

Press release MM Composite becomes part of SP Group

21 March 2017

Today SP Group A/S has agreed with MMC Group ApS to acquire MM Composite A/S and its subsidiary MM Composite Inc.

The acquisition of this well-running composite company accelerates the growth of SP Group.

The owners, Kent Bøllingtoft Madsen and Mogens Marxen continue as executives.

MM Composite A/S

MM Composite A/S is a composite company with production in the US (Mt. Pleasant, Iowa) and in Denmark (Nørre Aaby and Ejby, Funen).

The production site in the US was established in 2012 and extended in 2016.

The company on Funen has its roots back to 1979 where Mogens Marxen established Marxen A/S.

Since 1995, the company has primarily served customers in the wind turbine industry with composite products of high quality, from 2011 under the name MM Composite A/S.

MM Composite A/S is skilfully run by the owners, Mogens Marxen and Kent Bøllingtoft Madsen, and they will both continue in the management.

MM Composite A/S does not disclose any information about the revenue. In the most recent years, MM Composite A/S experienced a significant growth.

The company has approximately 65 employees working full-time and these employees are expected to continue their work at MM Composite A/S.

The company has a strong brand and will continue under its existing name.

Kent Bøllingtoft Madsen, former Chief Operating Officer, is appointed new Chief Executive Officer.

Mogens Marxen continues in the board and steps down from the executive board.

Frank Gad, Chief Executive Officer at SP Group A/S, becomes new chairman of the company's board.

Background for the transaction

The acquisition of MM Composite strengthens SP Group's position as one of the leading companies within plastics in Northern Europe and the acquisition strengthens SP Group's position in the US as well.

Together we can create better solutions in composite and plastics for existing and new customers.

SP Group wishes to develop MM Composite further with its present strategy and spirit. Focus on global customer relations, R & D and growth will continue through more investments in and extension of capacity in the coming years. In future, MM Composite can use SP Group's already existing platform globally. We trust that this will make MM Composite even more competitive around the world.

There is a significant customer overlap and the most essential customers have agreed to the transaction.

"The acquisition of MM Composite accelerates the growth in SP Group. We take over a well-running and well-positioned company and are fully convinced that we together will profit from our experience on both sides within R & D, production and sales to strengthen our competitive position and to create an even stronger position globally", Chief Executive Officer Frank Gad says.

Director and founder Mogens Marxen says: *"MM Composite is well-running and could have continued independently. However, I am convinced that we can become even stronger as part of SP Group for the benefit of both our customers and our employees. Further, it is my wish to be released from the financial responsibility, as I have reached the age of 67 years. I continue as board member and senior advisor."*

Director and co-owner Kent Bøllingtoft Madsen, says: *"I am looking forward together with the employees in MM Composite to becoming part of a big and very competitive group. Together we can make even better solutions with and for the customers. Mogens and I have decided to sell to SP Group as we are convinced that it will be the best long-term solution for the customers, the employees and MM Composite".*

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