

A new start after the red card

aresa's Q3 results were the company's last financial results as a biotech company. The scientific staff has been laid off, and the company is now preparing to launch itself as an investment company. We see favourable opportunities for land investment in the Balkans. Investments have started, but we have yet to see a specific plan. We therefore continue to suspend our rating of the share.

- Red card for the landmine plant** As was expected the tests in Serbia did not produce a positive result (none of the plants changed colours to red when growing in proximity to TNT-infected soil) and as the company explained at its general meeting, further development of the plant is assessed to last 2-3 years. aresa is now left with patented technologies that have not been validated. This makes the value of the patents highly uncertain, and the technology represents value only if the biotech activities continue in some form. aresa has booked goodwill in relation to the patents of DKK 13,4m, which is now at risk of being written down to DKK 0.
- Annual return in excess of 15%** We see interesting perspectives in aresa's initiative to invest in mine-contaminated land (the AMAP project). In itself, an investment in land in the Balkans is a relatively safe play with a very interesting upside potential. Moreover, aresa should be able to buy the land at an attractive price due to the mine danger, and at the same there is a fairly high chance of obtaining co-financing for the mine clearing through sponsorships. The yield models currently indicate an annual net return in excess of 15%. However, aresa has not yet presented a final business model - we expect the company to finalise a prospectus within the next two months.
- Market value below the cash position** At the current share price the market value of aresa is DKK 11m, and as at 30 September the cash position of the company was DKK 14m. However, aresa still has operating costs and is not expected to have funding for longer than Q2 2009.
- Rating remains suspended** We continue to suspend our rating of the share since in the current situation there is no basis for a fundamental valuation of the company. The company is in the process of preparing a prospectus to raise new capital. We expect the prospectus to be available before the end of the year.

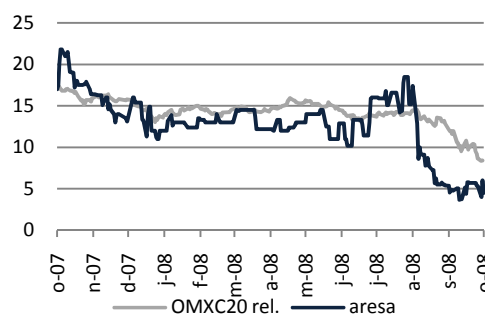
RATING

Short-term	Suspended
Long-term	Suspended
Price target 0-6 mths. DKK	Suspended
Price target 6-12 mths. DKK	Suspended
Share price, DKK	4.43

STOCK EXCHANGE

List	First North, Denmark
Sector	Biotechnology

SHARE PRICE PERFORMANCE 12 mths



DKK	1 mth.	6 mths.	12 mths.
High	18.50	18.50	21.80
Low	3.66	3.66	3.66
Absolute	-72%	-63%	-75%
Relative	-38%	-27%	-30%

Market cap. (DKKm)	11
No. of shares	2,428,444

Reuters code	ARESA.CO
Bloomberg code	ARESA:DC
NASDAQ/OMX Shortname	ARESA

Next financial report: Full-Year 27 Feb. 2009

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NØGLETAL

* ikke opdateret	2005	2006	2007	2008e	2009e	2010e
Kursrelaterede						
P/S	1421.3	n.a.	n.a.	n.a.	-	-
P/E (markedsværdi/nettoresultat)	n.a.	n.a.	n.a.	n.a.	-	-
K/I (markedsværdi/egenkapital)	60.8	0.5	0.8	0.5	-	-
EV/Omsætning	1371.8	n.a.	n.a.	n.a.	-	-
EV/EBITDA	n.a.	0.6	n.a.	n.a.	-	-
EV/EBIT	n.a.	0.6	n.a.	n.a.	-	-
Afkastrelaterede						
Afkastgrad 1 (%)	n.a.	n.a.	n.a.	n.a.	-	-
ROE (%)	n.a.	n.a.	n.a.	n.a.	-	-
ROIC (%)	221.6	n.a.	n.a.	n.a.	-	-
Udbytteafkast (%)	0.0	0.0	0.0	0.0	-	-
Udbytteandel (%)	0.0	0.0	0.0	0.0	-	-
Balancerelaterede						
Egenkapitalandel (%)	21	96	95	91	-	-
Gearing (%)	-400	-69	-61	-13	-	-
Aktierelaterede						
Nettoresultat pr. aktie (EPS)	-3.8	-11.1	-6.3	-7.2	-	-
Udbytte pr. aktie	0.0	0.0	0.0	0.0	-	-
Enterprise value (EV) (DKK mio.)	37	-8	9	8	-	-
Markedsværdi	38	29	32	11	-	-
Antal aktier (mio.)	0.738	1.059	2.428	2.428	-	-
Aktiekurs (ultimo året / aktuelt)	52.0	27.0	13.1	4.4	-	-

REGNSKABSTAL OG ESTIMATER

Resultat DKK 1.000	2005	2006	2007	2008e	2009e	2010e
Nettoomsætning	27	0	0	0	-	-
EBITDA	-3,183	-12,850	-16,414	-14,000	-	-
<i>EBITDA-margin (%)</i>	neg.	neg.	neg.	neg.	-	-
EBIT	-3,183	-12,850	-16,414	-14,746	-	-
<i>EBIT-margin/overskudsgrad (%)</i>	neg.	neg.	neg.	neg.	-	-
Netto finansposter	-269	1,076	1,170	-2,695	-	-
Resultat før skat	-3,452	-11,774	-15,244	-17,441	-	-
Resultat efter skat	-2,840	-11,774	-15,244	-17,441	-	-
<i>Resultatgrad (%)</i>	neg.	neg.	neg.	neg.	-	-
Balance DKK 1.000						
	2005	2006	2007	2008e	2009e	2010e
Immaterielle aktiver	0	15,651	13,931	13,931	-	-
Materielle aktiver	72	1,709	1,970	5,072	-	-
Finansielle aktiver	0	0	0	0	-	-
Varebeholdninger	0	0	0	0	-	-
Tilgodehavende	98	851	523	600	-	-
Likvid beholdning	943	36,797	23,215	2,717	-	-
Aktiver i alt	1,113	55,008	39,639	22,319	-	-
Egenkapital	631	53,004	37,760	20,320	-	-
Minoriteter	-395	0	0	0	-	-
Hensættelser	0	0	0	0	-	-
Langfristet gæld	0	0	0	0	-	-
Kortfristet rentebærende gæld	0	0	0	0	-	-
Leverandørgæld	54	867	565	600	-	-
Anden gæld	823	1,137	1,314	1,400	-	-
Passiver i alt	1,113	55,008	39,639	22,320	-	-

INVESTMENT CASE

aresa is currently setting up a new business model focusing on investment in and clearing of mine-contaminated land in Croatia. Although the biotech business (RedDetect) is expected to continue operations the investment case has changed substantially. aresa is expected to present its new business plan in December 2008.

aresa's RedDetect technology has been developed for detecting and cleaning heavy metal contaminated soil. Heavy metals pollution is a vast problem globally, which makes it a financially interesting market for RedDetect.

SHORT-TERM OPPORTUNITIES AND RISKS

- Capital increase latest in Q1 2009 decisive for the continued operations
- Capital increase of approx. DKK 50m for investment in mine-contaminated land in Croatia
- Acquisition of the first large areas of mine contaminated land as well as sponsor agreements with donors on mine clearing costs

LONG-TERM OPPORTUNITIES AND RISKS

- Acquisition, clearing and operation of large mine-contaminated areas in Croatia
- Development of RedScreen and BioPharma products
- Acquisition of aresa's biotech business area by an agrotechnological company

VALUTATION

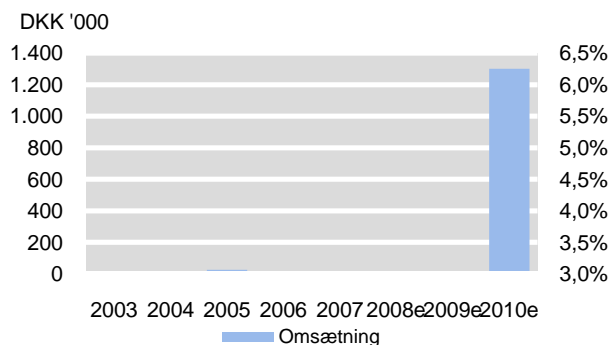
Due to the changed, but not yet finalised business model and in view of the absence of an offer price for the new shares we are unable to set a reliable fair value of the share.

Short-term share price DKK	n.a.
Share price on 6-12 mth. horizon, DKK	n.a.

COMPANY DESCRIPTION

aresa is a plant-based biotechnological company founded in 2001 for the purpose of developing plant technology products to improve peoples' conditions of life and at the same time hold an attractive commercial potential. The company's main focus is genetically modified plants (RedDetect) that change colours from green to red when exposed to various external influences, including especially colour change in plants growing in near proximity to landmines and unexploded ordnance items (ammunition/grenades) or plants growing in heavy metals-polluted soil. Moreover the company has the development projects RedScreen, which can facilitate the detection of plants with desired traits for agro-technological companies (seed producers) and BioPharma, which involves the optimisation of antibodies in plants.

Sales performance and EBIT



Sales distribution

N.A.

Source: Praetorian Research

RATING STRUCTURE

The share price performance and rating structure is based on the estimated absolute share price performance on a 6-month and a 12-month horizon. The rating structure is shown below:

Rating	Estimated share price performance
Buy	> 10%
Neutral	-10% - +10%
Sale	< -10%

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