put options at 31 December	**923**	**941**
Recognised in the balance sheet as follows:		
Non-current liabilities	479	545
Current liabilities	444	396

The liability regarding put options pertains to BioMar's obligation to buy the outstanding 30% of the shares in Alimentsa (BioMar Ecuador) and the obligation of Schouw & Co. to buy the outstanding 20% of the shares in GPV. The put option in Alimentsa may be exercised at any time to September 2027. The put option is measured at fair value and stated as an average EBITDA of the past three years multiplied by a multiple of 7.4x. During 2024 a small change to the agreement regarding the put option in Alimentsa has been made, the change implies that BioMar now have 60 business days to pay for the shares, if the seller uses the put option.

In the combination of GPV International A/S and Enics AG into the new company of GPV Group A/S, Schouw & Co. holds 80% of GPV Group A/S, while Ahlström Capital B.V. holds the remaining 20% of the company. In connection with the transaction, the parties agreed that Ahlström Capital has a right to sell (put option) its shares in GPV during the three-month period after the release of the annual report for 2025 or 2026. Accordingly, Schouw & Co. has an obligation to buy 20% of the shares in GPV. Schouw & Co. has a similar right to buy Ahlström Capital's shares in GPV (call option), which is exercisable after the release of the annual report for 2026 or 2027. Given the fact that there is both a put and a call option after the release of the annual report for 2026, i.e. around March 2027, this is the most likely time of exercise. The obligation is estimated on the basis of an expected future price of the shares discounted from March 2027 at a discount rate of 13.1%. The expected share price is estimated on the basis of management's estimated developments in earnings and debt plus an agreed price multiple of 7.5x.

§ Accounting policies

Debt relating to a put option for the purchase of non-controlling interests is initially measured at fair value. Fair value is determined as the present value of the exercise price of the option. The option is subsequently measured at amortised cost corresponding to the discounted value of the expected future cash flows. Value adjustments are recognised directly in equity.

6.5
Contingent liabilities

Schouw & Co. is currently a party to a small number of legal disputes. Management believes that the results of these legal disputes will not impact the Group's financial position other than the receivables and liabilities that have been recognised in the balance sheet at 31 December 2024.

The Chilean competition authority, Fiscalía Nacional Económica ("FNE"), initiated an investigation of the Chilean fish feed industry in October 2016. As part of the investigation, BioMar Chile SA and other companies were subject to unannounced inspections. Naturally, BioMar Chile has been cooperative, responding to questions and providing documentation to the extent possible. Further to the industry investigation, the FNE indicted four Chilean fish feed producers, including BioMar Chile SA, on 19 December 2019 on charges of concerted practice, claiming that BioMar Chile SA be fined up to 30,000 annual tax units, which at 31 December 2024 corresponded to approximately DKK 179 million. The charges are based on isolated circumstances related to the Chilean fish feed industry during the 2003-2015 period. The statement of defense was filed to the Chilean Competition Court on 19 May 2020 by BioMar Chile. The whole process has been delayed due to the COVID-19 pandemic, however, the final judgement is expected end of 2025 at the earliest.

BioMar Chile does not acknowledge the charges and has rebutted the charges that it has participated in concerted practices so as to restrict competition in the industry. Based on the Chilean lawyers' opinion in the matter and the information currently available, it is not possible at this stage to anticipate the outcome of the case, neither to determine the probability and amount of a potential outcome. Accordingly, no provision has been recognised at 31 December 2024 concerning the claim submitted.

6.6
Guarantees

The following assets have been provided as security to credit institutions (carrying amount):

	2024	2023
Land and buildings	528	474
Plant and machinery	5	3
Securities	3	1
Total	**537**	**478**

The collateral set out above represents the Group's debt to credit and mortgage-credit institutions of DKK 284 million (2023: DKK 274 million).

Amounts in DKK million

6.7
Financial risk

The Group's risk management policy
Due to the nature of their operations, investments and financing, each of the portfolio businesses are exposed to changes in exchange rates, commodity prices and interest rates.

Finance and interest rate risks are managed at group level through the parent company Schouw & Co. Currency and commodity risks are managed by the portfolio business, but subject to the Group's risk management policy. All financial instrument transactions are intended to contribute to mitigating fluctuations in profit/loss and to secure the value of cash flows. Financial instruments are not used for speculative purposes.

Interest rate risk
Decisions to hedge interest rate risk are made at group level on the basis of an ongoing assessment of the Group's gearing and the ratio of the floating rate debt and equity. The Group's exposure relates to floating rate loans, which amounted to DKK 5,524 million. An analysis of sensitivity to changes in interest rate levels is set out in note 4.2.

Credit risk
The Group's credit risk is primarily related to trade receivables and cash deposits. The Group seeks to avoid significant exposure to individual customers or business partners. The Group's policy for undertaking credit risks involves an ongoing credit assessment of all major customers. At 31 December 2024, the maximum credit risk considering the collateral provided was DKK 6,731 million (trade receivables less collateral + cash). For further information about credit insurance and collateral, se note 2.9.

Currency risk
Most of the Group's portfolio companies cover their currency risk naturally through same-currency procurement and manufacturing in local selling markets. In addition, it is group policy for the portfolio businesses to hedge all significant transaction risks relating to future cash flows. The purpose of hedging is to stabilise the value of the Group's cash flows and mitigate profit/loss volatility. As a general rule, currency risks are hedged by way of forward contracts with a duration of up to 12 months. Individually, the portfolio businesses hedge their exposure by way of currency clauses built into customer and supplier contracts. Based on the foreign exchange exposure at the balance sheet date, the table below shows the anticipated effect on the profit of likely changes in exchange rate crosses:

Currency	Likely change in exchange rate[1]	Effect on profit[2]	Effect on equity[2]
USD/DKK	7.5%	-16	-16
THB/DKK	7.5%	-8	-8
USD/SEK	10.0%	-7	-7
SEK/DKK	7.5%	-6	-6
AUD/USD	10.0%	-5	-5
EUR/DKK	0.5%	12	12
ZAR/DKK	15.0%	11	11
GBP/DKK	7.5%	9	9
USD/CNY	5.0%	7	7
USD/THB	7.5%	6	6

1) Percentage increase in exchange rate.
2) A decrease in the exchange rate would reverse the sign.

Likely change in exchange rate is divided into different categories and based on the historical volatility of the past five years.

It is group policy not to hedge net investments or translation risk relating to the recognition of profit/loss and equity in foreign subsidiaries from average exchange rates in local currencies to the Group's functional currency.

	2024	2023
Market value of hedges		
Currency hedges	5	6
Interest hedges	-14	0
Recognised before tax	**-9**	**6**
Tax on recognised hedge transactions	4	-3
Hedging agreements after tax	**-5**	**3**
Currency hedging agreements expire in maximum (number of months)	12	12
Interest hedging agreements expire in maximum (number of months)	54	0

Risk relating to raw materials
Risk on raw materials prices is not hedged by way of financial instruments.

Amounts in DKK million

6.7
Financial risk (continued)

The Group's debt maturity profile:

2024	Carrying amount	Cash flows including interest: Overdraft facilities without planned repayment	Less than 1 year	After 1 year through 5 years	More than 5 years	Total
Non-derivative financial instruments:						
Banks and other credit institutions	5,603	755	979	4,164	396	6,293
Lease debt	841	0	301	512	86	899
Trade payables	5,787	0	5,769	18	0	5,787
Other payables	2,601	0	2,016	743	0	2,759
Derivative financial instruments:						
Forward currency contracts used as hedging instruments	14	0	14	0	0	14
Interest rate swaps used as hedging instruments	0	0	0	0	0	0
Total recognised in balance sheet	**14,845**	**755**	**9,078**	**5,438**	**482**	**15,752**
Contractual obligations to acquire non-current assets			160	0	0	160
Total liabilities		**755**	**9,238**	**5,438**	**482**	**15,912**

2023	Carrying amount	Cash flows including interest: Overdraft facilities without planned repayment	Less than 1 year	After 1 year through 5 years	More than 5 years	Total
Non-derivative financial instruments:						
Banks and other credit institutions	6,215	985	1,510	3,976	411	6,882
Lease debt	892	0	293	571	85	949
Trade payables	5,422	0	5,422	0	0	5,422
Other payables	2,686	0	2,025	943	0	2,968
Derivative financial instruments:						
Forward currency contracts used as hedging instruments	48	0	47	1	0	48
Interest rate swaps used as hedging instruments	0	0	0	0	0	0
Total recognised in balance sheet	**15,264**	**985**	**9,296**	**5,491**	**497**	**16,269**
Contractual obligations to acquire non-current assets			248	3	0	252
Total liabilities		**985**	**9,545**	**5,495**	**497**	**16,521**

Amounts in DKK million

6.8
Categories of financial assets and liabilities

Financial assets	2024	2023
Non-current assets		
Other securities and investments (level 2)	92	90
Other securities and investments (level 3)	3	2
Financial assets at fair value through profit or loss	**95**	**92**
Other receivables	212	193
Receivables are measured at amortised cost	**212**	**193**
Current assets		
Trade receivables	6,415	5,868
Other receivables	455	430
Cash and cash equivalents	892	584
Receivables are measured at amortised cost	**7,762**	**6,882**
Derivative financial instruments (level 2)	47	23
Hedging instruments measured at fair value	**47**	**23**

Financial liabilities	2024	2023
Non-current liabilities		
Debt to mortgage-credit institutions	245	224
Other credit institutions	4,374	4,865
Other payables	74	76
Financial liabilities at amortised cost	**4,693**	**5,165**
Liabilities regarding put options (level 3)	479	545
Liabilities relating to put options recognised at fair value	**479**	**545**
Current liabilities		
Debt to mortgage-credit institutions	11	11
Other credit institutions	1,813	2,000
Trade payables and other debt	7,377	7,082
Financial liabilities at amortised cost	**9,201**	**9,093**
Liabilities regarding put options (level 3)	444	396
Liabilities relating to put options recognised at fair value	**444**	**396**
Derivative financial instruments (level 2)	28	58
Hedging instruments measured at fair value	**28**	**58**

Level 1) Listed shares, stated at market value of shareholding.
Level 2) Financial instruments valued by external credit institutions using generally accepted valuation techniques on the basis of observable data.
Level 3) Unlisted shares and contingent consideration, stated at estimated value.

Amounts in DKK million

6.8

Categories of financial assets and liabilities (continued)

Fair value of financial assets and liabilities measured at fair value on a recurring basis:

2024	Level 1	Level 2	Level 3	Total
Assets				
Other securities and investments	0	92	3	95
Derivative financial instruments	0	47	0	47
Total assets	**0**	**139**	**3**	**142**
Liabilities				
Liabilities regarding put options - non-current	0	0	479	479
Liabilities regarding put options - current	0	0	444	444
Derivative financial instruments	0	28	0	28
Total liabilities	**0**	**28**	**923**	**951**

2023	Level 1	Level 2	Level 3	Total
Assets				
Other securities and investments	0	90	2	92
Derivative financial instruments	0	23	0	23
Total assets	**0**	**113**	**2**	**115**
Liabilities				
Liabilities regarding put options - non-current	0	0	545	545
Liabilities regarding put options - current	0	0	396	396
Derivative financial instruments	0	58	0	58
Total liabilities	**0**	**58**	**941**	**999**

Level 1) Listed shares, stated at market value of shareholding.
Level 2) Financial instruments valued by external credit institutions using generally accepted valuation techniques on the basis of observable data.
Level 3) Unlisted shares and contingent consideration, stated at estimated value.

Level 3 - movement during the year	Securities	Put-options
Carrying amount 1 January 2024	2	941
Additions	1	0
Change in liability during the year	0	-44
Currency adjustment	0	25
Carrying amount 31 December 2024	**3**	**923**

Amounts in DKK million

The Group uses interest rate swaps and forward currency contracts to hedge fluctuations in the level of interest rates and foreign exchange rates. Forward exchange contracts and interest rate swaps are valued using generally accepted valuation techniques based on relevant observable swap curves and exchange rates (level 2). Other securities and investments forming part of a trading portfolio (level 2) includes the shareholding in Incuba A/S.

The fair value of derivative financial instruments is calculated by way of valuation models such as discounted cash flow models. Anticipated cash flows for individual contracts are based on observable market data such as interest rates and exchange rates. Fair values are also based on credit risk. Non-observable market data account for an insignificant part of the fair value of the derivative financial instruments at the end of the reporting period.

6.9

Fees to auditors appointed by the general meeting

	2024	2023
Statutory audit fees, PwC	13	14
Fees for other assurance engagements, PwC	7	2
Fees for tax and VAT-related services, PwC	1	1
Other services, PwC	2	2
Total fees, PwC	**23**	**19**

Fees for non-audit services provided to Schouw & Co. by PwC mainly consisted of advisory services in relation to due diligence in connection with acquisitions as well as other financial reporting and tax advisory services.

6.10
Related party transactions

Under Danish legislation, Givesco A/S, Lysholt Allé 3, DK-7100 Vejle, members of the Board of Directors, key members of management as well as their family members are considered to be related parties. Related parties also comprise companies in which the individuals mentioned above have material interests. Related parties also comprise subsidiaries, joint arrangements and associates, see note 3.4 to the consolidated financial statements and note 9 to the parent company financial statements, in which Schouw & Co. has control, significant influence or joint control of as well as members of the boards of directors, management boards and senior management of those companies. For information about remuneration and option programmes for key members of management, see note 2.3.

	2024	2023
Joint ventures:		
During the financial year, the Group sold goods in the amount of	8	6
The Group had interest income in the amount of	0	3
At 31 December, the Group had a receivable of	3	50
At 31 December, the Group had debt in the amount of	1	0
During the financial year, the Group received dividends in the amount of	34	0
Associates:		
During the financial year, the Group sold goods in the amount of	456	652
During the financial year, the Group bought goods in the amount of	146	131
At 31 December, the Group had a receivable of	154	216
At 31 December, the Group had debt in the amount of	18	11
During the financial year, the Group received dividends in the amount of	6	29

During 2024, the Group has traded with BioMar-Sagun, BioMar-Tongwei, LetSea, ATC Patagonia, Salmones Austral, LCL Shipping, Young Tech Co. and Micron Specma India. Other than as set out above, there were no transactions with related parties.

Schouw & Co. has registered the following shareholders as holding 5% or more of the share capital: Givesco A/S (28.66%), Direktør Svend Hornsylds Legat (15.12%) and Aktieselskabet Schouw & Co. (7.88%) at 31 December 2024.

6.11
Events after the balance sheet date

Schouw & Co. is not aware of events occurring after December 31, 2024 which are expected to have a material impact on the Group's financial position or outlook.

6.12
New financial reporting regulations

In 2023, Schouw & Co. implemented amendments to IAS 1, IAS 8 and IAS 12, but none of the implemented amendments have a material impact of recognition and measurement for Schouw & Co.

As of the date of publication of this annual report, the IASB had issued a number of new and amended financial reporting standards and interpretations which are not mandatory for Schouw & Co. in 2024. None of these new standards and interpretations are expected to have a material impact of recognition and measurement for Schouw & Co.

The following adopted standards and interpretations that have not yet come into force will be implemented as and when they become mandatory for Schouw & Co. as per the EU effective dates: IAS 21 Currency translation, IFRS 9 Financial instruments, IFRS 18 Presentation and IFRS 19 Subsidiaries without public interests. Schouw & Co. has started to evaluate the implementation of IFRS 18 on the presentation of the financial statements, however the evaluation is still ongoing.

Amounts in DKK million

Note 7
Basis of preparation of the consolidated financial statements

The structure of the Schouw & Co. consolidated financial statements is consistent with that applied last year. In this annual report, the notes have been grouped into five sections. Each section contains comments with a description of the Group's accounting policies. Only material items are presented in the primary statements. Both quantitative and qualitative factors are used in determining whether or not an item is deemed to be material.

Material accounting policy information

The Schouw & Co. annual report for the year ended 31 December 2024 has been prepared in accordance with IFRS accounting standards (IFRS) as adopted by the EU and additional disclosure requirements pursuant to the Danish Financial Statements Act. The annual report is presented in Danish kroner (DKK).

Recognition and measurement
Schouw & Co. has implemented the standards and interpretations which are effective from 2024. The consolidated accounting policies are consistent with those of last year.

iXBRL reporting
The annual report for 2024 is presented in accordance with the applicable requirements of the European Single Electronic Format (ESEF). The iXBRL tagging was performed in accordance with the ESEF taxonomy included in the ESEF regulation and developed on the basis of the IFRS taxonomy issued by IFRS. Where financial statement items in the annual report are not defined in the ESEF taxonomy, an extension has been made to the taxonomy. Apart from extensions related to subtotals, extensions to the taxonomy are linked to elements of the ESEF taxonomy. The annual report filed with the Danish authorities consists of a special technical zip file containing an XHTML document.

Roundings and presentation
In the preparation of the annual report, Schouw & Co. uses minimum amounts of DKK 1,000 in the measurement of underlying data. As the annual report is generally presented in millions of Danish kroner, all amounts provided have been rounded, for which reason some additions may not add up.

Consolidated financial statements
The financial statements of the Group consolidate the financial statements of Schouw & Co. and subsidiaries controlled by Schouw & Co. Control is achieved by directly or indirectly holding or having the disposal of more than 50% of the voting rights or otherwise exercising a controlling influence over the relevant company. Companies in which the Group exercises significant influence but not control are classified as associates. Significant influence is generally achieved by directly or indirectly holding or controlling 20% or more, but less than 50%, of the voting rights. Factors used to determine whether or not the Group has control include de facto control and potential voting rights exercisable at the balance sheet date.

Non-controlling interests are recognised in consolidated companies that are not wholly owned by the Group.

Joint arrangements are activities or companies in which the Group has joint control through collaborative agreements with one or more parties. Joint control implies that unanimous decisions on the relevant activities are required by the parties sharing the controlling influence.

Joint arrangements are classified either as joint ventures or as joint operations. A joint operation refers to activities where the parties have direct rights to assets and direct obligations for liabilities, whereas a joint venture means activities for which the parties only have rights to the net assets.

Schouw & Co. has joint operations consisting of fish feed activities in Costa Rica. This company is consolidated on a pro-rata basis. Schouw & Co. also has joint ventures, including BioMar's operations in Türkiye and China. These businesses are recognised in a single line at the proportionate share of the profit or loss after tax attributable to the Group.

The consolidated financial statements have been prepared by aggregating the financial statements of the parent company, the individual subsidiaries and joint operations prepared in accordance with the Group's accounting policies. Intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains on transactions between the consolidated companies are eliminated. Unrealised gains on transactions with associates and joint ventures are eliminated in proportion to the Group's share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, to the extent that no impairment has occurred.

Foreign currency translation
A functional currency is determined for each of the reporting companies of the Group. The functional currency is the currency used in the primary economic environment in which the reporting entity in question operates. Transactions in currencies other than the functional currency are transactions in foreign currencies.

On initial recognition, transactions denominated in foreign currency are translated at the exchange rate ruling on the transaction date. Exchange differences arising between the exchange rate at the transaction date and the exchange rate at the date of payment are recognised in the income statement under financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currency are translated at the exchange rates ruling at the balance sheet date. The difference between the exchange rate ruling at the balance sheet date and the exchange rate ruling at the date when the receivable or payable arose or the exchange rate applied in the most recent annual report is recognised in the income statement under financial income or financial expenses.

On consolidation of companies with functional currencies other than Danish kroner, the income statements are translated at the exchange rates at the transaction date with the exception of the income statements of the Group's wholly or partly owned companies in Türkiye, which are translated at exchange rates at the balance sheet date in accordance with the rules on adjustment for hyperinflation, in accordance with IAS 29. The balance sheets of the Group's foreign companies are translated at the exchange rate ruling at the balance sheet date. The average exchange rate for each individual month is used as the transaction date exchange rate. Exchange differences arising on the translation of the opening equity of such enterprises at the exchange rates ruling at the balance sheet date and on the translation of the income statements from the exchange rates ruling at the transaction date to the exchange rates ruling at the balance sheet date are recognised in other comprehensive income in the exchange adjustment reserve under equity.

Foreign exchange adjustment of balances that are considered as part of the overall net investment in companies with functional currencies other than Danish kroner, are recognised directly in other comprehensive income in the exchange adjustment reserve under equity. Similarly, exchange gains and losses on the part of loans and derivative financial instruments effectively hedging the net investment in such companies are recognised in other comprehensive income in the exchange adjustment reserve under equity.

On consolidation of associates and joint ventures with functional currencies other than Danish kroner, the pro-rata share of the results is translated at the exchange rates ruling at the transaction date, and the share of equity including goodwill is translated at the exchange rates ruling at the balance sheet date. Exchange differences arising on the translation of the share of the opening equity of foreign associates and joint ventures at exchange rates ruling at the balance sheet date and on the translation of the share of the results for the year from average exchange rates to the exchange rates ruling at the balance sheet date are recognised in other comprehensive income in the exchange adjustment reserve under equity.

Derivative financial instruments

Derivative financial instruments are measured at fair value and recognised in the balance sheet under other receivables or other payables, respectively. The fair value of derivative financial instruments is calculated on the basis of current market data and recognised valuation methods.

Changes in the fair value of derivative financial instruments that effectively hedge the fair value of a recognised asset or a recognised liability are recognised in the income statement together with any changes in the value of the hedged asset or hedged liability. Hedging of future cash flows under agreements are treated as hedging of the fair value of a recognised asset or a recognised liability.

Changes in the part of the fair value of derivative financial instruments effectively hedging future cash flows are recognised in other comprehensive income in the reserve for hedging transactions under equity. On realisation of the hedged transaction, any gains or losses relating to such hedge transactions are transferred from other comprehensive income and recognised in the same item as the hedged item.

Changes in the fair value of derivative financial instruments effectively hedging net investments in foreign subsidiaries or associates are recognised in other comprehensive income in the exchange adjustment reserve under equity.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised as interest income or expenses and similar items in the income statement as they occur.

Equity

The hedging reserve comprises the accumulated net change in the fair value of hedging transactions that qualify as hedges of future cash flows and for which the hedged transaction has yet to be realised. The exchange adjustment reserve in the consolidated financial statements comprises exchange differences arising on the translation of the financial statements of foreign companies from their functional currencies into Danish kroner including exchange differences on financial instruments considered to be a part of the net investment or as hedging of the net investment. The hyperinflation adjustment reserve includes the accumulated effect of the translation of non-monetary items in Türkiye.

Treasury shares

The purchase and sale of treasury shares and dividends thereon are taken directly to retained earnings under equity. Proceeds from the sale of treasury shares in Schouw & Co. in connection with the exercise of share options are taken directly to equity.

Dividend

Dividend is recognised as a liability at the time of adoption by the shareholders at the annual general meeting (the date of declaration). Dividends expected to be declared in respect of the year are stated as a separate line item under equity.

Cash flow statement

The cash flow statement shows the cash flows for the year distributed on operating, investing and financing activities, net changes for the year in cash as well as the cash and cash equivalents at the beginning and end of the year.

Cash flow from acquisitions and divestments of enterprises is shown separately under cash flow from investing activities. In the cash flow statement, cash flow concerning acquired companies are recognised from the date of acquisition, while cash flow concerning divested companies are recognised until the date of divestment.

Cash flow in currencies other than the functional currency is translated at average exchange rates unless these differ materially from the exchange rate ruling at the transaction day.

Cash flow from operating activities is calculated according to the indirect method as EBITDA adjusted for non-cash operating items, changes in working capital, interest paid and income taxes paid.

Cash flow from investing activities comprises payments made in connection with the acquisition and divestment of companies and operations and the purchase and sale of intangible assets, property, plant and equipment and other non-current assets, including loans to customers, as well as the purchase and sale of securities not recognised under cash and cash equivalents. Dividends from associates and joint ventures are included in cash flow from investing activities.

Cash flow from financing activities includes payments to and from shareholders and related expenses as well as the raising of loans, repayments on interest-bearing debt, including lease debt, and the purchase and sale of treasury shares.

Cash and cash equivalents include cash at bank and in hand as well as securities with a maturity of less than three months at the time of acquisition that can immediately be converted into cash and that involve insignificant risk of value fluctuations.

Parent company financial statements

Income statement

1 January – 31 December

Note	Income statement	2024	2023
2	Revenue	16	13
3, 13	Administrative expenses	-78	-65
	Operating profit (EBIT)	**-61**	**-53**
9	Income from investment in subsidiaries	523	543
4	Financial income	598	482
5	Financial expenses	-371	-298
	Profit before tax	**689**	**674**
6	Tax on profit for the year	-41	-31
7	**Profit for the year**	**648**	**643**

Amounts in DKK million

Balance sheet
31 December

Note	Assets	2024	2023
8	Property, plant and equipment	23	22
	Lease assets	1	1
	Total tangible fixed assets	**24**	**23**
9	Investments in subsidiaries	8,971	8,749
10	Financial investments	92	90
6	Deferred tax	7	9
11	Receivables from subsidiaries	200	500
	Total financial fixed assets	**9,270**	**9,348**
	Total fixed assets	**9,294**	**9,371**
11	Receivables from subsidiaries	7,802	8,087
	Other receivables	21	19
	Income tax	14	21
	Total receivables	**7,837**	**8,127**
	Cash and cash equivalents	0	0
	Total current assets	**7,838**	**8,127**
	Total assets	**17,131**	**17,499**

Note	Equity and liabilities	2024	2023
	Share capital	250	255
	Reserve for net revaluation according to the equity method	4,216	3,995
	Hedging reserve	-11	0
	Retained earnings	6,309	6,251
	Proposed dividend	400	408
	Total equity	**11,164**	**10,909**
	Pension liabilities	6	13
	Total provisions	**6**	**13**
12	Mortgage loans	19	20
12	Credit institutions	3,795	4,181
	Total non-current liabilities	**3,820**	**4,214**
12	Mortgage loans	1	1
12	Credit institutions	1,040	1,257
	Payables to subsidiaries	992	1,011
	Trade payables and other payables	49	43
	Corporation tax	66	65
	Total current liabilities	**2,147**	**2,376**
	Total liabilities	**5,967**	**6,591**
	Total equity and liabilities	**17,131**	**17,499**

Notes without reference: Basis of preparation (note 1), Events after the balance sheet date (note 14), Contingent liabilities and guarantees (note 15) and Related party transactions (note 16).

Amounts in DKK million

Statement of shareholder's equity

	Share capital	Reserve for net revaluation according to the equity method	Hedge transaction reserve	Retained earnings	Proposed dividend	Equity
Equity at 1 January 2023	255	4,216	0	5,977	383	10,831
Value adjustment of subsidiaries	0	-256	0	0	0	-256
Profit for the year	0	543	0	-308	408	643
Share-based payment	0	0	0	34	0	34
Other changes in equity of subsidiaries	0	-8	0	0	0	-8
Distributed dividends	0	-500	0	530	-383	-353
Purchase of treasury shares	0	0	0	-75	0	-75
Sale of treasury shares	0	0	0	94	0	94
Total equity changes during the year	**0**	**-221**	**0**	**274**	**26**	**78**
Equity at 31 December 2023	**255**	**3,995**	**0**	**6,251**	**408**	**10,909**
Value adjustment of subsidiaries	0	206	0	0	0	206
Value adjustment of hedging instruments for the year	0	0	-11	0	0	-11
Profit for the year	0	523	0	-275	400	648
Share-based payment	0	0	0	30	0	30
Distributed dividends	0	-509	0	543	-408	-373
Purchase of treasury shares	0	0	0	-291	0	-291
Sale of treasury shares	0	0	0	46	0	46
Reduction of share capital	-5	0	0	5	0	0
Total equity changes during the year	**-5**	**221**	**-11**	**58**	**-8**	**256**
Equity at 31 December 2024	**250**	**4,216**	**-11**	**6,309**	**400**	**11,164**

Amounts in DKK million

Notes to the parent company financial statements

1
Basis of preparation

The parent company financial statements have been prepared in accordance with the Danish Financial Statement Act (Årsregnskabsloven) applying to entries of reporting class D. The annual report is presented in Danish kroner.

The Danish Financial Statement Act allows us to use certain IFRS standards to interpret the act. Therefore we have implemented IFRS 15 and IFRS 16.

Material accounting policy information

Changes in accounting policies
The accounting policies have been changed compared to last year, as the parent company is applying the Danish Financial Statements Act instead of IFRS as was the case in 2023.

When changing accounting policy to the Danish Financial Statements Act, the parent company has elected to use the carrying value of subsidiaries as deemed cost for subsidiaries under the Danish Financial Statements Act as per 1 January 2023 i.e. the parent company has not amortised goodwill before that date. From 1 January 2023 goodwill which forms part of the carrying value of subsidiaries has been amortised and recognised as part of income from subsidiaries.

The accounting policies are the same as for the consolidated financial statements with the adjustments described below. For a description of the Group's accounting policies, please refer to the consolidated financial statements.

Effect from change of accounting policy	2023 before	Change	2023 after
Income statement			
Recognition of share of profit in subsidiaries	835	-292	543
Profit before tax	966	-292	674
Profit for the year	935	-292	643
Balance sheet			
Investments in subsidiaries	9,042	-292	8,749
Total equity	11,201	-292	10,909

Revenue
Revenue comprises management fee to the subsidiaries for various assistance delivered through the period.

Profit/loss from investments in subsidiaries
The proportionate share of the profit or loss of subsidiaries after tax is recognised in the income statement after full elimination of intra-group gains/losses and goodwill amortisation. Goodwill is amortised over 10 years.

Investments in subsidiaries
Investments in subsidiaries are measured at cost on initial recognition and subsequently at the proportionate share of the subsidiaries' net asset value calculated in accordance with the parent company's accounting policies with the deduction or addition of unrealised intra-group gains and losses and with the addition or deduction of goodwill calculated according to the purchase method.

Subsidiaries with a negative net asset value are recognised at DKK 0, and any amount receivable from these subsidiaries is written down to the extent it is deemed to be irrecoverable, by the parent company's share of the negative net asset value. If the negative net asset value exceeds the amount receivable, the residual amount is recognised under provisions to the extent that the parent company has a legal or constructive obligation to cover the subsidiary's negative balance.

The net revaluation of investments is taken to the reserve for net revaluation according to the equity method to the extent the carrying amount exceeds cost.

Newly acquired or newly established subsidiaries are recognised in the financial statements from the date of acquisition.

Subsidiaries disposed of or wound up are recognised until the date of disposal.

Receivables from subsidiaries
Receivables from subsidiaries are recognised at amortised cost and are subsequently measured after deduction of allowance for losses based on an individual assessment.

Equity
Reserve for net revaluation according to the equity method contains the accumulated change of investments in subsidiaries, joint ventures and associates from the date of acquisition until the balance sheet date and expresses the accumulated change in value of the investment while in the Group's ownership.

The purchase and sale of treasury shares and dividends thereon are taken directly to retained earnings under equity.

Treasury shares
Proceeds from the sale of treasury shares in Schouw & Co. in connection with the exercise of share options or employee shares are taken directly to equity.

Dividend
The dividend proposed for the financial year is shown as a separate item under Shareholders' equity.

Cash flow statement
Schouw & Co. has in accordance with the Danish Financial Statements Act, Section 86 (4), not prepared separate cash flow statements. Please refer to the consolidated cash flow statement.

2
Revenue

	2024	2023
Management fee	16	13
Total revenue	**16**	**13**

3
Administrative expenses

	2024	2023
Staff costs	-55	-47
Depreciation and amortisation	-1	-1
Other administrative expenses	-21	-18
Total administrative expenses	**-78**	**-65**
Staff costs:		
Remuneration to the Board of Directors of Schouw & Co.	-4	-4
Wages and salaries	-39	-34
Defined contribution pension plans	-3	-3
Defined benefit pension plans	-2	0
Share-based payment	-6	-7
Total staff costs	**-55**	**-47**
Average no. of employees	22	19

For more information on salaries, pensions and share-based payment to the Executive Management of Schouw & Co., see note 2.3 to the consolidated financial statements. Staff costs including share-based payment are recognised under administrative expenses.

4
Financial income

	2024	2023
Interest income from subsidiaries	564	466
Foreign exchange adjustments	2	5
Other interest income	32	11
Total financial income	**598**	**482**

5
Financial expenses

	2024	2023
Interest payable to subsidiaries	-33	-22
Interest expense on financial liabilities	-326	-260
Foreign exchange adjustments	-11	-16
Total financial expenses	**-371**	**-298**

6
Tax

	2024	2023
Tax on the profit for the year has been calculated as follows:		
Current tax	-39	-32
Deferred tax	-2	1
Total tax recognised in the income statement	**-41**	**-31**
Deferred tax at 1 January	-9	-8
Deferred tax adjustment at 1 January	0	0
Deferred tax for the year recognised in profit/loss for the year	2	-1
Deferred tax for the year recognised in equity	0	0
Deferred tax at 31 December, net	**-7**	**-9**

7
Proposed distribution of profit

	2024	2023
Proposed dividend of DKK 16 per share (2023: DKK 16 per share)	400	408
Retained earnings	248	235
Profit for the year	**648**	**643**

Amounts in DKK million

8
Property, plant and equipment

2024	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2024	20	8	28
Additions	0	2	2
Disposals	0	0	0
Cost at 31 December 2024	**20**	**9**	**29**
Depreciation and impairment at 1 January 2024	-3	-3	-6
Amortisation and impairment of disposed assets	0	0	0
Depreciation	0	-1	-1
Depreciation and impairment at 31 December 2024	**-3**	**-3**	**-7**
Carrying amount at 31 December 2024	**17**	**6**	**23**

2023	Land and buildings	Other fixtures and fittings, tools and equipment	Total
Cost at 1 January 2023	19	8	27
Additions	1	2	3
Disposals	0	-2	-2
Cost at 31 December 2023	**20**	**8**	**28**
Depreciation and impairment at 1 January 2023	-3	-4	-7
Amortisation and impairment of assets disposed of	0	1	1
Depreciation	-0	-1	-1
Depreciation and impairment at 31 December 2023	**-3**	**-3**	**-6**
Carrying amount at 31 December 2023	**17**	**5**	**22**

At 31 December 2024, Schouw & Co. owned the property at Chr. Filtenborgs Plads 1, DK-8000 Aarhus C, which is the Group's head office, and an undeveloped site in Lystrup, Denmark.

9
Investments in subsidiaries

The parent company has the following subsidiaries:

Name	Registered office	Ownership interest 2024	Ownership interest 2023
BioMar Group A/S	Aarhus, Denmark	100%	100%
GPV Group A/S	Vejle, Denmark	80%	80%
HydraSpecma A/S	Skjern, Denmark	100%	100%
Borg Automotive A/S	Silkeborg, Denmark	100%	100%
Fibertex Personal Care A/S	Aalborg, Denmark	100%	100%
Fibertex Nonwovens A/S	Aalborg, Denmark	100%	100%

	2024	**2023**
Cost at 1 January	4,755	4,605
Additions during the year	0	150
Cost at 31 December	**4,755**	**4,755**
Adjustments at 1 January	3,995	4,216
Share of profit for the year	523	543
Dividends paid	-509	-500
Other capital entries	206	-264
Adjustments at 31 December	**4,216**	**3,995**
Carrying amount at 31 December	**8,971**	**8,749**
Of which carrying amount of goodwill (including goodwill in subsidiaries)	2,376	2,629

Please see note 3.4 in the consolidated financial statement for a list of all companies in Schouw & Co.

Amounts in DKK million

10
Financial investments

	2024	2023
Cost at 1 January	43	43
Disposals	0	0
Cost at 31 December	**43**	**43**
Adjustments at 1 January	47	49
Dividends received	-1	-1
Disposals	0	0
Adjustments recognised in the income statement	3	0
Adjustments at 31 December	**49**	**47**
Carrying amount at 31 December	**92**	**90**

Securities consist mainly of a 15.8% shareholding in Incuba A/S.

11
Receivables from subsidiaries

	2024	2023
Receivables from subsidiaries – non-current	200	500
Receivables from subsidiaries – current	7,802	8,087
Total receivables from subsidiaries	**8,002**	**8,587**

Most of the financing of subsidiaries is made through the parent company Schouw & Co. by way of a structure of intra-group loans through cash pools. All non-current receivables falls due within five years.

12
Mortgage loans, credit institutions

Of mortgage loans and credit institutions, DKK 1,040 million is due within one year (2023: DKK 1,258 million), DKK 3,650 million is due between 1-5 years (2023: DKK 3,489 million), and DKK 164 million is due after five years (2023: DKK 165 million).

13
Fee to auditors appointed at the general meeting

	2024	2023
Statutory audit fees	0	0
Fees for other assurance engagements	4	0
Fees for tax and VAT-related services	0	0
Other services	0	1
Total fees PwC	**5**	**2**

14
Events after the balance sheet date

Schouw & Co. is not aware of events occurring after December 31, 2024 which are expected to have a material impact on the companies financial position or outlook.

15
Contingent liabilities and guarantees

Contingent liabilities
The company is jointly taxed with the other Danish group companies. As a management company, the company is jointly and severally liable with the other Danish group companies for Danish income tax and withholding tax on dividends, interest and royalties within the joint taxation pool.

In connection with entering into a power purchase agreement, Schouw & Co. has issued a letter of credit, with an amount of EUR 7.5 million, in guarantee of the obligations assumed by the company under the power purchase agreement for Fundici Solar Farms in Spain.

Guarantees
The following assets have been provided as security to credit institutions:
Land and buildings with a carrying amount of DKK 16 million (2023: DKK 15 million).
The collateral set out above represents the parent company's debt to mortgage-credit institutions of DKK 20 million (2023: DKK 21 million).

Amounts in DKK million

16
Related party transactions

All transactions with related parties have been carried out at arm's length principle. Definition of related parties and concerning other transactions with related parties refer to note 6.10 in the consolidated financial statements.

Schouw & Co. has registered the following shareholders as holding 5% or more of the share capital: Givesco A/S (28.66%), Direktør Svend Hornsylds Legat (15.12%) and Aktieselskabet Schouw & Co. (7.88%) at 31 December 2024.

Statements

Management's statement

To the shareholders of Aktieselskabet Schouw & Co.

The Board of Directors and Executive Management have today considered and adopted the Annual Report of Aktieselskabet Schouw & Co. for the financial year 1 January – 31 December 2024.

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group' financial position at 31 December 2024 and of the results of the Group's operations and cash flows for 2024.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2024 and of the results of the Parent Company's operations for 2024.

In our opinion, Management's Report includes a fair review of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty, which the Group and the Parent Company are facing.

Additionally, the Sustainability Statement, which is part of Management's Report, has been prepared, in all material respects, in accordance with paragraph 99 a of the Danish Financial Statements Act. This includes compliance with the European Sustainability Reporting Standards (ESRS) including that the process undertaken by Management to identify the reported information (the "Process") is in accordance with the description set out in the section titled Double materiality assessment. Furthermore, disclosures within the subsection titled EU Taxonomy in the environmental section of the Sustainability Statement are, in all material respects, in accordance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

The year 2024 marks the initial implementation of paragraph 99 a of the Danish Financial Statements Act concerning compliance with ESRS. As such, more clear guidance and practice are anticipated in various areas, which are expected to be issued in the coming years. Furthermore, the Sustainability Statement includes forward-looking statements based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

In our opinion, the annual report of Aktieselskabet Schouw & Co. for the financial year 1 January to 31 December 2024 with the file name SCHOUW-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Aarhus, 6 March 2025

Executive Board

Jens Bjerg Sørensen President and CEO	Peter Kjær

Board of Directors

Jørgen Dencker Wisborg Chairman	Kenneth Skov Eskildsen Deputy chairman
Kjeld Johannesen	Hans Martin Smith
Søren Stæhr	Sisse Fjelsted Rasmussen

Independent auditor's reports

To the shareholders of Aktieselskabet Schouw & Co.

Report on the audit of the Financial Statements

Our opinion
In our opinion, the Consolidated Financial Statements give a true and fair view of the Group' financial position at 31 December 2024 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2024 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2024 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2024 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited
The Consolidated Financial Statements of Aktieselskabet Schouw & Co. for the financial year 1 January to 31 December 2024 comprise statements of income and comprehensive income, cash flow statement, balance sheet, statement of changes in equity and notes, including material accounting policy information.

The Parent Company Financial Statements of Aktieselskabet Schouw & Co. for the financial year 1 January to 31 December 2024 comprise income statement, balance sheet, statement of changes in equity, and notes, including material accounting policy information. Collectively referred to as the "Financial Statements".

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment
We were first appointed auditors of Aktieselskabet Schouw & Co. on 15 April 2021 for the financial year 2021. We have been reappointed annually by shareholder resolution for a total period of uninterrupted engagement of four years including the financial year 2024.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill Goodwill may be impaired by, for example, increased competition in local markets, changes in the global economy and strategy changes in the Group. Impairment of goodwill involves significant estimates and judgments by Management, including the determination of significant assumptions relating to revenue growth, earnings development and investments during the budget and forecast period, as well as long-term growth rates and discount rates. We focused on impairment testing of goodwill, as the accounting estimates are complex and determination of significant assumptions is inherently subjective. We refer to note 3.7 in the Consolidated Financial Statements.	We carried out risk assessment procedures to obtain an understanding of IT-systems, business processes and relevant internal controls related to impairment of goodwill. We assessed whether the controls were designed and implemented to effectively address the risk of material misstatement. We tested the impairment tests prepared by Management. As part of this, we assessed whether the estimates and judgements made by Management in carrying out these tests were reasonable with specific attention given to significant assumptions used to determine the future cash flows including revenue growth, earnings and investments development in the budget and forecast period as well as long-term growth rates and discount rates. We assessed whether the cash generating units used in the goodwill impairment test were correctly defined. We reviewed the sensitivity analysis over changes in earnings and discount rates. We also assessed the historical accuracy of Management's estimates by comparing the 2024 budget with the realised results. We reviewed and assessed the presentation and disclosure of the impairment tests in the notes.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not as part of the audit express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act. This does not include the requirements in paragraph 99 a related to the sustainability statement covered by the separate auditor's limited assurance report hereon.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act, except for the requirements in paragraph 99 a related to the sustainability statement, cf. above. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements
Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the Financial Statements we performed procedures to express an opinion on whether the annual report of Aktieselskabet Schouw & Co. for the financial year 1 January to 31 December 2024 with the filename SCHOUW-2024-12-31-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human-readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Aktieselskabet Schouw & Co. for the financial year 1 January to 31 December 2024 with the file name SCHOUW-2024-12-31-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Aarhus, 6 March 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Comp. reg. no. 33 77 12 31

Claus Lindholm Jacobsen	Rune Kjeldsen
State Authorised Public Accountant	State Authorised Public Accountant
mne23328	mne34160

Independent auditor's limited assurance report on the Sustainability statement

To the stakeholders of Aktieselskabet Schouw & Co.

Limited assurance conclusion
We have conducted a limited assurance engagement on the Sustainability Statement of Aktieselskabet Schouw & Co. (the “Group”) included in Management’s Report, page 68-141, for the financial year 1 January – 31 December 2024 (the “Sustainability Statement”).

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by Management to identify the information reported in the Sustainability Statement (the “Process”) is in accordance with the description set out in the subsection Double materiality assessment; and
- compliance of the disclosures in subsection EU Taxonomy within the environmental section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”).

Basis for conclusion
We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information (“ISAE 3000 (Revised)”) and the additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Auditor’s responsibilities for the assurance engagement section of our report.

Our independence and quality management
We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Management’s responsibilities for the Sustainability Statement
Management is responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with ESRS and for disclosing this Process as included in subsection Double materiality assessment of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and developing an understanding of its affected stakeholders;
- identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for preparation of the Sustainability Statement, which includes the information identified by the Process, in accordance with the Danish Financial Statements Act paragraph 99 a, including:

- compliance with ESRS;
- preparing the disclosures as included in subsection EU Taxonomy within the environmental section of the Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Auditor's responsibilities for the assurance engagement

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in subsection Double materiality assessment.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to disclosures in the Sustainability Statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by Management; and reviewing the Group's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in subsection Double materiality assessment.
- In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:
- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement including the consolidation processes by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement are in accordance with ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed limited substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the Financial Statements and Management's Report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information; and
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement.

Other matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this limitation of scope.

Aarhus, 6 March 2025

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