

**Statement by Jens Bjerg Sørensen,
President and CEO:**

The positive effects of the diversified nature of the business activities and the spreading of risk in the Schouw & Co. conglomerate were evident once again in the third quarter. Despite the global uncertainties caused by the coronavirus situation, our quarterly revenue surpassed the DKK 6 billion mark for the first time ever and we are delivering the best quarterly EBITDA performance in company history.

Schouw & Co. is well positioned, and our businesses have shown their ability to adapt as well as resilience to economic fluctuations. I'm very pleased that we are now guiding for full-year 2020 EBITDA exceeding the figure we were expecting at the beginning of the year.

2020

INTERIM REPORT THIRD QUARTER

COMPANY ANNOUNCEMENT NO. 8
5 NOVEMBER 2020

HIGHLIGHTS

- Strong Q3 performance with revenue and EBITDA improving
- Strengthened positive cash flows from operations and debt sharply reduced
- Diversified operations mitigating effects of coronavirus implications
- Growing and developing the business still a high priority
- Guidance raised for full-year revenue and EBITDA

| | |
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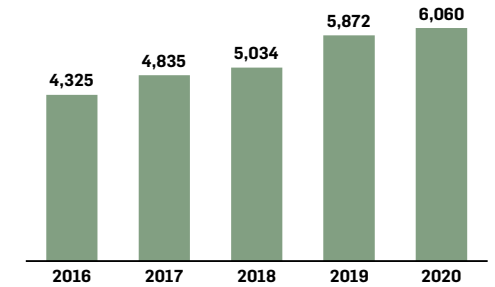
Financial highlights and key ratios

This is a translation of Schouw & Co.'s Interim Report for the nine months ended 30 September 2020. The original Danish text shall be controlling for all purposes, and in case of discrepancy, the Danish wording shall be applicable.

| GROUP SUMMARY (DKK m) | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--|---------|---------|----------|----------|---------|
| REVENUE AND INCOME | | | | | |
| Revenue | 6,060 | 5,872 | 15,800 | 15,517 | 20,946 |
| EBITDA | 676 | 621 | 1,626 | 1,441 | 1,951 |
| Depreciation and impairment losses | 211 | 200 | 624 | 595 | 802 |
| EBIT | 465 | 421 | 1,002 | 846 | 1,149 |
| Profit/loss after tax in associates and joint ventures | -44 | 11 | -35 | 33 | 50 |
| Gains on equity divestments | 0 | 0 | 2 | 29 | 29 |
| Net financials | -30 | -20 | -94 | -65 | -79 |
| Profit before tax | 391 | 411 | 875 | 843 | 1,149 |
| Profit for the period | 296 | 316 | 658 | 657 | 906 |
| Cash flows | | | | | |
| Cash flows from operating activities | 1,079 | 724 | 1,867 | 952 | 1,410 |
| Cash flow from investing activities | -159 | -170 | -373 | -810 | -1,043 |
| Of which investment in property, plant and equipment | -154 | -203 | -366 | -570 | -774 |
| Cash flows from financing activities | -840 | -541 | -1,329 | -123 | -421 |
| Cash flows for the period | 79 | 14 | 166 | 19 | -54 |
| Invested capital and financing | | | | | |
| Invested capital (ex. goodwill) | 9,493 | 10,533 | 9,493 | 10,533 | 10,510 |
| Total assets | 18,379 | 19,487 | 18,379 | 19,487 | 18,777 |
| Working capital | 3,172 | 3,795 | 3,172 | 3,795 | 3,738 |
| Net interest-bearing debt (NIBD) | 2,190 | 3,553 | 2,190 | 3,553 | 3,298 |
| Share of equity attributable to shareholders of Schouw & Co. | 9,444 | 9,247 | 9,444 | 9,247 | 9,519 |
| Non-controlling interests | -1 | 5 | -1 | 5 | 2 |
| Total equity | 9,444 | 9,252 | 9,444 | 9,252 | 9,521 |
| Financial data | | | | | |
| EBITDA margin (%) | 11.2 | 10.6 | 10.3 | 9.3 | 9.3 |
| EBIT margin (%) | 7.7 | 7.2 | 6.3 | 5.5 | 5.5 |
| EBT margin (%) | 6.5 | 7.0 | 5.5 | 5.4 | 5.5 |
| Return on equity (%) | 9.8 | 10.2 | 9.8 | 10.2 | 10.0 |
| Equity ratio (%) | 51.4 | 47.5 | 51.4 | 47.5 | 50.7 |
| ROIC excluding goodwill (%) | 14.2 | 12.8 | 14.2 | 12.8 | 12.3 |
| ROIC including goodwill (%) | 11.4 | 10.3 | 11.4 | 10.3 | 10.0 |
| NIBD/EBITDA ratio | 1.0 | 1.9 | 1.0 | 1.9 | 1.7 |
| Average no. of employees | 9,305 | 9,756 | 9,383 | 9,738 | 9,683 |
| Per share data | | | | | |
| Earnings per share (of DKK 10) | 12.36 | 13.31 | 27.61 | 27.73 | 38.27 |
| Diluted earnings per share (of DKK 10) | 12.36 | 13.30 | 27.59 | 27.71 | 38.27 |
| Net asset value per share (of DKK 10) | 393.85 | 388.59 | 393.85 | 388.59 | 397.34 |
| Share price, end of period (per share DKK 10) | 616.00 | 478.80 | 616.00 | 478.80 | 560.00 |
| Price/Net asset value | 1.56 | 1.23 | 1.56 | 1.23 | 1.41 |
| Market capitalisation at year end | 14,771 | 11,394 | 14,771 | 11,394 | 13,415 |

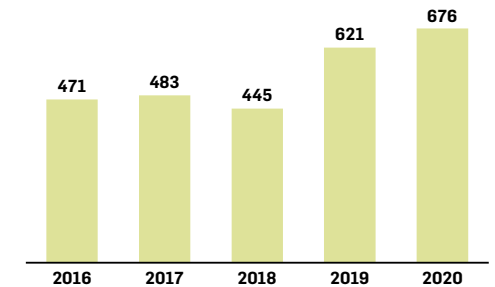
Revenue, third quarter

(DKK m)



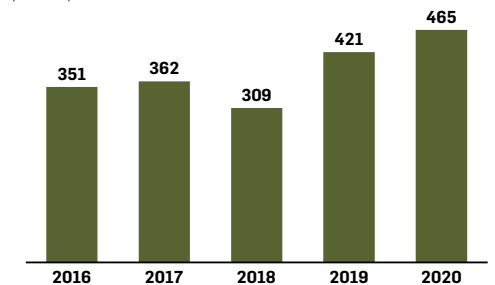
EBITDA, third quarter

(DKK m)



EBIT, third quarter

(DKK m)



Interim report – Third quarter 2020

Strong Q3 performance with revenue and EBITDA improving. Successfully capitalised on business opportunities. Strengthened positive cash flows from operations and debt sharply reduced. Growing and developing the business still a high priority.

Financial performance

| (DKKm) | Q3 2020 | Q3 2019 | Change | |
|--------------------------------------|-------------|-------------|--------|-------|
| Revenue | 6,060 | 5,872 | 188 | 3% |
| EBITDA | 676 | 621 | 55 | 9% |
| EBIT | 465 | 421 | 44 | 11% |
| Associates and JVs | -44 | 11 | -54 | -510% |
| Profit before tax | 391 | 411 | -20 | -5% |
| Cash flows from operating activities | 1,079 | 724 | 355 | 49% |
| (DKKm) | YTD 2020 | YTD 2019 | Change | |
| Revenue | 15,800 | 15,517 | 283 | 2% |
| EBITDA | 1,626 | 1,441 | 185 | 13% |
| EBIT | 1,002 | 846 | 156 | 18% |
| Associates and JVs | -35 | 33 | -68 | -207% |
| Profit before tax | 875 | 843 | 32 | 4% |
| Cash flows from operating activities | 1,867 | 952 | 915 | 96% |
| Net interest-bearing debt | 2,190 | 3,553 | -1,363 | -38% |
| Working capital | 3,172 | 3,795 | -623 | -16% |
| ROIC excluding goodwill | 14.2% | 12.8% | 1.4pp | |
| ROIC including goodwill | 11.4% | 10.3% | 1.1pp | |

The Schouw & Co. Group had a good third quarter of 2020, even though the Group's portfolio companies are still affected by the coronavirus situation in different ways. The nature of the Group's industry structure ensures diversified risk, and the portfolio businesses have adjusted their operations in ways to successfully capitalise on business opportunities that have arisen.

Consolidated revenue improved by 3% to DKK 6,060 million in Q3 2020 from DKK 5,872 million

in Q3 2019. The increase was driven by increased revenue in BioMar, GPV and Fibertex Nonwovens. Fibertex Personal Care reported improved volume sales, but also a drop in revenue due to lower prices of raw materials and, as a result, lower selling prices, while HydraSpecma and Borg Automotive both reported slightly lower revenue than in Q3 2019.

EBITDA was up by 9% from DKK 621 million in Q3 2019 to DKK 676 million in Q3 2020. The improvement was attributable in particular to Fibertex Nonwovens and GPV, but all portfolio businesses contributed with the exception of BioMar. The Group's businesses have to a moderate extent received wage compensation for their employees, primarily in countries other than Denmark.

The aggregate share of profit/loss after tax in associates and joint ventures was a loss of DKK 44 million in Q3 2020, compared with an aggregate profit of DKK 11 million in Q3 2019. In both periods, the share of profit or loss was from BioMar's associates and joint ventures, and this year's decline was predominantly attributable to a drop in Salmones Austral's earnings due to significantly lower settlement prices for farmed salmon.

Consolidated net financial items were an expense of DKK 30 million in Q3 2020, compared with a DKK 20 million expense in Q3 2019. The larger expense was mainly the result of several negative

foreign exchange adjustments, etc. in Q3 2020 than last year, whereas actual net interest expenses fell to DKK 16 million compared with DKK 26 million in Q3 2019.

ROIC excluding goodwill improved from 13.4% at 30 June 2020 to 14.2% at 30 September 2020, driven mainly by the profit improvement and the reduced working capital.

Liquidity and capital resources

The Group's operations generated a cash inflow of DKK 1,079 million in Q3 2020, compared with DKK 724 million in Q3 2019. The improvement was driven especially by BioMar, but the two Fibertex businesses and Borg Automotive also contributed. Only GPV and HydraSpecma reported a drop in cash flows from operations. DKK 125 million of the improvement was due to extended deadlines for paying in VAT and employee income taxes, etc. caused by the coronavirus situation. Cash flows for investing activities in Q3 2020 amounted to DKK 159 million, against DKK 170 million in Q3 2019.

The consolidated net interest-bearing debt was reduced from DKK 3,046 million at 30 June 2020 to DKK 2,190 million at 30 September 2020. Accordingly, the key credit ratio NIBD/EBITDA improved from 1.5 at 30 June 2020 to 1.0 at 30 September 2020.

Working capital fell from DKK 3,681 million at 30 June 2020 to DKK 3,172 million at 30 September 2020. The reduction in working capital was mainly attributable to BioMar, but all the other businesses either reduced or kept their working capital unchanged.

Group developments

Since the first quarter of 2020, the companies of the Schouw & Co. Group have worked to align their businesses to a situation in which coronavirus is a part of day-to-day operations. This is a comprehensive task, given the fact that the Group operates production facilities in 29 countries and sells its products in more than 100 countries but, at the same time, the diverse nature of the portfolio companies has shown the strength of the conglomerate.

The Group's businesses have truly managed to incorporate the necessary precautions to tackle the coronavirus situation in their day-to-day operations, and the Group managed to maintain near-normal operations and its usual service levels throughout the quarter. The primary objective of the strategy for addressing the coronavirus situation has been, first of all, to organise good and safe working conditions for the employees and, next, to keep operations as near-normal as possible. Generally, these efforts have produced better-than-expected results, and several of the businesses have seen new and attractive business opportunities. →

Interim report – Third quarter 2020

The consolidated cash flows from operations have been strong, both in the third quarter and for the year to date. Combined with a moderate investment rate, this has enabled the Group to sharply reduce its debt. However, growing and developing the businesses remains an important objective, and the Group's portfolio companies are currently working on a number of significant capacity-increasing investments. Also, Borg Automotive signed an agreement in the third quarter of 2020 to acquire the turbocharger operations from Spanish remanufacturing company Turbo Motor Inyección (TMI).

The following is a brief review of other business developments in the portfolio companies during the quarter.

BioMar reported a good third quarter with improved revenue driven mainly by higher volume sales in the Salmon division. Reported EBITDA fell relative to the year-earlier period, mainly due to unfavourable exchange rate developments.

Fibertex Personal Care reported an improvement in volume sales and a strong profit. However, revenue was down due to a drop in selling prices driven by lower prices of raw materials.

Fibertex Nonwovens reported strong improvements in revenue and EBITDA as volume sales to the automotive industry stabilised and thanks to healthy demand from other segments.

GPV reported strong revenue and EBITDA improvements driven by growing demand from certain segments, including MedTech.

HydraSpecma reported strong sales of solutions for wind turbines and other stationary equipment as well as growing demand for products for the vehicles segment. Revenue was slightly lower than last year, but EBITDA improved relative to Q3 2019.

Borg Automotive reported stabilising business activity in important markets during the quarter. Revenue was slightly lower than last year, but EBITDA improved relative to Q3 2019.

Accounting policies

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for the consolidated and parent company financial statements of listed companies.

Schouw & Co. has implemented the standards and interpretations which are effective from 2020. Wage compensation received has been offset against relevant wage costs.

See the 2019 Annual Report for a full description of the accounting policies.

Schouw & Co. shares

Schouw & Co. shares appreciated by 17% during the third quarter to DKK 616.00 at 30 September 2020 from DKK 528.00 at 30 June 2020.

Judgments and estimates

The preparation of interim financial statements requires management to make accounting judgments and estimates that affect recognised assets, liabilities, income and expenses. Actual results may differ from these judgments and estimates.

Special risks

The overall risk factors the Schouw & Co. Group faces are discussed in the 2019 Annual Report. The current assessment of special risks is largely unchanged from the assessment applied in the preparation of the 2019 Annual Report. It is important to note, however, that risks relating to the coronavirus situation, which at the time the annual report was being prepared, was limited to China and a few other countries, has now escalated into a global pandemic.

Roundings and presentation

The amounts appearing in this interim report have generally been rounded to the nearest million using standard rounding principles. Accordingly, some additions may not add up.

Events after the balance sheet date

Other than as set out elsewhere in this interim report, Schouw & Co. is not aware of events occurring after 30 September 2020 which are expected to have a material impact on the Group's financial position or outlook.

Outlook

Revenue and EBITDA guidance raised on expectations of stable market conditions for the rest of the year. Ownership interest in Salmones Austral expected to produce a loss.

Outlook for 2020

Coronavirus has been an extremely dominant factor in 2020, but as the year progressed the diversified nature of our conglomerate structure has proven its worth, helping to mitigate the consequences of the unusual situation. This new reality has made many companies consider their future organisational structure. We believe that many of the Group's customers prefer to strengthen their supply chains by seeking a better geographical spread and long-term partnerships with responsible suppliers. For the companies of the Schouw & Co. Group, that will offer a potential for long-term business relations.

After the second quarter, Schouw & Co. expected consolidated revenue for 2020 of about DKK 20.6 billion with EBITDA in the 1,940-2,110 million range. Following the good third quarter performance and the immediate prospects of stable market conditions, the Group is now raising its revenue guidance to approximately DKK 21 billion and its FY EBITDA guidance to DKK 2,070-2,220 million.

Associates and joint ventures are now expected to make a negative contribution of DKK 30-40 million in 2020 instead of the previous estimate of a DKK 10 million share of profit. The reduced estimate is mainly attributable to Salmones Austral. In addition, net financial expenses are expected to increase by about DKK 5 million relative to the previous forecast.

Naturally, the full-year guidance is subject to how

the coronavirus situation unfolds going forward. The following is a brief review of the full-year outlook for each individual company in 2020:

BioMar maintains its guidance of revenue of about DKK 11.5 billion. The EBITDA guidance range is changed to DKK 960-1,000 million, narrowed towards the upper end of the previous range.

Fibertex Personal Care maintains its guidance for revenue of about DKK 2.1 billion. The EBITDA guidance range is maintained at DKK 390-420 million.

Fibertex Nonwovens now projects revenue of DKK 1.7 billion, which is at the top end of the previous guidance range. At the same time, the company raises its EBITDA forecast to the DKK 245-265 million range from previously DKK 205-225 million.

GPV is now guiding for revenue in the DKK 2.8-2.9 billion range from previously about DKK 2.7 billion and raises its EBITDA guidance range to DKK 230-250 million from previously DKK 200-230 million.

HydraSpecma now forecasts revenue of just over DKK 1.9 billion, up from previously DKK 1.8 billion. The EBITDA guidance range is also raised, to DKK 185-205 million from previously DKK 160-180 million.

Borg Automotive now expects revenue in the DKK 850-900 million range, which is slightly

higher than previously expected. The full-year EBITDA guidance range is raised to DKK 90-110 million from the previous forecast of DKK 75-85 million.

| REVENUE (DKKm) | 2020F after Q3 | 2020F after Q2 | 2019 realised |
|------------------------|-------------------|-------------------|------------------|
| BioMar | c. 11,500 | c. 11,500 | 11,180 |
| Fibertex Personal Care | c. 2,100 | c. 2,100 | 2,183 |
| Fibertex Nonwovens | c. 1,700 | c. 1,650 | 1,705 |
| GPV | c. 2,850 | c. 2,700 | 2,856 |
| HydraSpecma | c. 1,925 | c. 1,800 | 2,123 |
| Borg Automotive | c. 875 | c. 850 | 918 |
| Other/eliminations | - | - | -18 |
| Total revenue | c. 20,950 | c. 20,600 | 20,946 |

| EBITDA (DKKm) | 2020F after Q3 | 2020F after Q2 | 2019 realised |
|--------------------------|--------------------|--------------------|------------------|
| BioMar | 960-1,000 | 940-1,000 | 966 |
| Fibertex Personal Care | 390-420 | 390-420 | 352 |
| Fibertex Nonwovens | 245-265 | 205-225 | 141 |
| GPV | 230-250 | 200-230 | 196 |
| HydraSpecma | 185-205 | 160-180 | 215 |
| Borg Automotive | 90-110 | 75-85 | 110 |
| Other | -30 | -30 | -29 |
| Total EBITDA | 2,070-2,220 | 1,940-2,110 | 1,951 |
| PPA depreciation | -100 | -100 | -88 |
| Other depreciation | -745 | -745 | -714 |
| Total EBIT | 1,225-1,375 | 1,095-1,265 | 1,149 |
| Associates, JVs, etc. | c. -35 | 10 | 50 |
| Equity divestments | - | - | 29 |
| Other financial items | c. -115 | -110 | -79 |
| Profit before tax | 1,075-1,225 | 995-1,165 | 1,149 |

Management Statement

To the shareholders of Aktieselskabet Schouw & Co.

The Board of Directors and Executive Management today considered and approved the interim report for the period 1 January to 30 September 2020.

The interim report, which has been neither audited nor reviewed by the company's auditors, was prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's assets,

liabilities and financial position at 30 September 2020 and of the results of the Group's operations and cash flows for the nine months ended 30 September 2020.

Furthermore, in our opinion the management's report includes a fair review of the development and performance of the business, the results for the period and the Group's financial position in general and describes the principal risks and uncertainties that it faces.

Aarhus, 5 November 2020

Executive Management

Jens Bjerg Sørensen
President and CEO

Peter Kjær

Board of Directors

Jørn Ankær Thomsen
Chairman

Jørgen Wisborg
Deputy Chairman

Kjeld Johannesen

Agnete Raaschou-Nielsen

Hans Martin Smith

Kenneth Skov Eskildsen

Financial calendar for 2021

| | |
|------------------|---|
| 3 March 2021 | Deadline for submission of proposals to be considered at the annual general meeting |
| 5 March 2021 | Release of 2020 annual report |
| 15 April 2021 | Annual general meeting |
| 20 April 2021 | Expected distribution of dividend |
| 6 May 2021 | Release of Q1 2021 interim report |
| 12 August 2021 | Release of H1 2021 interim report |
| 11 November 2021 | Release of Q3 2021 interim report |

The company provides detailed information about contacts and times of conference calls held in connection with the release of its annual and interim reports through company announcements and postings on its website, www.schouw.dk.

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Company reg. (CVR) no. 63965812

Our businesses

| | |
|--|----|
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| Fibertex Personal Care | 12 |
| Fibertex Nonwovens | 13 |
| GPV | 14 |
| HydraSpecma | 15 |
| Borg Automotive | 16 |

Portfolio company financial highlights – Q3

| | BioMar | | Fibertex Personal Care | | Fibertex Nonwovens | | GPV | | HydraSpecma | | Borg Automotive | | Group | |
|---|--------|-------|------------------------|-------|--------------------|-------|-------|-------|-------------|-------|-----------------|-------|--------|--------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| INCOME STATEMENT | | | | | | | | | | | | | | |
| Revenue | 3,528 | 3,404 | 509 | 541 | 478 | 437 | 836 | 741 | 473 | 494 | 242 | 258 | 6,060 | 5,872 |
| Gross profit | 452 | 495 | 125 | 106 | 115 | 86 | 137 | 117 | 120 | 125 | 60 | 59 | 1,010 | 988 |
| EBITDA | 326 | 345 | 97 | 93 | 80 | 47 | 84 | 56 | 57 | 53 | 38 | 32 | 676 | 621 |
| Depreciation and impairment losses | 85 | 81 | 33 | 34 | 30 | 25 | 29 | 28 | 22 | 20 | 12 | 12 | 211 | 200 |
| EBIT | 241 | 264 | 64 | 59 | 50 | 23 | 55 | 27 | 35 | 33 | 26 | 21 | 465 | 421 |
| Profit after tax in associates and JVs | -44 | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -44 | 11 |
| Gains on equity divestments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net financial items | -17 | -15 | -6 | 3 | -6 | -6 | -4 | -9 | -10 | -4 | 0 | -4 | -30 | -20 |
| Profit/loss before tax | 180 | 260 | 57 | 62 | 45 | 16 | 50 | 18 | 25 | 30 | 26 | 17 | 391 | 411 |
| Tax on profit for the period | -47 | -62 | -13 | -14 | -9 | -3 | -12 | -4 | -6 | -7 | -5 | -3 | -95 | -95 |
| Profit for the period | 134 | 198 | 44 | 48 | 36 | 13 | 38 | 14 | 19 | 22 | 20 | 13 | 296 | 316 |
| Non-controlling interests | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Schouw & Co.'s share of the profit | 134 | 198 | 44 | 48 | 36 | 15 | 38 | 14 | 19 | 22 | 20 | 13 | 296 | 317 |
| CASH FLOWS | | | | | | | | | | | | | | |
| Cash flows from operating activities | 709 | 343 | 122 | 87 | 74 | 60 | 43 | 102 | 59 | 72 | 56 | 38 | 1,079 | 724 |
| Cash flow from investing activities | -27 | -84 | -66 | -11 | -21 | -27 | -10 | -29 | -35 | -15 | -1 | -2 | -159 | -170 |
| Cash flows from financing activities | -707 | -255 | -54 | -135 | -42 | -26 | -12 | -5 | -30 | -58 | -60 | -40 | -840 | -541 |
| BALANCE SHEET | | | | | | | | | | | | | | |
| Intangible assets ¹ | 1,231 | 1,350 | 74 | 80 | 138 | 157 | 411 | 426 | 238 | 239 | 302 | 327 | 3,421 | 3,605 |
| Property, plant and equipment | 1,643 | 1,684 | 1,296 | 1,398 | 914 | 953 | 423 | 480 | 295 | 244 | 89 | 90 | 4,690 | 4,879 |
| Other non-current assets | 1,055 | 1,201 | 58 | 73 | 6 | 10 | 165 | 183 | 116 | 129 | 82 | 91 | 1,502 | 1,705 |
| Cash and cash equivalents | 677 | 450 | 28 | 24 | 113 | 54 | 194 | 174 | 61 | 62 | 105 | 54 | 671 | 613 |
| Other current assets | 4,138 | 4,418 | 549 | 633 | 748 | 801 | 1,302 | 1,292 | 961 | 1,024 | 412 | 531 | 8,095 | 8,685 |
| Total assets | 8,744 | 9,103 | 2,006 | 2,208 | 1,921 | 1,975 | 2,496 | 2,554 | 1,671 | 1,697 | 990 | 1,093 | 18,379 | 19,487 |
| Shareholders' equity | 2,615 | 2,721 | 1,091 | 1,069 | 635 | 671 | 873 | 850 | 545 | 512 | 518 | 561 | 9,444 | 9,252 |
| Interest-bearing liabilities | 2,373 | 2,559 | 396 | 634 | 998 | 1,031 | 952 | 1,071 | 735 | 793 | 35 | 101 | 2,904 | 4,207 |
| Other liabilities | 3,757 | 3,823 | 519 | 505 | 288 | 272 | 672 | 633 | 391 | 392 | 437 | 431 | 6,031 | 6,029 |
| Total equity and liabilities | 8,744 | 9,103 | 2,006 | 2,208 | 1,921 | 1,975 | 2,496 | 2,554 | 1,671 | 1,697 | 990 | 1,093 | 18,379 | 19,487 |
| Average no. of employees | 1,393 | 1,254 | 752 | 755 | 1,016 | 1,028 | 3,638 | 3,883 | 1,139 | 1,235 | 1,355 | 1,588 | 9,305 | 9,756 |
| FINANCIAL KEY FIGURES | | | | | | | | | | | | | | |
| EBITDA margin | 9.3% | 10.1% | 19.0% | 17.2% | 16.8% | 10.8% | 10.0% | 7.5% | 12.0% | 10.8% | 15.6% | 12.5% | 11.2% | 10.6% |
| EBIT margin | 6.8% | 7.8% | 12.5% | 10.9% | 10.5% | 5.2% | 6.5% | 3.7% | 7.4% | 6.7% | 10.7% | 8.0% | 7.7% | 7.2% |
| ROIC excluding goodwill | 18.8% | 19.2% | 17.9% | 12.9% | 7.5% | 4.3% | 9.2% | 6.3% | 11.8% | 15.1% | 15.2% | 16.2% | 14.2% | 12.8% |
| ROIC including goodwill | 13.8% | 13.5% | 16.8% | 12.2% | 7.0% | 3.9% | 8.3% | 5.8% | 10.5% | 13.4% | 7.7% | 8.8% | 11.4% | 10.3% |
| Working capital | 966 | 1,226 | 248 | 351 | 481 | 546 | 805 | 805 | 624 | 689 | 60 | 184 | 3,172 | 3,795 |
| Net interest-bearing debt | 1,655 | 2,070 | 367 | 610 | 884 | 977 | 757 | 898 | 674 | 732 | -70 | 47 | 2,190 | 3,553 |

Notes: 1) Intangible assets in portfolio businesses stated exclusive of consolidated goodwill in Schouw & Co.

Portfolio company financial highlights – 9M

| | BioMar | | Fibertex Personal Care | | Fibertex Nonwovens | | GPV | | HydraSpecma | | Borg Automotive | | Group | |
|---|--------|-------|------------------------|-------|--------------------|-------|-------|-------|-------------|-------|-----------------|-------|--------|--------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| INCOME STATEMENT | | | | | | | | | | | | | | |
| Revenue | 8,604 | 8,055 | 1,593 | 1,637 | 1,315 | 1,332 | 2,191 | 2,173 | 1,464 | 1,615 | 647 | 719 | 15,800 | 15,517 |
| Gross profit | 1,072 | 1,050 | 394 | 305 | 312 | 254 | 325 | 324 | 367 | 408 | 139 | 171 | 2,610 | 2,513 |
| EBITDA | 707 | 667 | 322 | 265 | 194 | 125 | 191 | 143 | 160 | 178 | 73 | 86 | 1,626 | 1,441 |
| Depreciation and impairment losses | 251 | 235 | 103 | 102 | 81 | 74 | 88 | 89 | 64 | 58 | 36 | 35 | 624 | 595 |
| EBIT | 456 | 432 | 219 | 162 | 114 | 50 | 103 | 54 | 96 | 120 | 37 | 50 | 1,002 | 846 |
| Profit after tax in associates and JVs | -35 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -35 | 33 |
| Gains on equity divestments | 0 | 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 29 |
| Net financial items | -46 | -44 | -10 | -5 | -27 | -22 | -19 | -21 | -30 | -12 | -5 | -4 | -94 | -65 |
| Profit/loss before tax | 374 | 450 | 209 | 157 | 87 | 29 | 84 | 33 | 65 | 107 | 32 | 46 | 875 | 843 |
| Tax on profit for the period | -100 | -101 | -49 | -36 | -20 | -6 | -21 | -7 | -16 | -22 | -7 | -9 | -217 | -186 |
| Profit for the period | 274 | 349 | 160 | 121 | 67 | 23 | 64 | 26 | 50 | 85 | 25 | 37 | 658 | 657 |
| Non-controlling interests | 0 | 0 | 0 | 0 | 3 | 3 | 0 | 0 | 1 | -1 | 0 | 0 | 4 | 2 |
| Schouw & Co.'s share of the profit | 274 | 349 | 160 | 121 | 70 | 26 | 64 | 26 | 51 | 84 | 25 | 37 | 662 | 659 |
| CASH FLOWS | | | | | | | | | | | | | | |
| Cash flows from operating activities | 872 | 193 | 371 | 351 | 168 | 61 | 95 | 149 | 173 | 115 | 138 | 26 | 1,867 | 952 |
| Cash flow from investing activities | -121 | -418 | -78 | -47 | -71 | -203 | -24 | -88 | -74 | -41 | -5 | -16 | -373 | -810 |
| Cash flows from financing activities | -664 | 264 | -295 | -311 | -68 | 145 | -109 | -48 | -87 | -69 | -127 | -9 | -1,329 | -123 |
| BALANCE SHEET | | | | | | | | | | | | | | |
| Intangible assets ¹ | 1,231 | 1,350 | 74 | 80 | 138 | 157 | 411 | 426 | 238 | 239 | 302 | 327 | 3,421 | 3,605 |
| Property, plant and equipment | 1,643 | 1,684 | 1,296 | 1,398 | 914 | 953 | 423 | 480 | 295 | 244 | 89 | 90 | 4,690 | 4,879 |
| Other non-current assets | 1,055 | 1,201 | 58 | 73 | 6 | 10 | 165 | 183 | 116 | 129 | 82 | 91 | 1,502 | 1,705 |
| Cash and cash equivalents | 677 | 450 | 28 | 24 | 113 | 54 | 194 | 174 | 61 | 62 | 105 | 54 | 671 | 613 |
| Other current assets | 4,138 | 4,418 | 549 | 633 | 748 | 801 | 1,302 | 1,292 | 961 | 1,024 | 412 | 531 | 8,095 | 8,685 |
| Total assets | 8,744 | 9,103 | 2,006 | 2,208 | 1,921 | 1,975 | 2,496 | 2,554 | 1,671 | 1,697 | 990 | 1,093 | 18,379 | 19,487 |
| Shareholders' equity | 2,615 | 2,721 | 1,091 | 1,069 | 635 | 671 | 873 | 850 | 545 | 512 | 518 | 561 | 9,444 | 9,252 |
| Interest-bearing liabilities | 2,373 | 2,559 | 396 | 634 | 998 | 1,031 | 952 | 1,071 | 735 | 793 | 35 | 101 | 2,904 | 4,207 |
| Other liabilities | 3,757 | 3,823 | 519 | 505 | 288 | 272 | 672 | 633 | 391 | 392 | 437 | 431 | 6,031 | 6,029 |
| Total equity and liabilities | 8,744 | 9,103 | 2,006 | 2,208 | 1,921 | 1,975 | 2,496 | 2,554 | 1,671 | 1,697 | 990 | 1,093 | 18,379 | 19,487 |
| Average no. of employees | 1,371 | 1,226 | 744 | 745 | 1,004 | 1,027 | 3,626 | 3,871 | 1,168 | 1,221 | 1,456 | 1,634 | 9,383 | 9,738 |
| FINANCIAL KEY FIGURES | | | | | | | | | | | | | | |
| EBITDA margin | 8.2% | 8.3% | 20.2% | 16.2% | 14.8% | 9.4% | 8.7% | 6.6% | 10.9% | 11.0% | 11.3% | 11.9% | 10.3% | 9.3% |
| EBIT margin | 5.3% | 5.4% | 13.7% | 9.9% | 8.6% | 3.8% | 4.7% | 2.5% | 6.5% | 7.4% | 5.7% | 7.0% | 6.3% | 5.5% |
| ROIC excluding goodwill | 18.8% | 19.2% | 17.9% | 12.9% | 7.5% | 4.3% | 9.2% | 6.3% | 11.8% | 15.1% | 15.2% | 16.2% | 14.2% | 12.8% |
| ROIC including goodwill | 13.8% | 13.5% | 16.8% | 12.2% | 7.0% | 3.9% | 8.3% | 5.8% | 10.5% | 13.4% | 7.7% | 8.8% | 11.4% | 10.3% |
| Working capital | 966 | 1,226 | 248 | 351 | 481 | 546 | 805 | 805 | 624 | 689 | 60 | 184 | 3,172 | 3,795 |
| Net interest-bearing debt | 1,655 | 2,070 | 367 | 610 | 884 | 977 | 757 | 898 | 674 | 732 | -70 | 47 | 2,190 | 3,553 |

Notes: 1) Intangible assets in portfolio businesses stated exclusive of consolidated goodwill in Schouw & Co.

BioMar

Strong third quarter sees improved revenue, but also a lower EBITDA mainly due to unfavourable exchange rate developments. FY EBIT guidance narrowed to the upper end of previous guidance range.

BioMar is one of the world's largest manufacturers of quality feed for the fish and shrimp farming industries. The company's operations are divided into four divisions:

- The Salmon division covering operations in Norway, Scotland, Chile and Australia. The division supplies high-yielding feed for Atlantic salmon, Pacific salmon and trout.
- The EMEA division covering the EMEA region and involving all operations other than salmon. The division has production facilities in Denmark, France, Spain, Greece and Turkey.
- The LatAm division covering Latin American operations involving shrimp and fish other than salmon. The division has production facilities in Ecuador and Costa Rica.
- The Asia division covering operations involving fish and shrimp in Asia. The division currently consists of two factories in China.

Financial performance

BioMar reported a strong performance for Q3 2020 despite the effects of the coronavirus situation. An 8% increase in volumes sold led to a

| BioMar | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|----------------------|------------|------------|-------------|-------------|------------|
| Volume ('000 tonnes) | 408 | 379 | 988 | 913 | 1,250 |
| Revenue (DKKm) | 3,528 | 3,404 | 8,604 | 8,055 | 11,180 |
| - salmon north | 1,771 | 1,543 | 3,877 | 3,440 | 5,008 |
| - salmon south | 778 | 764 | 2,358 | 2,055 | 2,819 |
| - other divisions | 979 | 1,097 | 2,369 | 2,560 | 3,353 |

4% revenue increase to DKK 3,528 million from DKK 3,404 million in Q3 2019. Developments in foreign exchange rates had an overall negative impact of DKK 190 million on revenue in the third quarter, corresponding to a 9% increase in revenue when adjusting for foreign exchange rates.

The increase in volumes sold was driven by a significant improvement in the Salmon division. The innovative product offering, close working relationships with customers on developing advanced feed solutions and the start-up of production in Australia were some of the most important factors driving the improvement.

The LatAm division reported a year-on-year drop in third quarter revenue, as the coronavirus situation disrupted shrimp exports from Ecuador to China during the quarter. This reduced demand and changed the product mix from high-yielding to more ordinary feed products. Exports to China have been restored, but at a lower level and one subject to greater uncertainty than was the case in the pre-corona world.

The EMEA division also reported a year-on-year drop in revenue in the third quarter. The setback was mainly attributable to the coronavirus situation, which led to a sharp drop in demand from the HORECA segment during the quarter, and to windstorm damage in Spain, which has reduced the country's fish-farming capacity.

EBITDA fell from DKK 345 million in Q3 2019 to DKK 326 million in Q3 2020, mostly due to unfavourable exchange rate developments.

The 50%-owned feed businesses in Turkey and China, which are not consolidated, reported combined Q3 2020 revenue (100% basis) of DKK 189 million and EBITDA of DKK 10 million, compared to revenue of DKK 196 million and EBITDA of DKK 13 million in Q3 2019. The revenue decline was driven by Turkey, as the country experienced sales challenges similar to those seen in the rest of the EMEA division, whereas sales to China improved. Both companies contributed to the deteriorated performance; Turkey due to lower volume sales, and China due to its higher cost base following the start-up of the new factory in Wuxi in the second quarter of 2020.

The non-consolidated businesses also include the Chilean fish farming company Salmones Austral and three minor businesses, Letsea, ATC Patagonia and LCL Shipping. The non-consolidated companies are recognised in the Q3 2020 consolidated financial statements at a DKK 44 million share of loss after tax, compared with an DKK 11 million share of profit in Q3 2019. The decline was largely attributable to lower earnings in Salmones Austral due to significantly lower settlement prices for farmed salmon.

| BioMar | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--------------------|------------|------------|-------------|-------------|------------|
| Revenue | 3,528 | 3,404 | 8,604 | 8,055 | 11,180 |
| EBITDA | 326 | 345 | 707 | 667 | 966 |
| EBIT | 241 | 264 | 456 | 432 | 655 |
| Associates and JVs | -44 | 11 | -35 | 33 | 50 |

See financial highlights and key ratios on pp. 8–9

Working capital fell by DKK 260 million from DKK 1,226 million at 30 September 2019 to DKK 966 million at 30 September 2020. Several factors contributed to the reduction in working capital, including reduced trade receivables and inventories at a total of DKK 290 million, and an increase in other debt of DKK 46 million that was mainly due to extended deadlines for the payment of VAT and employee income taxes, etc. due to the coronavirus situation. On the other hand, funding from trade payables fell by DKK 76 million. The use of supply chain financing fell from DKK 1,071 million at 30 September 2019 to DKK 882 million at 30 September 2020. Changes in exchange rates had the overall effect of reducing working capital by DKK 143 million.

ROIC excluding goodwill fell marginally from 18.9% at 30 June 2020 to 18.8% at 30 September 2020.

Business review

Despite the unusual conditions caused by the coronavirus situation, BioMar has managed to maintain operations at near-normal levels in 2020. The negative impact on BioMar's overall volume sales has been relatively modest to date, but certain markets have faced more challenges than others, particularly Ecuador and the Mediterranean markets.

BioMar

However, the current challenges in Ecuador have not deterred the expectations of longer-term market growth that were the background for the capacity expansion BioMar launched in Ecuador in 2019. The expansion includes a production line for extruded feed, which will increase annual capacity by a further 40,000 tonnes. The new production line represents an investment of approximately DKK 50 million and is commissioned in the fourth quarter of 2020.

Early in the second quarter, BioMar concluded a declaration of intent with a leading player in Vietnam's shrimp farming industry, Viet-UC, intended to pave the way for BioMar becoming a co-owner and taking operational charge of a relatively new feed factory owned by Viet-UC. The new partnership is expected to produce substantial synergies and to strengthen BioMar's global position in the shrimp feed business. The process to define the partnership is moving forward, but at a slower pace than originally anticipated due to the continuing travel restrictions.

Outlook

From a general perspective, demand for farmed fish and shrimp is progressing well in most markets. However, the current coronavirus situation has disrupted the usual sales channels for farmed fish and shrimp, leading to import/export restrictions and resulting in highly volatile supply, demand and pricing.

To date, the coronavirus situation has not had any significant impact on BioMar's overall volume sales, but some geographical shifts have occurred and sales of more advanced feed products have declined in certain markets and have been replaced by more ordinary products.

Developments on the consumer side will be a key driver of market developments. Fish and shrimp are very much out-of-home consumption products with a large proportion of sales usually going to restaurants and catering as well as to airlines and cruise ships. The entire HORECA segment has been severely battered by the coronavirus situation, and the loss of volume sales here has only been partly offset through the retail segment. The change in consumption patterns has, along with international uncertainty and national restrictions, led to lower settlement prices for fish and shrimp, which in turn could result in increasingly difficult financial conditions for BioMar's customers. As a result, BioMar has stepped up its usually very strong attention to trade receivables, but the company will also endeavour to support its customers as much as is possible and justifiable.

It is quite obvious that market developments are subject to above-normal uncertainty, both in terms of how the world's core markets are evolving and how new coronavirus outbreaks may lead to restrictions that could impact BioMar's sales and risk profile. Nevertheless, BioMar continues to

expect an increase in volume sales in 2020 relative to 2019, but the improvement will likely be smaller than originally anticipated and very much driven by the strategic investments implemented in recent years.

Against that background, BioMar maintains its guidance for FY 2020 revenue of about DKK 11.5 billion, whereas EBITDA is now expected in the DKK 960-1,000 million range instead of the previous range of DKK 940-1,000 million.

Associates and joint ventures, which are recognised at a share of profit after tax, are now expected to make a negative contribution of DKK 30-40 million in 2020 instead of the previous estimate of a DKK 10 million share of profit. The reduced estimate is largely attributable to Salmenes Austral.

Fibertex Personal Care

Increase in volumes sold and strong EBITDA. Revenue down due to a drop in selling prices mainly resulting from changes in exchange rates and prices of raw materials being lower than last year. Full-year revenue and EBITDA forecast maintained.

| Fibertex Personal Care | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|------------------------|---------|---------|----------|----------|---------|
| Revenue | 509 | 541 | 1,593 | 1,637 | 2,183 |
| EBITDA | 97 | 93 | 322 | 265 | 352 |
| EBIT | 64 | 59 | 219 | 162 | 215 |

See financial highlights and key ratios on pp. 8–9

Fibertex Personal Care is one of the world's largest manufacturers of spunbond/spunmelt nonwovens for the personal care industry. The company has nonwovens production facilities in Denmark and Malaysia.

Operations include printing on nonwoven textiles for the personal care industry. The company is the market leader in this field. Printing operations are based in Germany, Malaysia and the USA. Both businesses are focused mainly on materials for diapers, sanitary towels and incontinence products.

Financial performance

Fibertex Personal Care reported Q3 2020 revenue of DKK 509 million, down by 6% from DKK 541 million in Q3 2019. The drop in revenue was caused mainly by changes in exchange rates and a drop in prices of raw materials compared with the third quarter of 2019 and the resulting lower selling prices on volume sales up year on year.

The Q3 2020 EBITDA was DKK 97 million, compared with DKK 93 million in Q3 2019. The earnings improvement was driven especially by the higher volume sales, but EBITDA was also affected by

| Fibertex Personal Care | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|------------------------|---------|---------|----------|----------|---------|
| Revenue (DKKm) | 509 | 541 | 1,593 | 1,636 | 2,183 |
| - from Denmark | 163 | 193 | 530 | 567 | 743 |
| - from Malaysia | 253 | 254 | 804 | 788 | 1,058 |
| - printing activities | 94 | 94 | 260 | 281 | 382 |

opposing factors, such as the negative impact of developments in prices of raw materials and the positive effect from exchange rate developments.

Fibertex Personal Care reduced its working capital from DKK 351 million at 30 September 2019 to DKK 248 million 30 September 2020. The main reason for the lower working capital was a drop in receivables and extended deadlines for paying in VAT and employee income taxes, etc. due to the coronavirus situation.

The EBIT improvement and the lower working capital lifted the return on invested capital, ROIC, excluding goodwill to 17.9% at 30 September 2020 from 17.1% at 30 June 2020.

Business review

In September 2020, Fibertex Personal Care announced plans to set up another production line in Sendayan, Malaysia. Expected to be operational in the second half of 2021, the new production line will enable Fibertex Personal Care to share in the continuing growth being projected for the Asian market.

At the same time, Fibertex Personal Care announced plans to add a new printing line to operations in the USA, which is also expected to be operational in the second half of 2021, to accommodate growing demand for printed nonwovens in the US market. Representing a combined investment of about DKK 250 million, the two new pro-

duction lines will add more than 10% to the existing capacity within each business area.

Fibertex Personal Care has worked for several years to add specialty products to its portfolio, including materials with visual effects as well as softer and textile-like materials, and the company has successfully built a strong position in this field. In addition to physical products, the efforts have also centred on developing new services, including an improved selection of ready print designs for the many customers that do not have an in-house design department.

For many years, sustainable production and responsible use of resources have been focus areas for Fibertex Personal Care and the company is now the world's first nonwoven manufacturer to be ISCC PLUS certified. As a result, the company is now able to supply nonwovens based on a sustainable raw material called bio- or circular polypropylene.

The certification has enabled Fibertex Personal Care to begin a ground-breaking partnership with SABIC, one of its most important suppliers, for the purpose of supporting an accelerated transition to a more sustainable plastics supply chain. As the entire personal care industry is deeply engaged in developing sustainable products, the new partnership has already generated a lot of interest.

Outlook

Due to the coronavirus situation, demand for nonwovens for the production of personal protective equipment remains strong. Fibertex Personal Care has continued to focus mainly on materials for the production of diapers, sanitary towels and incontinence products, but operations involving printing on nonwovens to be used for face masks have increased. From a general perspective, Asia is expected to see growth in all three areas, but incontinence products have shown particularly positive trends in both the European and North American markets.

Fibertex Personal Care retains its full-year revenue forecast of DKK 2.1 billion, and EBITDA is maintained in the DKK 390-420 million range. As always, revenue and EBITDA are subject to changes in prices of raw materials and in foreign exchange rates.

Fibertex Nonwovens

Significant improvements in revenue and EBITDA. Stabilised volume sales to the automotive industry and healthy demand from other segments. Strong full-year earnings upgrade.

Fibertex Nonwovens is among Europe's leading manufacturers of nonwovens, i.e. fibre sheets produced on high-tech processing facilities with various purpose-specific post-processings. The products are used for a number of different industrial purposes. The company's core markets are in Europe and North and South America, while its secondary markets are in Africa and Asia.

Financial performance

Fibertex Nonwovens reported Q3 2020 revenue of DKK 478 million, a 9% increase from DKK 437 million in Q3 2019. Volume sales to the automotive industry improved during the quarter, and the positive performance at the end of the second quarter carried over into the third quarter for other segments.

On the earnings side, however, Fibertex Nonwovens reported its best third quarter ever thanks to strong volume sales of products for manufacturing disposable wipes, filtration materials and industrial products. Reported EBITDA for Q3 2020 was DKK 80 million, up from DKK 47 million in Q3 2019. This stronger-than-expected improvement found support in reduced prices of raw materials compared to last year, good capacity utilisation and the effects of a number of improvement initiatives.

Working capital fell from DKK 546 million at 30 September 2019 to DKK 481 million at 30 Sep-

tember 2020 due in part to lower inventories and extended deadlines for paying in VAT and employee income taxes, etc. due to the coronavirus situation.

ROIC excluding goodwill increased from 5.6% at 30 June 2020 to 7.5% at 30 September 2020, driven mainly by the earnings improvement and the lower capital employed.

Business review

The coronavirus situation caused a change in demand patterns for nonwovens early in the year. Fibertex Nonwovens has quickly and successfully managed to transfer freed-up production capacity from automotive and industrial purposes to other products in stronger demand, thereby increasing its capacity for manufacturing healthcare-related products. In addition, Fibertex Nonwovens is reaping the benefits of capacity expansion investments made in recent years at its factory sites in Turkey, France, the USA and Brazil.

During the third quarter, the company saw growing demand in important segments. Sales to the automotive industry, which had been severely impacted by the shutdown of automotive plants in the second quarter, performed well during the third quarter and sales of traditional industrial products and products for the construction industry were solid. Also, sales of products for manufacturing wipes and specialty products (including nanoproductions) for the production of face masks continued the strong

performance from the second quarter. As a result, all production units reported high capacity utilisation at the end of the third quarter.

In recent years, Fibertex Nonwovens has consolidated its position as a leading manufacturer of industrial nonwovens, strengthening its business base through a number of important strategic and structural initiatives. In terms of development and innovation, the company has built a solid portfolio of projects, including new products for the automotive, construction and composite industries for acoustic applications, filtration solutions and products used to manufacture wipes. Among the special initiatives that have been underway in Denmark for some time is nanotechnology, the focus of which is to develop and manufacture products for filtration and healthcare-related purposes.

Outlook

The coronavirus situation continues to affect Fibertex Nonwovens' operations. However, it is the impression that the European and North American automotive industries have stabilised, so the current level of activity can be sustained for the rest of the year and into the first half of 2021. At the same time, upward trending demand in other segments has contributed to high capacity utilisation, and developments in prices of the most frequently used types of raw materials have supported a sound balance between prices of raw materials and selling prices.

| Fibertex Nonwovens | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|--------------------|---------|---------|----------|----------|---------|
| Revenue | 478 | 437 | 1,315 | 1,332 | 1,705 |
| EBITDA | 80 | 47 | 194 | 125 | 141 |
| EBIT | 50 | 23 | 114 | 50 | 33 |

See financial highlights and key ratios on pp. 8–9

Based on the current outlook, Fibertex Nonwovens raises its full-year revenue guidance to DKK 1.7 billion, which is the upper end of the previously guided range of DKK 1.6-1.7 billion, while also raising its EBITDA guidance range to DKK 245-265 million from previously DKK 205-225 million.

GPV

Growing demand from certain segments driving strong revenue and EBITDA improvements. Revenue and EBITDA guidance raised.

| GPV | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|---------|---------|---------|----------|----------|---------|
| Revenue | 836 | 741 | 2,191 | 2,173 | 2,856 |
| EBITDA | 84 | 56 | 191 | 143 | 196 |
| EBIT | 55 | 27 | 103 | 54 | 78 |

See financial highlights and key ratios on pp. 8–9

GPV is a leading European EMS (Electronics Manufacturing Services) company. The company is a high-mix/low-medium volume manufacturer in the B2B market. Core products are electronics, mechanics, cable harnessing, mechatronics (combination of electronics, mechanics and software) and associated services.

The company's customers are primarily major international businesses typically headquartered in Europe or North America, and GPV supplies its customers' international units in more than fifty countries. GPV has a strong production platform and operates production facilities in Denmark, Switzerland, Germany, Austria, Slovakia, Thailand, Sri Lanka, China and Mexico.

Financial performance

GPV reported Q3 2020 revenue of DKK 836 million, a 13% increase from DKK 741 million in Q3 2019 and a good deal better than expected. The revenue performance was driven by a number of opposing factors, with demand more or less down in some segments while it was stronger in others. In particular, GPV delivered most of a major order to a MedTech customer in the ventilator segment, which had a positive effect on both revenue and earnings for the quarter.

EBITDA rose to DKK 84 million in the quarter from DKK 56 million in Q3 2019. The Q3 2020 EBITDA was lifted by the increase in revenue, while the

Q3 2019 comparator was adversely affected by changes in Thai baht exchange rates against the main selling currencies.

Working capital amounted to DKK 805 million at 30 September 2020, which was in line with the amount at 30 September 2019 following an increase in trade receivables and a drop in inventories. In addition, the effects of extended deadlines for paying in VAT and employee income taxes, etc. due to the coronavirus situation contributed to keeping working capital steady despite the higher revenue.

ROIC excluding goodwill increased to 9.2% at 30 September 2020 from 7.4% at 30 June 2020, driven by the improved earnings.

Business review

During 2020, GPV has aligned its business activity to the current coronavirus situation. A few of the company's factory sites were temporarily closed fully or in part in compliance with government-imposed restrictions, but overall, GPV has generally managed to maintain its usual level of service throughout the period. Similarly, some of the company's customers have had to close their plants temporarily or have for other reasons cut back on calling for shipments from GPV. On the other hand, many customers have kept business activity at normal levels, and a few, including in the MedTech segments, have recorded consider-

able improvements, which strongly drove volume sales in the third quarter.

Meeting customer requirements for high quality standards and reliability of supply is a top priority for GPV. To ensure adequate flexibility, the company has an ongoing investment programme to step up automation and efficiency. This includes ongoing attention to digitising business processes, including the use of video streaming for customer audits, certification audits and implementing new products. Earlier in the year, GPV made a decision to implement a new manufacturing execution system (MES) across factory sites. The project was launched at the end of the third quarter and is expected to run over the coming years.

Outlook

GPV believes the coronavirus situation market will continue to drive market developments in the upcoming period, and that this will impact the general level of business activity in the fourth quarter and into 2021. On the other hand, GPV is experiencing growing demand from a number of customers, and the company has a strong pipeline with an ongoing inflow of new contracts and new customers, which over the longer term will support its business activity. The overall impact on GPV's business activity will depend very much on the length of time Europe and North America will more or less remain in lock down, and on how severely the global economy will be impacted by the situation.

The large shipments to the MedTech segment are not expected to continue at current high levels, but shipments made in the third quarter have boosted the full-year guidance. As a result, GPV is raising its full-year revenue guidance to the DKK 2.8-2.9 billion range (from previously about DKK 2.7 billion) and its EBITDA guidance range to DKK 230-250 million (from previously DKK 200-230 million).

HydraSpecma

Sales of products for the vehicles segment recovering faster than previously expected.
Sales of solutions for wind turbines and other stationary equipment remaining strong.
Revenue and EBITDA guidance raised.

| HydraSpecma | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|-------------|------------|------------|-------------|-------------|------------|
| Revenue | 473 | 494 | 1,464 | 1,615 | 2,123 |
| EBITDA | 57 | 53 | 160 | 178 | 215 |
| EBIT | 35 | 33 | 96 | 120 | 136 |

See financial highlights and key ratios on pp. 8–9

HydraSpecma is a manufacturing, trading and engineering company specialising in Power & Motion whose core business is hydraulic components and systems for industry and the aftermarket.

The company is a hydraulics market leader in the Nordic region and also serves customers from its own businesses in Poland, the UK, China, India, Brazil and the USA.

Financial performance

HydraSpecma performed better than expected in the third quarter. Sales of solutions for wind turbines and other stationary equipment remained at a sound level, and business from large global customers in the vehicles segment has recovered faster than anticipated. Demand in other segments remains moderate due to the coronavirus situation.

HydraSpecma reported Q3 2020 revenue of DKK 473 million, a 4% decline from DKK 494 million in Q3 2019. Despite the slight drop in revenue, reported EBITDA for Q3 2020 improved to DKK 57 million, up from DKK 53 million in Q3 2019.

Working capital fell from DKK 689 million at 30 September 2019 to DKK 624 million at 30 September 2020. The decline was mainly due to lower inventories and the effects of extended deadlines for paying in VAT and employee income taxes, etc. due to the coronavirus situation.

ROIC excluding goodwill increased from 11.6% at 30 June 2020 to 11.8% at 30 September 2020, driven mainly by the earnings improvement and the lower working capital.

Business review

HydraSpecma continued aligning its operations to the current level of activity in the third quarter, and the company has retained its usual high level of service and efficiency. The factory in India was closed for part of the reporting period due to a local government order, but the company's other units stepped in to ensure customer shipments were made.

HydraSpecma continues the work to optimise its production lead times in order to remain agile and to enhance efficiency in both large and small series production runs and to optimise logistics both in-house and externally.

In its Danish operations, HydraSpecma completed a warehouse expansion in Skjern that will improve in-house logistics, and the company has begun to build a new tech centre at Ishøj outside Copenhagen which is scheduled to be operational in the second half of 2021.

In Sweden, HydraSpecma is building new logistics and production facilities in the Gothenburg area, which will help the company optimise its current production and ensure sufficient capacity to meet

anticipated future demand from customers in the vehicles segment. The new unit is expected to begin operations by the end of the first half of 2021.

In recent years, HydraSpecma has expanded its product assortment and grown its expertise within electrified solutions that not only operate independently but can also be combined with hydraulic components for hybrid solutions. The purpose of these efforts is to accommodate growing market demand for electrification along with the company's goal of making its solutions more sustainable.

Outlook

HydraSpecma expects to maintain sales to customers in the wind turbine segment and for other stationary equipment at the current satisfactory level. Demand from major customers in the vehicles segment has been trending upwards, and combined with its growing market share, the company expects sales will return to pre-corona levels over the next six months. Other customers are also experiencing growing business activity, but it is believed that a full return to normal will take a good deal longer.

The hydraulics market remains marred by uncertainty, with prospects continually changing and at short notice. HydraSpecma continues the work help its companies align to the future market situation while also making the necessary investments to ensure that the organisation remains agile and

retains its competitive strength and high level of service. The company has also allocated resources to identify opportunities that may arise in a turbulent market.

Based on the stronger demand from customers in the vehicles segment, HydraSpecma raises its full-year revenue guidance to just over DKK 1.9 billion from the previous forecast of about DKK 1.8 billion. The full-year EBITDA guidance range is raised accordingly, to DKK 185-205 million from the previous forecast of DKK 160-180 million.

Borg Automotive

Important markets stabilising and EBITDA improving. Agreement signed to acquire turbocharger operations in Spain. Full-year EBITDA guidance upgraded.

| Borg Automotive | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|-----------------|---------|---------|----------|----------|---------|
| Revenue | 242 | 258 | 647 | 719 | 918 |
| EBITDA | 38 | 32 | 73 | 86 | 110 |
| EBIT | 26 | 21 | 37 | 50 | 62 |

See financial highlights and key ratios on pp. 8–9

Europe's largest independent remanufacturing company, Borg Automotive produces, sells and distributes remanufactured automotive parts to the European market, thereby supporting the concept of a circular economy.

Borg Automotive sells its products under three different brands: the international brand Lucas and the company's two proprietary brands, Elstock and DRI. The company's main products are starters, alternators, brake callipers, air-condition compressors, EGR valves, steering racks and pumps. The company's business model is supported by a sales deposit system that encourages customers to return defective spare parts as they are replaced, so they can be used as cores for remanufacturing purposes.

Headquartered in Silkeborg, Denmark, Borg Automotive operates production facilities in Poland and the UK and has a sales subsidiary in Belgium. In September 2020, the company agreed to acquire turbocharger operations in Spain.

Financial performance

The coronavirus situation continued to affect Borg Automotive in the third quarter of 2020, especially early in the quarter when several markets were still impacted by the reduced level of activity. Nevertheless, reported Q3 2020 revenue was DKK 242 million, a 6% decline from DKK 258 million in Q3 2019.

Borg Automotive has launched a number of initiatives and adjustments in 2020 to counter the effects of the coronavirus situation, including a major organisational realignment. The results of the efforts have been better than expected, and despite the slight drop in revenue, reported EBITDA improved from DKK 32 million in Q3 2019 to DKK 38 million in Q3 2020.

Working capital fell from DKK 184 million at 30 September 2019 to DKK 60 million at 30 September 2020, which is a good deal less than would otherwise be expected. The reduced working capital was due to, among other things, reduced component and finished goods inventories as well as lower trade receivables. In addition, the extended deadlines for paying in VAT and employee income taxes, etc. due to the coronavirus situation had a positive effect.

ROIC excluding goodwill grew from 13.1% at 30 June 2020 to 15.2% at 30 September 2020.

Business review

Borg Automotive has continuously worked to develop its product portfolio and in September 2020, as part of these efforts, the company struck a deal with Spanish remanufacturing company Turbo Motor Inyección (TMI) to acquire that company's turbocharger operations. Remanufactured turbochargers is a rapidly growing product segment, and this addition to the product portfolio

accommodates customer demand. The acquisition adds about 135 employees to Borg Automotive's staff and about DKK 100 million to annual revenue. The acquisition is expected to close in the fourth quarter of 2020 as an asset transaction with an earn-out model that over time could result in an enterprise value of DKK 60-80 million.

The TMI acquisition will support Borg Automotive's position as Europe's largest independent remanufacturing company and will strengthen the company's presence in the important southern European market.

Outlook

The considerable customer consolidation seen in recent years in the market Borg Automotive serves has obviously caused changes to prevailing trading patterns, but it also provides added revenue opportunities for large, well-established players like Borg Automotive. Borg Automotive has a broad product portfolio and a strong pipeline that will support positive sales developments to the independent aftermarket and to the OE segment.

The recent agreement to acquire the turbocharger operations in Spain supports Borg Automotive's product portfolio and its market position, but the deal is not expected to have a material effect on revenue and earnings for 2020.

After the end of the Q2 2020 reporting period, Borg Automotive forecast FY 2020 revenue of about DKK 850 million and EBITDA in the range of DKK 75-85 million. Based on the current outlook, Borg Automotive now expects to report FY 2020 revenue in the DKK 850-900 million range and EBITDA in the range of DKK 90-110 million.

Interim financial statements

| | |
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Statements of income and comprehensive income

| Note | Income statement | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|------|------------------------------------|--------------|------------|--------------|--------------|--------------|
| 1 | Revenue | 6,060 | 5,872 | 15,800 | 15,517 | 20,946 |
| | Cost of sales | -5,050 | -4,884 | -13,190 | -13,004 | -17,576 |
| | Gross profit | 1,010 | 988 | 2,610 | 2,513 | 3,370 |
| | Other operating income | 8 | 4 | 21 | 26 | 37 |
| | Distribution costs | -330 | -351 | -989 | -1,002 | -1,335 |
| 2 | Administrative expenses | -208 | -220 | -614 | -688 | -918 |
| | Other operating expenses | -14 | 0 | -27 | -3 | -5 |
| | EBIT | 465 | 421 | 1,002 | 846 | 1,149 |
| | Profit after tax in associates | -44 | 6 | -43 | 27 | 49 |
| | Profit after tax in joint ventures | 1 | 4 | 8 | 6 | 1 |
| | Gains on divestments | 0 | 0 | 2 | 29 | 29 |
| | Financial income | 24 | 22 | 48 | 38 | 84 |
| | Financial expenses | -55 | -42 | -142 | -104 | -164 |
| | Profit/loss before tax | 391 | 411 | 875 | 843 | 1,149 |
| | Tax on profit for the period | -95 | -95 | -217 | -186 | -243 |
| | Profit for the period | 296 | 316 | 658 | 657 | 906 |
| | Shareholders of Schouw & Co. | 296 | 317 | 662 | 659 | 911 |
| | Non-controlling interests | 0 | -1 | -4 | -2 | -5 |
| | Profit for the period | 296 | 316 | 658 | 657 | 906 |
| 6 | Earnings per share (DKK) | 12.36 | 13.31 | 27.61 | 27.73 | 38.27 |
| 6 | Diluted earnings per share (DKK) | 12.36 | 13.30 | 27.59 | 27.71 | 38.27 |

| Note | Statement of comprehensive income | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|------|---|-------------|------------|-------------|------------|--------------|
| | Items that cannot be reclassified to the income statement: | | | | | |
| | Actuarial gains/losses on defined benefit pension liabilities | 0 | 0 | 0 | 0 | 3 |
| | Items that can be reclassified to the income statement: | | | | | |
| | Foreign exchange adjustments of foreign units, etc. | -214 | 161 | -417 | 227 | 163 |
| | Value adjustment of hedging instruments | -5 | 11 | 5 | 4 | 0 |
| | Hedging instruments transferred to cost of sales | 0 | 0 | -2 | -1 | 2 |
| | Hedging instruments transferred to financials | 0 | 0 | -1 | 2 | 4 |
| | Other comprehensive income from associates and JVs | 0 | 0 | 0 | 0 | 9 |
| | Other adjustments to other comprehensive income | 0 | 0 | 0 | -1 | 0 |
| | Tax on other comprehensive income | 1 | -3 | -1 | -1 | -1 |
| | Other comprehensive income after tax | -218 | 170 | -415 | 232 | 180 |
| | Profit for the period | 296 | 316 | 658 | 657 | 906 |
| | Total recognised comprehensive income | 78 | 485 | 242 | 889 | 1,086 |
| | Attributable to | | | | | |
| | Shareholders of Schouw & Co. | 78 | 487 | 245 | 891 | 1,091 |
| | Non-controlling interests | 0 | -1 | -3 | -2 | -5 |
| | Total recognised comprehensive income | 78 | 485 | 242 | 889 | 1,086 |

Balance sheet · Assets and liabilities

| Note | Assets | 30/9 2020 | 31/12 2019 | 30/9 2019 | 31/12 2018 |
|------|--------------------------------------|---------------|---------------|---------------|---------------|
| | Intangible assets | 3,421 | 3,568 | 3,605 | 3,594 |
| | Property, plant and equipment | 4,690 | 4,956 | 4,879 | 4,317 |
| | Lease assets | 736 | 827 | 839 | 0 |
| | Equity investments in associates | 361 | 427 | 413 | 377 |
| | Equity investments in joint ventures | 134 | 136 | 145 | 137 |
| | Securities | 79 | 79 | 77 | 75 |
| | Deferred tax | 122 | 122 | 121 | 66 |
| | Receivables | 70 | 107 | 110 | 108 |
| | Total non-current assets | 9,613 | 10,222 | 10,189 | 8,674 |
| | Inventories | 3,482 | 3,868 | 3,929 | 3,683 |
| 3 | Receivables | 4,577 | 4,112 | 4,715 | 3,903 |
| | Income tax receivable | 35 | 37 | 42 | 94 |
| | Cash and cash equivalents | 671 | 538 | 613 | 585 |
| | Total current assets | 8,766 | 8,554 | 9,298 | 8,266 |
| | Total assets | 18,379 | 18,777 | 19,487 | 16,940 |

| Note | Liabilities and equity | 30/9 2020 | 31/12 2019 | 30/9 2019 | 31/12 2018 |
|------|---|---------------|---------------|---------------|---------------|
| 6 | Share capital | 255 | 255 | 255 | 255 |
| | Hedge transaction reserve | -1 | -3 | -3 | -8 |
| | Exchange adjustment reserve | -167 | 251 | 307 | 79 |
| | Retained earnings | 9,357 | 8,658 | 8,688 | 7,994 |
| | Proposed dividend | 0 | 357 | 0 | 332 |
| | Equity attributable to parent company shareholders | 9,444 | 9,519 | 9,247 | 8,652 |
| | Non-controlling interests | -1 | 2 | 5 | 7 |
| | Total equity | 9,444 | 9,521 | 9,252 | 8,659 |
| | Deferred tax | 389 | 409 | 438 | 397 |
| | Liability regarding put option | 0 | 0 | 366 | 321 |
| | Other payables | 278 | 306 | 272 | 275 |
| | Interest-bearing debt | 1,750 | 2,976 | 3,282 | 1,749 |
| | Non-current liabilities | 2,417 | 3,691 | 4,357 | 2,742 |
| | Interest-bearing debt | 1,154 | 909 | 924 | 1,309 |
| | Trade payables and other payables | 4,833 | 4,173 | 4,806 | 4,089 |
| | Liability regarding put option | 378 | 369 | 0 | 0 |
| | Corporate income tax | 154 | 114 | 148 | 140 |
| | Current liabilities | 6,518 | 5,565 | 5,878 | 5,538 |
| | Total liabilities | 8,935 | 9,256 | 10,235 | 8,281 |
| | Total equity and liabilities | 18,379 | 18,777 | 19,487 | 16,940 |

Notes without reference 5 and 7-9.

Cash flow statement

| Note | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|---|--------------|-------------|--------------|--------------|---------------|
| Profit before tax | 391 | 411 | 875 | 843 | 1,149 |
| Adjustment for non-cash operating items etc.: | | | | | |
| Depreciation and impairment losses | 211 | 200 | 624 | 595 | 802 |
| Other non-cash operating items, net | -2 | 24 | -12 | -32 | -1 |
| Provisions | 3 | 1 | 6 | 7 | 33 |
| Share of profit after tax in associates and JVs | 44 | -11 | 35 | -33 | -50 |
| Financial income | -24 | -22 | -48 | -38 | -84 |
| Financial expenses | 55 | 42 | 142 | 104 | 164 |
| Cash flows from operations before changes in working capital | 677 | 646 | 1,622 | 1,446 | 2,012 |
| Changes in working capital | 466 | 169 | 477 | -256 | -228 |
| Cash flows from operations | 1,142 | 814 | 2,099 | 1,190 | 1,784 |
| Interest received | 5 | 4 | 11 | 13 | 16 |
| Interest paid | -20 | -39 | -86 | -98 | -116 |
| Cash flows from ordinary activities | 1,127 | 779 | 2,024 | 1,105 | 1,684 |
| Income tax paid | -49 | -55 | -157 | -153 | -274 |
| Cash flows from operating activities | 1,079 | 724 | 1,867 | 952 | 1,410 |
| Purchase of intangible assets | -6 | -8 | -17 | -21 | -30 |
| Purchase of property, plant and equipment | -154 | -203 | -366 | -570 | -774 |
| Sale of property, plant and equipment | 2 | 1 | 4 | 9 | 12 |
| 4 Acquisitions | 0 | 0 | 0 | -241 | -259 |
| Acquisition of non-controlling interests | 0 | 0 | 0 | 0 | -1 |
| Acquisition of/capital contribution to associates and JVs | 0 | -1 | 0 | -2 | -3 |
| Dividends received from associates | 0 | 0 | 0 | 11 | 11 |
| Additions/disposals of other financial assets | -2 | 43 | 6 | 4 | 1 |
| Cash flows from investing activities | -159 | -170 | -373 | -810 | -1,043 |

| Note | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 | FY 2019 |
|---|-------------|-------------|---------------|-------------|-------------|
| Loan financing: | | | | | |
| Repayment of non-current liabilities | -86 | -76 | -328 | -184 | -363 |
| Proceeds from non-current liabilities incurred | 1 | 0 | 75 | 1,016 | 1,020 |
| Increase of bank overdrafts | -757 | -465 | -751 | -688 | -881 |
| Cash flows from debt financing | -842 | -541 | -1,004 | 144 | -224 |
| Shareholders: | | | | | |
| Dividends paid | 0 | 0 | -336 | -309 | -309 |
| Purchase/sale of treasury shares, net | 2 | 0 | 11 | 43 | 112 |
| Cash flows from financing activities | -840 | -541 | -1,329 | -123 | -421 |
| Cash flows for the period | 79 | 14 | 166 | 19 | -54 |
| Cash and cash equivalents, beginning of period | 615 | 588 | 538 | 585 | 585 |
| Value adjustment of cash and cash equivalents | -23 | 11 | -33 | 9 | 8 |
| Cash and cash equivalents, end of period | 671 | 613 | 671 | 613 | 538 |

Statement of changes in equity

| | Share capital | Hedge transaction reserve | Exchange adjustment reserve | Retained earnings | Proposed dividend | Total | Non-controlling interests | Shareholders' equity |
|---|---------------|---------------------------|-----------------------------|-------------------|-------------------|-------|---------------------------|----------------------|
| Equity at 1 January 2019 | 255 | -8 | 79 | 7,994 | 332 | 8,652 | 7 | 8,659 |
| Profit and other comprehensive income: | | | | | | | | |
| Foreign exchange adjustments of foreign subsidiaries | | 0 | 228 | 0 | 0 | 228 | 0 | 227 |
| Value adjustment of hedging instruments | | 4 | 0 | 0 | 0 | 4 | 0 | 4 |
| Hedging instruments transferred to cost of sales | | -1 | 0 | 0 | 0 | -1 | 0 | -1 |
| Hedging instruments transferred to financials | | 2 | 0 | 0 | 0 | 2 | 0 | 2 |
| Other comprehensive income from associates and joint ventures | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other adjustments to other comprehensive income | | 0 | 0 | -1 | 0 | -1 | 0 | -1 |
| Tax on other comprehensive income | | -1 | 0 | 0 | 0 | -1 | 0 | -1 |
| Profit for the period | | 0 | 0 | 659 | 0 | 659 | -2 | 657 |
| Total recognised comprehensive income | | 5 | 228 | 658 | 0 | 891 | -2 | 889 |
| Transactions with owners: | | | | | | | | |
| Share-based payment | | 0 | 0 | 16 | 0 | 16 | 0 | 16 |
| Distributed dividends | | 0 | 0 | 22 | -332 | -309 | 0 | -309 |
| Value adjustment of put option | | 0 | 0 | -45 | 0 | -45 | 0 | -45 |
| Treasury shares bought/sold | | 0 | 0 | 43 | 0 | 43 | 0 | 43 |
| Total transactions with owners during the period | | 0 | 0 | 36 | -332 | -295 | 0 | -295 |
| Equity at 30 September 2019 | 255 | -3 | 307 | 8,688 | 0 | 9,247 | 5 | 9,252 |
| Equity at 1 January 2020 | 255 | -3 | 251 | 8,658 | 357 | 9,519 | 2 | 9,521 |
| Profit and other comprehensive income: | | | | | | | | |
| Foreign exchange adjustments of foreign subsidiaries | | 0 | -418 | 0 | 0 | -418 | 1 | -417 |
| Value adjustment of hedging instruments | | 5 | 0 | 0 | 0 | 5 | 0 | 5 |
| Hedging instruments transferred to cost of sales | | -2 | 0 | 0 | 0 | -2 | 0 | -2 |
| Hedging instruments transferred to financials | | -1 | 0 | 0 | 0 | -1 | 0 | -1 |
| Other comprehensive income from associates and joint ventures | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other adjustments to other comprehensive income | | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Tax on other comprehensive income | | -1 | 0 | 0 | 0 | -1 | 0 | -1 |
| Profit for the period | | 0 | 0 | 662 | 0 | 662 | -4 | 658 |
| Total recognised comprehensive income | | 2 | -418 | 662 | 0 | 245 | -3 | 242 |
| Transactions with owners: | | | | | | | | |
| Share-based payment | | 0 | 0 | 15 | 0 | 15 | 0 | 15 |
| Distributed dividends | | 0 | 0 | 21 | -357 | -336 | 0 | -336 |
| Value adjustment of put option | | 0 | 0 | -9 | 0 | -9 | 0 | -9 |
| Treasury shares bought/sold | | 0 | 0 | 11 | 0 | 11 | 0 | 11 |
| Total transactions with owners during the period | | 0 | 0 | 38 | -357 | -319 | 0 | -319 |
| Equity at 30 September 2020 | 255 | -1 | -167 | 9,357 | 0 | 9,444 | -1 | 9,444 |

Notes to the financial statements

1

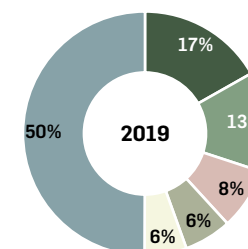
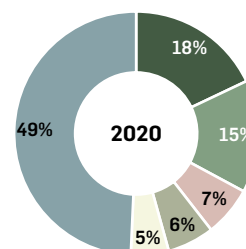
Segment reporting

| Reporting segments YtD 2020 | BioMar | Fibertex Personal Care | Fibertex Nonwovens | GPV | HydraSpecma | Borg Automotive | Reporting segments | Non-reporting segments | Parent company | Group eliminations, etc. | Total |
|--|--------|------------------------|--------------------|-------|-------------|-----------------|--------------------|------------------------|----------------|--------------------------|--------|
| External revenue | 8,604 | 1,578 | 1,315 | 2,191 | 1,464 | 647 | 15,799 | 1 | 0 | 0 | 15,800 |
| Intra-group revenue | 0 | 15 | 0 | 0 | 0 | 0 | 15 | 0 | 8 | -23 | 0 |
| Segment revenue | 8,604 | 1,593 | 1,315 | 2,191 | 1,464 | 647 | 15,814 | 1 | 8 | -23 | 15,800 |
| EBITDA | 707 | 322 | 194 | 191 | 160 | 73 | 1,648 | 1 | -22 | 0 | 1,626 |
| Depreciation and impairment losses | 251 | 103 | 81 | 88 | 64 | 36 | 623 | 0 | 1 | 0 | 624 |
| EBIT | 456 | 219 | 114 | 103 | 96 | 37 | 1,025 | 1 | -23 | 0 | 1,002 |
| Share of profit in associates and JVs | -35 | 0 | 0 | 0 | 0 | 0 | -35 | 0 | 0 | 0 | -35 |
| Tax on profit for the period | -100 | -49 | -20 | -21 | -16 | -7 | -212 | 0 | -4 | 0 | -217 |
| Profit for the period | 274 | 160 | 67 | 64 | 50 | 25 | 639 | 0 | 18 | 0 | 658 |
| Segment assets: | 9,174 | 2,054 | 1,953 | 2,496 | 1,671 | 1,506 | 18,854 | 11 | 10,348 | -10,834 | 18,379 |
| Of which goodwill | 1,358 | 99 | 118 | 174 | 138 | 516 | 2,403 | 0 | 0 | 0 | 2,403 |
| Equity investments in associates and JVs | 487 | 0 | 0 | 0 | 8 | 0 | 495 | 0 | 0 | 0 | 495 |
| Segment liabilities | 6,130 | 915 | 1,286 | 1,623 | 1,126 | 472 | 11,551 | 6 | 1,930 | -4,552 | 8,935 |
| Working capital | 966 | 248 | 481 | 805 | 624 | 60 | 3,184 | 0 | -12 | 0 | 3,172 |
| Net interest-bearing debt | 1,655 | 367 | 884 | 757 | 674 | -70 | 4,268 | 4 | -2,081 | 0 | 2,190 |
| Cash flows from operating activities | 872 | 371 | 168 | 95 | 173 | 138 | 1,817 | 1 | 38 | 11 | 1,867 |
| Capital expenditure | 127 | 79 | 71 | 26 | 74 | 5 | 383 | 0 | 0 | 0 | 383 |
| Average no. of employees | 1,371 | 744 | 1,004 | 3,626 | 1,168 | 1,456 | 9,369 | 0 | 14 | 0 | 9,383 |

Based on management control and financial management, Schouw & Co. has identified six reporting segments, which are BioMar, Fibertex Personal Care, Fibertex Nonwovens, GPV, HydraSpecma and Borg Automotive. All inter-segment transactions were made on an arm's length basis.

The data on revenue by geography are based on customers' geographical location, while data on intangible assets and property, plant and equipment by geography are based the geographical location of the assets. 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.

Revenue by country:



| | YTD 2020 | YTD 2019 |
|--------------|---------------|---------------|
| Norway | 2,835 | 2,608 |
| Chile | 2,356 | 2,053 |
| Denmark | 1,045 | 1,266 |
| UK | 982 | 976 |
| Germany | 793 | 865 |
| Other | 7,788 | 7,749 |
| Total | 15,800 | 15,517 |

Notes to the financial statements

1

Segment reporting (continued)

| Reporting segments YTD 2019 | BioMar | Fibertex Personal Care | Fibertex Nonwovens | GPV | HydraSpecma | Borg Automotive | Reporting segments | Non-reporting segments | Parent company | Group eliminations, etc. | Total |
|--|--------|---------------------------|-----------------------|-------|-------------|--------------------|-----------------------|---------------------------|-------------------|-----------------------------|--------|
| External revenue | 8,055 | 1,623 | 1,332 | 2,173 | 1,615 | 719 | 15,516 | 1 | 0 | 0 | 15,517 |
| Intra-group revenue | 0 | 14 | 0 | 0 | 0 | 0 | 14 | 0 | 8 | -22 | 0 |
| Segment revenue | 8,055 | 1,637 | 1,332 | 2,173 | 1,615 | 719 | 15,530 | 1 | 8 | -22 | 15,517 |
| EBITDA | 667 | 265 | 125 | 143 | 178 | 86 | 1,463 | 1 | -23 | 0 | 1,441 |
| Depreciation and impairment losses | 235 | 102 | 74 | 89 | 58 | 35 | 594 | 0 | 0 | 0 | 595 |
| EBIT | 432 | 162 | 50 | 54 | 120 | 50 | 869 | 0 | -23 | 0 | 846 |
| Share of profit in associates and JVs | 33 | 0 | 0 | 0 | 0 | 0 | 33 | 0 | 0 | 0 | 33 |
| Tax on profit for the period | -101 | -36 | -6 | -7 | -22 | -9 | -181 | 0 | -5 | 0 | -186 |
| Profit for the period | 349 | 121 | 23 | 26 | 85 | 37 | 641 | 0 | 15 | 0 | 657 |
| Segment assets: | 9,533 | 2,256 | 2,007 | 2,554 | 1,697 | 1,609 | 19,657 | 12 | 10,990 | -11,171 | 19,487 |
| Of which goodwill | 1,425 | 99 | 122 | 174 | 138 | 516 | 2,474 | 0 | 0 | 0 | 2,474 |
| Equity investments in associates and JVs | 551 | 0 | 0 | 0 | 6 | 0 | 558 | 0 | 0 | 0 | 558 |
| Segment liabilities | 6,382 | 1,139 | 1,304 | 1,704 | 1,185 | 532 | 12,246 | 7 | 2,769 | -4,786 | 10,235 |
| Working capital | 1,226 | 351 | 546 | 805 | 689 | 184 | 3,801 | 0 | -6 | 0 | 3,795 |
| Net interest-bearing debt | 2,070 | 610 | 977 | 898 | 732 | 47 | 5,334 | 5 | -1,786 | 0 | 3,553 |
| Cash flows from operating activities | 193 | 351 | 61 | 149 | 115 | 26 | 895 | 1 | 44 | 12 | 952 |
| Capital expenditure | 554 | 47 | 189 | 84 | 47 | 16 | 937 | 0 | 1 | 0 | 938 |
| Average no. of employees | 1,226 | 745 | 1,027 | 3,871 | 1,221 | 1,634 | 9,724 | 0 | 14 | 0 | 9,738 |

Notes to the financial statements

2

Costs

Share-based payment: Share option programme

The company maintains an incentive programme for the Executive Management and senior managers, including the executive managements of subsidiaries. The programme entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at around the time of grant plus a calculated rate of interest from the date of grant until the date of exercise. The 2020 grant is described in greater detail in company announcement no. 2/2020 of 13 March 2020, but the number of options has subsequently been increased by 10,000.

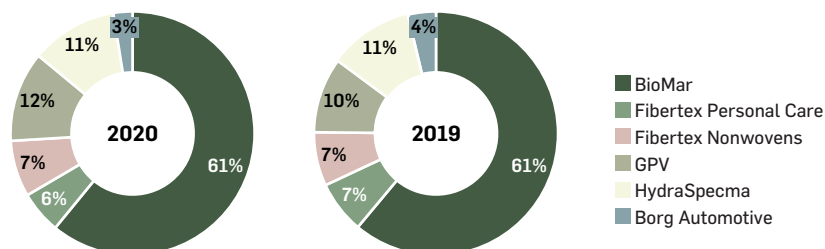
| Outstanding options | Executive management | Other | Total |
|--|----------------------|-----------|-----------|
| Total outstanding options at 31 December 2019 | 157,000 | 805,333 | 962,333 |
| Lapsed in 2020 | 0 | -41,777 | -41,777 |
| Exercised in 2020 | 0 | -23,556 | -23,556 |
| Granted in 2020 | 60,000 | 310,000 | 370,000 |
| Total outstanding options at 30 September 2020 | 217,000 | 1,050,000 | 1,267,000 |

3

Receivables (current)

| | 30/9 2020 | 30/9 2019 |
|----------------------------------|--------------|--------------|
| Trade receivables | 4,241 | 4,373 |
| Other current receivables | 273 | 276 |
| Prepayments | 64 | 66 |
| Total current receivables | 4,577 | 4,715 |

Trade receivables by portfolio company:



Amounts in DKK million

| 30/9 2020 | Not fallen due | Due between (days) | | | Total |
|--|----------------|--------------------|------------|------------|--------------|
| | | 1-30 | 31-90 | >91 | |
| Total receivables | 3,539 | 437 | 164 | 256 | 4,395 |
| Impairment losses on trade receivables | -30 | -4 | -3 | -117 | -155 |
| Trade receivables, net | 3,508 | 433 | 161 | 139 | 4,241 |

| Proportion of total receivables expected to be settled | | | | | 96.5% |
|--|------|------|------|-------|-------|
| Impairment rate | 0.9% | 0.9% | 2.1% | 45.8% | 3.5% |

| 30/9 2019 | Not fallen due | Due between (days) | | | Total |
|--|----------------|--------------------|------------|------------|--------------|
| | | 1-30 | 31-90 | >91 | |
| Total receivables | 3,779 | 383 | 139 | 235 | 4,535 |
| Impairment losses on trade receivables | -27 | -5 | -6 | -124 | -162 |
| Trade receivables, net | 3,751 | 379 | 133 | 110 | 4,373 |

| Proportion of total receivables expected to be settled | | | | | 96.4% |
|--|------|------|------|-------|-------|
| Impairment rate | 0.7% | 1.2% | 4.5% | 52.9% | 3.6% |

| | 30/9 2020 | 30/9 2019 |
|---|--------------|--------------|
| Impairment losses on trade receivables | | |
| Impairment losses, beginning of period | -171 | -144 |
| Foreign exchange adjustments | 6 | -2 |
| Additions on company acquisitions | 0 | 0 |
| Impairment losses for the period | -17 | -18 |
| Realised loss | 26 | 1 |
| Impairment losses, end of period | -155 | -162 |

Notes to the financial statements

4

Acquisitions

| | YTD 2020 | YTD 2019 |
|---|-------------|-------------|
| Property, plant and equipment | 0 | 325 |
| Inventories | 0 | 62 |
| Receivables | 0 | 332 |
| Tax asset | 0 | 16 |
| Cash and cash equivalents | 0 | 12 |
| Credit institutions | 0 | -66 |
| Trade payables | 0 | -325 |
| Other payables | 0 | -6 |
| Deferred tax | 0 | -33 |
| Net assets acquired | 0 | 316 |
| Fair value of original ownership interest | 0 | -91 |
| Goodwill | 0 | 22 |
| Acquisition cost | 0 | 247 |
| of which cash and cash equivalents | 0 | -6 |
| Total cash acquisition costs | 0 | 241 |

In September 2020, Borg Automotive agreed to acquire the turbocharger operations of the Spanish remanufacturing company Turbo Motor Inyección (TMI). The transaction is currently awaiting regulatory approval of the Spanish tax authorities, and closing is expected in December 2020.

In 2019, Fibertex Nonwovens acquired a company based in South Carolina, USA, and BioMar acquired the outstanding 50% of the shares in the fish feed factory Alitec Pargua S.A.

5

Capital resources

It is group policy when raising loans to maximise flexibility by diversifying borrowings in respect of maturity, renegotiation dates and counterparties, with due consideration to costs. The objective is to maintain sufficient capital resources for investing and to continue to run business operations and respond adequately to unforeseen fluctuations in cash holdings. The Group's capital resources consist of undrawn credit facilities and cash. In April 2020, the Group established new committed facilities of DKK 1 billion running for 12 months with an optional extension of a further 12 months.

| Facility | Limit | Current debt | Amount available | Commitment | Avg. term to maturity |
|--------------------------------------|--------------|--------------|------------------|-------------|-----------------------|
| Revolving credit facility, club deal | 2,100 | 259 | 1,841 | Committed | 8 mths |
| Standby facility | 1,000 | 0 | 1,000 | Committed | 6 mths (+1 year) |
| Other credit facilities | 783 | 599 | 184 | Uncommitted | |
| Schuldschein | 1,013 | 1,013 | 0 | Committed | 3 years 11 mths |
| Mortgages | 163 | 163 | 0 | Committed | 4 years 6 mths |
| Other long-term debt | 116 | 116 | 0 | Uncommitted | 1 years 7 mths |
| Leases | 754 | 754 | 0 | Committed | |
| Cash and cash equivalents | | | 671 | | |
| 30 September 2020 | 5,928 | 2,904 | 3,696 | | |

The Group has total committed facilities of DKK 5,928 million, of which committed facilities account for DKK 5,029 million, which is equal to 230% of Schouw & Co.'s net interest-bearing debt at 30 September 2020.

Notes to the financial statements

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Share capital and earnings per share (DKK)

The share capital consists of 25,500,000 shares with a nominal value of DKK 10 each. Each share carries one vote. All shares rank equally. The share capital is fully paid up and no changes have been made during the past five years.

| Treasury shares | Number of shares | Nominal value (DKK) | Cost | Percentage of share capital |
|---|------------------|---------------------|------|-----------------------------|
| Treasury shares held at 1 January 2019 | 1,806,997 | 18,069,970 | 504 | 7.09% |
| Share option programme | -104,167 | -1,041,670 | -13 | -0.41% |
| Treasury shares held at 30 Sept. 2019 | 1,702,830 | 17,028,300 | 491 | 6.68% |
| Share option programme | -158,550 | -1,585,500 | -22 | -0.62% |
| Treasury shares held at 31 Dec. 2019 | 1,544,280 | 15,442,800 | 469 | 6.06% |
| Share option programme | -23,556 | -235,560 | -3 | -0.09% |
| Treasury shares held at 30 Sept. 2020 | 1,520,724 | 15,207,240 | 466 | 5.96% |

A total of 23,556 shares held in treasury were used in connection with options exercised in 2020. The shares had an aggregate fair value of DKK 12 million at the date of exercise.

The Group's holding of treasury shares had a market value of DKK 937 million at 30 September 2020. The portfolio of treasury shares is recognised at DKK 0.

| | Q3 2020 | Q3 2019 | YTD 2020 | YTD 2019 |
|---|-------------------|-------------------|-------------------|-------------------|
| Share of the profit for the year attributable to shareholders of Schouw & Co. | 296 | 317 | 662 | 659 |
| Average number of shares | 25,500,000 | 25,500,000 | 25,500,000 | 25,500,000 |
| Average number of treasury shares | -1,522,541 | -1,702,830 | -1,528,441 | -1,737,680 |
| Average number of outstanding shares | 23,977,459 | 23,797,170 | 23,971,559 | 23,762,320 |
| Average dilutive effect of outstanding share options * | 6,939 | 14,667 | 11,640 | 17,986 |
| Diluted average number of outstanding shares | 23,984,398 | 23,811,837 | 23,983,199 | 23,780,306 |
| Earnings per share of DKK 10 | 12.36 | 13.31 | 27.61 | 27.73 |
| Diluted earnings per share of DKK 10 | 12.36 | 13.30 | 27.59 | 27.71 |

* See note 2 for information on options that may cause dilution.

Amounts in DKK million

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Fair value of categories of financial assets and liabilities

| | 30/9 2020 | 31/12 2019 | 30/9 2019 |
|--------------------------------------|-----------|------------|-----------|
| Financial assets | | | |
| Securities (1) | 0 | 2 | 1 |
| Other securities and investments (2) | 78 | 76 | 75 |
| Derivative financial instruments (2) | 35 | 14 | 38 |
| Other securities and investments (3) | 1 | 1 | 2 |
| Financial liabilities | | | |
| Derivative financial instruments (2) | 23 | 26 | 34 |

The Group sold its holding of equities measured at the official market value (level 1) in the first quarter of 2020. Securities measured at fair value through other comprehensive income (level 3) amounted to DKK 1 million at the beginning of the year and DKK 1 million at the end of the third quarter.

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). The fair values applied are calculated mainly by external sources on the basis of discounted future cash flows. 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. In addition, fair values are based on non-observable market data, including exchange rate volatilities, or correlations between yield curves and credit risks. 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.

Notes to the financial statements

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Related party transactions

Under Danish legislation, Givesco A/S, Lysholt Alle 3, DK-7100 Vejle, members of the Board of Directors, the Executive Management and senior 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, 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.

Management's share option programmes are set out in note 2.

| | YTD 2020 | YTD 2019 |
|--|---------------------|---------------------|
| Joint ventures: | | |
| During the reporting period, the Group sold goods in the amount of | 11 | 23 |
| At 30 September, the Group had a receivable of | 30 | 27 |
| At 30 September, the Group had debt in the amount of | 1 | 1 |
| Associates: | | |
| During the reporting period, the Group sold goods in the amount of | 275 | 220 |
| During the reporting period, the Group bought goods in the amount of | 19 | 55 |
| At 30 September, the Group had a receivable of | 187 | 161 |
| At 30 September, the Group had debt in the amount of | 23 | 89 |
| During the reporting period, the Group received dividends in the amount of | 0 | 11 |

During 2020, the Group has traded with BioMar-Sagun, BioMar-Tongwei, LetSea, Salmones Austral, ATC Patagonia, 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 (28.09%), Direktør Svend Hornslyds Legat (14.82%) and Aktieselskabet Schouw & Co. (5.96%).

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Special risks, judgements and estimates, and accounting policies

For the Group's special risks, judgements and estimates, and accounting policies please see the Management's report page 4.