

Copenhagen, 25 September 2019

## **Santa Fe conclude agreement on divestment of its relocation business**

### **Company announcement No 16/2019**

Santa Fe Group A/S has today divested its subsidiary Santa Fe Group Limited, which holds the group's relocation activities, to Santa Fe Intressenter AB, a company controlled by Lazarus Equity Partners with support from Proventus Capital Partners.

The sale includes the total debt to Proventus Capital Partners, thus ending the company's previously announced financial challenges.

Upon sale, Santa Fe Group A/S will receive a cash consideration of EUR 1m. Additionally, it has been agreed that Santa Fe Group A/S will receive 15% of the gain in the event of a future cash sale of the relocation business within 5 years from the agreement has been signed. The future gain is adjusted for e.g. debt, interest and any potential additional investments.

Following the transaction, Santa Fe Group A/S retains minority holdings through subsidiaries of two Chinese and a listed Thai company. The book value of these activities was as of 30 June 2019 EUR 4.4m

For the parent company, the transaction results in an accounting loss of approx. EUR 21.5m (DKK 160m), which results in an expected equity of the parent company of EUR 2.0-2.7m (DKK 15-20m) after the divestment. As the transaction will be completed in 2019, the business in the consolidated financial statements will be recognised as discontinued activities in the 2019 annual report.

The company's previously announced outlook, contained in Company Announcement 14/2019, were based on continued ownership of the relocation business and are therefore no longer applicable. The continuing activities of the consolidated Company will not generate any revenue for 2019 and EBITDA before special items is expected to be around EUR -1m in 2019.

Santa Fe Group A/S' Chairman, Henning Kruse Petersen, says:

*" We have looked into all options for refinancing. We have found that it was simply not possible under terms where it would at the same time be possible to run the business under acceptable conditions. Therefore, we are very pleased with the agreement we have entered into with Lazarus Equity Partners. The transaction injects EUR 1m into Santa Fe Group A/S, and the Group retains certain minority items. We hope, of course, that we can dispose of these minority items at a reasonable price, which, along with any upside from a sale of Santa Fe Relocation, could benefit Santa Fe Group's shareholders. I am pleased that Santa Fe Relocation has been retained as a continuing company, with 1,800 jobs, that will continue to serve the company's customers and creditors."*



The company expects shortly to convene an extraordinary general meeting for the purpose of changing the name of the company, with the name "Santa Fe" being transferred to the divested business. The Board of Directors and the Executive Board of the company continue for the time being.

Yours sincerely,  
Santa Fe Group A/S

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