schouw&co

2023

INTERIM REPORT

FIRST QUARTER

Company announcement no. 8
4 May 2023

Contents

Aktieselskabet Schouw & Co. · Chr. Filtenborgs Plads 1 · 8000 Aarhus C · Denmark · Company reg. (CVR) no. 63965812

Management's report

This is a translation of Schouw & Co.'s Interim Report for the nine months ended 31 March 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.:

STABLE AND PROFITABLE GROWTH

The year 2023 is off to quite a reasonable start, and the effects of the major transformations and acquisitions we have completed in recent quarterly periods are now visible. Global uncertainty remains, but we are now beginning to see prices of more raw materials and components trending lower.

All of our portfolio companies are well positioned and have robust business models, with global megatrends supporting long-term growth opportunities. Flexibility and adaptability are core values in challenging and changing times, and we remain optimistic about the future and opportunities for continued profitable and responsible growth.

HIGHLIGHTS

- Revenue up 38%
- EBITDA up 40%
- Significant effects from acquisitions
- EBITDA guidance maintained

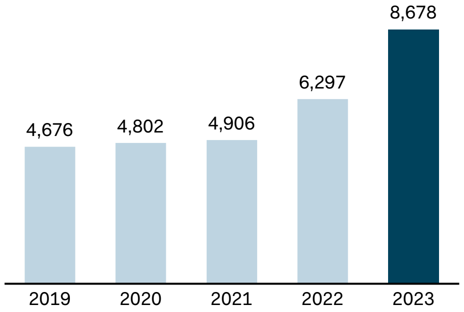
REVENUE	EBITDA	ROIC
8.7	511	11.4%
DKKBN	DKKM	EXCLUDING GOODWILL

Financial highlights and key ratios

GROUP SUMMARY (DKKm)	YTD 2023	YTD 2022	FY 2022
Revenue and income			
Revenue	8,678	6,297	32,637
Operating profit before depreciation/amortisation (EBITDA)	511	364	2,282
Depreciation, amortisation and impairment losses	267	215	994
EBIT	244	149	1,288
Profit/loss after tax in associates and joint ventures	0	12	130
Net financials	-81	78	-114
Profit before tax	163	238	1,304
Profit for the period	109	190	993
Cash flows			
Cash flows from operating activities	-96	-632	319
Cash flows from investing activities	-580	-294	-1,499
Of which investment in property, plant and equipment	-214	-274	-1,068
Cash flows from financing activities	665	881	1,377
Cash flows for the period	-11	-45	196
Invested capital and financing			
Invested capital (ex. goodwill)	15,595	12,311	14,952
Total assets	29,020	22,463	28,445
Working capital	7,408	5,528	6,969
Net interest-bearing debt (NIBD)	6,550	3,845	5,790
Share of equity attributable to shareholders of Schouw & Co.	10,354	10,439	10,348
Non-controlling interests	889	412	889
Total equity	11,243	10,851	11,237
Financial data			
EBITDA margin (%)	5.9	5.8	7.0
EBIT margin (%)	2.8	2.4	3.9
EBT margin (%)	1.9	3.8	4.0
Return on equity (%)	8.4	9.9	9.3
Equity ratio (%)	38.7	48.3	39.5
ROIC excluding goodwill (%)	11.4	12.1	11.2
ROIC including goodwill (%)	9.5	9.9	9.3
NIBD/EBITDA ratio	2.5	1.9	2.4
Average no. of employees	15,314	11,083	12,278
Per share data			
Earnings per share (of DKK 10)	4.27	7.62	40.59
Diluted earnings per share (of DKK 10)	4.26	7.62	40.58
Net asset value per share (of DKK 10)	440.13	439.32	441.88
Share price, end of period (per share DKK 10)	575.00	582.00	524.00
Price/Net asset value	1.31	1.32	1.19
Market capitalisation, end of period	13,527	13,829	12,271

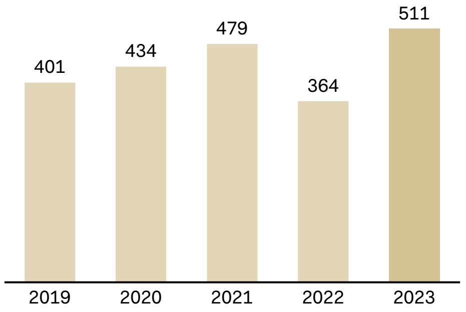
Revenue, first quarter

DKKm



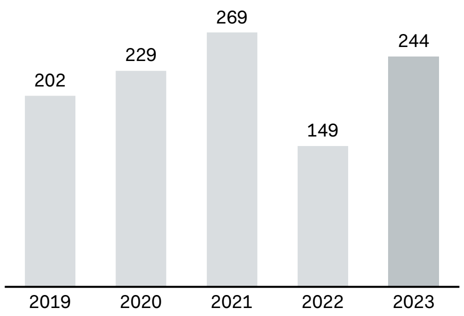
EBITDA, first quarter

DKKm



EBIT, first quarter

DKKm



Interim report – First quarter of 2023

Good quarterly performance with solid revenue improvement in line with expectations considering completed acquisitions and higher selling prices. Significant improvement in EBITDA reflects an improved balance between costs and realised selling prices.

Financial performance

(DKKm)	YTD 2023	YTD 2022	Change	
Revenue	8,678	6,297	2,381	38%
EBITDA	511	364	146	40%
EBIT	244	149	95	64%
Associates and JVs	0	12	-12	-103%
Profit before tax	163	238	-76	-32%
Cash flows from operating activities	-96	-632	536	-85%
Net interest-bearing debt	6,550	3,845	2,704	70%
Working capital	7,408	5,528	1,881	34%
ROIC excl. goodwill	11.4%	12.1%	-0.8%	
ROIC incl. goodwill	9.5%	9.9%	-0.4%	

The Schouw & Co. Group delivered a good performance in the first quarter of 2023 with the expected increase in revenue following acquisitions made and the effects of higher selling prices resulting from increased costs of raw materials, energy and freight.

Consolidated revenue for Q1 2023 was up by 38% to DKK 8,678 million from DKK 6,297 million in Q1 2022, with organic growth accounting for one third. The increase derived mainly from GPV following its combination with Enics in October 2022 and from BioMar, which saw strong effects from increased selling prices. Other of the Group's businesses also contributed to the improvement with the exception of Fibertex Personal Care, which reported a drop in revenue. Similarly, reported EBITDA was up by 40% from DKK 364 million in Q1 2022 to DKK 511 million in Q1 2023. The EBITDA improvement was also driven especially by GPV and BioMar, whereas Borg Automotive reported lower EBITDA than last year. The EBITDA performance reflects an improved balance between costs and realised selling prices in a number of areas. However, in a comparison with last year, it should be noted that the Q1 2022 EBITDA was strongly impacted by provisions for losses in relation to Russia.

The aggregate share of profit/loss after tax in associates and joint ventures was at break-even after tax, compared with a share of profit of DKK 12 million in Q1 2022. For both years, the share of profit in associates and joint ventures related to BioMar.

Consolidated net financial items increased to a net expense of DKK 81 million for Q1 2023, compared with a net income of DKK 78 million in Q1 2022, when net financial items were impacted by a recognised earn-out adjustment of DKK 80 million, which was reversed at a later point in 2022. The increase in actual interest expenses amounted to DKK 58 million, resulting from the increase in net interest-bearing debt and generally higher interest rates. The rest of the increase was attributable to foreign exchange adjustments etc.

ROIC excluding goodwill improved slightly from 11.2% at 31 December 2022 to 11.4% at 31 March 2023.

Liquidity and capital resources

The Schouw & Co. Group's operations produced a DKK 96 million cash outflow in Q1 2023, compared with a DKK 632 million cash outflow in Q1 2021. The substantially improved cash flows from operations were generated mainly by BioMar, Fibertex Personal Care and Borg Automotive. GPV and HydraSpecma also contributed, whereas Fibertex Nonwovens reported a slight drop in cash flows from operations compared with last year.

Consolidated working capital increased during the quarter from DKK 6,969 million at 31 December 2022 to DKK 7,408 million at 31 March 2023, while BioMar reduced its use of supply chain financing from DKK 980 million at 31 December 2022 to DKK 734 million at 31 March 2023. All businesses with the exception of Fibertex Personal Care contributed to the increase in working capital. By comparison, working capital amounted to DKK 5,528 million at 31 March 2022, at which time the most recent acquisitions were not consolidated.

Cash flows for investing activities in Q1 2023 amounted to DKK 580 million. In addition to ongoing investments in all businesses, most of the amount was used for HydraSpecma's acquisition of the wind division from Ymer Technology. By comparison, cash flows for investing activities in Q1 2022 amounted to DKK 294 million.

Group developments

The companies of the Schouw & Co. Group have continuously managed to adapt to varying market conditions over the past few years, and the Group's industry and geographical diversification has contributed to stability and risk reduction.

Thanks to the Group's financial strength, the portfolio companies have been able to build good competitive positions. Growing and developing the businesses take high priority at Schouw & Co., as illustrated by recent years' investments in production capacity combined with major strategic initiatives, including the combination of GPV and

Interim report – First quarter of 2023

Swiss-based EMS business Enics in October 2022 and HydraSpecma's acquisition of the wind division from Ymer Technology in February 2023.

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

BioMar kept up the good volume sales from last year, which given the elevated prices of raw materials and energy relative to the year-earlier period formed the basis of a 21% revenue increase. Earnings were supported by selling prices that now much better reflect the higher costs and by the fact that last year's one-off costs did not repeat. The share of profit from associates and joint ventures was reduced, mainly because of a decline in Salmones Austral's earnings.

GPV reported a revenue improvement of 164% as a result of the combination with Enics, increased demand and continued high prices of components and materials. Reported EBITDA was better than expected and nearly doubled year on year.

HydraSpecma reported a 23% revenue improvement with increased sales to a number of OEM customers offsetting softer business activity in the wind turbine segment. The acquisition of the wind division from Ymer Technology had a significant effect from 1 February 2023. Reported EBITDA improved, even with the integration costs incurred and PPA-related inventory adjustments.

Borg Automotive reported modest revenue growth, with increased sales of remanufactured products offsetting a reduction in sales of goods for resale, which was better than expected. Reported EBITDA declined year on year after costs incurred for the implementation of a new ERP system and organisational adjustments. EBITDA was also affected by higher cost prices of goods for resale.

Fibertex Personal Care reported a year-on-year decline in revenue. The decline was driven by lower prices of raw materials, which triggered lower selling prices, in addition to a year-on-year decline in sales volumes, which had been expected. EBITDA was maintained at last year's level despite the lower volume sales.

Fibertex Nonwovens reported an 11% revenue improvement that was driven mainly by higher selling prices. Volume sales declined year on year, mainly due to a drop in sales to the European construction industry and reduced sales of wipes in the USA, whereas sales to the automotive industry improved. Reported EBITDA was maintained at last year's level, which was better than expected.

Events after the balance sheet date
Other than as set out elsewhere in this interim report, Schouw & Co. is not aware of events occurring after 31 March 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 faces 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 gained 10% during the first quarter of 2023, from DKK 524.00 at 31 December 2022 to DKK 575.00 at 31 March 2023.

Outlook

Healthy demand in many areas and strong customer interest in new products and solutions. Changes in prices of materials leading to a marginal increase in revenue guidance. Full-year EBITDA guidance maintained.

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 in 2022, Schouw & Co. strengthened the foundation for its future development through considerable organic and acquisitive investments. Overall, the Group's businesses have invested more than DKK 1.1 billion for organic expansion, while also making substantial acquisitions that individually will support transformation and long-term strategic developments. Strategic developments have continued in the new year, with HydraSpecma completing the acquisition of Ymer Technology's wind division effective on 1 February 2023.

Schouw & Co. expects to maintain a high level of business activity in 2023. Even though there are market uncertainties still abound, the Group's companies are experiencing good demand in quite a few areas and considerable customer interest in new products and solutions currently in the pipeline. The Group has significant production capacity and, to the extent that bottlenecks occur, there is a willingness and an ability to make the investments needed to ensure profitable growth.

In addition to the organic growth, 2023 will see the full-year effect of the EMS company Enics, which was acquired to combine with GPV in October 2022, and HydraSpecma's acquisition of the wind division from Ymer Technology was recognised with effect from 1 February 2023.

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

BioMar maintains its full-year revenue and EBITDA guidance. However, the level of activity witnessed in the first quarter would indicate that favourable aquaculture conditions and stability is required with costs of raw materials and energy reasonably balanced with settlement prices of farmed fish and shrimp in order to keep full-year EBITDA from ending at the lower end of the guidance range. The share of profit expected from associates and joint ventures is lowered slightly due to a drop in Salmones Austral's earnings.

GPV raises its revenue guidance due to expected higher prices of materials that are passed on without impact on earnings. The EBITDA guidance is maintained, but the good results for the first quarter strengthen the likelihood that GPV will be able to report earnings at the upper end of the guidance range.

HydraSpecma maintains its revenue and EBITDA guidance based on a strong order book and a high level of business activity in most customer segments. Activity in the Renewables division is expected to decline, however, due to projects that are postponed from 2023 to 2024.

Borg Automotive maintains its revenue and EBITDA guidance as the company's market seems to have stabilised and because an increase in sales of remanufactured products have offset a slight decline in sales of goods for resale. 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. However, the final value of SBS Automotive has yet to be determined, and pending this – likely to happen in Q2 2023 – the interim provision is maintained.

Fibertex Personal Care maintains its EBITDA guidance, but the good start to the year increases the probability of EBITDA ending in the upper half of the guidance range. However, due to prospects of lower raw material prices during the year, the revenue guidance is lowered slightly.

Fibertex Nonwovens maintains its full-year revenue and EBITDA forecast. As expected, the level of business activity has been impacted by subdued demand from the beginning of the year, but the underlying market trends appear to be positive, and price pressures from raw materials and energy seem to have subsided, which in turn is supportive of the guidance.

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 the finished product. Changes in prices of purchased goods or changes in foreign exchange rates must typically be included in selling prices raw materials, and significant changes may therefore have a significant impact on revenue, even though the underlying activity may be unchanged. Similarly, changes in revenue resulting from changes in prices of materials will not necessarily trickle down to earnings.

Since the guidance for 2023 was announced in the 2022 Annual Report on 4 March 2023, prices of certain components and materials used by GPV have turned out to be somewhat higher than previously expected. The resulting additional costs are passed on directly, thereby increasing revenue, but with no impact on earnings.

▷▷

Outlook

On the other hand, Fibertex Personal Care now expects a slight drop in revenue due to the prospect of lower prices of the company's primary raw materials.

As the overall effect of these developments, the Group's FY 2023 revenue guidance range is expanded slightly upwards, even though the expected actual level of activity is unchanged. Overall, the Schouw & Co. Group now projects full-year 2023 consolidated revenue in the DKK 36.0-38.2 billion range against the previous range of DKK 35.8-38.0 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 individual forecasts. Accordingly, the actual guidance is expressed through consolidated EBITDA, which for 2023 remains in the range of DKK 2,400-2,650 million.

Associates and joint ventures, which are predominantly part of the BioMar business, are now expected to contribute a combined share of profit of approximately DKK 115 million for 2023, compared with the previous estimate of approximately DKK 130 million. The reduced share of the profit is attributable to lower profit in the Chilean fish farming company Salmones Austral.

The estimated depreciation and amortisation charges for the year and the Group's expected total net financing expenses, etc. are unchanged relative to the expectations set forth at the publication of the 2022 Annual Report. However, the total net financing expenses may be affected by the final earn-out payments for Borg Automotive's purchase of SBS Automotive in 2021, which is expected to be clarified in the second quarter of 2023.

REVENUE (DKKm)	**2023 guidance after Q1**	**Recent 2023 guidance**	**Actual 2022**
BioMar	18,000-19,000	18,000-19,000	17,861
GPV	8,800-9,200	8,400-8,800	5,923
HydraSpecma	3,100-3,300	3,100-3,300	2,536
Borg Automotive	1,700-1,900	1,700-1,900	1,815
Fibertex Personal Care	2,100-2,300	2,250-2,450	2,454
Fibertex Nonwovens	2,300-2,500	2,300-2,500	2,060
Other/eliminations	0	0	-13
Total revenue	36,000-38,200	35,750-37,950	32,637

EBITDA (DKKm)	**2023 guidance after Q1**	**Recent 2023 guidance**	**Actual 2022**
BioMar	1,080-1,150	1,080-1,150	1,013
GPV	590-640	590-640	465
HydraSpecma	310-340	310-340	306
Borg Automotive	160-190	160-190	180
Fibertex Personal Care	180-210	180-210	269
Fibertex Nonwovens	140-170	140-170	111
Parent company	-60-50	-60-50	-61
EBITDA	2,400-2,650	2,400-2,650	2,282
PPA depreciation/amortisation	-180	-180	-130
Other depreciation/amortisation	-920	-920	-864
EBIT	1,300-1,550	1,300-1,550	1,288
Associates and JVs	115	130	130
Other financial items	-250	-250	-114
Total profit before tax	1,165-1,415	1,180-1,430	1,304

Management Statement

To the shareholders of Aktieselskabet Schouw & Co.

The Board of Directors and Executive Management today considered and approved the interim report for the period 1 January to 31 March 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 31 March 2023 and of the results of the Group's operations and cash flows for the three months ended 31 March 2023.

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

Aarhus, 4 May 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 2023

15 Aug. 2023 ▷ Release of Q2 2023 interim report
14 Nov. 2023 ▷ Release of Q3 2023 interim report

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

Our businesses

Portfolio company financial highlights – Q1

	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	3,671	3,035	2,661	1,009	791	643	481	473	510	626	569	515	8,678	6,297
Contribution margin	258	250	331	152	194	175	103	113	102	100	95	89	1,083	879
EBITDA	117	54	179	91	87	82	29	38	70	69	42	42	511	364
Depreciation, amortisation and impairment losses	84	82	78	30	30	23	18	22	31	34	24	24	267	215
EBIT	33	-28	101	61	56	59	11	15	38	35	17	18	244	149
Profit after tax in associates and JVs	0	12	0	0	0	0	0	0	0	0	0	0	0	12
Net financial items	-45	-19	-40	1	-10	2	-4	75	-7	-2	-21	5	-81	78
Profit before tax	-13	-35	61	62	47	61	7	90	31	33	-4	23	163	238
Tax on profit/loss for the year	-1	-1	-28	-13	-9	-12	-1	-8	-7	-10	0	-5	-53	-49
Profit before non-controlling interests	-14	-36	33	49	37	49	6	82	24	24	-4	18	109	190
Non-controlling interests	-3	-5	0	0	0	-1	0	0	0	0	1	-2	-9	-8
Profit for the year	-17	-41	33	49	37	49	6	82	24	24	-3	16	100	182
CASH FLOWS														
Cash flows from operating activities	-93	-369	-88	-123	43	16	-56	-129	69	-39	-20	-10	-96	-632
Cash flows from investing activities	-34	-39	-67	-69	-423	-22	-15	-7	-9	-17	-32	-141	-580	-294
Cash flows from financing activities	167	346	76	189	416	5	73	135	-39	77	-2	152	665	881
BALANCE SHEET														
Intangible assets*	1,446	1,340	1,038	417	636	231	288	322	63	67	125	131	4,622	3,534
Property, plant and equipment	1,709	1,716	1,012	490	384	342	177	134	1,278	1,385	1,525	1,228	6,106	5,314
Other non-current assets	1,243	1,278	253	132	146	113	137	133	42	40	7	8	1,854	1,718
Cash and cash equivalents	657	413	264	155	75	59	31	39	32	26	83	78	693	457
Other current assets	5,875	4,991	5,541	2,338	1,458	1,261	1,277	1,077	638	859	983	931	15,745	11,440
Total assets	10,930	9,737	8,107	3,533	2,699	2,006	1,910	1,706	2,054	2,376	2,723	2,377	29,020	22,463
Shareholders' equity	2,704	2,590	2,269	1,124	929	685	491	537	985	1,018	938	782	11,243	10,851
Interest-bearing liabilities	3,809	3,315	2,680	1,268	1,105	824	531	390	657	820	1,413	1,194	7,412	4,491
Other liabilities	4,417	3,832	3,158	1,140	665	497	888	778	411	538	372	401	10,365	7,121
Total equity and liabilities	10,930	9,737	8,107	3,533	2,699	2,006	1,910	1,706	2,054	2,376	2,723	2,377	29,020	22,463
Average no. of employees	1,595	1,515	8,585	4,337	1,368	1,243	1,973	2,109	711	793	1,064	1,069	15,314	11,083
FINANCIAL KEY FIGURES														
EBITDA margin	3.2%	1.8%	6.7%	9.0%	10.9%	12.8%	6.1%	8.0%	13.7%	11.0%	7.3%	8.2%	5.9%	5.8%
EBIT margin	0.9%	-0.9%	3.8%	6.0%	7.1%	9.2%	2.3%	3.2%	7.5%	5.6%	3.1%	3.5%	2.8%	2.4%
ROIC excluding goodwill	17.4%	13.0%	11.1%	15.0%	16.5%	18.5%	13.0%	15.6%	7.8%	10.4%	0.9%	5.2%	11.4%	12.1%
ROIC including goodwill	12.7%	9.4%	10.3%	13.6%	14.7%	16.6%	8.8%	9.6%	7.4%	9.8%	0.9%	4.9%	9.5%	9.9%
Working capital	2,057	1,796	2,759	1,368	912	826	676	477	387	499	633	566	7,408	5,528
Net interest-bearing debt	2,984	2,715	2,417	1,113	1,030	765	500	351	625	794	1,330	1,116	6,550	3,845

* 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. 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 for human consumption.

For many years, BioMar has been a leader in ongoing product development and in working with new innovative and more 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

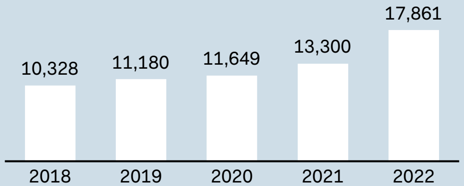
BioMar is headquartered in Aarhus, Denmark, and the company's operations are divided into divisions. The Salmon Division covers salmon feed from feed factories in Norway, Scotland, Chile and Australia.

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 feed 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

Strong revenue improvement driven by higher selling prices on unchanged volume sales. EBITDA more than doubled compared to 2022, when earnings were weighed down by non-recurring costs. Full-year guidance maintained.

DKKm	YTD 2023	YTD 2022	FY 2022
Volume ('000 t)	286	288	1,456
- Salmon division	198	201	1,016
- other divisions	88	87	441
Revenue	3,671	3,035	17,861
- Salmon division	2,782	2,291	13,510
- other divisions	889	744	4,350
EBITDA	117	54	1,013
- Salmon division	72	62	669
- other divisions	45	-8	343
EBIT	33	-28	602
CF from operations	-93	-369	299
Working capital	2,057	1,796	1,977
ROIC ex goodwill	17.4%	13.0%	16.1%

Following a highly turbulent year in 2022 with quite substantial increases in costs of raw materials, energy and freight, BioMar's Q1 2023 report reflects much more stable market conditions even though prices of many input materials remain elevated. For the first quarter, BioMar reported volume sales in line with the sales generated in the first quarter of 2022, which given the elevated prices of raw materials and energy relative to the year-earlier period formed the basis of a 21% revenue increase to DKK 3,671 million for the first quarter of 2023. Exchange rate developments had a negative impact of about DKK 70 million during the quarter.

The Salmon Division reported a marginal drop in volume sales in the first quarter, in part caused by regulatory restrictions imposed on aquaculture in Chile, while volume sales in Australia, in particular, improved. Division earnings improved as the higher costs were better reflected in selling prices.

The EMEA Division reported an improvement in volume sales for the first quarter, consisting of a drop in sales by the consolidated operations of the division and improved sales by the Turkish operations, which are not recognised in the consolidated financial statements, however. Earnings improved relative to the first quarter of 2022, when highly volatile prices of raw materials and large bad debt provisions were made in relation to the discontinued trade with Russia.

The LatAm Division reported a volume increase in the first quarter that was based on strengthened contract positions in a market otherwise characterised by weakened demand due to reduced prices on farmed shrimp. BioMar continues to strengthen its offering of products, concepts and services, mainly in the Ecuadorian market where the company is also adding new production capacity.

The consolidated part of the Asia Division, which only covers operations in Vietnam, is still under development, and earnings from these operations are impacted by costs incurred for market penetration purposes. Operations in the Tech Division, which was established after the acquisition of AQ1, are well underway. While there has been sound market interest for the technology solution, the division is experiencing some reluctance to invest among customers, as they are feeling the effects of current low settlement prices for farmed shrimp.

EBITDA more than doubled in the first quarter of 2023 to DKK 117 million relative to the reported EBITDA for Q1 2022, which was unusually low due to provisions for losses in relation to Russia and an unsuccessful lawsuit in Norway. On the other hand, the earnings also reflect margin improvements that have materialised, as selling prices have increasingly reflected the higher costs of raw materials, energy and freight.

Working capital increased by 15% from DKK 1,796 million at 31 March 2022 to DKK 2,057 million at 31 March 2023, mainly as a result of the higher prices of raw materials and the derived increases in inventories and trade receivables. The use of supply chain financing fell from DKK 768 million at 31 March 2022 to DKK 734 million at 31 March 2023.

ROIC excluding goodwill improved from 16.1% at 31 December 2022 to 17.4% at 31 March 2023, as the earnings improvement exceeded the increase in the average invested capital.

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 significant combined improvement for Q1 2023 (100% basis) with revenue of DKK 471 million and EBITDA of DKK 45 million, against revenue of DKK 282 million and EBITDA of DKK 20 million in Q1 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 the associates are recognised in the Q1 2023 consolidated financial statements at break-even after tax, compared with a DKK 12 million share of profit in the Q1 2022 period. The decline in the share of profit was attributable to Salmones Austral, as a share of loss in that company resulting from a separate writedown of a joint venture project offset the share of profit from the other businesses.

BioMar

Business review
BioMar consistently adapts to changing market conditions. In 2022, this was especially evident when the company discontinued trading with Russia in a move that affected both sales of finished products and sourcing of raw materials. BioMar had to navigate a market characterised by high costs of raw materials, energy and freight as well as varying availability of important raw materials. It is always a challenge to offset the effects of sharply rising costs, but BioMar managed to do so gradually over the course of the year by raising its selling prices and implementing efficiency improvements. The war in Ukraine continues to impact commodity markets and causing volatile prices and limited accessibility. As a result, BioMar has had to operate with inventories of certain raw materials at high prices, which will weigh on earnings in the first half of 2023.

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 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.

Outlook
From an overall perspective, long-term demand for farmed fish and shrimp seems generally sound, and BioMar is well positioned in the market. 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 in particular, demand is particularly sensitive to the current low prices.

BioMar continues to expect to generate full-year 2023 revenue of about DKK 18.0-19.0 billion, but changes in raw materials prices and foreign exchange rates may, as always, significantly affect the full-year revenue. The FY EBITDA forecast is also unchanged and expected to be in the DKK 1,080-1,150 million range. The first quarter of the year is traditionally low season for BioMar, and the reported EBIT is therefore not a reliable indicator of the full-year results. On the other hand, the current level of activity in the first quarter may indicate that favourable aquaculture conditions and stability are required with costs of raw materials and energy reasonably balanced with settlement prices of farmed fish and shrimp in order to keep full-year EBITDA from ending at the lower end of the guidance range.

Associates and joint ventures are recognised at a share of profit after tax. The main contributors are the feed operations in Turkey, as well as the fish farming company Salmones Austral and the testing and research company LetSea, although the results rely heavily on prices of farmed salmon. In light of the current market situation, BioMar now expects to receive a share of profit after tax for 2023 of approximately DKK 115 million, as against the previous estimate of approximately DKK 130 million.

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, BuildingTech, Transportation, Measurement & Control, CleanTech, MedTech and HighTech Consumer.

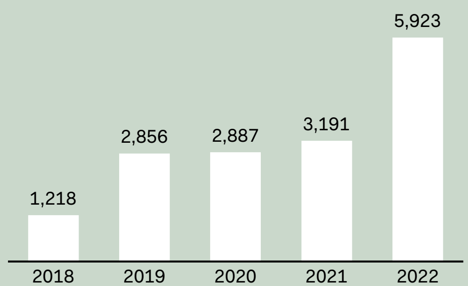
Market
Electronics play an ever more prominent role in our society, whether in everyday life or in industry and manufacturing. In these sectors, the integration of electronics, increased data usage and increased automation will serve to make everyday life easier, optimise manufacturing processes, reduce 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, and that makes GPV a preferred partner to companies that choose to outsource their production.

Geography
Head office in Vejle, Denmark. Manufacturing facilities at 19 locations, 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 revenue improvement following the combination with Enics, high prices of components and materials. Strong financial performance supporting the achievement of the full-year EBITDA guidance.

DKKm	YTD 2023	YTD 2022	FY 2022
Revenue	2,661	1,009	5,923
EBITDA	179	91	465
EBIT	101	61	292
CF from operations	-88	-123	-281
Working capital	2,759	1,368	2,566
ROIC ex. goodwill	11.1%	15.0%	11.5%

GPV reported record-high revenue of DKK 2,661 million in Q1 2023, compared with DKK 1,009 million in Q1 2022. The substantial 164% increase was primarily attributable to the combination with Swiss company Enics and to continuing growth in demand from a large number of customers of the former GPV. In addition, the elevated prices of components and materials have also lifted revenue considerably, but with an adverse effect on margins.

Q1 2023 earnings were better than expected, resulting in EBITDA of DKK 179 million, up from DKK 91 million in the same period of 2022. EBITDA was supported by the combination with Enics, despite the ongoing costs incurred to ensure a good integration process for the combined company. Also contributing were the increased sales, effective cost management and high capacity utilisation at GPV's factories.

Working capital grew from DKK 1,368 million at 31 March 2022 to DKK 2,759 million at 31 March 2023. The large increase was mainly attributable to the combination with Enics, but also to larger inventories resulting from increased order forecasts from customers. ROIC excluding goodwill fell from 11.5% at 31 December 2022 to 11.1% at 31 March 2023, among other due to an increase in working capital in the first quarter.

Business review

The integration of the two companies, GPV and Enics, commenced immediately after the combination in October 2022. During the first couple of months, the focus was on introducing the concept of 'One. New. Leader.' The objective was to build a mutual understanding of and to secure a common approach to customers and suppliers under the GPV brand. During the first quarter, the focus was on creating a foundation for the new common organisation that will be implemented during the second quarter. Generally, the integration process has had good momentum, which is expected to continue for the rest of 2023.

Meeting customer requirements for high quality standards and reliability of supply is a big priority for GPV. To ensure adequate flexibility, the company continues investing to expand capacity and increase automation, primarily in the current 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 immediately began operations. This leads to the next phase of GPV's expansion in Thailand, i.e. the conversion of the former mechanics facility, which will be dedicated to the production of electronics going forward. The ongoing extension of the facility in Sri Lanka is also progressing well and is expected to begin operations early in the third quarter of 2023.

Following the combination with Enics, GPV launched an additional programme of minor investments, which will lead to expanded capacity in the short term at some of the new factories so as to enable GPV to accommodate customer needs for shipments from these sites.

Outlook

Basically, GPV expects the healthy demand from most customer segments to continue, implying good capacity utilisation. The supply situation is expected to generally improve, but lead times will still be quite long for a large number of key electronic components, and component prices are expected to remain high during much of 2023.

It is still early in the year, and GPV has a major task ahead, ensuring the successful integration of the business operations that have become part of the company through the combination with Enics. Also, timing differences may arise later this year due to the market situation. At the present time, GPV has not revised its guidance for the level of business activity for the year, but the prices of certain components and materials have turned out to be somewhat higher than previously expected. The resulting additional costs are passed on directly, thereby increasing revenue, but with no impact on earnings.

As a result, GPV upgrades its guidance FY 2023 revenue to the DKK 8.8-9.2 billion range from the previous range of DKK 8.4-8.8 billion. The full-year EBITDA guidance range is maintained in the range of DKK 590-640 million inclusive of estimated integration costs of approximately DKK 20 million. However, the encouraging performance in the first quarter strengthens the likelihood that GPV will be able to report earnings at the upper end of the guidance range.

HydraSpecma

Making Power & Motion green

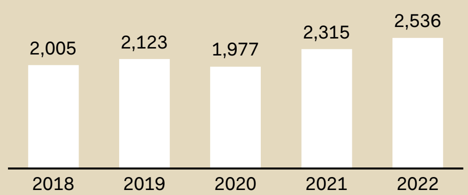
HydraSpecma is a market-leading specialist supplier of hydraulic solutions and components to the aftermarket and OEMs with roots in the Nordic region. HydraSpecma generates value through its production and fast delivery of hydraulic and electric solutions and products, by having the most comprehensive 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

Strong revenue improvement due to the acquisition of the wind division from Ymer Technology and continued strong business activity in the Global OEM segment. The wind power operations are affected by project postponements from 2023 to 2024. Full-year guidance maintained.

DKKm	YTD 2023	YTD 2022	FY 2022
Revenue	791	643	2,536
EBITDA	87	82	306
EBIT	56	59	211
CF from operations	43	16	190
Working capital	912	826	814
ROIC ex. goodwill	16.5%	18.5%	17.6%

HydraSpecma generated revenue of DKK 791 million in the first quarter of 2023 for a year-on-year increase of 23%. A large part of the revenue increase was attributable to the acquisition of the wind division from Ymer Technology, which contributed two months of revenue. The Global OEM and Nordic OEM/IAM divisions also contributed to the revenue improvement.

Reported EBITDA was up by 5% to DKK 87 million in the first quarter after incurring costs totalling DKK 23 million for integration purposes and PPA-related inventory adjustments in connection with the acquisition of the wind division from Ymer Technology. Adjusted for this factor, HydraSpecma is reporting a very positive EBITDA performance driven by high capacity utilisation and the effects of ongoing investments in automation and digitalisation.

The company's working capital grew by DKK 86 million from 31 March 2022 to 31 March 2023. A large part of the increase was attributable to the acquisition of the wind division from Ymer Technology, but increased activity in other areas also contributed. ROIC excluding goodwill fell from 17.6% at 31 December 2022 to 16.5% at 31 March 2023, mainly due to higher average invested capital.

Business review

Effective from 1 February 2023, HydraSpecma acquired the wind division from the Swedish industrial group Ymer Technology. The acquisition strengthens HydraSpecma's already comprehensive range of products and skills for the global wind turbine segment, and the combined company now has a much broader value proposition of solutions for cooling, lubrication and filtration systems, pitch hydraulics and pipe and hose solutions. Several of these solutions can also be used for solar power plants and Power-to-X. The acquired companies in Denmark, China and India will be merged into HydraSpecma's existing companies in the respective countries. Together with other initiatives, it will contribute to achieving expected long-term synergies.

HydraSpecma is constantly developing the best solutions for both existing and new customers, which has led to a sharp increase in activity, especially in pipe and hose solutions. In order to meet this demand, construction of a new production unit in Poland on a site of 16,000 m², designed to be carbon neutral, has been commenced. The new factory is located next to the existing production facility in Stargard, and stage 1 is expected to be ready for use in the second quarter of 2023. When the new production unit has been completed later this year, the current production facility will be put up for sale.

HydraSpecma is experiencing strong growth in assignments and in demand from several of the company's segments involving electrification. These are both pure electric solutions and hybrid solutions, in which hydraulic components are combined with electrical components, often together with software development. HydraSpecma is therefore investing to strengthen competencies in the new business areas, primarily in the Nordic units.

Outlook

The order intake of some of the larger OEM customers seems to be declining, but due to current large order books, the high level of activity is expected to continue for the remainder of the year. At the same time, there is an ongoing improvement in the general supply situation, which means that global OEM customers, especially in the vehicles segment, will be able to utilise their production capacity and gain enhanced delivery power.

HydraSpecma expects to continue to report a high level of activity in the Global OEM division, in part supported by the inflow of new customers and growing market share with existing customers. In addition, the company is experiencing increased demand in the maritime sector, which may strengthen sales during the final part of the year, and the high level of activity of Nordic OEM and aftermarket customers is expected to be maintained through 2023.

Business activity in the Renewables division is expected to fall due to projects being postponed from 2023 to 2024, but HydraSpecma still expects to generate revenue of DKK 3.1-3.3 billion and EBITDA in the DKK 310-340 million range in 2023.

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 in a circular business model. Borg Automotive offers a full range product assortment 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 continuously growing fleet. The proportion of electric and hybrid cars on the roads is increasing as society transitions towards low-emission vehicles, 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.

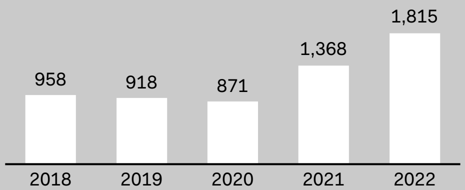
Geography

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 business TMI in 2020 and added the trading company SBS Automotive in 2021.

Revenue performance (DKKm)



Borg Automotive

Solid sales in a subdued market. The Q1 performance was impacted by non-recurring costs for integration in addition to higher cost prices of goods for resale due to increasing costs of freight and raw materials. Full-year revenue guidance maintained.

DKKm	YTD 2023	YTD 2022	FY 2022
Revenue	481	473	1,815
EBITDA	29	38	180
EBIT	11	15	104
CF from operations	-56	-129	-150
Working capital	676	477	618
ROIC ex. goodwill	13.0%	15.6%	14.4%

Borg Automotive reported a moderate revenue increase in Q1 2023. The improvement was driven by an increase in sales of remanufactured products that offset a decline in the sale of goods for resale. Revenue for the quarter came to DKK 481 million, up from DKK 473 million in Q1 2022, which was slightly better than expected.

Impacted by non-recurring costs of about DKK 7 million for the implementation of a new ERP system and organisational adjustments, EBITDA for Q1 2023 came to DKK 29 million, against DKK 38 million in Q1 2022. Q1 2023 EBITDA was also impacted by an increase in cost prices of goods for resale due to higher costs of freight and raw materials.

Working capital grew by DKK 199 million, from DKK 477 million at 31 March 2022 to DKK 676 million at 31 March 2023, primarily reflecting an increase in inventories. ROIC excluding goodwill fell from 14.4% at 31 December 2022 to 13.0% at 31 March 2023 due to higher average invested capital.

Business review

Following the acquisition of SBS Automotive in 2021, Borg Automotive added a trading company dealing in automotive spare parts that complements its traditional operations. Remanufactured products make up the core of Borg Automotive's business and continue to 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 part of the integration of SBS Automotive, Borg Automotive has implemented and began running a new ERP system in the first quarter of 2023, while also making adjustments to the organisation with a view to achieving synergies for the entire company. As part of the strategic development of SBS Automotive's trading platform, new product groups will be launched during Q2 2023 to strengthen the overall value proposition for existing and new customers.

Borg Automotive continually works to develop processes and methods, aiming to expand its existing range of remanufactured products. In addition, Borg Automotive maintains a close collaboration with universities and OE manufacturers in order to secure a strong position in terms of products of the future.

Outlook

Demand for automotive spare parts in the European aftermarket fell during the second half of 2022. The decline was the result of several factors, including a change in driving patterns due to economic developments with higher prices of raw materials and energy which caused distributors and dealers to reduce their inventories. Borg Automotive consistently adapts to the changing market conditions, including by optimising capacity and taking other measures to retain its margins and earnings.

The market has stabilised in Q1 2023, as was expected, although the level of activity is more subdued than it was a year ago. While general market developments of the upcoming quarterly periods are still subject to uncertainty, Borg Automotive still expects to generate revenue of DKK 1.7-1.9 billion and EBITDA in the DKK 160-190 million range in 2023.

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 has yet to be determined, and pending this – likely to happen in Q2 2023 – the interim provision is maintained.

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 is 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 significant 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 less resources, including at lower costs, than other materials.

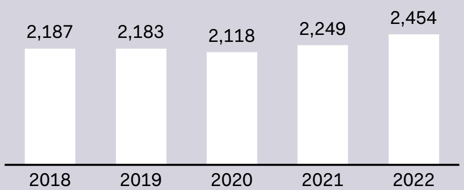
Among the world's ten largest manufacturers of nonwovens for personal care, Fibertex Personal Care has a global market share of over 5%. The company operates manufacturing facilities in Europe and Asia, as well as specialised print production facilities in Europe and the USA. Fibertex Personal Care stands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

Customers use nonwovens to manufacture hygiene products, which are then distributed to consumers via supermarkets, public institutions and webshops. 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 US.

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

Revenue lower due to reduced volume sales and lower selling prices as a result of lower prices of raw materials. Good balance between costs and realised selling prices supports full-year EBITDA guidance.

DKKm	YTD 2023	YTD 2022	FY 2022
Revenue	510	626	2,454
EBITDA	70	69	269
EBIT	38	35	128
CF from operations	69	-39	206
Working capital	387	499	414
ROIC ex. goodwill	7.8%	10.4%	7.4%

Fibertex Personal Care generated revenue of DKK 510 million in Q1 2023, a year-on-year decline of 19% from DKK 626 million in Q1 2022. The decline was driven by lower prices of raw materials, which triggered lower selling prices, in addition to a year-on-year decline in sales volumes, which had been expected.

EBITDA came to DKK 70 million for Q1 2023, which was in line with the level for the same period of last year, despite the decline in volume sales. This was largely due to a good balance between costs and realised selling prices.

Fibertex Personal Care reduced its working capital from DKK 499 million at 31 March 2022 to DKK 387 million at 31 March 2023. The main reason for the lower working capital was a drop in receivables and inventories. ROIC excluding goodwill rose from 7.4% at 31 December 2022 to 7.8% at 31 March 2023, due mainly to slightly lower average invested capital.

Business review

Asian manufacturers of nonwovens have invested heavily in recent years to ramp up their production capacity, both to match the growth in the personal care market and to work the market for face masks and protective suits, which emerged in connection with the coronavirus pandemic. However, demand for input materials for PPE products has now shrunk, leading to a situation of surplus production capacity and resulting price pressures.

Fibertex Personal Care has also invested to expand capacity, commencing construction of a new production line in Malaysia which, however, is not expected to be operational until the first half of 2024 due to technical challenges involving the slitter. 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 sound underlying growth, which will absorb the idle capacity over time.

Against this background, Fibertex Personal Care is also investing in measures to secure its market position in the region. Measures include strengthening reliability of supply to customers by establishing local warehouse facilities across the region. The first facility, located in Vietnam, has already been established and supplies goods to customers on a day-to-day basis. Additional facilities are expected to be established in the region during 2023.

Fibertex Personal Care will soon have nine spunmelt production lines in operation, three in Denmark and six in Malaysia, highly efficiently producing very thin, very high-quality nonwoven textiles. As part of the efforts to achieve the company's 2030 sustainability targets, Fibertex Personal Care had a dedicated team in 2022 working on developing an even thinner and lighter product that will retain the core properties of the material. This new product was launched at the Index fair in Geneva in April 2023.

Fibertex Personal Care also has eight print lines, currently four in Germany, two in Malaysia and two in the USA. However, with demand in Asia failing to meet expectations, a decision was made in Q1 2023 to phase out printing operations in Malaysia and focus on the US market instead, where print services are in demand for more and more applications, such as print on absorbent pads for pets.

Outlook

Fibertex Personal Care expects solid capacity utilisation at all its factories in 2023. However, intensified competition in the Asian market will continue to weigh on the company's nonwoven operations in Malaysia, where additional production capacity is scheduled to be phased in during 2024. In spite of the challenging competitive climate in Asia, Fibertex Personal Care expects to strengthen its competitive position by means of its investments in new technology.

The encouraging start to 2023 and the good balance between costs and selling prices underpin the likelihood of Fibertex Personal Care delivering 2023 EBITDA at the upper end of its full-year guidance range of DKK 180-210 million. Prospects of prices of raw materials being lower during the year however means a reduction of the revenue guidance to DKK 2,100-2,300 million from previously DKK 2,250-2,450 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, among other things, in cars, in the construction industry and for filtration solutions. They are also used in the healthcare sector as disposable wipes, for example.

Market
In cars, nonwovens are used to reduce weight and thereby lower carbon emissions, but nonwovens are also used as an acoustic fabric, as it 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 square metres 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.

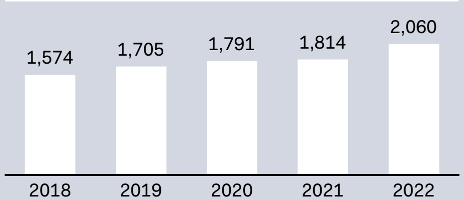
In the disposable wipes segment, nonwovens form part of products for industrial cleaning and as part of disinfection solutions for the healthcare sector, for which Fibertex Nonwovens supplies a number of products, including special-purpose disinfectant wipes. Customers demand sustainable solutions, and 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

Good start to the year with revenue growth and EBITDA matching last year's levels, which was better than expected. Positive market prospects and the good start to 2023 underpin unchanged guidance for full-year 2023.

DKKm	YTD 2023	YTD 2022	FY 2022
Revenue	569	515	2,060
EBITDA	42	42	111
EBIT	17	18	11
CF from operations	-20	-10	-7
Working capital	633	566	593
ROIC ex. goodwill	0.9%	5.2%	1.0%

Fibertex Nonwovens generated revenue of DKK 569 million in Q1 2023, a year-on-year increase of 11%. The revenue improvement was driven by higher selling prices and supported by positive foreign exchange developments, while volume sales declined year on year. The drop in volume sales was driven by a lower level of activity in the European construction industry combined with lower sales of wipes and similar products in the US, whereas sales to the automotive industry went up.

At DKK 42 million, EBITDA for Q1 2023 was in line with last year's level, which was better than expected. Despite the drop in volume sales, Fibertex Nonwovens successfully maintained earnings momentum thanks to an improved balance between, on the one hand, surging costs of raw materials, energy and freight and, on the other, realised selling prices. Earnings were also supported by a changed product mix.

The company's working capital grew by DKK 67 million during the year from 31 March 2022 to 31 March 2023, driven by surging prices of raw materials and energy, which triggered an increase in capital tied up in inventories and receivables, while lower inventories of raw materials and finished goods helped reduce tied-up capital. As expected, there was a marginal decline in ROIC excluding goodwill from 31 December 2022 to 31 March 2023, mainly due to higher average invested capital.

Business review

Recent years' investments to expand global production capacity have 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 made its factories extremely competitive, and the company continues to see a strong growth potential. This applies in particular to products for more specialised applications. In order to meet future demand, Fibertex Nonwovens launched a programme to invest approximately DKK 600 million 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 gradually phased in for production during 2023. Already, the company is seeing considerable market interest for the products the line will manufacture. The second line will be placed in Europe, and it is expected to be installed in time for the facility to begin operations at the end of 2024.

Outlook

Fibertex Nonwovens felt the effects in 2022 of an unfortunate combination of negative demand and escalating costs. This challenging situation is also affecting the company's guidance for 2023, as the new production capacity currently underway is being phased in at a slower pace than originally expected.

However, the current situation does not change the expectations of good growth 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 for 2023 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 level of activity has been impacted by subdued demand during the year to date, but the underlying market trends appear to be positive. At the same time, price pressures from raw materials and energy seem to have abated, which makes it easier to maintain the balance between costs and selling prices.

Developments during the year to date underpin the company's full-year guidance of revenue of DKK 2.3-2.5 billion and EBITDA in the DKK 140-170 million range.

Interim financial statements

Statements of income and comprehensive income

Note	Income statement	YTD 2023	YTD 2022	FY 2022
1	Revenue	8,678	6,297	32,637
2	Operating expenses	-8,167	-5,914	-30,355
	Other operating income	6	4	26
	Other operating expenses	-6	-22	-26
	EBITDA	511	364	2,282
	Depreciation, amortisation and impairment losses	-267	-215	-994
	EBIT	244	149	1,288
	Profit after tax in associates	-13	4	80
	Profit after tax in joint ventures	13	8	50
	Financial income	75	125	215
	Financial expenses	-156	-47	-328
	Profit before tax	163	238	1,304
	Tax on profit for the period	-53	-49	-311
	Profit for the period	109	190	993
	Attributable to			
	Shareholders of Schouw & Co.	100	182	960
	Non-controlling interests	9	8	33
	Profit for the period	109	190	993
6	Earnings per share (DKK)	4.27	7.62	40.59
6	Diluted earnings per share (DKK)	4.26	7.62	40.58

Note	Statement of comprehensive income	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	40
	Tax on other comprehensive income	0	0	-9
	Total items that cannot be reclassified to the income statement	0	0	31
	Items that can be reclassified to the income statement:			
	Foreign exchange adjustments of foreign subsidiaries	-135	117	100
	Value adjustment of hedging instruments	-10	9	30
	Hedging instruments transferred to operating expenses	-15	11	1
	Hedging instruments transferred to financials	-3	1	0
	Hyperinflation restatements	-3	0	45
	Other comprehensive income from associates and JVs	0	0	-13
	Other adjustments to other comprehensive income	0	-3	3
	Tax on other comprehensive income	8	-7	-26
	Total items that can be reclassified to the income statement	-157	129	140
	Other comprehensive income after tax	-157	129	171
	Profit for the period	109	190	993
	Total recognised comprehensive income	-47	318	1,164
	Attributable to			
	Shareholders of Schouw & Co.	-47	303	1,113
	Non-controlling interests	0	15	52
	Total recognised comprehensive income	-47	318	1,164

Amounts in DKK million

Balance sheet • Assets and liabilities

Note	Assets	31/3 2023	31/12 2022	31/3 2022	31/12 2021
	Intangible assets	4,622	4,267	3,534	3,526
	Property, plant and equipment	6,106	6,093	5,314	5,078
	Lease assets	664	694	657	687
	Equity investments in associates	473	498	422	411
	Equity investments in joint ventures	192	182	155	148
	Securities	93	92	92	91
	Deferred tax	226	189	162	131
	Receivables	206	199	230	241
	Total non-current assets	12,582	12,214	10,566	10,313
	Inventories	9,026	9,043	6,123	5,514
3	Receivables	6,403	6,181	5,120	5,022
	Prepayments	239	240	94	71
	Income tax receivable	77	56	103	77
	Cash and cash equivalents	693	712	457	490
	Total current assets	16,438	16,231	11,897	11,175
	Total assets	29,020	28,445	22,463	21,488

Note	Liabilities and equity	31/3 2023	31/12 2022	31/3 2022	31/12 2021
6	Share capital	255	255	255	255
	Hedge transaction reserve	-10	9	2	-13
	Exchange-adjustment reserve	-5	121	154	45
	Hyperinflation restatements	42	45	0	0
	Retained earnings	9,689	9,535	9,646	9,582
	Proposed dividend	383	383	383	383
	Equity attributable to parent company shareholders	10,354	10,348	10,439	10,252
	Non-controlling interests	889	889	412	397
	Total equity	11,243	11,237	10,851	10,649
	Deferred tax	552	480	409	372
	Other payables	206	213	423	522
	Liability regarding put option	498	483	0	0
	Interest-bearing debt	6,573	5,842	3,641	2,384
	Non-current liabilities	7,828	7,017	4,473	3,277
	Interest-bearing debt	839	838	850	1,070
	Trade payables and other payables	8,173	8,492	5,614	5,895
	Customer prepayments	253	275	151	111
	Prepayments	138	17	60	40
	Liability regarding put option	381	388	382	374
	Income tax	164	180	82	72
	Current liabilities	9,949	10,191	7,139	7,562
	Total liabilities	17,776	17,208	11,612	10,839
	Total equity and liabilities	29,020	28,445	22,463	21,488

Notes without reference 5 and 7 to 9.

Amounts in DKK million

Cash flow statement

Note		YTD 2023	YTD 2022	FY 2022
	EBITDA	511	364	2,282
	Adjustments for non-cash operating items etc.:			
	Changes in working capital	-495	-947	-1,548
	Provisions	14	8	9
	Other non-cash operating items, net	34	23	-19
	Cash flows from operations before interest and tax	64	-552	724
	Net interest paid	-61	-10	-136
	Income tax paid	-99	-71	-269
	Cash flows from operating activities	-96	-632	319
	Purchase of intangible assets	-9	-8	-38
	Purchase of property, plant and equipment	-214	-274	-1,068
	Sale of property, plant and equipment	12	0	5
4	Acquisitions	-380	-15	-414
	Dividends received from associates	0	0	10
	Loans to associate	10	0	0
	Loans to customers	1	0	0
	Additions/disposals of other financial assets	-1	2	6
	Cash flows from investing activities	-580	-294	-1,499

Note		YTD 2023	YTD 2022	FY 2022
	Loan financing:			
	Repayment of non-current liabilities	-111	-73	-332
	Proceeds from non-current liabilities incurred	0	0	2,569
	Increase of bank overdrafts	720	1,070	-207
	Cash flows from debt financing	610	997	2,030
	Shareholders:			
	Capital contributions, etc. by non-controlling interests	0	0	12
	Dividends paid	0	0	-374
	Sale of treasury shares	55	0	0
	Purchase of treasury shares	0	-115	-292
	Cash flows from financing activities	665	881	1,377
	Cash flows for the period	-11	-45	196
	Cash and cash equivalents, beginning of period	712	490	490
	Value adjustment of cash and cash equivalents	-7	12	25
	Cash and cash equivalents, end of period	693	457	712

Amounts in DKK million

Statement of changes in equity

	Share capital	Hedge transaction reserve	Exchange adjust-ment reserve	Hyperinflation adjustments	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	182	0	182	8	190
Other comprehensive income		15	109	0	-3	0	121	8	129
Total recognised comprehensive income		15	109	0	179	0	303	15	318
Transactions with owners:									
Share-based payment		0	0	0	7	0	7	0	7
Value adjustment of put option		0	0	0	-8	0	-8	0	-8
Purchase of treasury shares		0	0	0	-115	0	-115	0	-115
Total transactions with owners during the period		0	0	0	-116	0	-116	0	-116
Equity at 31 March 2022	255	2	154	0	9,646	383	10,439	412	10,851
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	100	0	100	9	109
Other comprehensive income		-19	-126	-3	0	0	-147	-9	-157
Total recognised comprehensive income		-19	-126	-3	100	0	-47	0	-47
Transactions with owners:									
Share-based payment		0	0	0	7	0	7	0	7
Value adjustment of put option		0	0	0	-8	0	-8	0	-8
Sale of treasury shares		0	0	0	55	0	55	0	55
Total transactions with owners during the period		0	0	0	54	0	54	0	54
Equity at 31 March 2023	255	-10	-5	42	9,689	383	10,354	889	11,243

Amounts in DKK million

Notes to the financial statements

1
Segment reporting

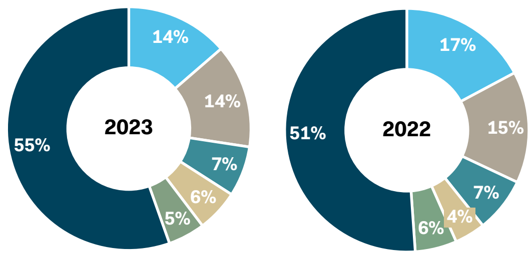
Reporting segments YtD 2023	BioMar	GPV	HydraSpecma	Borg Automotive	Fibertex Personal Care	Fibertex Nonwovens	Reporting segments	Parent company	Group eliminations, etc.	Total
External revenue	3,671	2,661	791	481	506	569	8,678	0	0	8,678
Intra-group revenue	0	0	0	0	4	0	4	3	-7	0
Segment revenue	3,671	2,661	791	481	510	569	8,682	3	-7	8,678
EBITDA	117	179	87	29	70	42	524	-13	0	511
Depreciation, amortisation and impairment losses	84	78	30	18	31	24	267	0	0	267
EBIT	33	101	56	11	38	17	257	-13	0	244
Share of profit in associates and JVs	0	0	0	0	0	0	0	0	0	0
Tax on profit/loss for the year	-1	-28	-9	-1	-7	0	-47	-6	0	-53
Profit for the year	-14	33	37	6	24	-4	82	27	0	109
Segment assets	11,360	8,107	2,699	2,426	2,102	2,755	29,449	16,176	-16,605	29,020
Of which goodwill	1,578	347	286	516	99	121	2,946	0	0	2,946
Equity investments in associates and JVs	656	0	10	0	0	0	665	0	0	665
Segment liabilities	8,226	5,838	1,770	1,419	1,068	1,785	20,107	6,847	-9,178	17,776
Working capital	2,057	2,759	912	676	387	633	7,423	-15	0	7,408
Net interest-bearing debt	2,984	2,417	1,030	500	625	1,330	8,884	-2,335	0	6,550
Cash flows from operating activities	-93	-88	43	-56	69	-20	-146	43	7	-96
Capital expenditure	45	67	43	15	9	32	211	0	0	211
Acquisitions	0	0	380	0	0	0	380	0	0	380
Average no. of employees	1,595	8,585	1,368	1,973	711	1,064	15,296	18	0	15,314

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. 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	1,183	1,082
Chile	1,196	934
Denmark	580	459
Sweden	486	257
Germany	425	348
Other	4,808	3,218
Total	8,678	6,297

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	3,035	1,009	643	473	623	515	6,297	0	0	6,297
Intra-group revenue	0	0	0	0	4	0	4	3	-7	0
Segment revenue	3,035	1,009	643	473	626	515	6,301	3	-7	6,297
EBITDA	54	91	82	38	69	42	376	-11	0	364
Depreciation, amortisation and impairment losses	82	30	23	22	34	24	215	0	0	215
EBIT	-28	61	59	15	35	18	160	-11	0	149
Share of profit in associates and JVs	12	0	0	0	0	0	12	0	0	12
Tax on profit/loss for the year	-1	-13	-12	-8	-10	-5	-48	-1	0	-49
Profit for the year	-36	49	49	82	24	18	187	3	0	190
Segment assets	10,167	3,533	2,006	2,221	2,424	2,409	22,760	12,765	-13,062	22,463
Of which goodwill	1,497	182	142	516	99	120	2,557	0	0	2,557
Equity investments in associates and JVs	568	0	9	0	0	0	578	0	0	578
Segment liabilities	7,147	2,409	1,321	1,168	1,358	1,595	14,998	3,352	-6,738	11,612
Working capital	1,796	1,368	826	477	499	566	5,531	-3	0	5,528
Net interest-bearing debt	2,715	1,113	765	351	794	1,116	6,855	-3,009	0	3,845
Cash flows from operating activities	-369	-123	16	-129	-39	-10	-655	16	6	-632
Capital expenditure	40	70	6	7	17	141	281	1	0	282
Acquisitions	0	0	15	0	0	0	15	0	0	15
Average no. of employees	1,515	4,337	1,243	2,109	793	1,069	11,066	17	0	11,083

Amounts in DKK million

Notes to the financial statements

2
Operating expenses

	YTD 2023	YTD 2022
Cost of goods sold	-6,362	-4,447
Staff costs	-1,008	-720
Repairs and maintenance	-78	-64
Energy costs	-152	-134
Freight costs	-200	-219
Other costs	-368	-330
Total operating expenses	-8,167	-5,914

Share-based payment: Share option programme
The company has not established a new share option programmes in 2023. Outstanding options relating to prior-year programmes are show in the table below: Of the 153,000 options exercised in 2023, 45,000 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	-138,000	-153,000
Lapsed (from 2019 grant)	-47,000	-265,000	-312,000
Total outstanding options at 31 March 2023	147,000	920,000	1,067,000

3
Receivables (current)

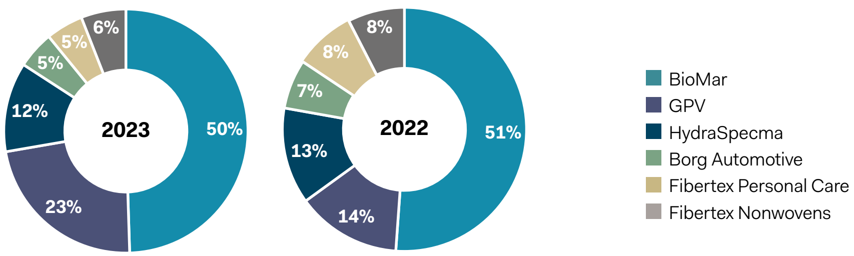
	31/3 2023	31/3 2022
Trade receivables	6,004	4,733
Other current receivables	400	388
Total current receivables	6,403	5,120

31/3 2023	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Total receivables	5,250	435	212	300	6,197
Impairment losses on trade receivables	-31	-3	-14	-145	-194
Trade receivables, net	5,218	432	198	155	6,004
Proportion of total receivables expected to be settled					96.9%
Impairment rate	0.6%	0.7%	6.6%	48.3%	3.1%

31/3 2022	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Total receivables	4,197	332	137	286	4,952
Impairment losses on trade receivables	-52	-20	-15	-133	-219
Trade receivables, net	4,145	312	123	153	4,733
Proportion of total receivables expected to be settled					95.6%
Impairment rate	1.2%	6.1%	10.6%	46.5%	4.4%

	31/3 2023	31/3 2022
Impairment losses on trade receivables		
Impairment losses, beginning of period	-195	-163
Foreign exchange adjustments	3	0
Impairment losses for the period	-2	-56
Realised loss	1	0
Impairment losses, end of period	-194	-219

Trade receivables by portfolio company:



Amounts in DKK million

Notes to the financial statements

4
Acquisitions

	YTD 2023	YTD 2022
Customer relations	108	8
Technology	165	0
Other intangible assets	26	0
Property, plant and equipment	7	1
Financial assets	3	0
Inventories	97	8
Receivables	77	6
Cash and cash equivalents	40	0
Credit institutions	-100	0
Trade payables	-52	-4
Other payables	-43	-3
Deferred tax	-66	-2
Net assets acquired	261	15
Goodwill	159	0
Acquisition cost	419	15
of which cash and cash equivalents	-40	0
Total cash acquisition costs	380	15

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 159 million. The cash acquisition price has been calculated at DKK 380 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.

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	2,190	1,085	Committed	2 yrs 9 mths
Other credit facilities	707	534	173	Uncommitted	
Term loan	2,312	2,312	0	Committed	1 yrs 5 mths
Schuldschein	1,013	1,013	0	Committed	1 yrs 5 mths
Mortgages	249	249	0	Committed	18 yrs 9 mths
NIB loans	400	400	0	Committed	5 yrs 9 mths
Leases	714	714	0	Committed	3 years
Cash and cash equivalents			693		
Facility before deduction of guarantee commitments	8,670	7,412	1,951		
Guarantee commitments deducted from the facility			-32		
Capital resources at 31 March 2023			1,919		

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.

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 value (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	206,926	2,069,260	115	0.81%
Treasury shares held at 31 Mar. 2022	1,738,028	17,380,280	587	6.82%
Purchase of treasury shares	344,148	3,441,480	176	1.35%
Treasury shares held at 31 Dec. 2022	2,082,176	20,821,760	763	8.17%
Share option programme	-108,000	-1,080,000	-16	-0.42%
Treasury shares held at 31 Mar. 2023	1,974,176	19,741,760	747	7.74%

The Group's holding of treasury shares had a market value of DKK 1,135 million at 31 March 2023. The portfolio of treasury shares is recognised at DKK 0.

In 2023, Schouw & Co. sold shares held in treasury for proceeds of DKK 55 million in connection with the Group's share option programme.

	YTD 2023	**YTD 2022**
Share of the profit for the year attributable to shareholders of Schouw & Co	100	182
Average number of shares	25,500,000	25,500,000
Average number of treasury shares	-2,054,187	-1,632,566
Average number of outstanding shares	23,445,813	23,867,434
Average dilutive effect of outstanding share options *	31,125	24,503
Diluted average number of outstanding shares	23,476,938	23,891,937
Earnings per share of DKK 10	4.27	7.62
Diluted earnings per share of DKK 10	4.26	7.62

* 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

	31/3 2023	31/12 2022	31/3 2022
Financial assets			
Other securities and investments (2)	92	91	91
Derivative financial instruments (2)	41	59	35
Other securities and investments (3)	1	1	1
Financial liabilities			
Derivative financial instruments (2)	30	50	38
Contingent consideration (3)	204	200	170
Liabilities regarding put options (3)	879	871	382

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 and was unchanged at DKK 1 million at the end of the first quarter.

The Group uses interest rate swaps and forward currency contracts to hedge fluctuations in the level of interest rates and foreign exchange rates. Forward exchange contracts and interest rate swaps are valued using generally accepted valuation techniques based on relevant observable swap curves and exchange rates (level 2). 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 year-end 2022, the fair value of the contingent consideration was DKK 204 million. The change for the year consists of amortisation of the liability in the first quarter of 2023

The liability relating to put options amounted to DKK 871 million at the beginning of the year. A change in the liability of DKK 15 million and a foreign exchange adjustment of DKK 7 million (reduction of the liability) were recognised during the year. At the end of the first quarter of 2023, the liability amounted to DKK 879 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	2	2
At 31 March, the Group had a receivable of	37	16
Associates:		
During the reporting period, the Group sold goods in the amount of	159	140
During the reporting period, the Group bought goods in the amount of	30	43
At 31 March, the Group had a receivable of	192	219
At 31 March, the Group had debt in the amount of	6	11

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 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.

Chr. Filtenborgs Plads 1 | DK-8000 Aarhus C
T +45 86 11 22 22 | www.schouw.dk
schouw@schouw.dk | Company reg. (CVR) no. 63965812