

TO THE DANISH FINANCIAL SUPERVISORY AUTHORITY
AND NASDAQ COPENHAGEN

COMPANY ANNOUNCEMENT
NO. 12/2024, 1 MARCH 2024
3 PAGES

Annual Report 2023: Solid momentum

Highlights

Realised in 2023

- A good year of solid momentum
- Revenue rose by 14% to DKK 37,210 million (2022: DKK 32,637 million)
- EBITDA was DKK 2,849 million – an increase of 25% (2022: DKK 2,282 million)
- Cash flows from operating activities amounted to DKK 1,777 million (2022: DKK 319 million)
- ROIC excl. goodwill was 12.8 % (2022: 11.2%)
- 2% reduction in GHG emissions
- Proposal that the dividend for the 2023 financial year be raised to DKK 16 per share.

Outlook for 2024

- Stable outlook despite global uncertainty
- The companies of the Schouw & Co. Group are well-positioned to tackle the international competition and have both the commitment and the ability to exploit the varying market opportunities.
- There are many changes to the global economy and major geopolitical tensions all causing uncertainty, but we expect to maintain EBITDA for 2024 in line with the 2023 figures.

Briefly on the outlook of the companies in 2024

BioMar

BioMar expects to maintain a high level of business activity, although varying market conditions and volatile raw material prices may, as always, affect the revenue developments substantially. BioMar expects to generate earnings in line with the 2023 figure and for the share of profit from associates to be closer to normal levels.

GPV

GPV has made a conservative forecast of demand for the first half of 2024, but expects that demand could grow stronger in the second half. On that background, GPV expects to report a considerable drop in revenue relative to 2023. However, based on well-managed efficiency and additional positive effects from the combination with Enics, GPV expects to generate EBITDA in line with the 2023 figure.

HydraSpecma

HydraSpecma expects to maintain a high level of activity in 2024, but will probably see certain shifts between customer segments as well as some degree of uncertainty as to the effects of any adjustments made to the value chain during the first half of the year. Overall, HydraSpecma expects revenue and EBITDA in line with the 2023 figures.

Borg Automotive

Borg Automotive expects to see sound demand for remanufactured products and positive effects from the ramped-up efforts to drive goods for resale that combined can contribute to revenue improvements in 2024. The increase in business activity is also expected to strengthen EBITDA.

Fibertex Personal Care

Fibertex Personal Care continues to face extremely competitive markets in Asia. Business activity is expected to soften, and considering the outlook for tough price competition in Asia and reduced average prices of raw materials, the company lowers its revenue forecast relative to 2023. Fibertex Personal Care expects the 2024 EBITDA to be substantially lower than the 2023 figure.

Fibertex Nonwovens

Fibertex Nonwovens expects an increase in business activity in 2024, in part due to an increase in production capacity in the North American market. As a result, Fibertex Nonwovens expects an increase in revenue and a substantial improvement of EBITDA in 2024.

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

“Again in 2023, Schouw & Co. broke several records, reporting the highest revenue and EBITDA in its 145-year history. Revenue increased by 14%, while EBITDA was up by no less than 25% on 2022.

This profitable growth is the direct result of the investments we have made over the past few years. We have launched new projects, initiated new activities and leveraged potential – the effects of which began to feed through in 2023. However, some of our partially completed capacity investments will not flow through to results until 2024 and the following years as they are fully integrated.

In 2023, Schouw & Co. generated a solid cash flow from operations of DKK 1.8 billion. In February, we acquired the wind division from Swedish Ymer Technology, and during the course of the year, we finalised a number of other major investments. We paid a substantial dividend to our shareholders in 2023 and launched a share buy-back programme, balancing distributions and investments to drive future progress. We also refinanced a substantial part of our debt, which has given us significant financial latitude.

Being as focused on growth and development as we are at Schouw & Co., you also need to take responsibility for your environmental footprint. We are therefore very pleased to have managed to reduce absolute carbon emissions from our companies every year since 2020, when we started recording our greenhouse gas emissions. While this year we are again issuing

a separate ESG report for 2023 detailing both current efforts and goals, next year's annual report will be different, integrating both financial and non-financial information.

Schouw & Co.'s core strategy remains unchanged. We are responsible long-term owners creating growth through transformation of market-leading industrial companies. We take a long-term approach and believe that results are created by people. We are active, patient and demanding owners.

Since 1988, when we began to diversify our ownership across various industries, we have had investments in a total of 12 companies. Today, we own six strong B2B businesses, all of which are well-invested with solid strategic platforms and the potential for sustained profitable growth. Our ownership has always been defined by a 'best owner' philosophy, meaning that we will continue to make attractive investments in transformation and developments for as long as possible.

2024 will be another eventful year. Significant changes to the global economy, major geopolitical tensions and, not least, technological developments and digitalisation are causing major change for companies and consumers. At Schouw & Co., we are well prepared for change. We have action plans in place and are able to adjust if substantial change should occur. But we are also optimistic and confident that our businesses will be able to navigate changing circumstances and capitalise on any opportunities that may arise."

Aktieselskabet Schouw & Co.

Jørgen Dencker Wisborg
Chairman

Jens Bjerg Sørensen
President

Schouw & Co. will be hosting a video conference (in English) for analysts, the media, etc. on

FRIDAY, 1 MARCH 2024 at 10:30 CET.

Please attend via this link: www.schouw.dk/en/cc

Questions relating to the above should be directed to Jens Bjerg Sørensen, President, phone no. +45 86 11 22 22.