

PRESS RELEASE

Schouw & Co.
Aarhus, Friday 29 January 2016

Schouw & Co. acquires Danish EMS manufacturer and establishes a new leg

Schouw & Co. now acquires the Danish EMS manufacturer GPV International in Tarm at the price of DKK 400 million. Thereby the Danish industrial conglomerate establishes a new leg with a significant growth potential within the EMS industry.

Schouw & Co. in Aarhus, which i.a. owns the industrial enterprises BioMar, Fibertex Personal Care, Fibertex Nonwovens and Hydra/Specma, now expands its business portfolio with the acquisition of the Danish EMS manufacturer GPV, which is headquartered in Tarm and has production facilities in Tarm and Aars, and in Bangkok, Thailand.

GPV is the leading provider of EMS (Electronic Manufacturing Services) in Denmark and plays a significant role in the North European market:

- GPV is an internationally acknowledged EMS manufacturer, which has been through some challenging years but is now back on track, well primed by a reliable and loyal customer portfolio, says Jens Bjerg Sørensen, President of Schouw & Co. and continues: - We are establishing a new line of business and will in the long term through a combination of organic growth and hopefully further acquisitions create a new leg on equal terms with the other businesses of our Group.

The potential for growth will be met through a transformation process normally applied by Schouw & Co., and which has previously resulted in a substantial increase in the revenue and earnings of the portfolio businesses. Amongst others, it is a matter of active ownership by means of industrial knowhow and expertise development, and the injection of necessary capital.

As always Jens Bjerg Sørensen has a long-term aim, and will i.a. invest in an expansion of GPV's global presence. Today the business is represented in Denmark and Thailand, and according to Jens Bjerg Sørensen, it would be natural to become established on the other side of the Atlantic in order to be nearer to the US market.

GPV already acts as supplier to several of the largest international OEM companies within cleantech, instruments & industry, medico, marine and defense, and it is this position, which must now be expanded:

- The global EMS market reaches a value of EUR 500 billion and a growth rate of 5-7% each year. The growth is i.a. impelled by a growing number of OEM companies initiating strategical cooperation agreements with EMS providers on the development and production of electronic components that are not part of the OEM companies' own core business. Simultaneously, we are experiencing that parts of the industry are focused on the appearance of "Internet of Things" and "Big Data", and even in this respect, GPV has significant justification. This is one of the reasons that GPV has been capable of maintaining customer relations among the largest, most skillful niche companies in the world, Jens Bjerg Sørensen continues.

GPV specialises in both electronics and advanced mechanics and therefore has a competitive advantage compared to plain electronics manufacturers. The business primarily provides special EMS solutions in small series and with a high degree of flexibility; this comprises both single sub-assembly solutions and complete products (box build solutions). In total GPV manufactures about 5,500 EMS products to about 300 international customers.

GPV International was formerly part of GPV Industri, which applied for an administration order in 2009. At that time, GPV International was hived off as the healthy part of the group and has in the interim period been able to continue its development. The business has about 1,000 employees who in 2015 achieved a revenue of about DKK 850 million and earnings of just under DKK 80 million (EBITDA):

- Since the restructuring in 2009 we have focused our efforts on trimming GPV in order for the company to stand as a focused, profitable player in the North European EMS market, says Bo Lybæk, CEO of GPV, and continues: - We are very grateful that a decision has now been reached about the future ownership, and especially that it is an owner with ambitions to develop the business in preparation for long-term growth.

Bo Lybæk has been CEO of GPV since 2008 and will continue as CEO under Schouw & Co.'s ownership:

- We are very confident that Bo Lybæk and the rest of the management have the right profile to realise the plans for growth. In recent years, they have been in charge of bringing GPV back on track and have considerable experience from the industry, and furthermore have significant ambitions for the business, Jens Bjerg Sørensen concludes.

About GPV International

GPV International is a Danish industrial group founded in 1961. Until 2009, the business was part of the listed GPV Industri that applied for an administration order. Subsequently, GPV International continued as a separate company and has since then focused on the core business and expanded its international business. In 2015, GPV realised an annual revenue of about DKK 850 million and employs about 1,000 employees in Tarm and Aars in Denmark, and Bangkok in Thailand.

For further information, please contact:

- Jens Bjerg Sørensen, President, Schouw & Co., phone +45 8611 2222
- Bo Lybæk, CEO, GPV International, direct phone +45 2128 8797