2023
INTERIM REPORT

THIRD QUARTER

Company announcement no. 13
14 November 2023

Contents

Aktieselskabet Schouw & Co. · Chr. Filtenborgs Plads 1 · 8000 Aarhus C · Denmark · Comp.reg. no.

Management's report

This is a translation of Schouw & Co.'s Interim Report for the nine months ended 30 September 2023. The original Danish text shall be controlling for all purposes, and in case of discrepancy, the Danish wording shall be applicable.

Statement by Jens Bjerg Sørensen, President of Schouw & Co.:

SOUND MOMENTUM IN THIRD QUARTER

The third quarter were in many ways the best ever in Schouw & Co.'s 145-year history. We delivered both revenue and EBITDA at an all-time high, and the companies of the Schouw & Co. Group performed very well across the board and in several respects also better than expected.

Our portfolio companies are generating solid cash flows of DKK 1.5 billion, and we have reduced our financial gearing considerably. Following a successful refinancing of a part of our debt, Schouw & Co. is in a strong position financially.

The solid momentum we enjoyed in the third quarter has made us raise our full-year EBITDA guidance.

HIGHLIGHTS

- Revenue up by 15% to DKK 10.5bn
- EBITDA up by 34% to DKK 909m
- Strong cash flows from operations of DKK 1,490m
- ROIC excluding goodwill improved to 12.4%
- Full-year EBITDA guidance raised

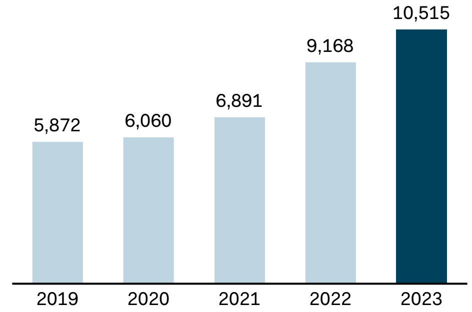
REVENUE	EBITDA	ROIC
10.5	909	12.4%
DKKBN	DKKM	EXCLUDING GOODWILL

Financial highlights and key ratios

GROUP SUMMARY (DKKm)	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Revenue and income					
Revenue	10,515	9,168	28,359	22,931	32,637
Operating profit before depreciation/amortisation (EBITDA)	909	677	2,086	1,606	2,282
Depreciation, amortisation and impairment losses	275	230	802	665	994
EBIT	634	448	1,284	940	1,288
Profit/loss after tax in associates and joint ventures	0	49	37	100	130
Net financial items	-79	-69	-288	-20	-114
Profit before tax	555	427	1,032	1,020	1,304
Profit for the period	421	330	756	802	993
Cash flows					
Cash flows from operating activities	1,490	-121	1,748	-286	319
Cash flow from investing activities	-157	-260	-1,009	-1,040	-1,499
Of which investment in property, plant and equipment	-141	-254	-646	-795	-1,068
Cash flows from financing activities	-1,111	440	-606	1,379	1,377
Cash flows for the period	222	59	133	53	196
Invested capital and financing					
Invested capital (ex. goodwill)	15,006	13,640	15,006	13,640	14,952
Total assets	29,741	26,347	29,741	26,347	28,445
Working capital	6,710	6,403	6,710	6,403	6,969
Net interest-bearing debt (NIBD)	5,714	4,804	5,714	4,804	5,790
Share of equity attributable to shareholders of Schouw & Co.	10,582	10,938	10,582	10,938	10,348
Non-controlling interests	921	472	921	472	889
Total equity	11,503	11,410	11,503	11,410	11,237
Financial data					
EBITDA margin (%)	8.6	7.4	7.4	7.0	7.0
EBIT margin (%)	6.0	4.9	4.5	4.1	3.9
EBT margin (%)	5.3	4.7	3.6	4.4	4.0
Return on equity (%)	8.3	10.0	8.3	10.0	9.3
Equity ratio (%)	38.7	43.3	38.7	43.3	39.5
ROIC excluding goodwill (%)	12.4	11.3	12.4	11.3	11.2
ROIC including goodwill (%)	10.4	9.3	10.4	9.3	9.3
NIBD/EBITDA ratio	2.1	2.2	2.1	2.2	2.4
Average no. of employees	15,662	11,720	15,534	11,428	12,278
Per share data					
Earnings per share (of DKK 10)	16.99	13.78	30.47	32.96	40.59
Diluted earnings per share (of DKK 10)	16.99	13.78	30.44	32.94	40.58
Net asset value per share (of DKK 10)	449.80	464.65	449.80	464.65	441.88
Share price, end of period (per share DKK 10)	470.50	444.00	470.50	444.00	524.00
Price/Net asset value	1.05	0.96	1.05	0.96	1.19
Market capitalisation, end of period	11,069	10,452	11,069	10,452	12,271

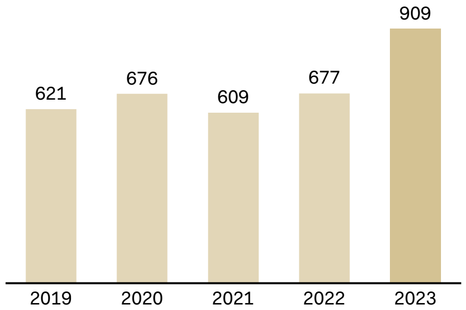
Revenue, third quarter

DKKm



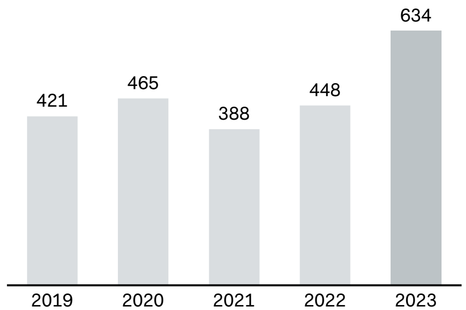
EBITDA, third quarter

DKKm



EBIT, third quarter

DKKm



Interim report – Third quarter 2023

This was a very good third quarter with a significant revenue improvement. Reported EBITDA improved by relatively more than revenue, which had not been expected. Cash flows from operations for the quarter sharply improved.

(DKKm)	Q3 2023	Q3 2022	Change	
Revenue	10,515	9,168	1,347	15%
EBITDA	909	677	231	34%
EBIT	634	448	187	42%
Associates and JVs	0	49	-49	-100%
Profit before tax	555	427	129	30%
Cash flows from operating activities	1,490	-121	1,611	n/a

(DKKm)	YTD 2023	YTD 2022	Change	
Revenue	28,359	22,931	5,427	24%
EBITDA	2,086	1,606	480	30%
EBIT	1,284	940	343	36%
Associates and JVs	37	100	-62	-63%
Profit before tax	1,032	1,020	12	1%
Cash flows from operating activities	1,748	-286	2,034	n/a
Net interest-bearing debt	5,714	4,804	910	19%
Working capital	6,710	6,403	307	5%
ROIC ex. goodwill	12.4%	11.3%	1.1%	
ROIC in. goodwill	10.4%	9.3%	1.1%	

The companies of the Schouw & Co. Group reported strong third quarter results with better-than-expected earnings. At the beginning of the quarter, the consolidated guidance was marked by general uncertainty about demand in global markets and the value chain alignments that were to be expected. However, the companies of the Group generally maintained high levels of business activity while also benefitting from an improved supply situation. This has enabled Schouw & Co. to make adjustments to its working capital and thereby produce a substantial improvement in cash flows from operations.

Consolidated revenue for Q3 2023 amounted to DKK 10,515 million, for a 15% increase from DKK 9,168 million in Q3 2022. The increase derived especially from GPV following its combination with Enics in October 2022. The other businesses of the Group also contributed to the improvement but to a relatively modest extent with the exception of Fibertex Personal Care, which reported a drop in revenue relative to Q3 2022. Overall revenue for the year to date amounted to DKK 28,359 million, a year-on-year increase of 24%.

Reported EBITDA was up by 34% from DKK 677 million in Q3 2022 to DKK 909 million in Q3 2023. The strong improvement was mainly attributable to GPV and BioMar, but all of the other portfolio companies also contributed. EBITDA for the 9M 2023 period amounted to DKK 2,086 million, for a 30% year-on-year increase.

Associates and joint ventures produced a combined break-even for the third quarter, compared with a share of profit after tax of DKK 49 million in Q3 2022. For both years, the share of profit in associates and joint ventures was related to BioMar.

Consolidated net financial items were a net expense of DKK 79 million in Q3 2023, compared to a DKK 69 million net expense in Q3 2022. The modest increase breaks down into a sharp increase in actual interest expenses resulting from an increase in net interest-bearing debt and the general increase in interest rates, which were partly offset by foreign exchange adjustments etc., which produced an income of DKK 28 million in Q3 2023 compared to a DKK 33 million expense in Q3 2022.

ROIC excluding goodwill improved from 11.3% at 30 June 2023 to 12.4% at 30 September 2023.

Liquidity and capital resources

The Schouw & Co. Group's operations produced a DKK 1,490 million cash inflow in Q3 2023, compared with a DKK 121 million outflow in Q3 2022. The steep improvement in cash flows from operations was mainly attributable to BioMar and to a lesser extent to GPV and Borg Automotive, but all other portfolio companies also strengthened their cash flows from operations relative to last year. This brought cash flows from operations for the year to date to an inflow of DKK 1,748 million, compared with a cash outflow of DKK 286 million in the 9M 2022 period.

Consolidated working capital fell during the quarter from DKK 7,465 million at 30 June 2023 to DKK 6,710 million at 30 September 2023, while BioMar increased its use of supply chain financing with suppliers from DKK 884 million at 30 June 2023 to DKK 978 million at 30 September 2023. The substantial reduction of the working capital was based on reduced working capital of BioMar and Borg Automotive, while the working capital for the remaining portfolio companies was in line with or slightly higher than at 30 June 2023. By comparison, the overall working capital amounted to DKK 6,403 million at 30 September 2022, at which time the most recent acquisitions were not consolidated.

The combined cash flows for investing activities amounted to DKK 157 million in Q3 2023. By comparison, cash flows for investing activities in Q3 2022 amounted to DKK 260 million.

Interim report – Third quarter 2023

Schouw & Co. refinanced a significant part of its debt through the international Schuldschein market after the end of the third quarter. The successful refinancing exercise was closed at EUR 225 million and attracted strong interest from debt investors in Germany, Austria, Slovenia and Belgium as well as a number of Asian countries. Schouw & Co. now has refinancing in place for part of its existing debt which matures in spring 2024.

Group developments

The companies of the Schouw & Co. Group have continuously managed to adapt to varying market conditions over the past few years. The Group's financial strength has produced opportunities to make strategic acquisitions and investments, but has also enabled the portfolio companies to structure their procurement and build inventories so as to maintain their high level of service during the extended period of unstable supply chains. This has undoubtedly enabled the portfolio companies to build good competitive positions and to maintain high levels of business activity in the last few years.

The following is a brief review of business developments of the portfolio companies for the quarter.

BioMar increased its volume sales by 5%, but reduced prices and exchange rate developments meant that revenue was line with last year. EBITDA was up by 17%, reflecting margin improvements. The share of profit from associates and joint ventures declined to break even, mainly due to fair value adjustments of the biomass in Chilean fish farming company Salmones Austral.

GPV reported a revenue improvement of 120% as a result of the combination with Enics, increased demand and continued high prices of components and materials. The company's reported EBITDA was better than expected and more than doubled year on year.

HydraSpecma reported a 16% revenue improvement driven by the acquired operations in the Renewables division. The company's reported EBITDA was up by 13%, driven by acquisitions, operational efficiency and strong capacity utilisation.

Borg Automotive generated a 4% revenue improvement on increased sales of remanufactured products and increased price levels. Reported EBITDA was up by 9%, which was better than expected.

Fibertex Personal Care reported a 27% drop in revenue year on year. The decline was driven by lower prices of raw materials and the resulting lower selling prices in combination with a decline in sales volumes. However, the company improved its reported EBITDA by 29%, driven in particular by reduced costs of energy and by better balanced production costs and selling prices.

Fibertex Nonwovens reported a 3% revenue improvement that was driven mainly by an increase in sales to the European construction industry and increased sales of wipes in the US. Reported EBITDA improved by a considerable margin driven in part by reduced energy costs, which contributed to a 144% improvement in Q3 EBITDA year on year.

Events after the balance sheet date

After 30 September 2023, the final valuation of Borg Automotive's acquisition of SBS Automotive was finalised with a settlement of the acquisition corresponding to the interim recognised provision.

Other than as set out elsewhere in this interim report, Schouw & Co. is not aware of events occurring after 30 September 2023 which are expected to have a material impact on the Group's financial position or outlook.

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.

See the 2022 Annual Report for a full description of the accounting policies. In addition, Schouw & Co. will be implementing the standards and interpretations which are effective from 2023.

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 is facing are discussed in the 2022 Annual Report. The current assessment of special risks is largely unchanged from the assessment applied in the preparation of the 2022 Annual Report.

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.

SCHOUW & CO. SHARES

Schouw & Co. shares depreciated by 13% during the third quarter to DKK 470.50 at 30 September 2023 from DKK 539.00 at 30 June 2023. At 31 December 2022, the price per share was DKK 524.00.

Outlook

High level of business activity expected to continue for the rest of the year. Stabilised supply situation could lead to inventory adjustments in the value chain. Revenue guidance range adjusted, while EBITDA guidance upgraded.

Outlook for 2023
The companies of the Schouw & Co. Group have generally performed well under the turbulent conditions of the last couple of years, and Schouw & Co. has strengthened the foundation for its future development through considerable organic and acquisitive investments. Overall, the Group's businesses have made substantial investments for organic expansion, while also making major acquisitions that individually will support transformation and long-term strategic development.

The companies of the Schouw & Co. Group have for a considerable period of time been facing a situation of supply chain instability. In order to maintain a high level of service, they have had to maintain buffer stocks and accept longer order horizons than during normal operations, and the Group has had the financial muscle to accommodate that need. In a wide range of areas, the supply situation is now becoming more predictable, which has inherently triggered an alignment of order horizons and inventory levels, in turn contributing to considerable improvements to cash flows from operations in the third quarter of 2023.

As many other companies have attempted to safeguard their operations as much as possible, it would be logical to expect that the companies making up the value chain from the Group's companies to the actual end-users of the Group's products will also align their order horizons and inventories to a more predictable situation.

Such alignment of order horizons in value chains could have the implication that the inflow of new orders will decline for a period of time. Obviously, our companies are very much aware of this possibility, but at the present time there is no indication of a general decline in end-user demand for the Group's products. Overall, inventory adjustments in the value chains have had only a moderate impact on demand to date, but they should be expected to have a transitory effect eventually.

However, Schouw & Co. expects to maintain a high level of business activity for the remainder of 2023. Even though market uncertainty prevails, the Group's companies are experiencing healthy demand in quite a few areas.

The following is a brief review of the revenue and EBITDA forecasts for the individual companies in 2023:

BioMar lowers its expectations for full-year revenue, but raises its full-year earnings forecast relative to its previous expectations on the healthy earnings performance for the third quarter. On the other hand, the share of profit after tax from associates and joint ventures is expected to be considerably lower.

GPV raised its full-year expectations considerably after the second quarter and is now upgrading its forecast once more. The company is raising its revenue forecast slightly, while increasing its EBITDA forecast considerably on the basis of the strong earnings in the third quarter and the early synergies from the combination with Enics.

HydraSpecma is narrowing its FY 2023 revenue forecast to the lower half of its previous range, due in part to the weak Swedish currency. The full-year EBITDA forecast is narrowed within the previously announced range.

Borg Automotive now expects to generate revenue at the upper half of its previously announced range despite the continued uncertainty about general market developments in the fourth quarter. The increased revenue forecast implies an expectation of increased full-year earnings.

Fibertex Personal Care maintains its FY 2023 revenue forecast. The healthy Q3 EBITDA and the improved balancing of production costs and selling prices strengthens the full-year forecast. However, the strong competition in the Asian market continues to weigh on the company's nonwovens operations in Malaysia, and the competitive situation will also be a challenge in 2024.

Fibertex Nonwovens lowers its FY 2023 revenue guidance due to a decline in prices of raw materials. However, reduced costs, which include lower costs of energy, strengthen the FY earnings forecast.

Schouw & Co. Group's overall guidance
The Schouw & Co. Group generates a substantial part of its revenue by converting purchased raw materials or by processing other purchased components and materials, and such purchased goods often represent a very large proportion of the value of a finished product. Changes in prices of purchased goods or changes in foreign exchange rates must typically be included in selling prices, and significant changes may therefore have a significant impact on revenue even in the near term

Outlook

and although the underlying activity has not changed.

Overall, the companies of the Schouw & Co. Group have enjoyed fair levels of business activity since the release of the Q2 2023 interim report. The period has provided shifts in prices of procured goods and changes in foreign exchange rates that have dampened revenue.

As a result of these developments, the Group is adjusting its FY 2023 revenue guidance to the DKK 36.5-37.8 billion range from previously DKK 36.6-38.3 billion.

Schouw & Co. provides consolidated earnings guidance at EBITDA level based on an aggregation of individual portfolio company forecasts, but actual portfolio company EBITDA results may deviate from these forecasts. Accordingly, the actual guidance is expressed through consolidated EBITDA for 2023, which based on the increased guidance following the Q3 results is now expected to be in the range of DKK 2,625-2,795 million compared with the previous range of DKK 2,480-2,730 million.

Associates and joint ventures, which are predominantly part of the BioMar business, are now expected to contribute a combined share of profit after tax of approximately DKK 50 million for 2023, compared with the previous estimate of approximately DKK 100 million. The reduction in the share of profit is mainly attributable to a fair value adjustment of the biomass in Chilean fish farming company Salmones Austral and an expected drop in the share of profit from the joint venture operations in Turkey.

The estimated depreciation and amortisation charges for the year have generally not changed since the release of the Q2 2023 interim report. The same applies to the consolidated net financials forecast for 2023, which is still expected to be an expense in the region of DKK 400 million.

In this year's previous interim reports, we have stated that financial items could come to include an adjustment for the final earn-out payments relating to Borg Automotive's acquisition of SBS Automotive in 2021. The final value of SBS Automotive was determined after the end of the third quarter 2023, and the acquisition was settled on terms reflecting the provision previously made. Accordingly, the calculation will not have a material effect on the net financials for the year.

REVENUE (DKKm)	**2023 guidance after Q3**	**Prev. 2023 guidance**	**Actual 2022**
BioMar	17,800-18,200	18,000-18,500	17,861
GPV	10,000-10,400	9,900-10,300	5,923
HydraSpecma	2,900-3,000	2,900-3,100	2,536
Borg Automotive	1,800-1,900	1,700-1,900	1,815
Fibertex Personal Care	1,900-2,100	1,900-2,100	2,454
Fibertex Nonwovens	2,100-2,200	2,200-2,400	2,060
Other/eliminations	0	0	-13
Total revenue	36,500-37,800	36,600-38,300	32,637

EBITDA (DKKm)	**2023 guidance after Q3**	**Prev. 2023 guidance**	**Actual 2022**
BioMar	1,150-1,190	1,080-1,150	1,013
GPV	690-730	650-700	465
HydraSpecma	315-335	310-340	306
Borg Automotive	140-160	130-160	180
Fibertex Personal Care	240-260	230-260	269
Fibertex Nonwovens	150-170	140-170	111
Parent company	-60-50	-60-50	-61
EBITDA	2,625-2,795	2,480-2,730	2,282
PPA depreciation/amortisation	-180	-180	-130
Other depreciation/amortisation	-920	-920	-864
EBIT	1,525-1,695	1,380-1,630	1,288
Associates and JVs	50	100	130
Net financial items	-400	-400	-114
Total profit before tax	1,175-1,345	1,080-1,330	1,304

Management Statement

To the shareholders of Aktieselskabet Schouw & Co.

The Board of Directors and the Executive Management today considered and approved the interim report for the period 1 January to 30 September 2023.

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 2023 and of the results of the Group's operations and cash flows for the nine months ended 30 September 2023.

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

Aarhus, 14 November 2023

Executive Management

Jens Bjerg Sørensen
President and CEO

Peter Kjær

Board of Directors

Jørgen Dencker Wisborg
Chairman

Kenneth Skov Eskildsen
Deputy Chairman

Kjeld Johannesen

Agnete Raaschou-Nielsen

Hans Martin Smith

Søren Stæhr

Financial calendar for 2024

27 February 2024	▷ Deadline for submission of proposals to be considered at the annual general meeting
1 March 2024	▷ Release of 2023 annual report
10 April 2024	▷ Annual general meeting
15 April 2024	▷ Expected distribution of dividend
30 April 2024	▷ Release of Q1 2024 interim report
15 August 2024	▷ Release of Q2 2024 interim report
12 November 2024	▷ Release of Q3 2024 interim report

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

Our businesses

Portfolio company financial highlights – Q3

	BioMar		GPV		HydraSpecma		Borg Automotive		Fibertex Personal Care		Fibertex Nonwovens		Group	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
INCOME STATEMENT														
Revenue	5,814	5,804	2,547	1,156	683	589	476	459	475	655	523	509	10,515	9,168
Contribution margin	623	542	331	165	183	158	113	110	111	95	101	69	1,463	1,139
EBITDA	470	403	197	96	80	71	45	41	81	63	49	20	909	677
Depreciation, amortisation and impairment losses	91	96	77	34	32	24	18	18	31	34	25	24	275	230
EBIT	379	307	120	62	48	47	27	23	50	29	24	-4	634	448
Profit after tax in associates and JVs	0	49	0	0	0	0	0	0	0	0	0	0	0	49
Net financial items	-56	-39	-25	-21	-9	-7	-15	-19	-12	-3	-22	-8	-79	-69
Profit before tax	323	317	95	41	39	40	11	5	38	25	2	-11	555	427
Tax on profit/loss for the year	-73	-69	-28	-10	-8	-8	-3	0	-10	-2	-1	-3	-134	-97
Profit before non-controlling interests	250	247	67	31	31	32	8	5	28	23	1	-15	421	330
Non-controlling interests	-8	-5	0	0	0	0	0	0	0	0	-1	0	-22	-5
Profit for the year	243	242	67	31	31	32	8	5	28	23	0	-15	400	325
CASH FLOWS														
Cash flows from operating activities	1,168	-98	111	-78	11	-7	83	9	77	72	-3	-29	1,490	-121
Cash flow from investing activities	-34	-63	-65	-56	-24	-10	-14	-14	-6	-9	-13	-109	-157	-260
Cash flows from financing activities	-996	78	0	129	25	16	-61	10	-55	-46	13	140	-1,111	440
BALANCE SHEET														
Intangible assets *	1,467	1,663	1,037	439	606	211	268	305	61	64	123	136	4,589	3,844
Property, plant and equipment	1,736	1,798	1,031	573	449	329	202	148	1,225	1,387	1,506	1,506	6,170	5,761
Other non-current assets	1,274	1,353	338	131	128	112	132	131	42	43	7	7	1,950	1,791
Cash and cash equivalents	1,604	1,242	357	96	104	39	42	57	39	43	90	49	828	567
Other current assets	6,786	7,267	5,304	2,818	1,429	1,278	1,198	1,200	601	823	940	1,025	16,204	14,385
Total assets	12,868	13,323	8,067	4,057	2,716	1,969	1,842	1,840	1,968	2,359	2,667	2,723	29,741	26,347
Shareholders' equity	3,155	3,264	2,335	1,254	925	735	530	564	1,007	1,081	889	838	11,503	11,410
Interest-bearing liabilities	3,709	4,195	2,865	1,477	1,193	758	480	468	563	758	1,403	1,485	6,712	5,551
Other liabilities	6,004	5,864	2,868	1,326	597	477	832	809	398	521	375	400	11,526	9,386
Total equity and liabilities	12,868	13,323	8,067	4,057	2,716	1,969	1,842	1,840	1,968	2,359	2,667	2,723	29,741	26,347
Average no. of employees	1,618	1,533	8,700	4,835	1,492	1,290	2,024	2,184	709	788	1,100	1,072	15,662	11,720
FINANCIAL KEY FIGURES														
EBITDA margin	8.1%	6.9%	7.7%	8.3%	11.8%	12.0%	9.5%	9.0%	17.0%	9.6%	9.4%	4.0%	8.6%	7.4%
EBIT margin	6.5%	5.3%	4.7%	5.4%	7.0%	8.0%	5.6%	5.1%	10.5%	4.4%	4.7%	-0.8%	6.0%	4.9%
ROIC excluding goodwill	20.0%	16.0%	11.3%	12.2%	15.0%	17.0%	11.2%	14.2%	11.0%	7.0%	2.3%	1.4%	12.4%	11.3%
ROIC including goodwill	14.5%	11.6%	10.4%	11.2%	13.0%	15.4%	7.7%	9.3%	10.4%	6.6%	2.2%	1.3%	10.4%	9.3%
Working capital	1,378	2,199	2,787	1,683	945	862	653	587	356	475	581	661	6,710	6,403
Net interest-bearing debt	1,936	2,774	2,507	1,382	1,088	719	438	411	524	715	1,313	1,436	5,714	4,804

* Excluding consolidated goodwill in Schouw & Co.

Portfolio company financial highlights – 9M

	BioMar		GPV		HydraSpecma		Borg Automotive		Fibertex Personal Care		Fibertex Nonwovens		Group	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
INCOME STATEMENT														
Revenue	13,665	12,887	7,920	3,299	2,243	1,883	1,442	1,413	1,444	1,872	1,655	1,587	28,359	22,931
Contribution margin	1,287	1,185	991	488	576	505	329	348	303	270	288	261	3,773	3,058
EBITDA	853	718	565	284	249	228	118	138	210	175	130	102	2,086	1,606
Depreciation, amortisation and impairment losses	258	265	229	95	94	71	55	58	92	102	73	74	802	665
EBIT	595	454	336	189	155	157	63	80	117	73	57	28	1,284	940
Profit after tax in associates and JVs	37	100	0	0	0	0	0	0	0	0	0	0	37	100
Net financial items	-151	-79	-138	-30	-30	-3	-11	49	-27	-12	-74	-8	-288	-20
Profit before tax	481	474	198	158	125	154	52	129	90	61	-17	20	1,032	1,020
Tax on profit/loss for the year	-106	-107	-82	-43	-26	-31	-11	-13	-22	-9	-7	-10	-276	-218
Profit before non-controlling interests	376	367	115	116	99	123	41	117	69	53	-24	9	756	802
Non-controlling interests	-17	-18	0	0	0	-1	0	0	0	0	0	-1	-40	-20
Profit for the year	359	349	115	116	99	122	41	117	69	53	-24	8	716	782
CASH FLOWS														
Cash flows from operating activities	1,147	-13	79	-240	116	77	41	-154	201	105	46	-114	1,748	-286
Cash flow from investing activities	-124	-377	-212	-188	-510	-41	-47	-41	-40	-38	-77	-354	-1,009	-1,040
Cash flows from financing activities	-947	333	112	372	452	-41	17	204	-135	-32	9	471	-606	1,379
BALANCE SHEET														
Intangible assets *	1,467	1,663	1,037	439	606	211	268	305	61	64	123	136	4,589	3,844
Property, plant and equipment	1,736	1,798	1,031	573	449	329	202	148	1,225	1,387	1,506	1,506	6,170	5,761
Other non-current assets	1,274	1,353	338	131	128	112	132	131	42	43	7	7	1,950	1,791
Cash and cash equivalents	1,604	1,242	357	96	104	39	42	57	39	43	90	49	828	567
Other current assets	6,786	7,267	5,304	2,818	1,429	1,278	1,198	1,200	601	823	940	1,025	16,204	14,385
Total assets	12,868	13,323	8,067	4,057	2,716	1,969	1,842	1,840	1,968	2,359	2,667	2,723	29,741	26,347
Shareholders' equity	3,155	3,264	2,335	1,254	925	735	530	564	1,007	1,081	889	838	11,503	11,410
Interest-bearing liabilities	3,709	4,195	2,865	1,477	1,193	758	480	468	563	758	1,403	1,485	6,712	5,551
Other liabilities	6,004	5,864	2,868	1,326	597	477	832	809	398	521	375	400	11,526	9,386
Total equity and liabilities	12,868	13,323	8,067	4,057	2,716	1,969	1,842	1,840	1,968	2,359	2,667	2,723	29,741	26,347
Average no. of employees	1,605	1,526	8,671	4,601	1,442	1,270	2,001	2,153	709	792	1,087	1,069	15,534	11,428
FINANCIAL KEY FIGURES														
EBITDA margin	6.2%	5.6%	7.1%	8.6%	11.1%	12.1%	8.2%	9.8%	14.5%	9.4%	7.8%	6.4%	7.4%	7.0%
EBIT margin	4.4%	3.5%	4.2%	5.7%	6.9%	8.3%	4.4%	5.7%	8.1%	3.9%	3.4%	1.7%	4.5%	4.1%
ROIC excluding goodwill	20.0%	16.0%	11.3%	12.2%	15.0%	17.0%	11.2%	14.2%	11.0%	7.0%	2.3%	1.4%	12.4%	11.3%
ROIC including goodwill	14.5%	11.6%	10.4%	11.2%	13.0%	15.4%	7.7%	9.3%	10.4%	6.6%	2.2%	1.3%	10.4%	9.3%
Working capital	1,378	2,199	2,787	1,683	945	862	653	587	356	475	581	661	6,710	6,403
Net interest-bearing debt	1,936	2,774	2,507	1,382	1,088	719	438	411	524	715	1,313	1,436	5,714	4,804

* Excluding consolidated goodwill in Schouw & Co.

BioMar

> We are innovators dedicated to an efficient and sustainable global aquaculture

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

Market

Aquaculture plays a key role in the food supply of the future, as fish farming is the best way to secure a more sustainable approach to increasing the supply of fish and avoid overfishing the oceans. There is a global need for healthy and sustainable sources of protein, and according to FAO, the UN Food and Agriculture Organization, the global production of fish in 2030 is expected to be about 15% higher than the current output. Already, more than 50% of the world's fish and shrimp are raised in aquaculture, which is the fastest growing food production industry.

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

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

Geography

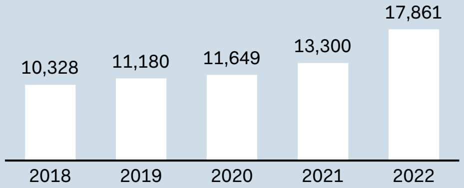
BioMar is headquartered in Aarhus, Denmark, and the company's operations are divided into divisions. The Salmon Division covers salmon feed from factories in Norway, Scotland, Chile and Australia.

The remaining feed operations are divided geographically into: The EMEA Division with factory sites in Denmark, France, Spain, Greece and Turkey; the LatAm Division with factory sites in Ecuador and Costa Rica; and the Asia Division with factory sites in China and Vietnam. BioMar also operates a Tech Division that is focused on technology for developing more efficient and sustainable smart feeding solutions.

Ownership – past and present

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

Revenue performance (DKKm)



BioMar

Substantial earnings improvement and increased volume sales. Revenue in line with last year due to reduced prices and exchange rate developments. Full-year revenue forecast lowered, but earnings forecast raised.

DKKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Volume ('000 y)	466	444	1,093	1,084	1,456
- Salmon	322	314	743	751	1,016
- other divisions	144	130	350	333	441
Revenue	5,814	5,804	13,665	12,887	17,861
- Salmon	4,329	4,430	10,041	9,648	13,510
- other divisions	1,485	1,373	3,624	3,239	4,350
EBITDA	470	403	853	718	1,013
- Salmon	326	266	539	480	669
- other divisions	143	137	314	239	343
EBIT	379	307	595	454	602
CF from operations	1,168	-98	1,147	-13	299
Working capital	1,378	2,199	1,378	2,199	1,977
ROIC ex. goodwill	20.0%	16.0%	20.0%	16.0%	16.1%

BioMar reported a 5% year-on-year increase in volume sales in the third quarter of 2023 with positive contributions from all divisions. The reported revenue reflected, among other things, a decline in prices of raw materials despite the current historically high prices of fish oil and fish meal. As a result, the reported Q3 2023 revenue of DKK 5,814 million marked only a marginal increase over last year. Exchange rate developments during the quarter had a negative impact on revenue of around DKK 450 million and were mainly related to the weaker Norwegian kroner. Overall revenue for the year to date amounted to DKK 13,665 million, a year-on-year increase of 6%.

The Salmon Division reported an improvement in volume sales in the third quarter that was mainly driven by positive developments in the Norwegian market. The market momentum was supported by a broad product offering, and improvements in the Norwegian market helped to strengthen the division's earnings.

The EMEA Division reported volume sales slightly below the level of the third quarter of 2022 but also increased revenue driven by the markets of the Mediterranean region. Earnings improved relative to the volatile third quarter of 2022.

The LatAm Division reported substantial improvements in both volume sales and revenue in the third quarter. Earnings improved thanks to stronger contract positions in a market otherwise challenged by low prices on farmed shrimp. BioMar continues to strengthen its offering of products, concepts and services, mainly in the Ecuadorian market where the company has now added new production capacity.

The consolidated part of the Asia Division, which only covers operations in Vietnam, is still under development. Volume sales have increased, but earnings from these operations remain impacted by costs incurred for market build-up purposes. Operations in the Tech Division, which was established after the acquisition of AQ1, reported a slight drop in earnings. While there has been sound market interest in the technology solution, the division is experiencing that customers are to some extent holding back on their investments, as they are feeling the effects of currently low prices of farmed shrimp. This reluctance has also triggered destocking among distributors.

EBITDA for Q3 2023 improved by a considerable margin to DKK 470 million from DKK 403 million in Q3 2022, reflecting margin improvements relative to last year. EBITDA for the 9M 2023 period amounted to DKK 853 million, for a 19% year-on-year increase.

Working capital fell sharply from DKK 2,200 million at 30 September 2022 to DKK 1,378 million at 30 September 2023, mainly driven by reduced prices of raw materials and structured inventory reductions. In addition, exchange rate developments and a change in other debt contributed to reducing the working capital. The use of supply chain financing with suppliers fell from DKK 1,206 million at 30 September 2022 to DKK 978 million at 30 September 2023.

ROIC excluding goodwill improved from 17.3% at 30 June 2023 to 20.0% at 30 September 2023.

Joint ventures and associates

BioMar manufactures fish feed in China and Turkey through two 50/50 joint ventures with local partners. These activities are not consolidated, but due to their large growth potential, being strongly represented in these markets is very important to BioMar. The two feed businesses reported a combined revenue of DKK 438 million (100% basis) and EBITDA of DKK 40 million for the third quarter of 2023, against revenue of DKK 439 million and EBITDA of DKK 26 million in Q3 2022.

The associated businesses include the Chilean fish farming company Salmones Austral and three minor businesses, LetSea, ATC Patagonia and LCL Shipping. The non-consolidated joint ventures and associates are recognised in the Q3 2023 consolidated financial statements at break-even, compared with a DKK 49 million profit after tax for the Q3 2022 period. The considerable decline was largely attributable to a fair value adjustment of the biomass in Salmones Austral.

Business review

BioMar endeavours to be a strong partner to all its stakeholders. Over the coming quarterly periods, a key objective will be to bring more stability and predictability to the feed market and where possible to capitalise on the downward trends in prices

BioMar

of raw materials. In addition, BioMar will be strongly focused on delivering on the company's sustainability ambitions, which are demanded by customers and consumers and therefore essential in the long term.

Sustainability efforts form an integral part of BioMar's strategy, which includes a focus on the use of alternative raw materials and on generally reducing the climate impact. BioMar's strategy also centres on a commercial excellence programme intended to strengthen customer service and exploit the earnings potential. For example, all major contracts are now being assessed in a more structured and uniform manner, and overall earnings and working capital relating to customers and projects will form part of a strengthened data-driven decision-making basis.

Outlook

From an overall perspective, long-term demand for farmed fish and shrimp generally seems sound. BioMar is well positioned in the market, with a high level of quality and a strong focus on sustainability and advanced fish and shrimp farming technology. In the short term, demand for feed is likely to be affected by current market conditions and by selling prices of farmed fish and shrimp. In shrimp farming, due to the short farming period relative to, say, salmon farming, demand for feed is easily affected by volume adjustments in farming operations.

BioMar continually invests to upgrade its global ERP platform. The substantial investments made will weigh on earnings both in the current and in coming years, but will also bring BioMar to a next level of digitalisation, more transparency and global excellence processes.

BioMar softens its FY 2023 revenue forecast to DKK 17.8-18.2 billion from previously DKK 18.0-18.5 billion. At the same time, however, the company raises its earnings forecast based on the strong results for the third quarter to EBITDA in the DKK 1,150-1,190 million range from previously DKK 1,080-1,150 million.

Associates and joint ventures are recognised at a share of profit after tax. The full-year forecast for the share of profit after tax is reduced to around DKK 50 million from the previous forecast of approximately DKK 100 million. The reduction is mainly due to a fair value adjustment of the biomass in Salmones Austral and an expected drop in the share of profit from the joint venture operations in Turkey.

GPV

Accomplish more – sustainably

GPV is a leading European EMS (Electronics Manufacturing Services) business. GPV manufactures electronics, mechanics, cable harnessing and mechatronics (combination of electronics, mechanical technology and software) for its range of international customers. GPV's solutions are used in customer end products in the market segments of Industrials, Measurement & Control, BuildingTech, Transport, CleanTech, MedTech and HighTech Consumer.

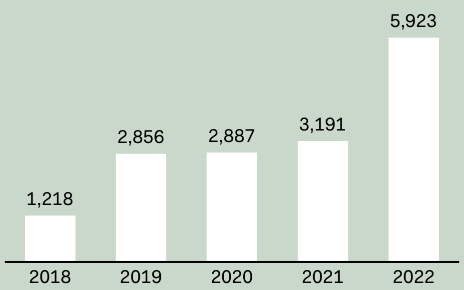
Market
Electronics play an ever more prominent role in society, whether in everyday life or in industry and manufacturing. In these sectors, the integration of electronics, increased data usage and increased automation will serve to make everyday life easier, optimise manufacturing processes, reduce resource consumption and increase quality of life. In the production of advanced electronics, increased specialisation results in a tendency for many businesses to focus on their core services and to outsource the manufacturing of electronics to dedicated EMS partners such as GPV.

GPV's market is in the high-mix segment, which is generally characterised by highly complex manufacturing processes. GPV supplies many different products to customers in the mentioned market segments in which electronics play an increasingly important role. Many of these products provide direct or indirect support for the green transition.

Geography
Head office in Vejle, Denmark, and manufacturing facilities in Denmark, Sweden, Finland, Estonia, Switzerland, Germany, Austria, Slovakia, Sri Lanka, Thailand, Malaysia, China and Mexico.

Ownership – past and present
GPV was founded in 1961 and became a part of the Schouw & Co. Group in 2016. The company has subsequently expanded through combinations with a number of complementary businesses, and today, GPV is the second-largest European-headquartered EMS company. Schouw & Co. holds an 80% ownership interest in GPV.

Revenue performance (DKKm)



GPV

Strong and better-than-expected Q3 performance. Strong revenue improvement on the back of the combination with Enics, healthy demand and high prices of components and materials. Full-year forecasts upgraded for the third time in 2023.

DKKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Revenue	2,547	1,156	7,920	3,299	5,923
EBITDA	197	96	565	284	465
EBIT	120	62	336	189	292
CF from operations	111	-78	79	-240	-281
Working capital	2,787	1,683	2,787	1,683	2,566
ROIC ex goodwill	11.3%	12.2%	11.3%	12.2%	11.5%

GPV reported Q3 2023 revenue of DKK 2,547 million, a 120% increase from DKK 1,156 million in Q3 2022. The huge improvement was attributable to the combination with Swiss company Enics and to continuing sound demand from a large group of customers. In addition, high prices of components and materials also added to revenue, while at the same time putting pressure on margins. Overall revenue for the year to date amounted to DKK 7,920 million, a year-on-year increase of 140%.

Q3 2023 earnings were better than expected, taking EBITDA to DKK 197 million from DKK 96 million in the same period of 2022. Earnings were supported mainly by the strong increase in the level of activity, effective cost management and high capacity utilisation at GPV's factories. The work to integrate the former GPV and Enics continued as planned in Q3 2023, and the related costs were expensed as incurred. Overall EBITDA for the year to date amounted to DKK 565 million, up from DKK 284 million in the same period of last year.

Working capital grew to DKK 2,787 million at 30 September 2023 from DKK 1,683 million at 30 September 2022. The large increase was primarily attributable to the combination with Enics and the increase in revenue. Focused efforts to adjust inventories have helped GPV stabilise its working capital relative to the second quarter. ROIC excluding goodwill improved slightly from 11.1% at 30 June 2023 to 11.3% at 30 September 2023.

Business review

The integration of GPV and Enics was kicked off immediately after the combination in October 2022. From the outset, the integration process was structured under the heading One.New.Leader. the objective throughout the process being to build a mutual understanding of and to ensure a common approach to customers and suppliers under the GPV brand. The integration process for the planned areas has seen good momentum, which is expected to continue through the rest of 2023.

Meeting customer demands is a key priority for GPV. To ensure adequate flexibility, the company has made a number of investments to expand capacity and accelerate automation, primarily in the major expansion projects at two factories, one in Thailand and one in Sri Lanka. At the end of March 2023, GPV took delivery of the newly constructed mechanics facility in Thailand, which began operations immediately thereafter, following which the next phase of GPV's expansion in Thailand – stepping up the production of electronics at the former mechanics facility – was kicked off. In the third quarter, GPV further began to commission the new electronics factory in Sri Lanka.

In addition, GPV initiated an expansion of electronics production in Mexico during the second quarter, where the initial phase of doubling the production area is expected to be completed in early 2024. GPV has also entered into an agreement for a substantial extension of its production facilities in Slovakia, where customers have shown great interest in expanding the collaboration.

Outlook

GPV raises its full-year 2023 forecasts based on the strong performance for the year to date. Demand from a number of customers remains healthy, but some customers have started to postpone their orders. While it is still too early to say whether demand is actually shrinking, some effect from customer destocking should be expected. The supply of components and materials has generally improved, but lead times remain substantial for a number of key electronic components, and component prices are expected to remain high through to early 2024.

Against this background, GPV upgrades its FY 2023 revenue forecast to the DKK 10.0-10.4 billion range from previously DKK 9.9-10.3 billion. Based on the strong Q3 earnings performance and the early synergies from the combination with Enics, the expected full-year EBITDA range is upgraded quite significantly to the DKK 690-730 million range from previously DKK 650-700 million.

HydraSpecma

> Making Power
> & Motion green

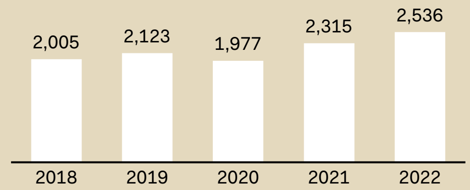
HydraSpecma is a market-leading specialist supplier of hydraulic solutions and components to the aftermarket and OEMs with roots in the Nordic region. HydraSpecma generates value through its production and fast delivery of hydraulic and electric solutions and products, by having the most comprehensive product range in the market and by providing technical advisory services. The products form part of wind turbines, lorries, contractors' equipment and agricultural machinery.

Market
Hydraulic solutions are the basic tools of the Power & Motion business area. Transmission of extreme power is essential in a broad range of technical applications, such as contractors' equipment and cranes, in agriculture and forestry and in other areas where heavy machinery can generate power and motion. In mobile hydraulic solutions, power is typically generated by diesel engines, and their systems use a number of different components, such as hoses, fittings and valves. Increasingly, focus is on electrification of power generation in an attempt to limit the use of fossil fuels and to reduce climate impact. HydraSpecma supplies entire electric solutions as well as hybrid solutions in which certain parts of a system are electrified. HydraSpecma supplies complete customised solutions and systems as well as components for the entire "Power & Motion" segment. The company serves a broad range of industries, from the wind turbine sector to the vehicle and shipping industries. HydraSpecma is a supplier to large OEM customers as well as to the aftermarket, and its customer-facing organisational structure consists of three divisions: Renewables, Global OEM and Nordic OEM/IAM (the Nordic OEM and industrial aftermarket). HydraSpecma is present in international markets with a broad product range in order to be close to its customers and able to supply the needed products and services fast and efficiently.

Geography
Head office in Skjern, Denmark. Facilities in Denmark, Sweden, Finland, Norway, Poland, the UK, the Netherlands, China, India, the USA and Brazil.

Ownership – past and present
Hydra-Grene A/S was founded as an independent business in 1974 and has been a wholly-owned part of the Schouw & Co. Group since 1988. Specma AB was founded in 1918 and has formed part of HydraSpecma since 2016. In the first quarter of 2023, HydraSpecma acquired the wind division from Swedish industrial group Ymer Technology, strengthening its position as a system developer and supplier to the wind turbine segment.

Revenue performance (DKKm)



HydraSpecma

Acquired activities drive healthy revenue improvement. Persistently subdued activity in wind turbine business offset by buoyant activity in other areas. The company lowers its FY revenue forecast and narrows its expected EBITDA range.

DKKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Revenue	683	589	2,243	1,883	2,536
EBITDA	80	71	249	228	306
EBIT	48	47	155	157	211
CF from operations	11	-7	116	77	190
Working capital	945	862	945	862	814
ROIC ex goodwill	15.0%	17.0%	15.0%	17.0%	17.6%

HydraSpecma reported Q3 2023 revenue of DKK 683 million, a 16% increase from DKK 589 million in Q3 2022. The increase was driven by the activities acquired by the Renewables division, while revenue in other areas was slightly down compared with the same period of last year, due in part to the weak Swedish currency. Reported revenue for the year to date amounted to DKK 2,243 million, compared with DKK 1,883 million in the 9M 2022 period.

Reported EBITDA for Q3 2023 was DKK 80 million, up from DKK 71 million in Q3 2022. Earnings were supported by acquisitions, despite the ongoing costs incurred to ensure smooth and value-creating integration of the acquired entities. Earnings were also supported by efficiency improvements driven by strong capacity utilisation and investments to accelerate automation and increase production capacity. EBITDA for the year to date amounted to DKK 249 million, up from DKK 228 million in the same period of last year.

Working capital increased to DKK 945 million at 30 September 2023, a DKK 83 million increase relative to 30 September 2022 that was partly attributable to the acquired activities. ROIC excluding goodwill fell from 15.6% at 30 June 2023 to 15.0% at 30 September 2023, mainly reflecting an increase in working capital and the investment in a new production facility in Poland.

Business review

Effective from 1 February 2023, HydraSpecma acquired Swedish industrial group Ymer Technology's wind division. Immediately following the acquisition, work began to integrate the acquired business activities and HydraSpecma's existing wind turbine operations in the newly-established Renewables division. The key focus of the integration process has been to create a common platform that will enable HydraSpecma to be seen by its customers and suppliers as one combined company. As part of the integration process, the acquired companies in India, China and Denmark will be combined with HydraSpecma's existing companies in these countries. The integration process has made significant progress and is expected to be finalised in the second quarter of 2024.

Against the backdrop of the higher level of activity, HydraSpecma is currently building a new production unit in Poland. This new 16,000 m² factory, designed to be carbon neutral, is located directly adjacent to the current production site in Stargard. The initial stage of 3,000 m² has commenced operations, and the remaining stage of 13,000 m² is scheduled for completion by the end of the year. When the new production unit has been completed and has commenced operations, the current production facility will be divested.

In its consistent efforts to develop and improve the solutions demanded by its customers, HydraSpecma has established an R&D department under the Renewables division that in addition to developing customer-specific systems will also develop proprietary solutions. HydraSpecma will also continue through its Centre of Excellence to build on its competencies in electrification and software development for more sustainable solutions.

Outlook

While HydraSpecma is getting different signals from its various customer segments, the general experience is that the supply situation for components and materials has improved. As a result, supplier lead times have been reduced, which in turn means shorter order horizons for customers.

As most global OEM customers still have considerable order backlogs, the level of activity should remain high for a while yet. While a good deal of the customers in the Nordic OEM/IAM segment are experiencing a similar situation, other customers are beginning to see weakening order intakes. The Renewables segment has seen a subdued level of activity for some time, and this situation is not expected to change in the short term.

HydraSpecma expects to sustain a high level of activity the year out, with continuing subdued activity in the Renewables division being offset by buoyant activity in other areas, which in addition to an inflow of new customers have won added market shares with existing customers. However, HydraSpecma reduces its full-year 2023 revenue forecast to the lower half of the previous range of DKK 2.9-3.1 billion and narrows its EBITDA forecast to the range of DKK 315-335 million from previously DKK 310-340 million.

Borg Automotive

> **We give new life to vehicles by providing sustainable automotive solutions**

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

Market

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

Borg Automotive offers a broad product range. Most of the products have been remanufactured, which means parts produced on the basis of an existing product that have less of an environmental impact and in a process requiring fewer resources and materials. The company's business model applies a return system combined with remanufacturing and is a good example of a circular business model.

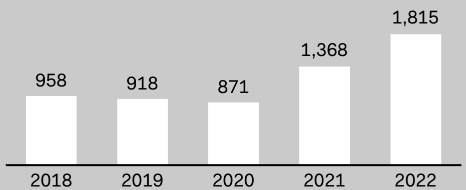
Geography

Headquartered in Silkeborg, Denmark. Production/distribution facilities in Poland, the UK, Spain and Germany.

Ownership – past and present

Borg Automotive was founded in 1975 and has been a part of the Schouw & Co. Group since 2017. Growth through acquisitions is part of the strategy. Borg Automotive acquired the Spanish remanufacturing business TMI in 2020 and added the trading company SBS Automotive in 2021.

Revenue performance (DKKm)



Borg Automotive

Improved sales of remanufactured products and increased price level drive revenue growth. Inventory adjustments among distributors may impact activity levels. Full-year revenue and earnings forecasts upgraded.

DKKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Revenue	476	459	1,442	1,413	1,815
EBITDA	45	41	118	138	180
EBIT	27	23	63	80	104
CF from operations	83	9	41	-154	-150
Working capital	653	587	653	587	618
ROIC ex goodwill	11.2%	14.2%	11.2%	14.2%	14.4%

Borg Automotive reported an increase in sales of remanufactured products in Q3 2023. Revenue was supported by a higher price level. As a result, revenue came to DKK 476 million for the quarter, which was 4% up on the year-earlier period. As a result, overall revenue for the year to date grew to DKK 1,442 million from DKK 1,413 million in the same period of last year.

Borg Automotive reported Q3 2023 EBITDA of DKK 45 million against DKK 41 million in Q3 2022, which was slightly better than expected. The improvement was realised despite an adverse impact from reduced earnings from goods for resale. Overall EBITDA for the year to date amounted to DKK 118 million against DKK 138 million in the same period of 2022.

Working capital amounted to DKK 653 million at 30 September 2023, a year-on-year increase of DKK 66 million that was mainly driven by higher inventory levels. ROIC excluding goodwill improved slightly from 11.1% at 30 June 2023 to 11.2% at 30 September 2023.

Business review
Through the acquisition of SBS Automotive in 2021, Borg Automotive added a trading company dealing in automotive spare parts that complements its traditional remanufacturing operations. Remanufactured products make up the core of Borg Automotive's business and bring in most of its revenue. The company sells its remanufactured products under four different brands: the international brand Lucas and the company's three proprietary brands: Elstock, DRI and TMI. The recently added trading goods are sold under the NK or Eurobrakes brands.

As a result of Russia's invasion of Ukraine in February 2022, trade with Russia was discontinued. This decision significantly set back the acquired trading activities in SBS Automotive, and sales efforts had to be stepped up in other markets to compensate. While these intensified sales efforts have paid off in several European markets over the past year, fully offsetting the disappearance of a significant market naturally takes time. Hence, securing a strong market position by offering the market both remanufactured units and new products remains Borg Automotive's strategic ambition.

Borg Automotive's target is to cover 90% of all passenger cars in the market, and a total of 111 new product references were added to the product programme in Q3 2023 as part of the ongoing development of the overall market proposition.

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

Outlook
Like the preceding quarter, the third quarter of 2023 indicated a stabilisation of demand for auto spare parts in the European aftermarket. Despite continued uncertainty about general market developments in the fourth quarter of 2023, which will be impacted by general adjustments of inventories among distributors, Borg Automotive now expects to generate full-year revenue at the upper half of the previously announced forecast range of DKK 1.7-1.9 billion, spilling over into full-year EBITDA, which is now expected in the DKK 140-160 million range as compared with the previous forecast of DKK 130-160 million.

The agreement concerning the acquisition of SBS Automotive in 2021 was concluded on the basis of an earn-out model according to which the enterprise value is stated as 5x 2022 EBITDA, and an interim provision for settlement of the acquisition was recognised in the financial statements for 2022. The final value of SBS Automotive was determined after the end of the third quarter of 2023, and the acquisition was settled on terms reflecting the provision previously made.

Fibertex
Personal Care

Sustainable is Possible. We reimagine, reduce and reuse to enable future fit solutions for our industry

Fibertex Personal Care is among the world's largest manufacturers of spunmelt nonwovens for the personal care industry, manufacturing mainly diapers, sanitary towels and incontinence products. Operations also include printing on nonwovens for the personal care industry. Both business areas offer customised solutions, and the products are subject to tough requirements in terms of safety, health and comfort.

Market

Diapers, sanitary towels and incontinence products are typical necessities; that is, articles that are difficult to do without. In other words, demand for the products is relatively stable, and they are used all over the world. The general economic developments and gains in standards of living are the factors generating growth and expanding the market. Growth has historically been strongest in Asia, where the adoption of disposable diapers manufactured from nonwoven materials is significantly lower than in Europe and the USA. Asia is also experiencing the biggest improvements in income and standards of living, and a long-term increase in the use of nonwovens is expected in the region.

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

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

Customers use nonwovens to manufacture hygiene products, which are then distributed to consumers via supermarkets, public institutions and web shops. Customers consist of medium-sized and multinational brand names.

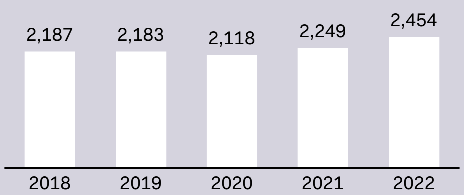
Geography

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

Ownership – past and present

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

Revenue performance (DKKm)



Fibertex Personal Care

Earnings strongly ahead but revenue down due to lower prices of raw materials and reduced volumes. Full-year earnings forecast upgraded while revenue forecast maintained.

DKKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
Revenue	475	655	1,444	1,872	2,454
EBITDA	81	63	210	175	269
EBIT	50	29	117	73	128
CF from operations	77	72	201	105	206
Working capital	356	475	356	475	414
ROIC ex goodwill	11.0%	7.0%	11.0%	7.0%	7.4%

Fibertex Personal Care generated revenue of DKK 475 million in Q3 2023, a year-on-year decline of 27% from DKK 655 million in Q3 2022. The decline was driven by lower prices of raw materials and the resulting lower selling prices in combination with a decline in volumes sold. Reported revenue for the year to date amounted to DKK 1,444 million, compared with DKK 1,872 million in the 9M 2022 period.

Despite the lower volume sales, Fibertex Personal Care grew earnings in the third quarter. EBITDA for Q3 2023 was DKK 81 million, a 29% increase from DKK 63 million in Q3 2022. The increase was driven mainly by lower costs of energy but also by better balanced production costs and selling prices. EBITDA for the year to date amounted to DKK 210 million, up from DKK 175 million in the same period of last year.

Fibertex Personal Care reduced its working capital from DKK 475 million at 30 September 2022 to DKK 356 million at 30 September 2023, mainly as a result of less capital tied up in trade receivables and inventories. ROIC excluding goodwill increased from 9.3% at 30 June 2023 to 11.0% at 30 September 2023 due to the increased earnings and reduced working capital.

Business review

The Asian market for nonwovens is characterised by overcapacity as Asian manufacturers have invested heavily in recent years to ramp up their production capacity. This has created a noticeable imbalance between supply and demand and a resulting pressure on selling prices. This imbalance is exacerbated by a declining birth rate in China, which directly impacts the sale of diapers, the item constituting the single largest use of nonwovens.

Fibertex Personal Care has also invested to expand capacity with a new production line in Malaysia that has yet to commence operations. The excess production capacity in Asia will remain a challenge for some time, but that will not change the fact that the market is still expected to see underlying growth, which will absorb the idle capacity over time.

The European market, on the other hand, is more consolidated. Whereas sales of diapers are stagnant, diaper pants are gaining a growing share of the market, and as this type of diaper comprises proportionately more nonwovens, total consumption is rising. Diaper pants, which offer improved absorbency, comfort and discretion, have given parents an appealing alternative to open diapers in connection with potty training and for use at night.

Fibertex Personal Care is the first company in the world to introduce a nonwoven material weighing just 5 grams per m², whereas the lightest nonwoven materials in diapers today typically weigh 8-10 grams per m². The lower weight significantly reduces raw material consumption and CO_2 emissions in the value chain, thus helping the company achieve its ambitious ESG targets.

Fibertex Personal Care has expanded its print operations to include printing on laminated materials and on both breathable and non-breathable film materials, thus strengthening its leading position in diaper materials printing. The new solutions are the result of the company's close collaboration with various customer segments of the hygiene industry and of its relentless innovation efforts.

The company's print operations have grown into an increasingly important part of its overall business in recent years, thanks mainly to the capacity investments made in the North American market.

Outlook

Fibertex Personal Care expects to maintain the current utilisation of its operational production capacity the year out, but the fierce competition in the Asian market continues to put the company's nonwovens activities in Malaysia under pressure. While the competitive climate in Asia will continue to impact the company's performance in 2024, Fibertex Personal Care expects that its investments in new technology will bolster its competitive position and enable it to retain its market position.

Fibertex Personal Care retains its full-year revenue forecast of DKK 1.9-2.1 billion while raising its expected EBITDA range to DKK 240-260 million from previously DKK 230-260 million.

Fibertex Nonwovens

We pioneer and innovate the way industries work with nonwovens and performance materials

Fibertex Nonwovens is among the world's leading manufacturers of specialised nonwovens. Nonwovens are fibre sheets produced on high-tech processing facilities with various purpose-specific post-processings. The processed materials have a broad range of different applications, including in cars, in the construction industry and for filtration solutions. They are also used in the healthcare sector for disposable wipes and other products.

Market
In cars, nonwovens are used to reduce weight and thereby lower carbon emissions, but nonwovens are also used as an acoustic fabric, which absorbs sound and thereby increases comfort. Through innovation and new products, the use of nonwovens in cars has increased significantly in recent years, and today, many new cars contain about 30 m² of nonwovens.

Nonwovens are also used in construction, contributing to prolonging the life of roads and bridges, and as filtration solutions, because the material can be used to construct energy-efficient liquid and air filter solutions in cars, for industrial filtration and in ventilation systems, for example.

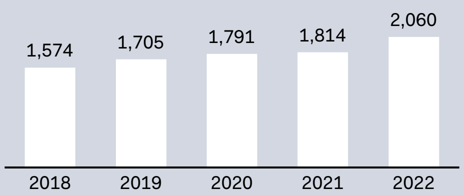
In the disposable wipes segment, nonwovens form part of products for industrial cleaning and as part of disinfection solutions for the healthcare sector, for which Fibertex Nonwovens supplies a number of products, including special-purpose disinfectant wipes. Customers demand sustainable solutions, and thanks to new technology, Fibertex Nonwovens is able to produce wipes from non-synthetic fibre, replacing the use of synthetic fibre. Recently, Fibertex Nonwovens launched a range of products based on organic cotton for use in, for example, feminine hygiene and skin care products.

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

Geography
Head office in Aalborg, Denmark. Production facilities in Denmark, France, the Czech Republic, Turkey, the USA, South Africa and Brazil.

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

Revenue performance (DKKm)



Fibertex Nonwovens

Earnings strongly ahead thanks to lower costs and higher revenue. Reduced prices of raw materials soften full-year revenue forecast while lifting earnings expectations.

DKKm	**Q3 2023**	**Q3 2022**	**YTD 2023**	**YTD 2022**	**FY 2022**
Revenue	523	509	1,655	1,587	2,060
EBITDA	49	20	130	102	111
EBIT	24	-4	57	28	11
CF from operations	-3	-29	46	-114	-7
Working capital	581	661	581	661	593
ROIC ex goodwill	2.3%	1.4%	2.3%	1.4%	1.0%

Fibertex Nonwovens reported Q3 2023 revenue of DKK 523 million, a 3% increase from DKK 509 million in Q3 2022. The increase was driven mainly by higher sales to the European construction industry and increased sales of wipes in the USA. Sales to the automotive industry fell slightly in the third quarter following the increase recorded in the first half of the year. The overall 9M 2023 revenue was up by 4% year on year to DKK 1,655 million.

Consistent with expectations, EBITDA improved strongly to DKK 49 million in Q3 2023 from DKK 20 million in Q3 2022. Earnings remained impacted by the performance of the US activities due to an imbalance between costs and selling prices and with costs incurred in connection with major organisational changes and significant product development. On the other hand, energy costs were lower than in the third quarter of last year. Overall EBITDA for the year to date amounted to DKK 130 million against DKK 102 million in the same period of 2022.

Working capital fell by DKK 80 million during the 12 months to 30 September 2023, due mainly to reduced inventories of raw materials and finished products in combination with reduced trade receivables. ROIC excluding goodwill improved from 1.0% at 30 June 2023 to 2.3% at 30 September 2023 due mainly to the increased earnings. The improved, but still unsatisfactory, return was naturally impacted by the massive investments made in new technology and as yet uncommissioned production capacity.

Business review

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

By continually investing in innovation and sustainable solutions, Fibertex Nonwovens has built competitive strength at its factories, and the company continues to see a strong potential for profitable growth, especially for products for more specialised applications. In order to accommodate such future demand, Fibertex Nonwovens launched an investment programme in 2021, which is intended to provide a platform for strong future growth and significantly improved earnings in the years ahead. The programme is mainly for two production lines applying the spunlacing technology, where the fibres of the non-woven textiles are entangled using high-speed jets of water.

The first of the two production lines has been installed at the company's site in Greenville, South Carolina, and it will be phased in for production during the final quarter of 2023. Already, the company is seeing considerable market interest for the products which the line will manufacture.

Outlook

Fibertex Nonwovens felt the effects in 2022 of an unfortunate combination of shrinking demand and escalating costs. This challenging situation also affected the company's expectations for 2023.

However, the current situation does not change the expectations of healthy activity in most market segments over the coming years. Fibertex Nonwovens has the right technology and a promising pipeline and is therefore well positioned in the international competition. The short-term goal is still to ensure sustainable earnings power and to expand its volume output, so the company is ready to implement its plans for the coming years on the back of its capacity-expanding investments.

As expected, the company has experienced subdued business activity from the beginning of the year, but the price pressure stemming from raw materials and energy has abated recently, which makes it easier to maintain the balance between costs and selling prices. The reduced prices of raw materials have softened the full-year revenue forecast to DKK 2.1-2.2 billion from previously DKK 2.2-2.4 billion. At the same time, however, the lower costs have lifted the expected full-year EBITDA to DKK 150-170 million from previously DKK 140-170 million.

Interim financial statements

Statements of income and comprehensive income

Note	Income statement	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
1	Revenue	10,515	9,168	28,359	22,931	32,637
2	Operating expenses	-9,613	-8,495	-26,283	-21,318	-30,355
	Other operating income	7	4	17	14	26
	Other operating expenses	0	1	-7	-21	-26
	EBITDA	909	677	2,086	1,606	2,282
	Depreciation, amortisation and impairment losses	-275	-230	-802	-665	-994
	EBIT	634	448	1,284	940	1,288
	Profit after tax in associates	2	36	-7	72	80
	Profit after tax in joint ventures	-2	12	44	28	50
	Financial income	91	42	236	208	215
	Financial expenses	-169	-112	-524	-228	-328
	Profit before tax	555	427	1,032	1,020	1,304
	Tax on profit for the period	-134	-97	-276	-218	-311
	Profit for the period	421	330	756	802	993
	Attributable to					
	Shareholders of Schouw & Co.	400	325	716	782	960
	Non-controlling interests	22	5	40	20	33
	Profit for the period	421	330	756	802	993
6	Earnings per share (DKK)	16.99	13.78	30.47	32.96	40.59
6	Diluted earnings per share (DKK)	16.99	13.78	30.44	32.94	40.58

Note	Statement of comprehensive income	Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
	Items that cannot be reclassified to the income statement:					
	Actuarial gains/losses on defined benefit pension liabilities	0	0	0	0	40
	Tax on other comprehensive income	0	0	0	0	-9
	Total items that cannot be reclassified to the income statement	0	0	0	0	31
	Items that can be reclassified to the income statement:					
	Foreign exchange adjustments of foreign subsidiaries	124	223	-155	503	100
	Value adjustment of hedging instruments	16	34	25	50	30
	Hedging instruments transferred to operating expenses	-3	3	-13	21	1
	Hedging instruments transferred to financials	-16	-1	-22	2	0
	Hyperinflation restatements	16	-6	-3	35	45
	Other comprehensive income from associates and JVs	0	0	0	0	-13
	Other adjustments to other comprehensive income	1	1	1	-1	3
	Tax on other comprehensive income	1	-10	4	-17	-26
	Total items that can be reclassified to the income statement	139	244	-163	592	140
	Other comprehensive income after tax	139	244	-163	592	171
	Profit for the period	421	330	756	802	993
	Total recognised comprehensive income	561	574	594	1,394	1,164
	Attributable to					
	Shareholders of Schouw & Co.	524	541	555	1,310	1,113
	Non-controlling interests	36	33	39	84	52
	Total recognised comprehensive income	561	574	594	1,394	1,164

Amounts in DKK million

Balance sheet • Assets and liabilities

Note	Assets	30/9 2023	31/12 2022	30/9 2022	31/12 2021
	Intangible assets	4,589	4,267	3,844	3,526
	Property, plant and equipment	6,170	6,093	5,761	5,078
	Lease assets	754	694	622	687
	Equity investments in associates	464	498	536	411
	Equity investments in joint ventures	207	182	174	148
	Securities	95	92	94	91
	Deferred tax	224	189	164	131
	Receivables	207	199	200	241
	Total non-current assets	12,709	12,214	11,396	10,313
	Inventories	8,603	9,043	7,390	5,514
3	Receivables	7,257	6,181	6,823	5,022
	Prepayments	242	240	109	71
	Income tax receivable	103	56	63	77
	Cash and cash equivalents	828	712	567	490
	Total current assets	17,032	16,231	14,951	11,175
	Total assets	29,741	28,445	26,347	21,488

Note	Liabilities and equity	30/9 2023	31/12 2022	30/9 2022	31/12 2021
6	Share capital	255	255	255	255
	Hedge transaction reserve	4	9	43	-13
	Exchange-adjustment reserve	-32	121	483	45
	Hyperinflation restatements	42	45	35	0
	Retained earnings	10,313	9,535	10,121	9,582
	Proposed dividend	0	383	0	383
	Equity attributable to parent company shareholders	10,582	10,348	10,938	10,252
	Non-controlling interests	921	889	472	397
	Total equity	11,503	11,237	11,410	10,649
	Deferred tax	536	480	437	372
	Other payables	200	213	441	522
	Liability regarding put option	527	483	0	0
	Interest-bearing debt	3,941	5,842	4,765	2,384
	Non-current liabilities	5,204	7,017	5,643	3,277
	Interest-bearing debt	2,772	838	786	1,070
	Trade payables and other payables	9,332	8,492	7,675	5,895
	Customer prepayments	212	275	172	111
	Prepayments	129	17	71	40
	Liability regarding put option	392	388	435	374
	Income tax	199	180	155	72
	Current liabilities	13,035	10,191	9,294	7,562
	Total liabilities	18,239	17,208	14,937	10,839
	Total equity and liabilities	29,741	28,445	26,347	21,488

Notes without reference 5 and 7 to 9.

Amounts in DKK million

Cash flow statement

Note		Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
	EBITDA	909	677	2,086	1,606	2,282
	Adjustments for non-cash operating items etc.:					
	Changes in working capital	784	-631	219	-1,613	-1,548
	Provisions	1	-4	21	14	9
	Other non-cash operating items, net	7	-55	20	-44	-19
	Cash flows from operations before interest and tax	1,701	-12	2,346	-37	724
	Net interest paid	-112	-61	-266	-98	-136
	Income tax paid	-99	-48	-332	-151	-269
	Cash flows from operating activities	1,490	-121	1,748	-286	319
	Purchase of intangible assets	-14	-6	-37	-22	-38
	Purchase of property, plant and equipment	-141	-254	-646	-795	-1,068
	Sale of property, plant and equipment	1	3	13	3	5
4	Acquisitions	0	-8	-378	-234	-414
	Acquisition of associates	0	0	-1	0	0
	Dividends received from associates	10	5	30	5	10
	Loans to associate	0	0	10	0	0
	Loans to customers (repayment of loans)	2	0	3	0	0
	Additions/disposals of other financial assets	-15	1	-3	3	6
	Cash flows from investing activities	-157	-260	-1,009	-1,040	-1,499

Note		Q3 2023	Q3 2022	YTD 2023	YTD 2022	FY 2022
	Loan financing:					
	Repayment of non-current liabilities	-75	-133	-270	-274	-332
	Proceeds from non-current liabilities incurred	1	1	2	1	2,569
	Increase of bank overdrafts	-1,031	622	-32	2,248	-207
	Cash flows from debt financing	-1,106	490	-300	1,975	2,030
	Shareholders:					
	Capital contributions, etc. by non-controlling interests	0	0	0	0	12
	Dividends paid	-5	0	-360	-365	-374
	Purchase of treasury shares	0	-50	-19	-231	-292
	Sale of treasury shares	0	0	73	0	0
	Cash flows from financing activities	-1,111	440	-606	1,379	1,377
	Cash flows for the period	222	59	133	53	196
	Cash and cash equivalents, beginning of period	603	496	712	490	490
	Value adjustment of cash and cash equivalents	3	12	-17	23	25
	Cash and cash equivalents, end of period	828	567	828	567	712

Amounts in DKK million

Statement of changes in equity

	Share capital	Hedge transaction reserve	Exchange adjust-ment reserve	Hyperinflation restatements	Retained earnings	Proposed dividend	Total	Non-controlling interests	Shareholders' equity
Equity at 1 January 2022	255	-13	45	0	9,582	383	10,252	397	10,649
Profit and other comprehensive income:									
Profit for the period		0	0	0	782	0	782	20	802
Other comprehensive income		56	439	35	-1	0	528	64	592
Total recognised comprehensive income		56	439	35	781	0	1,310	84	1,394
Transactions with owners:									
Share-based payment		0	0	0	24	0	24	0	24
Distributed dividends		0	0	0	27	-383	-356	-9	-365
Value adjustment of put option		0	0	0	-61	0	-61	0	-61
Purchase of treasury shares		0	0	0	-231	0	-231	0	-231
Total transactions with owners during the period		0	0	0	-242	-383	-624	-9	-633
Equity at 30 September 2022	255	43	483	35	10,121	0	10,938	472	11,410
Equity at 1 January 2023	255	9	121	45	9,535	383	10,348	889	11,237
Profit and other comprehensive income									
Profit for the period		0	0	0	716	0	716	40	756
Other comprehensive income		-5	-153	-3	0	0	-161	-1	-163
Total recognised comprehensive income		-5	-153	-3	716	0	555	39	594
Transactions with owners:									
Share-based payment		0	0	0	23	0	23	0	23
Distributed dividends		0	0	0	30	-383	-353	-7	-360
Value adjustment of put option		0	0	0	-45	0	-45	0	-45
Purchase of treasury shares		0	0	0	-19	0	-19	0	-19
Sale of treasury shares		0	0	0	73	0	73	0	73
Total transactions with owners during the period		0	0	0	62	-383	-321	-7	-328
Equity at 30 September 2023	255	4	-32	42	10,313	0	10,582	921	11,503

Amounts in DKK million

Notes to the financial statements

1
Segment reporting

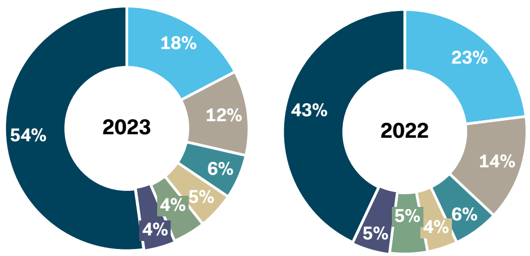
Reporting segments YTD 2023	BioMar	GPV	HydraSpecma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens	Reporting segments	Parent company	Group eliminations, etc.	Total
External revenue	13,665	7,920	2,243	1,442	1,434	1,655	28,359	0	0	28,359
Intra-group revenue	0	0	0	0	10	0	10	10	-20	0
Segment revenue	13,665	7,920	2,243	1,442	1,444	1,655	28,369	10	-20	28,359
EBITDA	853	565	249	118	210	130	2,125	-39	0	2,086
Depreciation, amortisation and impairment losses	258	229	94	55	92	73	802	1	0	802
EBIT	595	336	155	63	117	57	1,323	-40	0	1,284
Share of profit in associates and JVs	37	0	0	0	0	0	37	0	0	37
Tax on profit/loss for the year	-106	-82	-26	-11	-22	-7	-253	-23	0	-276
Profit for the year	376	115	99	41	69	-24	676	81	0	756
Segment assets	13,298	8,067	2,716	2,357	2,016	2,699	31,153	16,657	-18,068	29,741
Of which goodwill	1,602	353	291	516	99	122	2,983	0	0	2,983
Equity investments in associates and JVs	661	0	10	0	0	0	671	0	0	671
Segment liabilities	9,713	5,732	1,791	1,312	961	1,778	21,287	7,101	-10,149	18,239
Working capital	1,378	2,787	945	653	356	581	6,702	8	0	6,710
Net interest-bearing debt	1,936	2,507	1,088	438	524	1,313	7,806	-2,093	0	5,714
Cash flows from operating activities	1,147	79	116	41	201	46	1,631	95	22	1,748
Capital expenditure	174	200	133	47	40	77	670	0	0	670
Acquisitions	1	0	378	0	0	0	379	0	0	379
Average no. of employees	1,605	8,671	1,442	2,001	709	1,087	15,515	19	0	15,534

Based on management control and financial management, Schouw & Co. has identified six reporting segments, which are BioMar, GPV, HydraSpecma, Borg Automotive, Fibertex Personal Care and Fibertex Nonwovens. Management primarily evaluates reporting segments based on the performance measures EBITDA and EBIT but also regularly considers the segments' cash flows from operations and working capital. All inter-segment transactions were made on an arm's length basis.

Capex is defined as the net cash flow for the year for investment in property plant and equipment and intangible assets.
Acquisitions are defined as cash flows for the year from investment in acquisition and divestment of enterprises, including associates and joint ventures, and capital increases.

The data on revenue by geography are based on customers' geographical location. The specification shows individual countries that in terms of revenue account for more than 5% of the Group in either 2022 or 2023. 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 2023	YTD 2022
Norway	5,127	5,191
Chile	3,324	3,189
Denmark	1,740	1,440
Sweden	1,441	861
UK	1,275	1,213
Germany	1,234	1,034
Other	15,452	10,003
Total	28,359	22,931

Amounts in DKK million

Notes to the financial statements

1
Segment reporting (continued)

Reporting segments YTD 2022	BioMar	GPV	HydraSpecma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens	Reporting segments	Parent company	Group eliminations, etc.	Total
External revenue	12,887	3,299	1,883	1,413	1,862	1,587	22,931	0	0	22,931
Intra-group revenue	0	0	0	0	10	0	10	9	-19	0
Segment revenue	12,887	3,299	1,883	1,413	1,872	1,587	22,941	9	-19	22,931
EBITDA	718	284	228	138	175	102	1,645	-39	0	1,606
Depreciation, amortisation and impairment losses	265	95	71	58	102	74	665	1	0	665
EBIT	454	189	157	80	73	28	980	-40	0	940
Share of profit in associates and JVs	100	0	0	0	0	0	100	0	0	100
Tax on profit/loss for the year	-107	-43	-31	-13	-9	-10	-213	-6	0	-218
Profit for the year	367	116	123	117	53	9	785	17	0	802
Segment assets	13,753	4,057	1,969	2,356	2,408	2,755	27,299	15,301	-16,252	26,347
Of which goodwill	1,756	195	135	516	99	126	2,827	0	0	2,827
Equity investments in associates and JVs	701	0	9	0	0	0	710	0	0	710
Segment liabilities	10,059	2,803	1,234	1,276	1,279	1,886	18,537	5,390	-8,989	14,937
Working capital	2,199	1,683	862	587	475	661	6,469	-66	0	6,403
Net interest-bearing debt	2,774	1,382	719	411	715	1,436	7,437	-2,633	0	4,804
Cash flows from operating activities	-13	-240	77	-154	105	-114	-339	34	20	-286
Capital expenditure	174	188	26	33	38	354	812	1	0	813
Acquisitions	211	0	15	8	0	0	234	0	0	234
Average no. of employees	1,526	4,601	1,270	2,153	792	1,069	11,411	17	0	11,428

Amounts in DKK million

Notes to the financial statements

2
Operating expenses

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Cost of goods sold	7,805	6,949	20,839	16,811
Staff costs	997	725	3,041	2,185
Repairs and maintenance	73	62	231	193
Energy costs	148	199	436	479
Freight costs	215	248	623	689
Other costs	374	311	1,113	961
Total operating expenses	9,613	8,495	26,283	21,318

Share-based payment: Share option programme

The company has an incentive programme for the Management and senior managers, including the executive management of subsidiaries. The programme entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at around the time of grant plus a calculated rate of interest from the date of grant until the date of exercise.

The 2023 grant is described in greater detail in company announcement no. 9/2023 of 12 May 2023, but the number of options has subsequently been increased by 6,000. Outstanding options relating to prior-year programmes are show in the table below. Of the 197,000 options exercised in 2023, 55,000 were settled for difference, as for banking compliance reasons it is not possible to transfer shares from the company's holding to option recipients not resident in an EU country.

Outstanding options	Executive management	Other	Total
Total outstanding options at 31 December 2022	209,000	1,323,000	1,532,000
Exercised (from 2020 grant)	-15,000	-182,000	-197,000
Lapsed (from 2019 grant)	-47,000	-265,000	-312,000
Granted in 2023	70,000	403,000	473,000
Total outstanding options at 30 September 2023	217,000	1,279,000	1,496,000

3
Receivables (current)

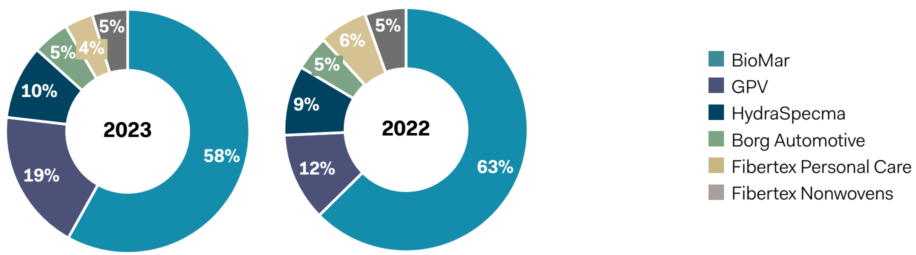
	30/9 2023	30/9 2022
Trade receivables	6,793	6,281
Other current receivables	464	542
Total current receivables	7,257	6,823

30/9 2023	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Total receivables	5,705	701	283	249	6,938
Impairment losses on trade receivables	-36	-5	-16	-88	-145
Trade receivables, net	5,669	697	267	161	6,793
Proportion of total receivables expected to be settled					97.9%
Impairment rate	0.6%	0.7%	5.7%	35.5%	2.1%

30/9 2022	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Total receivables	5,508	485	170	321	6,483
Impairment losses on trade receivables	-48	-7	-7	-140	-202
Trade receivables, net	5,460	478	162	181	6,281
Proportion of total receivables expected to be settled					96.9%
Impairment rate	0.9%	1.5%	4.4%	43.6%	3.1%

	30/9 2023	30/9 2022
Impairment losses on trade receivables		
Impairment losses, beginning of period	-195	-163
Foreign exchange adjustments	12	3
Impairment losses for the period	-14	-83
Realised loss	53	41
Impairment losses, end of period	-145	-202

Trade receivables by portfolio company:



Amounts in DKK million

Notes to the financial statements

4
Acquisitions

	YTD 2023	YTD 2022
Customer relations	118	24
Technology	140	26
Other intangible assets	25	8
Property, plant and equipment	8	2
Lease assets	1	0
Financial assets	3	0
Inventories	92	19
Receivables	76	49
Cash and cash equivalents	40	3
Credit institutions	-100	0
Trade payables	-52	-7
Other payables	-42	-6
Tax payable	-62	-14
Deferred tax	-1	-6
Net assets acquired	245	98
Goodwill	172	131
Acquisition cost	417	229
Of which cash and cash equivalents	-40	-3
Contingent consideration (earn-out)	0	0
Earn-out settled	0	8
Total cash acquisition costs	378	234

HydraSpecma acquired the wind division from Ymer Technology effective on 1 February 2023. The acquisition included approximately 180 employees working for companies in Sweden, Denmark, the USA, India and China. The acquisition gives HydraSpecma strong competencies within cooling and conditioning of wind turbine nacelles, which complement HydraSpecma's existing expertise as a subcontractor to the wind turbine industry.

A preliminary purchase price allocation was prepared in connection with the acquisition, which identified values of customers, technology and inventories in excess of carrying amounts. Goodwill has provisionally been calculated at DKK 172 million. The cash acquisition price has been calculated at DKK 378 million. Transaction costs in connection with the acquisition have amounted to DKK 10 million, of which DKK 8 million was recognised in 2022.

Had the acquisition been made effective from 1 January 2023, earnings would have been DKK 3 million higher and revenue would have been DKK 44 million higher.

In 2022, the Group acquired the Dutch company GSS Hydraulics B.V. and the Australian company AQ1.

Amounts in DKK million

Notes to the financial statements

5
Capital resources

It is group policy when raising loans to maximise flexibility by diversifying borrowing in respect of maturity/renegotiation dates and counterparties, with due consideration to costs. The Group's capital resources consist of cash and undrawn credit facilities. The Group's objective is to have sufficient capital resources to make company acquisitions and to allow it to continue in an adequate manner to operate the business and to react to unforeseen fluctuations in its cash holdings.

Facility	Loans and lines	Of which utilised	Unutilised	Commitment	Avg. term to maturity
Revolving credit facility	3,275	1,059	2,216	Committed	2 yrs 3 mths
Other credit facilities	628	539	89	Uncommitted	
Term loan	2,662	2,662	0	Committed	1 years
Schuldschein	1,014	1,014	0	Committed	11 mo.
Mortgages	237	237	0	Committed	18 yrs 10 mths
NIB loans	400	400	0	Committed	5 yrs 3 mths
Leases	802	802	0	Committed	3 years
Cash and cash equivalents			828		
Facility before deduction of guarantee commitments	9,018	6,713	3,133		
Guarantee commitments deducted from the facility			-56		
Capital resources at 30 Sept. 2023			3,077		

The Group's companies get a significant proportion of their financing from resources and credit facilities of the parent company Schouw & Co. The parent company Schouw & Co.'s financing consists mainly of a syndicated bank facility, which in December 2020 was refinanced with a total facility line of DKK 3,275 million. The facility has a three-year term with an option for a one-year extension after the first and second year. In connection with refinancing the bank facility, the international bank Hongkong & Shanghai Banking Corporation (HSBC) joined the existing bank consortium consisting of Danske Bank, DNB and Nordea. The second extension option was exercised in December 2022, and the facility now runs until January 2026.

In April 2019, Schouw & Co. issued Schuldscheins for a total of EUR 136 million (DKK 1,011 million) maturing in 2024 (80%) and 2026 (20%). In December 2021, Schouw & Co. set up a DKK 400 million seven-year loan with the Nordic Investment Bank related to specific Danish capacity-expanding investments and development costs.

On 18 October 2023, Schouw & Co. closed a successful Schuldschein loan transaction for a total amount of EUR 225 million. The EUR 225 million transaction breaks down into maturity terms of three years for DKK 101 million, five years for EUR 104 million and seven years for EUR 20 million. The purpose of the transaction was to refinance bank loans and Schuldschein loans maturing in March/April 2024.

6
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 v alue (DKK)	Cost	Percentage of share capital
Treasury shares held at 1 Jan. 2022	1,531,102	15,311,020	471	6.00%
Purchase of treasury shares	429,481	4,294,810	231	1.68%
Treasury shares held at 30 Sep. 2022	1,960,583	19,605,830	703	7.69%
Purchase of treasury shares	121,593	1,215,930	60	0.48%
Treasury shares held at 31 Dec. 2022	2,082,176	20,821,760	763	8.17%
Share option programme	-142,000	-1,420,000	-20	-0.56%
Purchase of treasury shares	34,000	340,000	19	0.13%
Treasury shares held at 30 Sep. 2023	1,974,176	19,741,760	762	7.74%

The Group's holding of treasury shares had a market value of DKK 929 million at 30 September 2023. The portfolio of treasury shares is recognised at DKK 0.

In 2023, Schouw & Co. sold shares held in treasury for proceeds of DKK 73 million in connection with the Group's share option programme. Also in connection the options being exercised, 34,000 shares were bought back for a consideration of DKK 19 million.

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Share of the profit for the year attributable to shareholders of Schouw & Co.	400	325	716	782
Average number of shares	25,500,000	25,500,000	25,500,000	25,500,000
Average number of treasury shares	-1,974,176	-1,902,148	-2,000,553	-1,782,983
Average number of outstanding shares	23,525,824	23,597,852	23,499,447	23,717,017
Average dilutive effect of outstanding share options *	0	1,648	23,071	13,604
Diluted average number of outstanding shares	23,525,824	23,599,500	23,522,518	23,730,621
Earnings per share of DKK 10	16.99	13.78	30.47	32.96
Diluted earnings per share of DKK 10	16.99	13.78	30.44	32.94

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

Amounts in DKK million

Notes to the financial statements

7
Fair value of categories of financial assets and liabilities

	30/9 2023	31/12 2022	30/9 2022
Financial assets			
Other securities and investments (2)	93	91	93
Derivative financial instruments (2)	40	59	228
Other securities and investments (3)	2	1	1
Financial liabilities			
Derivative financial instruments (2)	33	50	109
Contingent consideration (3)	204	200	185
Liabilities regarding put options (3)	919	871	435

The fair value of financial assets and liabilities measured at amortised cost corresponds in all material respects to the carrying amount. Securities measured at fair value through other comprehensive income (level 3) amounted to DKK 1 million at the beginning of the year. At 30 June 2023, the holding had increased to DKK 2 million due to a minor addition.

The Group uses interest rate swaps and forward currency contracts to hedge fluctuations in the level of interest rates and foreign exchange rates. Forward exchange contracts and interest rate swaps are valued using generally accepted valuation techniques based on relevant observable swap curves and exchange rates (level 2). Other securities and investments forming part of a trading portfolio (level 2) includes the shareholding in Incuba A/S.

The fair value of derivative financial instruments is calculated by way of valuation models such as discounted cash flow models. Anticipated cash flows for individual contracts are based on observable market data such as interest rates and exchange rates. Fair values are also based on credit risk. Non-observable market data account for an insignificant part of the fair value of the derivative financial instruments at the end of the reporting period.

Contingent consideration (earn-out) is measured at fair value on the basis of the income approach. The fair value of the contingent consideration amounted to DKK 200 million at the beginning of the year. At the end of the quarter, the fair value of the contingent consideration was DKK 204 million. The change for the year consists of amortisation of the liability.

The liability relating to put options amounted to DKK 871 million at the beginning of the year. A change in the liability of DKK 44 million and a foreign exchange adjustment of DKK 4 million were recognised during the year. At the end of the quarter, the liability amounted to DKK 919 million.

8
Related party transactions

Under Danish legislation, Givesco A/S, Lysholt Allé 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 2023	YTD 2022
Joint ventures:		
During the reporting period, the Group sold goods in the amount of	5	5
During the reporting period, the Group received interest income in the amount of	2	0
At 30 September, the Group had a receivable of	48	36
During the reporting period, the Group received dividends in the amount of	21	0
Associates:		
During the reporting period, the Group sold goods in the amount of	506	558
During the reporting period, the Group bought goods in the amount of	99	146
At 30 September, the Group had a receivable of	282	355
At 30 September, the Group had debt in the amount of	9	82
During the reporting period, the Group received dividends in the amount of	9	5

During 2023, the Group has traded with BioMar-Sagun, BioMar-Tongwei, LetSea, ATC Petagonia, Salmones Austral, LCL Shipping, Young Tech Co. and Micron Specma India.

Other than as set out above, there were no transactions with related parties.

Schouw & Co. has registered the following shareholders as holding 5% or more of the share capital: Givesco A/S (28.09%), Direktør Svend Hornsylds Legat (14.82%) and Aktieselskabet Schouw & Co. (7.74%).

9
Special risks, judgments and estimates, and accounting policies

For information on the Group's special risks, judgments and estimates, and accounting policies please see the Management's report page 6.

Amounts in DKK million

Aktieselskabet Schouw & Co.

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