

Notice of proposal to Consolidate Shares for EAC Invest A/S**Company Announcement No 2/2020**

As described in previous Company Announcements, the strategy for EAC Invest is to maximise the value of minority shareholdings in Thailand and China and thereby maximise value for shareholders. This includes investigation of options to divest these shareholdings, but with an uncertain time horizon. In order to secure a position where we can optimise timing and price of potential divestments, it is essential to reduce our running costs as much as possible.

The single biggest cost for EAC Invest is the cost of being publicly listed, and the single biggest expense with a public listing is the cost paid to banks for the depots that hold the EAC Invest shares. This cost is around DKK 600,000 annually (or approximately 2.8% of the company's market capitalisation).

EAC Invest today has around 12-14,000 shareholders. Several thousand shareholders have depots with very few EAC Invest shares, where the annual cost of the depot exceeds the value of the shares in the depot. Through a consolidation of shares at a ratio 1,000:1, the company can reduce the number of depots, and thereby realise a cost reduction of DKK 4-500,000 annually (estimated based on current shareholder structure) at a one-off cost of around DKK 350,000. The final cost reduction depends on how many depots ultimately are eliminated in connection with the share consolidation.

A Consolidation of Shares means that each 1,000 shares are exchanged to 1 (one) new share in EAC Invest A/S. The company will redeem all shares that are not divisible by 1,000 at a predetermined shareprice. Shareholders who hold below 1,000 shares at the day of the consolidation, will therefore be fully redeemed and no longer be shareholders in EAC Invest. Shareholders who hold more than 1,000 shares will get 1 share for every 1,000 shares, and get any excess shares redeemed in cash at the predetermined share price. The shareprice for the exchange of shares is based on the weighted average trading price for all trades in the 5 trading days leading up to the notice convening the extraordinary General Meeting. Based on the Weighted Average Trading Price, the shareprice for redemption is set at DKK 1.76 per share. Above consolidation rate and redemption price is for shares of nominally DKK 3.50. For shares of nominally DKK 1.75, the relative consolidation is 2,000:1 and the shareprice is DKK 0.88.

Examples:

- a) A shareholder who on the day of consolidation holds 2.500 shares, will receive 2 new EAC Invest shares as well as a cash payment of DKK 880.00 (500 shares multiplied by DKK 1.76).
- b) A shareholder who on the day of consolidation holds 200 shares, will receive a cash payment of DKK 352.00 (200 shares multiplied by DKK 1.76) and no longer be a shareholder in EAC Invest A/S

If the proposal is adopted at the General Meeting on 3 March 2020, the consolidation will be executed after the expiry of a 4-week period after the General Meeting (precise dates will be communicated at that time). During the 4-week period up to the consolidation date, shareholders can trade shares if they wish to adapt their shareholdings in connection with the consolidation.

Based on current share structure, EAC Invest expects to redeem shares at a total value between DKK 3-4m. The redeemed shares are expected to be cancelled at a subsequent General Meeting, and the share capital reduced accordingly. The final saving and capital reduction will depend on the shareholding structure at the day of the consolidation.

Further information about the proposal from the board is described in the Notice Convening the Extraordinary General Meeting, which will be announced separately.

Yours sincerely,

EAC Invest A/S

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