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**Opinion by valuation experts  
on the merger plan at 1 January  
2008 between Aktieselskabet  
Schouw & Co. and BioMar  
Holding A/S and statements in  
accordance with section 134 c (4)  
of the Danish Public Companies  
Act issued by independent auditors**

This report contains 7 pages  
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## **To the shareholders of Aktieselskabet Schouw & Co., Registration No. 63 96 58 12, and BioMar Holding A/S, Registration No. 41 95 18 18**

### **1 Introduction**

Pursuant to section 134 c of the Danish Public Companies Act, the Supervisory Boards of Aktieselskabet Schouw & Co. and BioMar Holding A/S have appointed us as impartial valuation experts in connection with the merger between Aktieselskabet Schouw & Co. and BioMar Holding A/S with effect from 1 January 2008 with Aktieselskabet Schouw & Co. as the continuing company. We have assumed the assignment and prepared the below opinion on the merger plan in accordance with section 134 c of the Danish Public Companies Act.

The companies will be merged on terms laid down by the Supervisory Boards. The Supervisory Boards are responsible for the terms laid down, including the exchange ratio of the shares, and have issued a statement to this effect in the merger plan and in the Supervisory Boards' merger statements. In our capacity as valuation experts, we are to express an opinion on whether the consideration for the shares in the discontinued company is reasonable and factually based.

As valuation experts, it is our duty to make a statement on whether the creditors in the individual companies are considered adequately secured after the merger.

#### **1.1 Merger plan**

On 12 March 2008, the Supervisory Boards of Aktieselskabet Schouw & Co. and BioMar Holding A/S have, pursuant to section 134 a of the Danish Public Companies Act, prepared a joint merger plan on the merger of the companies with Aktieselskabet Schouw & Co. as the continuing company. The merger will include the transfer of all assets and liabilities of the discontinued company, BioMar Holding A/S, to the continuing company, Aktieselskabet Schouw & Co.

The merger will be carried out as a tax-free merger pursuant to the act on merger, demerger and contribution of assets, etc. (the Danish Merger Tax Act).

In the autumn of 2005, Aktieselskabet Schouw & Co. acquired the present portfolio of 7,569,990 shares in BioMar Holding A/S, equivalent to 68.82% of the share capital and voting rights. In connection with the acquisition, the following was stated in a subsequent bid prepared in accordance with the rules for listed companies:

*"Schouw & Co. intends to obtain full ownership of BioMar Holding and will, in its capacity as the long-term owner, further develop the company based on the growth strategy laid down by the company's Management."*

In order to optimise the use of managerial resources and at the same time obtain a cost saving from only one listing, the Supervisory Boards of the two companies have proposed a merger of the two companies.

## 1.2 Consideration for the shares in the discontinued company, BioMar Holding A/S

The merger plan lays down that the shareholders in the discontinued company, BioMar Holding A/S, will receive consideration in the form of shares in the continuing company, Aktieselskabet Schouw & Co., at an exchange ratio of 1 : 1, i.e. 1 share of DKK 20 in BioMar Holding A/S is entitled to 1 share of DKK 10 in Aktieselskabet Schouw & Co. following the issue of bonus shares in Aktieselskabet Schouw & Co. The shares will be obtained from a share capital increase in Aktieselskabet Schouw & Co. of a nominal amount of DKK 30,600,000 or 3,060,000 shares and from the use of a nominal amount of DKK 3,690,480 or a number of 369,048 of Aktieselskabet Schouw & Co.'s portfolio of treasury shares.

The share capital of Aktieselskabet Schouw & Co. represents a nominal amount of DKK 124,700,000, equivalent to 12,470,000 shares of DKK 10, and the share capital of BioMar Holding A/S represents a nominal amount of DKK 219,980,760, equivalent to DKK 10,999,038 shares of DKK 20.

The post-merger share capital of Aktieselskabet Schouw & Co. is specified as follows:

	Number of shares	Share capital, nom.
Share capital of Aktieselskabet Schouw & Co.	12,470,000	124,700,000
Anticipated issue of bonus shares at the company's annual general meeting	12,470,000	124,700,000
	24,940,000	249,400,000
Issue of shares to the shareholders of BioMar Holding A/S, 3,060,000 shares of DKK 10	3,060,000	30,600,000
Post-merger share capital of Aktieselskabet Schouw & Co.	28,000,000	280,000,000

The Supervisory Boards of the two companies have proposed dividends for the 2007 financial year, with DKK 6 per share in Aktieselskabet Schouw & Co and DKK 4 per share in BioMar Holding A/S. In addition, the merger plan discloses that at the annual general meeting the Supervisory Board of Aktieselskabet Schouw & Co. will propose a one-for-one issue of bonus shares.

All existing shares in BioMar Holding A/S will be cancelled as a result of the merger. As consideration for the cancelled shares, the shareholders of BioMar Holding A/S will be granted shares in Aktieselskabet Schouw & Co. at an exchange ratio of 1 : 1. One share in BioMar Holding A/S of DKK 20 will be exchanged into one share in Aktieselskabet Schouw

& Co. of DKK 10. BioMar Holding A/S and Aktieselskabet Schouw & Co. will not receive any consideration for their shares in BioMar Holding A/S.

As stated above, Aktieselskabet Schouw & Co. holds a number of 7,569,990 shares of the share capital of BioMar Holding A/S of 10,999,038 shares. The residual shares, a number of 3,429,048, receive consideration in the form of a similar number of shares in Aktieselskabet Schouw & Co., see above.

The joint merger plan prepared by the Supervisory Boards of Aktieselskabet Schouw & Co. and BioMar Holding A/S does not disclose any issues indicating any particular problems with the valuation of the shares in the companies and thereby the consideration for the shares in the discontinued company.

### ***Disapproval of the issue of bonus shares by the general meeting***

If the general meeting is unwilling to vote in favour of the proposed issue of bonus shares, the merger plan lays down an exchange ratio of 2 : 1, i.e. two shares of DKK 20 in BioMar Holding A/S are exchanged into one share of DKK 10 in Aktieselskabet Schouw & Co. If the individual shareholders of BioMar Holding A/S have an unequal number of shares, the shareholders will receive a cash settlement equivalent to half the average price of the share of Aktieselskabet Schouw & Co. listed on OMX Nordic Exchange Copenhagen A/S on 16 April 2008. Instead of the before mentioned capital increase of 3,060,000 shares, the share capital of Aktieselskabet Schouw & Co. will be increased by 1,530,000 shares or a nominal amount of DKK 15,300,000. Accordingly, the share capital will be increased from a nominal amount of DKK 124,700,000 to a nominal amount of DKK 140,000,000. The part of the share capital of BioMar Holding A/S which will not receive consideration in the mentioned 1,530,000 shares of DKK 10 in Aktieselskabet Schouw & Co. will receive consideration in the form of 184,524 shares from Aktieselskabet Schouw & Co.'s portfolio of treasury shares. To the extent that cash settlement is effected, the consideration in the form of treasury shares in Aktieselskabet Schouw & Co. will be reduced accordingly. Cash settlement is subject to capital gains tax.

## **1.3 Assessment of exchange ratio**

The shares in Aktieselskabet Schouw & Co. and the shares in BioMar Holding A/S are listed on OMX Nordic Exchange Copenhagen A/S.

The Supervisory Boards of Aktieselskabet Schouw & Co. and BioMar Holding A/S have decided to use the market prices of the shares as the basis for determining the exchange ratio.

The exchange ratio was determined on the basis of the market prices of the companies' shares during a period of six months prior to the announcement of the merger and, in the opinion of the Supervisory Boards, fairly reflects the ratio between the companies' market capitalisation prior to the merger. The Supervisory Boards find the chosen approach reasonable and factually based.

The development in the exchange ratio is stated in the below table:

Period	Average price Schouw & Co.	Average price BioMar Holding	Exchange ratio
11 March 2008	203.72	171.59	0.8423
30 calendar days <sup>1</sup>	208.12	185.33	0.8905
60 calendar days <sup>1</sup>	184.08	169.06	0.9184
90 calendar days <sup>1</sup>	192.77	177.01	0.9183
180 calendar days <sup>1</sup>	222.27	197.41	0.8881

The above-mentioned table shows the exchange ratio between the shares in BioMar Holding A/S and the shares in Aktieselskabet Schouw & Co. adjusted for the proposed issue of bonus shares without allowing for the dividends for the 2007 financial year. The market prices have been calculated as average market prices based on the trading in the given period.

The exchange ratio based on the market prices of the companies at 11 March 2008 is specified as follows:

DKK	Aktiesel- skabet Schouw & Co.	BioMar Holding A/S
Market price at 11 March 2008	407.44	171.59
Proposed dividends for 2007	-6.00	-4.00
	401.44	167.59
One-for-one issue of bonus shares	-200.72	0.00
Anticipated market price after the adoption of the mentioned motion	200.72	167.59

The table illustrates that with the agreed exchange ratio the shareholders of BioMar Holding A/S will be offered a premium of DKK 33.13 per share, equivalent to 19.77 %.

## 2 Work performed

Our examination was carried out in accordance with the Danish Standard on Auditing applicable to assurance engagements other than audits or reviews to obtain reasonable assurance that the consideration for the shares in the discontinued company is reasonable and factually based and that creditors in the individual companies are considered to be adequately secured after the merger.

When assessing the consideration, we have considered whether the valuation method is appropriate and in accordance with generally accepted valuation principles and the

<sup>1</sup> Calculated from 11 March 2008 and backwards

documentation of the Management's intentions regarding the realisation of specific action plans. In addition, we assessed whether major assumptions used by the Management individually and in the aggregate offer a reasonable basis for the valuations and the exchange ratio. Additionally, we assessed whether data used for preparing the exchange ratio are accurate, complete and relevant and whether the calculations are consistent. We examined the companies' financial performance since 1 January 2008 compared with the assumptions of the exchange ratio.

When assessing whether the creditors in the individual companies are adequately secured after the merger, we have, on the basis of a going concern assumption, examined the financial situation of the merging companies with particular emphasis on financial position and liquidity since the presentation of the companies' annual reports for the 2007 financial year, including examination of major events in the merging companies after 1 January 2008 and of interim financial statements for the merging companies as well as budgets.

In addition, our assessments were based on our examination of the merger plan.

In our opinion, the work performed is sufficient and appropriate to provide a basis for our statement.

### **3 Statement**

In our opinion, the approach applied by the companies' Supervisory Boards for assessing the consideration for the shares and determining the exchange ratio is appropriate. Against this background, we are of the opinion that the consideration for the shares in BioMar Holding A/S is reasonable and factually based.

Referring to section 134 c (4), of the Danish Public Companies Act, we state that the creditors in the merging companies, Aktieselskabet Schouw & Co. and BioMar Holding A/S, are considered adequately secured after the merger.

Aarhus, 12 March 2008

**KPMG C.Jespersen**

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