

PRESS RELEASE

Schouw & Co.
Aarhus, Friday April 17, 2015

BioMar signs major strategic agreement in China

Danish company BioMar signed a memorandum of understanding today to establish a joint venture with Chinese company Tongwei. With a volume of farmed fish several times the combined size of BioMar's current markets, the Chinese market offers a huge development potential. Tongwei is China's largest producer of aqua feed, and the first step for the new partnership will be to make a USD 10 million investment to build a new feed factory.

BioMar has been under the ownership of industrial conglomerate Schouw & Co. since 2005 and is planning to start up aqua feed production in China from 2016. The company intends to establish a presence in the Chinese market through a joint venture with Tongwei, China's largest producer of aqua feed. The new joint venture will complement Tongwei's existing feed production and will be dedicated to specialised and high-end feed for different species, including trout, sturgeon, turbot and tilapia, as well as shrimp feed.

BioMar CEO Carlos Diaz sees a big potential in the partnership with Tongwei: *"BioMar and Tongwei complement each other extremely well in terms of know-how, products and market access. China is the world's largest aquaculture market, and Tongwei is the country's leading feed producer. BioMar is the leading producer of specialised larval and fry diets, and we have exceptional know-how in terms of fish feed performance. Joining forces with Tongwei is an excellent opportunity for us to grow and develop our business."*

BioMar has been looking for the right partner in China for a number of years, and Tongwei's market access will provide a substantial growth potential. The new company's ambition will be to gradually expand and build a leading position in specialised high-end feeds for both fresh water and salt water species. *"It would not be unthinkable for the joint venture to add new production sites and increase its output capacity by a fair margin by 2020,"* said Carlos Diaz.

Initially, BioMar is investing about USD 10 million to establish a feed factory with the capacity of 100,000 metric tons and production scheduled to begin in 2016. When running at full capacity, the factory will generate more than half a billion Danish kroner in revenue.

Schouw & Co. President and CEO Jens Bjerg Sørensen said: *"I'm very pleased that BioMar is making a footprint in Asia, which is clearly the world's largest region for aquaculture. We're forming a joint venture with a large, respectable partner, and that will allow us to participate in the developments in the aquaculture industry in the region. BioMar's expertise in sustainable production, optimising feed composition, fish nutrition and farming efficiency is in very high demand. This will be a win-win partnership."*

About Tongwei

Tongwei Co Ltd. is listed on the Shanghai Stock Exchange. In addition to aqua feed, its core business, the company also produces feed for chicken and livestock. Tongwei manufactures feed for a wide range of fish species, producing about 2.5 million metric tons in 2014.

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About BioMar

In 2013, BioMar generated revenue of EUR 1.1 billion and EBIT of more than EUR 50 million. BioMar is the world's third-largest manufacturer of quality feed for industrialised fish farming in Europe and Latin America. The company holds leading positions in all of its markets. One in four fish farmed in Europe or Chile is raised on feed from BioMar. Globally, BioMar supplies feed for more than 25 fish species in around 60 countries. BioMar sells 97% of the feed it produces in international markets, and the vast majority of its almost 1,000 employees are based outside Denmark. BioMar is headquartered in Aarhus, Denmark and operates production facilities in Denmark, Norway, Scotland, France, Spain, Greece, Chile and Costa Rica. For more information, go to www.biomar.com.

BioMar is a wholly owned subsidiary of Danish industrial conglomerate Schouw & Co. In 2005, Schouw & Co. took a 68.8% majority interest in BioMar, then a listed company, and BioMar became a wholly owned subsidiary following a merger in 2008.

About Schouw & Co.

Schouw & Co. is a listed industrial conglomerate with an active ownership in leading Danish industrial businesses that have a total of almost 2,000 employees and in 2014 generated revenue of EUR 1.6 billion.

Schouw & Co. is the owner of BioMar (feed for industrial fish farming), Fibertex Personal Care (nonwovens for the personal care industry), Fibertex Nonwovens (nonwovens for industrial applications) and Hydra-Grene (hydraulics for industry). The Group's other ownership interests include 20% in Kramp (spare parts and accessories for the agricultural sector), 50% of Xergi (biogas) and 49% of Incuba Invest (a venture capital business).

Schouw & Co. has been listed on the OMX Nasdaq Copenhagen since 1954.

For more information, go to www.schouw.com.