

PRESS RELEASE: JUELSMINDE, 6TH FEBRUARY 2020

Palsgaard expands European sales footprint with acquisition of Turkish distributor

Palsgaard has announced the takeover of Turkish food ingredients distributor Teknaroma.

The Danish emulsifier ingredients supplier acquired 90% of the company's shares on 5 February 2020, with Teknaroma's previous owners retaining 10%.

The deal reinforces a long-standing relationship between the two parties, with Teknaroma having had exclusive distribution rights to Palsgaard products on the Turkish market since 1997.

Palsgaard will now look to build on its operations in Turkey and the surrounding markets, focusing on offering high-quality products supported by a local application centre and the companies' combined technical expertise.

As a result of the takeover, Teknaroma Managing Partner Cengiz Altop becomes Managing Director of Palsgaard Teknaroma.

Jakob Thøisen, CEO of Palsgaard, said: "We are delighted to have concluded the purchase of Teknaroma and to be able to secure the services of all the highly experienced staff in its Istanbul office. Teknaroma has successfully represented Palsgaard in the Turkish market for more than 20 years and adding the business to the global Palsgaard family will offer significant advantages to all parties."

Palsgaard, which is known as the inventor of the modern plant-based food emulsifier, now has plans to expand Teknaroma's existing application facilities in Turkey. The facilities will cover chocolate as well as other categories, including bakery and dairy.

Teknaroma will continue its current agency and distributor activities for the foreseeable future.

Palsgaard Teknaroma Managing Director Cengiz Altop said: "The takeover agreement is fantastic news for Teknaroma. We will become part of the global Palsgaard operation and gain access to its vast resources. This will make it possible for us to expand our activities in the Turkish market and beyond, allowing us to achieve new levels of success. Teknaroma will also become the application centre for the area, which will enable us to strengthen our partnerships with important customers."

The purchase of Teknaroma means Palsgaard has seen its global headcount rise to 572 across 17 countries. It also now has subsidiary sales offices in 14 countries.

Palsgaard, which celebrated its centenary year in 2019, recently became the first emulsifier ingredients company to achieve carbon-neutral production and was named Sustainability Champion at last year's Food Ingredients Europe Innovation Awards.

About Palsgaard

Emulsifier specialist Palsgaard helps the global food industry make the most of the ability to mix oil and water.

Thanks to the company's specialised emulsifiers (and emulsifier/stabiliser systems), bakery, confectionery, condiments, dairy, ice cream, margarine and meat producers can improve the quality and extend the shelf-life of their products. Just as importantly, they can produce better-for-you products with improved taste, mouthfeel and texture while using less resources.

Since its founder Einar Viggo Schou invented the modern plant-based food emulsifier in 1917, Palsgaard has offered the industry know-how and innovation. From its six application centres around the world Palsgaard's experienced food technologists help manufacturers optimise existing recipes and develop delicious products with better nutritional profiles.

Palsgaard helps manufacturers meet consumer and regulatory demands for greater responsibility, helping them grow and protect their brands. It is currently the world's only commercial source of fully sustainable, emulsifiers based on RSPO SG-certified palm oil and produced by CO₂-neutral factories in Denmark, the Netherlands, Mexico, Brazil, China and Malaysia. The company's products are non-GMO and meet halal and kosher requirements.

In addition to its food emulsifiers, Palsgaard supplies the polymers industry with a series of plant-based polymer additives, which are particularly suited for preventing fogging and dust on plastic packaging.

Palsgaard is owned by the Schou Foundation and has 572 employees across 17 countries. Its turnover in 2019 was 208 million USD (1.4 billion DKK) with products sold to more than 120 countries.

For more information please contact:

Mette Dal Steffensen, Senior Marketing Specialist, Palsgaard A/S
mds@palsgaard.dk | +45 2073 4534

or

Robin Hackett, Account Manager, Ingredient Communications
robin@ingredientcommunications.com | + 44 (0)7507 277 733