

TO: THE DANISH FINANCIAL SUPERVISORY AUTHORITY
AND NASDAQ COPENHAGEN

COMPANY ANNOUNCEMENT
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Schouw & Co. acquires the majority of shares in Borg Automotive

Today Schouw & Co. has entered into an agreement on the acquisition of the Danish industrial company Borg Automotive in Silkeborg, Denmark. Thereby Schouw & Co. establishes a new Group activity within the remanufacturing of components to the automotive industry, and initiates a long-term investment in circular economy and sustainability.

Borg Automotive remanufactures used auto parts such as starters, generators, brake calipers, air-condition compressors, etc. During the recent 5 years the revenue has annually grown by more than 10 percent in average, and for the fiscal year 2015/16 EBIT reached DKK 101 million.

The business has been assessed at about DKK 1.15 billion on a debt-free basis (Enterprise Value for 100% of the business). The agreement has been concluded subject to the approval from relevant regulatory authorities, and a few details in the final transaction structure remain unsettled, however, it is the intention that Schouw & Co. shall take over 85% of the business.

The acquisition is expected to become effective from the beginning of April 2017, from which time the business will be fully recognised in the Schouw & Co. Group's consolidated financial statement. In connection with the acquisition the accounting policies of the business will be changed, and for the 9 month period in 2017 Borg Automotive is expected to be recognised with a revenue of about DKK 800 million and an EBIT in the range of DKK 110-130 million, from which adjustments must be deducted due to the purchase price allocation.

For further information please see the press release of today.

Schouw & Co.'s Interim Report for Q1 2017 is scheduled for release on Thursday 4 May 2017, in which the Group's consolidated expectations for the year are updated.

Aktieselskabet Schouw & Co.

Jørn Ankær Thomsen
Chairman

Jens Bjerg Sørensen
President

Questions relating to the above should be directed to Jens Bjerg Sørensen, President, on tel. +45 8611 2222.