

Copenhagen, 27 February 2020

The Tax Authorities appeals the decision in the won tax cases**Company announcement no 4/2020**

As previously announced (company announcement 19/2019) and stated in the annual report 2018, the company had three pending transfer pricing tax cases relating to the divested Plumrose business in Venezuela for the period 2008-14.

EAC Invest did win the main case in the national tax court (Landsskatteretten) in June 2019, but the Tax Authorities (Skattestyrelsen) has referred the case to the court and the case is awaiting further processing.

As announced in company announcement 21/2019, the national tax court (Landsskatteretten) has decided in full in favour of the company in the two pending tax cases related to dividend and royalty. The Danish Tax authorities had 3 months to refer the cases to the court and the Tax Authorities (Skattestyrelsen) has now referred the cases to the court with a request for consideration in the High Court (Landsretten).

The Legal Adviser to the Danish Government (Kammeradvokaten) has requested that all three tax cases are processed collectively in the High Court (Landsretten) and it is expected that the cases will be processed during 2020.

If all cases are ultimately won, this is estimated to have a positive cash impact of around DKK 11m and the company will subsequently have total tax losses carried forward estimated of around DKK 85m.

If all the cases, contrary to expectations, are lost, it will eliminate the carried forward losses and result in a substantial negative cash flow impact, which will cause significant uncertainty around the company's going concern.

Yours sincerely,

EAC Invest A/S

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