

PRESS RELEASE

Genan Holding A/S
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Annual Report 2019: Genan continues positive development

2019 was a good year for the Genan Group, and the annual report shows progress on all parameters. Turnover has improved by 14% to record high EUR 52m, and the result for the year has increased to more than EUR 6.1m.

Danish environmental company Genan has made great progress in recent years; and 2019 was no exception. Genan, which is owned by pension service provider PKA, is world leader in mechanical tire recycling – and continues to experience increasing demand for its high-quality products. The result is this record high, EUR 52m turnover, which corresponds to a EUR 6.4m growth in comparison to 2018.

Operations generated EUR 11.9m in earnings (EBITDA), corresponding to a 19% increase compared with the previous financial year. Profit for the year was furthermore improved by 18% in comparison to 2018, thus totaling EUR 6.15m. With this positive result, Genan continues to consolidate, now presenting an equity excl. minority interests of nearly EUR 51 m, equivalent to a solvency ratio of 49%.

- We are well pleased with company growth and development, which continue to pursue the strategy and long-term plans formed. Genan's existence is thus evidently justified in a world with ever-increasing environmental challenges, and where the grave consequences of climate change show more and more, says Group CEO Poul Steen Rasmussen.

Globally, an entire 5 million vehicle tires are dismantled each day, amounting to 20 million tons of end-of-life tires annually. A very large part of these worn-down tires is incinerated or left at landfills:

- The tire challenge is becoming increasingly distinct; and the need for innovative thinking and strong will to change for the benefit of both climate and environment is thus more pronounced than ever before. In general, we are met with increasing positivity, and this is encouraging. Yet, we also call for greater political acknowledgement of the scope of this problem. Every day, we work to drive development, so that tire materials otherwise detrimental to the climate can be recycled in a both climate friendly and environmentally justifiable manner. Still, further support is needed to define the right solutions for the recycling of this vast number of tires, Poul Steen Rasmussen emphasizes.

Plant in Portugal acquired

Genan counts around 300 employees worldwide – at six factories located in Denmark, Germany, the USA and – since the second half of 2019 – Portugal. Having acquired the largest tire recycling company in Portugal, Biosafe – Indústria de Reciclagens, S.A., as of July 1st, 2019, Genan's capacity to process used tires now totals more than 400,000 tons annually.



- Biosafe is an important, strategic acquisition for us, and our expectations are high. For one, we increase our capacity and consolidate as the world-largest player in mechanical tire recycling. Secondly, we gain a good foothold in Southern Europe, opening up for new possibilities – locally as well as in different export markets. Finally, we add new and most competent resources to our staff, which is indeed the foundation of any successful business, **he continues.**

Positive expectations for the future

For the 2020 financial year, Genan expects a result at the same level as in 2019. For obvious reasons, the current COVID-19 pandemic may, however, have substantial impact on this development.

About Genan Holding A/S

Genan Holding A/S is the parent company of environmental company Genan, the largest and technologically highly advanced tire recycler in the world. Sustainability is the core value of the Genan group; and by utilizing the resources of vast amounts of end-of-life tires, Genan helps solve a wide-ranging, global problem. After the acquisition of the Portuguese recycling plant, Genan's annual production capacity now totals more than 400,000 tons of tires; and with continuous optimization of production and technology, Genan is constantly striving to run all plants, so they are as environmentally friendly and energy-saving as possible.

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