



To OMX Nordic Exchange Copenhagen

Schouw & Co. announcement no. 4/2008
BioMar Holding announcement no. 5/2008

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March 12, 2008

Merger of Aktieselskabet Schouw & Co. and BioMar Holding A/S

The boards of directors of Aktieselskabet Schouw & Co. ("Schouw & Co.") and BioMar Holding A/S ("BioMar Holding") have agreed to recommend that the two companies merge with Schouw & Co. as the continuing company.

Prior to the merger, a proposal will be made to issue bonus shares to the existing shareholders of Schouw & Co. at a ratio of one new share for every share held.

The merger will be completed following the bonus share issue by each share in BioMar Holding with a nominal value of DKK 20 being exchanged for one share in Schouw & Co. with a nominal value of DKK 10.

BioMar Holding is already a fully consolidated subsidiary in Schouw & Co's financial statements and the only effect of the merger is that there will no longer be minority interests in BioMar Holding.

Questions relating to the above should be directed to the management boards of the two companies:

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On behalf of the Board of Directors

Jørn Ankær Thomsen
Chairman, Schouw & Co.

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This is a translation of Stock Exchange Announcement No. 4 issued by Schouw & Co. and Stock Exchange Announcement No. 5 issued by BioMar Holding on March 12, 2008. The original Danish text shall be controlling for all purposes, and in case of discrepancy, the Danish wording shall be applicable.

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1 RATIONALE FOR AND PURPOSE OF THE MERGER

In the autumn of 2005, Schouw & Co. acquired its current 68.82% interest in the share capital and the voting rights in BioMar Holding. In connection with the acquisition, the mandatory tender offer announced on December 20, 2005 included the following wording:

"Schouw & Co. aims to obtain full ownership of BioMar Holding and intends, as a long-term owner, to develop the business on the basis of the growth strategy defined by the Company's management."

For this purpose and in order to optimise the use of management resources while reducing the costs involved in maintaining two company listings, the boards of directors of the two companies have agreed to recommend a merger of the two companies.

The delisting of BioMar Holding is expected to produce annual cost savings relating to listing, shareholders' register, preparation of annual reports and similar activities, but more importantly, a delisting is expected to release management resources that can be allocated to daily operations and the further strategic development of BioMar Holding's underlying operating companies ("BioMar"). In the short term, the integration of the recently acquired fish feed activities from Provim will require substantial management involvement.

The boards of directors of the two companies believe that there is a substantial rationale in establishing a specific distribution of duties to the effect that Schouw & Co. will handle communications with the equity market and BioMar will maintain a sharp operational focus on the day-to-day operations similar to that of the other portfolio companies.

The merger of Schouw & Co. and BioMar Holding is also expected to improve liquidity in the Schouw & Co. shares, as it will increase the number of free-float shares and the number of shareholders.

The proposed merger will be submitted to the annual general meetings of both companies in April 2008. A detailed timetable is provided at the end of this announcement.

2 VISION AND STRATEGY OF THE CONTINUING COMPANY

Schouw & Co's vision is to develop leading Danish industrial businesses through value-creating, active, long-term ownership.

In conducting the overall management of the Group, Schouw & Co's Management Board and Board of Directors focus on four key strategic areas. Our corporate strategy is:

- to manage a diversified portfolio of leading Danish industrial businesses;
- to take an active and developing ownership approach;
- to ensure financial versatility; and
- to maintain a professional dialogue with our shareholders and the market.

Schouw & Co. takes an active and developing ownership approach being focused on profitable growth, efficient use of capital and future-proofing the strategic platforms of its portfolio companies. In addition, the company clearly subscribes to the view that results are created by people.

As a long-term, dynamic and active owner, Schouw & Co. constantly endeavours to

- formulate clear financial and strategic goals;
- stay focused on profitable growth and efficient spending;
- ensure efficient and competent follow-up;
- be a strategic and financial sparring partner;
- contribute dynamic resources by appointing board members with comprehensive competences;
- take an open-minded approach to investments with a long-term potential;
- provide the necessary capital resources;

- support ongoing organisational development; and
- give people time, freedom and responsibility to work.

The Schouw & Co. investment strategy gives particular priority to profitable growth and requires an investment target to have the size that makes it a visible and attractive player in the market. We look to invest in leading industrial businesses that have the potential to add value to our Group both short term and long term, and investments we make must generate a satisfactory return on the capital employed.

In selecting our investment candidates, we look for businesses that

- are in need of new long-term owners;
- could potentially be developed through active ownership;
- offer firm and stable earnings;
- have a significant market position in a promising industry;
- have a competent management with a good track record;
- are of a size that is consistent with the portfolio; and
- are headquartered in Denmark.

We do not have pre-defined exit strategies for the investments we make. Rather, we retain ownership of and develop our businesses as long as we provide the best ownership.

Schouw & Co. intends to maintain BioMar's current growth strategy.

3 TERMS OF THE MERGER AND CONSIDERATION FOR THE SHARES IN BIOMAR HOLDING

The merger will be implemented as a tax-free merger and will not trigger a tax liability for the two companies or for the shareholders.

The merger will be completed with effect from January 1, 2008 (the merger date), from which date the assets, liabilities and other rights and obligations of BioMar Holding will be deemed to have passed to Schouw & Co.

Schouw & Co.'s share capital amounts to DKK 124,700,000 distributed on shares with a nominal value of DKK 10 each. BioMar Holding's share capital amounts to DKK 219,980,760 distributed on shares with a nominal value of DKK 20 each.

All existing shares in BioMar Holding will be cancelled as a result of the merger. As consideration for the cancelled shares, shareholders in BioMar Holding will receive one share in Schouw & Co for each share held. No consideration will be paid for shares in BioMar Holding held by BioMar Holding or Schouw & Co.

As appears from Schouw & Co.'s Annual Report 2007, the Board of Directors of Schouw & Co. recommends that a dividend of DKK 6 per share be paid in respect of the 2007 financial year. Provided the proposal submitted by the Board of Directors is adopted by the shareholders in general meeting on April 16, 2008, Schouw & Co. will pay dividends of DKK 6 per share. In addition, the Board of Directors intends to propose to the shareholders in general meeting on April 16, 2008, that bonus shares in Schouw & Co. be issued at a ratio of one new share for every share held.

As appears from BioMar Holding's Annual Report 2007, the Board of Directors of BioMar Holding recommends that a dividend of DKK 4 per share be paid in respect of the 2007 financial year. Provided the proposal submitted by the Board of Directors is adopted by the shareholders in general meeting on April 15, 2008, BioMar Holding will pay dividends of DKK 4 per share. Schouw & Co. will be voting for the proposal for dividends of DKK 4 per share to be submitted by the Board of Directors at BioMar Holding's annual general meeting.

If the shareholders in general meeting vote in favour of a bonus share issue, shareholders in BioMar Holding will receive one share with a nominal value of DKK 10 in Schouw & Co. for each share with a nominal value of DKK 20 held in BioMar Holding.

If the shareholders in general meeting do not vote to issue bonus shares, the exchange ratio will be 1:2, to the effect that, as a result of the merger, shareholders in BioMar Holding will receive one share with a nominal value of DKK 10 in Schouw & Co. for each two shares with a nominal value of DKK 20 held in BioMar Holding.

The exchange ratio has been determined on the basis of the official prices of Schouw & Co. shares and BioMar Holding shares as quoted on the OMX Nordic Exchange Copenhagen six months prior to this announcement and, in the opinion of the boards of directors, it reasonably reflects the relationship between the market capitalisations of the two companies prior to the merger. The method applied is, in the opinion of the boards of directors, reasonable and adequate.

Period	Avg. price Schouw & Co.	Avg. price BioMar Holding	Exchange ratio
March 11, 2008	203,72	171,59	0,8423
30 calendar days ¹	208,12	185,33	0,8905
60 calendar days ¹	184,08	169,06	0,9184
90 calendar days ¹	192,77	177,01	0,9183
180 calendar days ¹	222,27	197,41	0,8881

The table above shows the exchange ratio between BioMar shares and Schouw & Co. shares adjusted for the proposed bonus share issue but without taking account of dividends for the 2007 financial year. The share prices provided have been calculated as turnover-weighted average prices during the periods indicated.

Of the share capital in BioMar Holding of DKK 219,980,760, DKK 151,399,800 is held by Schouw & Co. Holders of the remaining share capital of DKK 68,580,960 (3,429,048 shares of DKK 20 nominal value) will receive in aggregate 3,429,048 shares of DKK 10 nominal value in Schouw & Co. as consideration on the merger.

If the shareholders attending the annual general meeting on April 16, 2008 resolve to issue bonus shares, the share capital will be increased by DKK 124,700,000 from DKK 124,700,000 to DKK 249,400,000 of DKK 10 nominal value each (24,940,000 shares of DKK 10 nominal value each). As a result of the merger, the share capital of Schouw & Co. will be increased by an additional DKK 30,600,000 from DKK 249,400,000 to DKK 280,000,000 (28,000,000 shares of DKK 10 nominal value each) based on the net assets contributed by BioMar Holding. A valuation report will not be prepared in connection with the capital increase.

The part of the share capital in BioMar Holding that will not be paid by way of the new 3,060,000 shares to be issued in Schouw & Co. will be paid for by way of 369,048 shares in Schouw & Co. of DKK 10 nominal value from Schouw & Co.'s holding of treasury shares.

¹ Calculated for periods ending March 11 2008

4 THE CONTINUING COMPANY

Schouw & Co. will be the continuing company following the merger and will continue to have its registered office in the Municipality of Aarhus.

BioMar Holding owns the operating companies of the BioMar group and is a pure holding company without any operations.

Following the merger, the current management of BioMar Holding will remain in charge of the BioMar group, and the current management as well as all other current employees of BioMar Holding will continue to be employed by BioMar following the merger.

The following is a presentation of the continuing company:

4.1 Business activities

Schouw & Co. is the parent company of a group with five independent business areas:

Grene: A leading supplier of spare parts and accessories for the agricultural sector, and of hydraulics, technical articles, electrical products and services for industry. (Wholly owned since 1988)

Martin: The world's leading manufacturer of computer-controlled effect lighting for the entertainment and the experience industries, including architectural lighting projects and visual effects solutions. (Partly owned since 1999 and wholly owned since 2001)

Fibertex: A leading manufacturer of nonwovens, supplying needlepunch products for industrial and technical applications and spunbond/spunmelt products for the personal care industry. (wholly owned since 2002)

BioMar: The world's third-largest manufacturer of quality feed for the fish farming industry. (Partly owned since the end of 2005)

Xergi: Leading supplier of turnkey energy systems, including biogas and organic fertiliser separation systems. (50%-owned since 2004)

In addition, Schouw & Co. holds 4,800,000 shares in Vestas Wind System A/S, equal to 2.59% of the share capital and the voting rights of that company, and a 49% interest in the development and venture company Incuba A/S.

The companies of the Schouw & Co. Group own most of the premises they occupy.

The parent company, Schouw & Co. owns the properties at the following locations in Denmark: Chr. Filtenborgs Plads 1, Aarhus, the Group's head office; Hovmarken 8, Lystrup outside Aarhus, which houses a factory leased to the former joint venture Elopak Denmark A/S; and Sadelmagervej 24, Vejle, which is also leased to a company that was formerly a part of the Group. The three properties owned by Schouw & Co. were carried at DKK 83.7 million at December 31, 2007.

The companies of the Schouw & Co. Group operate in most parts of the world. Of the Group's consolidated revenue, about 15% is generated in Denmark, 65% in the rest of Europe and 20% in the rest of the world.

4.1.1 Grene

Grene is a trading business operating in:

- Agro – the sale of spare parts and accessories for the agricultural sector
- Hydraulics – sales and production for industry and agriculture
- Industry - sales, service and automation projects for industry.

Grene's head office is located in Skjern, Denmark and core markets in the Nordic region and in eastern and central Europe.

Grene employs about 1,000 employees.

Financial performance

Overall, 2007 was a good year for Grene, but also a year of change and challenges.

All of the Grene businesses reported improvements, but the main contributors to revenue growth were Grene Poland, Hydra-Grene, Grene Industri-service and Chr. C. Grene.

The profit for the year before tax was DKK 126.5 million, compared with DKK 113.6 million in 2006, which figure was lifted by DKK 12.6 million from the sale of land and buildings in Poland. The strong improvement was attributable especially to Hydra-Grene, but Grene Industri-service and Grene Sweden also performed very well and Grene Poland reported strong improvements in its ordinary operations.

Chr. C. Grene, on the other hand, posted a decline in profit, although it generated quite a satisfactory performance in terms of revenue and contribution margin. The set-back was attributable to increased costs of extending and restructuring the central warehouse in Skjern. Encompassing the erection of a new 10,000 m² computerised warehouse with a fully automatic miniload facility and a total restructuring of the existing warehouse facilities, the project has proven to be more challenging than expected.

However, Grene's overall financial results were better than expected and highly satisfactory.

Agro

The Agro business is operated by Chr. C. Grene in Denmark and by the Grene companies in Norway, Sweden, Finland, Poland and the rest of eastern and central Europe.

Grene reported positive revenue performance in all geographical markets in 2007. The good performance was due partly to generally positive market developments, but also very much to recent years' dedicated efforts to developing the company's retailer network and distribution system, including not least the electronic ordering systems.

The company continued its committed work in 2007 to position and brand the business on the various markets, all of which are undergoing change. Grene generates a substantial part of its revenue in Poland through own retail stores and the company expanded its already extensive retail network during the year. At the end of 2007, Grene had 70 stores throughout most of Poland.

The latest EU enlargement and the continued structural redevelopment of the agricultural sector in eastern and central Europe provides new market opportunities for Grene Kramp Holding, a joint venture established with long-standing Dutch business partner Kramp Groep for the purpose of developing the business activities in eastern and central Europe.

Substantial investments were made in logistics in 2007 with a view to building a foundation for continued growth. In addition to the major expansion of the central warehouse in Denmark, the central warehouse in Poland was extended by 5,000 m² unheated and 4,000 m² heated warehouse space. A project to extend the facilities in Sweden commenced towards the end of the year.

Revenue in the Agro sector was DKK 821 million against DKK 700 million in 2006.

Hydraulics

Activities in the Hydraulics sector are primarily handled by Hydra-Grene in Denmark and to a minor extent by the Grene businesses in Sweden, Norway and Poland.

Hydra-Grene reported good revenue improvement in 2007 and once again a highly satisfactory profit.

The share of revenue generated by the company's own production and shipments of complete kits to major industrial customers in Denmark and abroad continued to increase. A stronger effort in the export markets contributed to the revenue improvements, and Hydra-Grene again expanded its in-house production capacity in 2007.

The Swedish hydraulics operations continued to expand and operations in Norway and Poland developed favourably.

Revenue in the Hydraulics sector was DKK 440 million against DKK 362 million in 2006.

Industry

Grene Industri-service and Grene Industri-OEM, an independent business unit of Chr. C. Grene, handle the activities in the Industry business area, which are mainly based in Denmark.

Grene Industri-service is mainly involved in component sales as well as electromechanical, automation and maintenance services. Grene Industri-service has steadily improved its financial results over the past few years. The company has now become profitable and has the potential to continue the positive developments.

Grene Industri-OEM addresses OEM (Original Equipment Manufacturer) customers and customers with a similar procurement profile. Work continued in 2007 to strengthen the market position of this business.

Revenue in the Industry sector was DKK 364 million against DKK 301 million in 2006.

Outlook

In recent years, Grene has made substantial investments in expanding its physical facilities. Also, the company has gradually developed the organisation and optimised products and services, and this process will continue. This makes the business well prepared for continued profitable growth in the years ahead, not least supported by geographical expansion.

Grene is well positioned in all three business areas, but rising raw materials prices, shortages of qualified labour and a potential market slump could lead to moderate revenue growth and put earnings under pressure.

Grene expects to generate revenue of approximately DKK 1.7 billion and a profit before tax of around DKK 130 million in 2008.

4.1.2 Martin

Martin is the world's leading manufacturer of computer-controlled effect lighting, which is sold to the entertainment and experience industries in most parts of the world. Martin also produces smoke machines and smoke products for the security industry.

Martin's head office is located in Aarhus, Denmark and production facilities in Denmark, the UK and China.

Martin's core markets are in Europe, North America and Asia.

Martin has some 1,200 employees.

Financial performance

In 2007, Martin successfully sustained the positive developments in the company that began in the second half of 2005.

Revenue improved by 14.1% from DKK 1,027.4 million in 2006 to DKK 1,172.7 million in 2007. The revenue improvement was broadly based on all the markets Martin serves and derived from the

first three quarters of the year. The Q4 revenue fell slightly relative to Q4 2006 due mainly to customer requests to postpone the shipment of two major orders.

The profit before tax increased from DKK 19.0 million in 2006 to DKK 81.1 million in 2007. The profit was slightly lower than the most recent guidance, but well ahead of expectations expressed at the beginning of 2007. The positive performance was highly satisfactory.

The profit advance was based on three important elements: The increased revenue resulting from the greater market share for large and medium-sized products, including the launch of a number of new products to both existing and new customer segments, as well as to a number of large single orders shipped in the first half-year of 2007.

Secondly, the improvement was driven by greater efficiency throughout the organisation as well as much enhanced product quality resulting in lower quality and repair costs.

The financial results were also lifted by non-recurring income of DKK 8 million resulting from a settlement with a competitor, which had unlawfully made use of parts of Martin's intellectual property rights.

Market developments

The positive developments in Martin were the result of a successful business transformation, which has developed the company in-house and changed the way it addresses the markets.

The transformation process included a review of the customer and the product portfolios, enabling Martin to focus on larger orders such as through project and concept sales as well as framework agreements with core customers.

Following the transformation process, Martin is now in a good position to capitalise on the strong demand derived from, among other things, increased activity in the concert tour industry, a focused approach to working the markets as well as the launch of dedicated new products.

In addition, by launching complementary products such as a product concept for media video walls, Martin has gained access to a substantial potential in the market for visual effects. Growing demand is expected from the lighting industry for a number of Martin's traditional products, such as media servers and video effect controllers and lighting.

Product development

Product development and production in general have played very important parts in the process to transform Martin's business.

Focus has been on achieving quality improvements in products as well as processes. A broadly based quality enhancement training programme and the launch of an Operational Excellence-programme have produced quality improvements throughout the organisation, involving an in-depth analysis of all main processes with a view to identifying potential improvements.

The quality improvements have released resources previously used for correcting errors that are now being applied to strengthening product development. At the same time, product development efforts were redirected towards products with a substantial potential and the focused efforts resulted in the launch of 15 new products in 2007.

Apart from the media video walls product concept, some of the most important product launches were a number of new products based on LED technology and exciting variants of existing products.

The company's leading market position is demonstrated by the fact that Martin products are used at virtually all major entertainment events all over the world. Deserving special mention is the fact that about 2,000 Martin products are expected to be used at the opening and closing ceremonies of the 2008 Olympic Games in Beijing.

In the autumn of 2007, Martin was awarded a DKK 15 million grant from the Danish National Advanced Technology Foundation for a research project conducted in collaboration with the University of Aalborg and the Risø National Laboratory. The aim of the project is to shift the technology in the lighting industry from conventional sources of light to the application of LED.

Outlook

Being a market leader, Martin must constantly develop the market in order to generate growth. For that purpose, Martin will continue expanding into the visual effects segment in order to expand the accessible market and continue implementing the ongoing transformation process with a view to enhancing its competitive strength.

In order to increase its level of earnings, Martin must successfully consolidate its achievements to date, successfully implement planned product launches and maintain positive demand.

Martin is a highly complex business with a long value chain, all the parts of which are constantly challenged by market forces. Through its leading position, however, Martin stands well positioned to meet the challenges, and the company intends to pursue very closely any opportunities for market consolidation.

Martin expects to generate revenue of approximately DKK 1,250 million and a profit before tax of around DKK 80 million in 2008.

4.1.3 Fibertex

Fibertex is a leading manufacturer of nonwovens, i.e. non-woven textiles used by various industries in a number of different areas. Fibertex is divided into the Personal Care Division and the Technical Division, which are based on the spunbond/meltblown technology and the needlepunch technology, respectively.

Fibertex' head office is located in Aalborg, Denmark and production facilities in Denmark, the Czech Republic and Malaysia.

Fibertex' core markets are in Europe, Asia and North America.

Fibertex has some 800 employees.

Financial performance

Fibertex had a difficult year in 2007, facing many challenges and reporting a drop in profit before tax.

Revenue improved by 20.7% from DKK 1,318.3 million in 2006 to DKK 1,591.3 million in 2007. The main drivers of the improvement were the Personal Care Division in Denmark and the Technical Division in the Czech Republic, but the remaining units also grew their revenue. Revenue was in line with expectations.

Part of the revenue increase was based on higher selling prices, but this was not enough to fully off-set the higher raw materials prices.

Profit for the year before tax fell to DKK 5.1 million from DKK 32.8 million in 2006. The Personal Care Division reported a substantial earnings improvement in Malaysia, which was largely eliminated by a similar decline in Denmark. The Technical Division's improvements in the Czech Republic were more than offset by the decline in Denmark.

The overall financial results fell only slightly short of the guidance, but were at a level that was far from satisfactory.

Personal Care Division

In Denmark, the most recent production line, installed in 2006, generally operated with satisfactory efficiency, but the line expanded the output capacity by a substantial margin, and it has taken longer than expected to sell the full capacity to the personal care sector. As a result, part of the capacity was sold for industrial purposes to a segment with insufficient margins.

However, Fibertex is in close contact with a number of customers on, among other things, the development of innovative products, and the company expects that going forward the production capacity will be used for the personal care sector.

The Personal Care Division in Malaysia, on the other hand, performed very well in 2007. The entire capacity was sold throughout the year, and production and sales are well balanced. Production efficiency was satisfactory and products are of a high quality.

The newer of the two production lines in Malaysia is a bi-component line that facilitates an improvement of product properties, making the material softer and more elastic. Sales of bi-component nonwovens to customers in Japan and elsewhere performed favourably in 2007.

The Personal Care Division's overall revenue was up by 28% to DKK 1,008 million, of which DKK 391 million was generated in Malaysia.

Technical Division

The Technical Division operated in a market of excess capacity and tough price competition that eliminated any potential for getting sufficient compensation for the sharply increased raw materials prices.

In reaction to the negative performance, Fibertex initiated a plan in the summer of 2007 to rebuild the earnings capacity in the Technical Division. The company expects that division earnings can improve by DKK 30–40 million per year and that the full impact of the plan will feed through in 2009.

The key elements of the plan are to eliminate unprofitable business activities through price increases and to enhance the competitive strength by modernising the production platform by means of an investment of about DKK 130 million in two new production lines. The two lines will be placed in Denmark and the Czech Republic and both are expected to be fully operational from mid-2008.

The Technical Division's overall revenue was up by 9% to DKK 583 million, of which DKK 191 million was generated in the Czech Republic.

Product development

It is important that Fibertex retains its position as technology leader. The company gives key priority to innovation and product development in close collaboration with customers and to being focused on customer requirements.

At the beginning of 2008, Fibertex took part in establishing Innovo Print, through which the company will be able to market products with images and prints directly on nonwovens. Initially, this is expected to be a niche area, but it will help to differentiate Fibertex in the market.

Together with the two Danish universities of Aarhus and Aalborg, Fibertex has been a part of a project on the use of nanotechnology in nonwovens. Fibertex expects the project, which is also supported by the Danish National Advanced Technology Foundation, to produce its initial results during 2008. It is still uncertain, however, when nanotechnology can be used commercially on a large scale.

Outlook

Both the Personal Care Division and the Technical Division plan to increase their capacity utilisation rates in 2008. A number of steps have been taken to lift volumes and refocus on high-margin products, and major initiatives have been launched to cut the shared costs of the two divisions.

Fibertex expects to lift Technical Division earnings as 2008 progresses, but that scenario requires a speedy and trouble-free running-in of the two new lines.

Both divisions will continue the hard work to enhance production efficiency, while retaining the high level of product quality. Fibertex is believed to be strongly positioned in terms of both technology and geographical locations and the company has good relations with its principal customers.

Against this background, Fibertex expects to generate revenue of approximately DKK 1.7 billion and a profit before tax of around DKK 30 million in 2007.

4.1.4 BioMar

BioMar is the world's third-largest manufacturer of quality feed for the fish farming industry. The core business areas are feed for salmon and trout as well as for freshwater trout, sea bass and sea bream in Continental Europe.

BioMar is headquartered in Aarhus, Denmark and operates production facilities in Norway, Scotland, Denmark, France, Spain, Greece and Chile.

BioMar's core markets are in Europe and South America.

BioMar has some 800 employees.

Following the acquisition of the fish feed activities from Provimi and because the EU regulation on organic production will apply to the fish feed business as from January 1, 2009, the company intends to review its brand names and trademarks during the upcoming period. The review is not expected to have a material impact on the company.

Financial performance

While both the climatic conditions and market conditions for BioMar's customers were very favourable in 2006, BioMar's market conditions were much more subdued in 2007.

Revenue improved by 12.3% from DKK 3,273.8 million in 2006 to DKK 3,676.6 million in 2007. The gain was driven partly by higher selling prices resulting from increases in raw materials prices and partly by increased volumes in all three of the company's geographical regions.

On the other hand, the profit from continuing operations before tax, i.e. excluding the contribution from the Sjøtroll Havbruk subsidiary, fell sharply from DKK 210.8 million in 2006 to DKK 127.9 million in 2007. The performance was in line with the most recent guidance.

The setback was to a large extent caused by temporary production shutdowns at a number of production sites due to expansion of the production capacity. During some periods, the output was unstable, resulting in lower efficiency, higher recipe costs and higher distribution costs due to finished goods being transported over large distances.

Profit from discontinuing operations, which is stated after tax, concerns Sjøtroll. The profit includes a 37.2% share of the profit after tax in Sjøtroll up to the end of the first quarter of 2007, at which time BioMar increased its ownership interest to 50.9%. As from the end of Q1 2007, profit from discontinuing operations has thus comprised the entire profit after tax of Sjøtroll, of which a proportional share will subsequently be attributable to minority interests.

Profit from discontinuing operations amounted to DKK 19.5 million in 2007, of which DKK 12.0 million was attributable to the minority shareholders of Sjøtroll in respect of the period after the end

of the first quarter of 2007. By way of comparison, BioMar recognised DKK 74.6 million from this item in its 2006 financial statements.

Market developments

Although BioMar faced less favourable terms in 2007 than in the previous year, the markets of the three regions the company addresses, the North Sea, Continental Europe and the Americas, continued to grow.

Fish prices, including salmon prices, did not reach the same high level in 2007 as was the case in 2006, pushing down profitability for BioMar's customers, including for the associate Sjøtroll.

The variations from 2006 to 2007 reflect the cyclical characteristics of the industry, but they do not have a fundamental impact on the expectations for its long-term potential.

Product development

Research and development is the foundation for the recognition BioMar enjoys as an innovative supplier of competitive products.

BioMar is working constantly to improve product properties, so as to optimise growth, quality and health in the fish while minimising the environmental impact.

The company makes a dedicated effort to optimise recipes. Testing and implementing of new raw materials is the means of ensuring the most cost effective and environmentally sustainable composition of raw materials.

Business development

In 2006, BioMar completed an extensive strategic process resulting in a new two-stage strategy: Going for Global Growth. The first stage involves creating the right foundation for growth and the second stage is to step up business development and R&D.

The strategy was launched in 2007 and provided important background support to BioMar when the company agreed to acquire Provimi's fish feed operations in Chile, Denmark and Spain in November 2007.

The acquisition has subsequently received the approval of the competition authorities and was finalised to the effect that the new operations have been recognised in BioMar's financial statements as from February 1, 2008.

Through the acquisition, BioMar has substantially strengthened its assortment of complementary products across fish species, life cycles and feed strategies.

The total price of the acquired businesses was DKK 674 million on a debt-free basis. The acquired activities are expected to generate 2008 revenue of approximately DKK 1.3 billion and will confirm BioMar's position as the world's third-largest supplier of quality feed for the fish farming industry.

Outlook

BioMar will have a big challenge in 2008 of successfully integrating the businesses acquired from Provimi. Requiring special attention will be to achieve good utilisation of the overall production plant, and the employees of the acquired businesses will also need to be integrated as a valuable element of the overall BioMar organisation.

The general market conditions in 2008 are not expected to deviate very much from 2007, but production irregularities resulting from the temporary shutdowns of production sites are not expected to reoccur in 2008.

At the end of 2007, BioMar agreed to divest a minor stake in Aqua Gen A/S 2008. The transaction will contribute about DKK 38 million to the 2008 financial results.

Accordingly, inclusive of the acquisition of the fish feed businesses from Provimi, BioMar forecasts 2008 revenue exceeding DKK 5 billion and a profit before tax from continuing operations, i.e. net of the profit from Sjøtroll, in the range of DKK 200–220 million.

A sales process involving the equity stake in Sjøtroll has been initiated. Accordingly, there can be no assurance as to for how much of the 2008 financial year the company will recognise a share of the profit in Sjøtroll.

4.1.5 Xergi

Xergi is a supplier and operator of turnkey energy systems and has more than 20 years' operational and maintenance experience from working with these systems. Xergi is owned on a fifty/fifty basis by Schouw & Co. and Dalgasgroup.

Xergi's head office is in Støvring, south of Aalborg, Denmark

Xergi's core markets are in Europe and the USA.

Xergi has about 70 employees.

Financial performance

It was a challenging year for Xergi in 2007, as market conditions proved to be more difficult than had been expected, especially in Denmark and Germany.

Revenue was DKK 142.1 million, down from DKK 166.9 million in 2006, which was slightly less than expected at the beginning of the year. The drop was due to fewer orders won in Denmark, Germany and the Netherlands.

Xergi reported a loss of DKK 6.2 million in 2007 against a profit of DKK 5.7 million in 2006. DKK 3.1 million of the loss before tax has been recognised in Schouw & Co.'s consolidated accounts.

The financial results for the year were in line with the most recent guidance, but were somewhat lower than indicated at the beginning of the year. The financial results were based on lower-than-expected revenue, while product development and market canvassing were at the planned levels. Against these circumstances, the performance is considered to be acceptable.

Market developments

Energy and environmental issues were the subject of substantial political attention throughout most of the world in 2007, and many countries are now working to improve the framework conditions for renewable energy.

As a result, improvements to the framework conditions for setting up biogas plants should be expected in the next few years, but conditions came under severe pressure in several of Xergi's core markets in 2007.

The Danish biogas industry has been stagnant in the last few years due to poor framework conditions, especially due to an inadequate settlement price to electricity producers. Political approval of a new set of framework conditions had been anticipated in the first half-year of 2007, but approval had still not been achieved by the end of the year, which means that the Danish market remained in an unsettled situation.

In the Netherlands, where Xergi built a 5 MW biogas plant in 2007, the company encountered a stop to new orders due to amendments to framework conditions in the market. In addition, at the beginning of the year, there was a strong decline in activity in the otherwise highly active German market resulting from rising prices of energy crops, which is an important factor in this market.

Xergi continues to work its core markets and has increased the dedicated efforts in those European markets that offer a promising outlook for the years ahead. The company expects to set up operations in two new European markets in 2008.

Strong activity continued to characterise the USA. In this market, Xergi operates through a license partner that recently opened what is probably the world's largest manure-based biogas plant. The plant supplies upgraded biogas to the Texas natural gas grid. Xergi's business partner has concluded a master agreement to supply upgraded biogas RNG (Renewable Natural Gas) to Pacific Gas & Electric, a nation-wide distributor in the USA.

Product development

Xergi continued to develop its modular biogas concept in 2007, building knowledge and skills about all important aspects of biogas production, including pre-treatment system, process management and separation technology.

In a special initiative to strengthen efforts in the biological field, Xergi signed an agreement with Novozymes in June 2007 for the development of micro-organisms, which can contribute to optimising biogas production processes.

At the end of October 2007, the University of Aarhus inaugurated the world's largest test facility for biogas production. Built by Xergi for the Faculty of Agricultural Sciences at Research Centre Foulum, the test facility is one of the most flexible biogas test plants in the world, offering new opportunities to develop processes, methodologies and equipment.

Xergi has a development department at the Agro Business Park in Foulum and will benefit from the new full-scale testing facility. In addition, Xergi has invested in two down scale prototype facilities for research purposes, which are also located at Foulum.

Outlook

Xergi will remain in a development phase over the next few years, and will have to continue working the markets and pursuing product development, regardless of the possibility that sales opportunities may fluctuate in individual markets over a short term horizon.

The company achieves a certain degree of risk diversification by working several different markets in Europe, and the steadily growing project pipeline serves to enhance the potential for building more stable order inflows in the biogas field. For example, Xergi won its first biogas order in Belgium at the beginning of 2008.

Xergi continues its other activities concurrently with these projects, including the long-standing partnership with Woking Borough Council in the UK, which enables the company to retain its skills and know-how in areas that also relate to biogas. In 2008, Xergi expects to expand the power and heat supply in Milton Keynes further in collaboration with Woking Borough Council.

Xergi expects to incur a loss of up to DKK 10 million in 2008 on revenue of approximately DKK 150 million.

4.2 Organisation

The Schouw & Co. Group has a decentralised corporate structure, under which the individual portfolio companies have their own individual organisation and a management that operate the business with a large degree of independence.

As a result, the continuing company's own organisation is relatively small, consisting of 10 full-time positions filled by 11 individuals, including the Management Board, who mainly engage in relations with the subsidiaries, strategy and business development as well as administrative tasks and performing the duties relating to the company's listing.

4.3 Shareholder information

Schouw & Co. has some 5,100 registered shareholders of whom the following are listed in the company's register in accordance with section 29 of the Danish Securities Trading Act:

Givesco A/S	28.72%
Direktør Svend Hornsylds Legat	15.15%
ATP pension fund	7.66%
Aktieselskabet Schouw & Co.	7.45%

Pursuant to the provisions of Section 31 of the Securities Trading Act, the three shareholders Givesco A/S, Direktør Svend Hornsylds Legat and Erling Eskildsen are considered as a single shareholder of Schouw & Co. The three shareholders hold in aggregate 47.90% of the shares and the voting rights in the company. In respect of the relationship between the three shareholders, it should be noted that the board of directors of Direktør Svend Hornsylds Legat consists of the board of directors of Schouw & Co. from time to time, and that Erling Eskildsen is a member of the Board of Directors of Schouw & Co. and managing director of Givesco A/S.

Members of the Board of Directors and the Management Board of Schouw & Co. hold a total of 644,526 and 37,292 shares, respectively, in the company. The individual holdings are set out in the table on page 24.

The company holds 928,734 treasury shares, equal to 7.45% of the share capital. The portfolio of treasury shares is recognised at DKK 0.

The management of Schouw & Co. is not aware of any shareholder agreements having been concluded between the company's shareholders.

Pursuant to section 29 of the Danish Securities Trading Act, a shareholder of a listed company is required to notify immediately the Danish Financial Supervisory Authority and the company if (i) his/her shares represent at least five percent of the voting rights in the company or their nominal value accounts for at least five percent of the share capital of the company, or (ii) a change of a holding already notified entails that limits of 5%, 10%, 15%, 20%, 25%, 50% or 90% and limits of one-third or two-thirds of the share capital's voting rights or nominal value are reached or are no longer reached or the change entails that the limit set out in (i) is no longer reached. Upon receipt of such notice, Schouw & Co. is required to inform the market as soon as possible.

4.4 Dividend policy

The company does not have a defined dividend policy, but the Board of Directors reviews the company's capital and share structures at appropriate intervals and determines a proposal for the dividend for the year accordingly. In the last two financial years, dividend has been proposed at DKK 6 per share, equal to a total of dividend of DKK 74.8 million each year.

4.5 General information

Due to the Group's decentralised structure, Schouw & Co. does not enter into contracts involving material obligations, other than contracts with the company's financial business partners.

BioMar has financing facilities through DnB NOR Bank ASA and has provided collateral for such facilities by way of shares in subsidiaries and non-current assets. In addition, BioMar Holding has provided security to a number of suppliers of raw materials to its subsidiaries.

The individual companies of the Schouw & Co. Group regularly enter into contracts as part of their day-to-day operations. Individually, none of these contracts can be considered as material to Schouw & Co. Schouw & Co. is not liable for material obligations in connection with such contracts.

Schouw & Co. has no substantial ongoing or resolved investments, but the Group's businesses invest substantial amounts on an ongoing basis. Most recently, BioMar Holding made a major investment in acquiring the fish feed activities from Provimi. Other than as set out above, the Schouw & Co. Group's projected overall investment activity for 2008 does not exceed the normal level.

Schouw & Co. has not for the past 12 months been involved in any governmental, legal or arbitration proceedings, which have had a material negative effect on the company's financial position or

results of operations, and Schouw & Co. is not aware of any threatened proceedings that could have such an effect in the future.

To the best of the management's knowledge and belief, the Group is not a party to any agreements concluded with related parties which were not concluded on market terms.

4.6 Special risks

Schouw & Co. is an industrial conglomerate whose primary activities are distributed on various business areas. By diversifying its businesses, the Group spreads its ordinary business risk exposure related to its individual business areas. However, several of the business areas rely on certain raw materials and are thus sensitive to major fluctuations in the prices of such raw materials. The two most important of such raw materials are polypropylene, an oil-based commodity used by Fibertex, and marine commodities (fish meal and fish oil) used by BioMar to produce fish feed.

BioMar is Schouw & Co.'s largest single business area. See BioMar's Annual Report 2007 for a more detailed presentation of the company's risk profile.

Schouw & Co. aims for a prudent valuation of the Group's assets and to make sure that individual companies cannot trigger a crisis for the overall Group.

The majority of the Group's activities are located in Denmark and the rest of Europe. The Group also has substantial assets outside of Europe, primarily in Malaysia, China and Chile.

The Group's businesses have taken out usual liability and general insurance cover, as a minimum, as may be required under Danish or foreign legislation. Management believes that the Group maintains appropriate insurance cover, but the Group has not taken out cover for insurance events resulting from terrorist actions.

Management believes that Schouw & Co. is in compliance with all environmental legislation and regulations applicable to the Group's activities.

Schouw & Co. and the individual companies of the Group have interest-bearing debt, part of which has short-term maturities, while part carries floating interest rates, resulting in overall ordinary risk. In addition, the Group does not always hedge its operations denominated in currencies other than Danish kroner.

Schouw & Co. holds 4,800,000 shares in Vestas Wind Systems A/S. The stake is recognised at the officially quoted price at the balance sheet date. The officially quoted share price may fluctuate significantly. At 31 December 2007, the fair value of the stake was DKK 2,625 million.

Schouw & Co. shares are generally subject to the same general risk associated with investing in shares. Accordingly, the official price of the company's shares may fluctuate considerably, partly due to general equity market conditions, partly due to specific in-house matters.

For the shareholders of BioMar Holding, the merger will entail a change in the risk profile of their investment from a concentrated reliance on one specific industry to a more diversified risk profile, for which the risk is spread over different industries, including to a substantial extent to the industry, BioMar Holding operates in.

This review of special risks illustrates that Schouw & Co.'s primary concern is to limit the overall risk by way of the selected diversification profile, as the Group's business areas cover different industries that are not exposed to the same economic cycles.

In addition, Schouw & Co. aims, by maintaining a moderate financial risk profile and ensuring that individual companies are of a reasonable proportion relative to the overall Group, to protect the company against disproportionately negative impacts from conditions prevailing in separate parts of the Group.

4.7 The management of the continuing company

4.7.1 Board of Directors

The Board of Directors of Schouw & Co. will stay on as the board of directors of the continuing company. Members of the continuing company's board of directors will be Jørn Ankær Thomsen (Chairman), Erling Eskildsen (Deputy Chairman), Niels Kristian Agner, Erling Lindahl and Kjeld Johannesen.

Jørn Ankær Thomsen (born on May 17, 1945)

Educational background: LL.M., University of Copenhagen. Jørn Ankær Thomsen is an attorney and partner of Gorrissen Federspiel Kierkegaard Law Firm in Aarhus. Jørn Ankær Thomsen was first elected to the Board of Directors of Aktieselskabet Schouw & Co. in 1982 and was first elected Chairman in 1990.

Current managerial positions and directorships:

Jørn Ankær Thomsen is chairman of the boards of directors of Aida A/S, Aktieselskabet af 26. november 1984, Aktieselskabet Schouw & Co., Carlsen Byggecenter Løgten A/S, Th. C. Carlsen, Løgten A/S, Carlsen Supermarked Løgten A/S, Danish Industrial Equipment A/S, Danske Invest Administration A/S, DB 2001 A/S, Fibertex A/S, F.M.J. A/S, Fåmandsforeningen Danske Invest Institutional, GAM Holding A/S, GFKJURA 883 A/S, Ghana Impex A/S, Givesco A/S, Holdingselskabet af 25. november 1972 A/S, Investeringsforeningen Danske Invest, Investeringsforeningen Danske Invest Almenbolig, Investeringsforeningen Danske Invest Select, Investeringsforeningen Profil Invest, K.E. Mathiasen A/S, Kildebjerg Ry A/S, Krone Erhvervsinvestering A/S, Krone Kapital A/S, K.E. Mathiasen A/S, Løgten Midt A/S, Martin Professional A/S, Ortopædisk Hospital Aarhus A/S, Pipeline Biotech A/S, Placeringsforeningen BG Invest, Schouw Finans A/S and Søndergaard Give A/S, deputy chairman of the boards of directors of Carletti A/S and Givesco Bakery A/S, a member of the boards of directors of BioMar A/S, BioMar Holding A/S, Dan Cake A/S, Ejendomsselskabet Blomstervej 16 A/S, GFK Holding ApS, A/S P. Grene, Jens Eskildsen og Hustru Mary Antonie Eskildsens Mindefond, Krone Kapital I A/S, Krone Kapital II A/S, Krone Kapital III A/S, Købmand TH. C. Carlsens Mindefond, Otto Mønstedts Kollegium i Århus, Specialforeningen Danske Invest and Vestas Wind Systems A/S and managing director of Advokatanpartsselskabet Jørn Ankær Thomsen and Perlusus ApS.

Previous managerial positions and directorships:

Jørn Ankær Thomsen has held the following directorships and managerial positions within the last five years: Chairman of the boards of directors of Investeringsforeningen BG Invest (wound up in January 2008), Bodilsen A/S (resigned in December 2006), Investeringsforeningen Danske Invest Institutional (wound up in October 2006), Guldægget A/S (resigned in June 2006), T-V-Holding A/S (resigned in May 2006), Holdingselskabet af 25. november 1972 A/S (resigned in April 2006), Danish Biogas Technology A/S (resigned in November 2004), Martin Gruppen A/S (dissolved by way of a merger in July 2004), Stentøjsfabrikken Søholm A/S (dissolved by way of a merger in January 2004), K.E. Mathiasen Holding A/S (dissolved by way of a demerger in December 2003) and Investeringsforeningen BG Invest Engros 2 (dissolved by way of a merger in June 2003), a member of the boards of directors of Frima Vafler A/S (resigned in February 2008), EMK Trading ApS (dissolved in September 2007 on shareholder statement that all debts had been paid), Elopak Denmark A/S (resigned in November 2006), Valor Denmark A/S (resigned in May 2006), Dansk Chokoladefabrik A/S (dissolved by way of a merger in August 2005), NEG Micon A/S (resigned in April 2005), DBC International A/S (dissolved by way of liquidation in November 2005) and GFK Holding ApS (resigned in september 2003) and managing director of ODL Restaurant ApS (resigned in August 2007), Skolegade 21 ApS (resigned in March 2006) and Galten Midtpunkt A/S (resigned in May 2004).

Erling Eskildsen (born on May 16, 1941)

Erling Eskildsen is managing director of Givesco A/S, the largest single shareholder of Schouw & Co., and of Danish Industrial Equipment A/S and Søndergaard Give A/S. Erling Eskildsen was first elected to the Board of Directors of Aktieselskabet Schouw & Co. in 1988.

Current managerial positions and directorships:

Erling Eskildsen is chairman of the boards of directors of Carletti A/S, Dan Cake A/S, Dan Cake Services ApS, Givesco Bakery A/S and Leighton Foods A/S, deputy chairman of the board of directors of Aktieselskabet Schouw & Co., a member of the boards of directors of Danish Industrial Equipment A/S, Givesco A/S, A/S P. Grene, Jens Eskildsen og Hustru Mary Antonie Eskildsens Mindefond, O.K. Gruppen A/S, OK Snacks A/S, Struer Brød A/S and Søndergaard Give A/S and managing director of Danish Industrial Equipment A/S, Givesco A/S and Søndergaard Give A/S.

Previous managerial positions and directorships:

Erling Eskildsen has held the following directorships and managerial positions within the last five years: Chairman of the board of directors of Interket A/S (resigned in November 2005), a member of the boards of directors of Frima Vafler A/S (resigned in February 2008), EMK Trading ApS (dissolved in September 2007 on shareholder statement that all debts had been paid), Elopak Denmark A/S (resigned in November 2006), Dansk Chokoladefabrik A/S (dissolved by way of a merger in August 2005), Porto ApS (resigned in May 2005), Baehncke Ejendomme A/S (resigned in April 2005), A/S AF 28.01.2002 (resigned in February 2005), DBC International A/S (dissolved by way of liquidation in November 2005) and Aktieselskabet af 26. november 1984 (resigned in April 2003) and managing director of DBC International A/S (dissolved by way of liquidation in November 2005).

Niels Kristian Agner (born on August 30, 1943)

Educational background: Business economist, BSc, Economics and Business Administration, Copenhagen Business School. Niels Kristian Agner is a professional board member of several businesses. Niels Kristian Agner was first elected to the Board of Directors of Aktieselskabet Schouw & Co. in 1998.

Current managerial positions and directorships:

Niels Kristian Agner is chairman of the boards of directors of G.E.C. Gad A/S, Incuba Venture I K/S, NOVI Management A/S, SP Group A/S and SP Moulding A/S, deputy chairman of the boards of directors of G.E.C. Gads Boghandel A/S and Indeks Retail Invest A/S, a member of the boards of directors of Aktieselskabet Schouw & Co., Dantherm A/S, Dantherm-Fonden, D.F. Holding, Skive A/S, G.E.C. Gads Forlag A/S, GW Energi A/S and Interket DK A/S and managing director of Pigro Management ApS.

Previous managerial positions and directorships:

Niels Kristian Agner has held the following directorships and managerial positions within the last five years: Chairman of the boards of directors of G.E.C. Gads Forlag A/S (resigned as chairman in October 2007), Innfond P/S (resigned in June 2007), Innkomplementar A/S (resigned in June 2007), Novi A/S (resigned in April 2007), G.E.C. Gads Boghandel A/S (resigned as chairman in February 2007), Brynje A/S (resigned in April 2005) and GPV PCB Divisionen A/S (resigned in April 2003), deputy chairman of the board of directors of Olicom A/S (resigned in August 2005), a member of the boards of directors of Ejendoms- og Finansieringsfonden for Nordjyllands Videnpark (resigned in September 2007), Incuba Komplementar ApS (resigned in April 2007), Kim Jørgensen Ejendomme A/S (resigned in September 2006), Ero Holding A/S (dissolved by way of a demerger in September 2006), Aktieselskabet af 1. november 1998 (resigned in July 2005), Incuba A/S (resigned in April 2005), Novi A/S (resigned in April 2005) DKA H1 A/S (dissolved by way of liquidation in December 2007), Investeringselskabet af 26. november 1930 ApS (dissolved by way of liquidation in December 2007), Ero Invest A/S (dissolved by way of a demerger in July 2004) and Santaris Pharma A/S (resigned in May 2003) and managing director of DKA H1 A/S (dissolved by way of liquidation in December 2007), Investeringselskabet af 26. november 1930 ApS (dissolved by way of liquidation in December 2007) and DKA II A/S (resigned in March 2005).

Erling Lindahl (born on July 21, 1945)

Educational background: Mechanical engineer, Sønderborg Technical College, Denmark. Managing Director of Momenta ApS. Erling Lindahl was first elected to the Board of Directors of Aktieselskabet Schouw & Co. in 2000.

Current managerial positions and directorships:

Erling Lindahl is chairman of the boards of directors of Incuba Science Park A/S, Kontorhuset Svendborg A/S, Lübker Golf A/S, Lübker Golf Resort A/S, MA 24 A/S and Venti A/S, a member of the boards of directors of Aktieselskabet Schouw & Co., Incuba A/S, Lindahl & Co. ApS, Lindl Group A/S, Lübker Golf Invest A/S, Lübker Square K/S, Momenta Invest A/S and MOPRRE A/S, and managing director of BLM Foods ApS, Lindahl & Co. ApS, Lindl Group A/S, Momenta ApS and Momenta Invest A/S.

Previous managerial positions and directorships:

Erling Lindahl has held the following directorships and managerial positions within the last five years: Chairman of the boards of directors of Lübker Golf Invest A/S (resigned as chairman in September 2007), Momenta Invest A/S (resigned as chairman in June 2007), Nord-Grunden A/S (dissolved by way of a merger in June 2007), Incuba Komplementar ApS (resigned in April 2007), Østjysk Innovation A/S (resigned in September 2006), A/S AF 28.01.2002 (resigned in October 2005) and Udviklingsparken A/S (dissolved by way of a merger in July 2004), a member of the boards of directors of IT-Huset Katrinebjerg A/S (dissolved by way of a demerger in April 2007), OG 25 A/S (dissolved by way of liquidation in December 2006), Baehncke Ejendomme A/S (resigned in March 2006), Incuba Venture I K/S (resigned in November 2005), Nydamsvej 53 af 15. september 2004 A/S (dissolved by way of liquidation in July 2005), Hvam Heat Design A/S (resigned in May 2004), Wiking A/S (dissolved by way of a merger in December 2003), H.E. af 1. maj 1991 A/S (dissolved by way of liquidation in December 2003) and managing director of Incuba A/S (dissolved by way of a merger in December 2005) and OG 25 A/S (dissolved by way of liquidation in December 2006).

Kjeld Johannesen (born on March 6, 1953)

Educational background: Business diploma (HD), Marketing economics, Aarhus School of Business. Kjeld Johannesen is CEO of Danish Crown a.m.b.a. and Danish Crown Holding A/S. Kjeld Johannesen was first elected to the Board of Directors of Aktieselskabet Schouw & Co. in 2003.

Current managerial positions and directorships:

Kjeld Johannesen is chairman of the boards of directors of Danish Crown Incorporated A/S and Tulip Food Company P/S, deputy chairman of the board of directors of DAT-Schaub a.m.b.a., a member of the boards of directors of Aktieselskabet Schouw & Co., Dansk Industri, Danske Slagterier and DAT-Schaub Holding A/S and CEO of Danish Crown Holding A/S and Danish Crown a.m.b.a.

Previous managerial positions and directorships:

Kjeld Johannesen has held the following directorships and managerial positions within the last five years: Deputy chairman of the board of directors of Danish Prime A/S (dissolved by way of a merger in May 2003) and a member of the boards of directors of Door Holding A/S (resigned in March 2006), Danish Crown Incorporated A/S (resigned in February 2006), Jeld-Wen A/S (resigned in January 2006) and Danish Prime Food Company K/S (resigned in May 2005).

4.7.2 Management Board

The Management Board of Schouw & Co. will stay on as the management board of the continuing company. The Management Board of the continuing company will be Jens Bjerg Sørensen, President and Peter Kjær, Vice President.

Jens Bjerg Sørensen (born on June 11, 1957)

Educational background: Business graduate, Niels Brock Business College, Business diploma (HD), Marketing economics, Copenhagen Business School, IEP – Insead Executive Programme, Insead, France.

Current managerial positions and directorships:

Jens Bjerg Sørensen is chairman of the boards of directors of BioMar A/S, BioMar Holding A/S, A/S P. Grene, Chr. C. Grene A/S, Hydra-Grene A/S, Handels- og Ingeniørfirma, Skjern and Xergi A/S, deputy chairman of the boards of directors of Fibertex A/S and Martin Professional A/S, a member of the boards of directors of Aida A/S, Aktieselskabet af 26. november 1984, Cargo Service A/S, Center for ledelse, Dansk Møler Industri A/S, DB 2001 A/S, Dovista A/S, FAA Holding A/S, F.M.J. A/S, Incuba A/S, Incuba Komplementar ApS, Incuba Venture I K/S and Schouw Finans A/S and managing director of Aktieselskabet af 26. november 1984, Jens Bjerg Sørensen Holding ApS, Jens Bjerg Sørensen Datterholding 1 ApS and Schouw Finans A/S. Jens Bjerg Sørensen was appointed President of Aktieselskabet Schouw & Co. in 2000.

Previous managerial positions and directorships:

Jens Bjerg Sørensen has held the following directorships and managerial positions within the last five years: Chairman of the boards of directors of Martin Security Smoke A/S (resigned in September 2006) and Martin Finance A/S (resigned in May 2005), deputy chairman of the board of directors of Martin Gruppen A/S (dissolved by way of a merger in July 2004) and a member of the boards of directors of Trøjborg Grafisk A/S (resigned in March 2007), Danish Biogas Technology A/S (resigned in November 2004), NEG Micon A/S (resigned in April 2004) and Stentøjsfabrikken Søholm A/S (dissolved by way of a merger in January 2004).

Peter Kjær (born on October 9, 1956)

Educational background: BSc, Electronic Engineering, Engineering College of Aarhus, Business diploma (HD), Marketing economics, Aarhus School of Business, MBA (Master of Business Administration), IMD, Lausanne, Switzerland.

Current managerial positions and directorships:

Peter Kjær is chairman of the boards of directors of Grene Industri-Service A/S, Helsingforsgade 25 Aarhus A/S and Østjysk Innovation A/S, a member of the boards of directors of DB 2001 A/S, A/S P. Grene, Chr. C. Grene A/S, Grene Sp.Z.o.o., Hydra-Grene A/S, Handels- og Ingeniørfirma, Skjern, Inventure Capital A/S, Lastas A/S, Schouw Finans A/S and Xergi A/S and managing director of DB 2001 A/S, Incuba A/S, Incuba Komplementar ApS, Peter Kjær ApS and Udlejningsselskabet Nordhavnsvej 1-3 St. Th. Peter Kjær was appointed Vice President of Aktieselskabet Schouw & Co. in 1996.

Previous managerial positions and directorships:

Peter Kjær has held the following directorships and managerial positions within the last five years: A member of the boards of directors of Nord-Grunden A/S (dissolved by way of a merger in June 2007), IT-Huset Katrinebjerg A/S (dissolved by way of a demerger in April 2007), Martin Security Smoke A/S (resigned in September 2006), Hydropower A/S (resigned in September 2005), Udviklingsparken A/S (dissolved by way of a merger in July 2004), H.E. af 1. maj 1991 A/S (dissolved by way of liquidation in December 2003), Øster Snede Ladfabrik A/S (resigned in June 2003), Poly Thompson A/S (resigned in June 2003), Lastas Mogjer Vognfabrik A/S (resigned in June 2003), Industribo af 1991 A/S (resigned in June 2003), Lastas Kelberg A/S (resigned in June 2003), Lastas Serviceværksted (resigned in June 2003), Lastas Transport Parts A/S (resigned in June 2003), Lastas Truck Center ApS (resigned in June 2003) and Thompson Truck & Trailer Rental A/S (resigned in June 2003) and managing director of H.E. af 1. maj 1991 A/S (dissolved by way of liquidation in December 2003).

4.7.3 Remuneration and benefits

Board of Directors

The total remuneration to the members of the Board of Directors in 2007 was DKK 2.0 million. The amount is not expected to change materially in 2008. Schouw & Co. has not granted loans, issued guarantees or undertaken other obligations to or on behalf of the Board of Directors or any of its members. No member of Schouw & Co.'s Board of Directors is entitled to any kind of remuneration upon retiring from their position as a member of the Board of Directors.

Executive Board

The total remuneration to the members of the Management Board in 2007 was DKK 7.4 million in salaries and DKK 0.2 million in pension contributions. The amount is not expected to change materially in 2008. Schouw & Co. has not granted loans, issued guarantees or undertaken other obligations to or on behalf of the Management Board or any of its members. Members of the Management Board do not have any unusual employment or contractual terms.

4.7.4 Pensions, etc.

Schouw & Co. has not allocated funds or made provisions for any pension benefits, severance schemes or the like for employees or members of the Board of Directors or the Management Board, as the company does not have any unfunded obligations.

BioMar Holding is liable for unfunded pension obligations. BioMar Holding's pension obligations were recognised at DKK 21.6 million at December 31, 2007. The calculation of the pension liabilities is not based on actuarial calculations. The entire provision relates to BioMar Holding's liability to insure the entitlements to receive supplementary pensions in accordance with the previous practise of the KFK pension funds. The obligation is mainly related to people who were on the labour market at September 30, 2002 and who transferred to employment with the consortium that took over the divested grain and feed operations (the former KFK). Some uncertainty applies as to the amount of the pension obligation. Accordingly, final coverage of this liability may impact future financial results in a positive or a negative direction.

Income of DKK 30 million has been recognised for the 2006 financial year relating to the above-mentioned obligation, because the Danish FSA has changed its position on the scope of BioMar Holding's liability of coverage.

4.7.5 Statement on past records

During the past five years, no member of the Board of Directors or the Management Board have (i) been convicted of fraudulent offences (ii) participated in the management of companies which have commenced insolvency or filed a petition in bankruptcy, or (iii) been the object of public prosecution or sanctions by supervisory authorities (including appointed professional bodies) or (iv) been declared unfit by a competent court of law to act as a member of an issuer's management, board of directors or supervisory bodies or to be in charge of an issuer's management.

The following members of the Board of Directors and of the Management Board have participated in the management of companies that have gone into liquidation:

Niels Kristian Agner has served on the board of directors and the management of DKA H1 A/S, which was dissolved by liquidation in December 2007. Niels Kristian Agner has also served on the board of directors and the management of Investeringsselskabet af 26. november 1930 ApS, which was dissolved by liquidation in December 2007.

Jørn Ankær Thomsen and Erling Eskildsen have served on the board of directors of EMK Trading ApS, which was dissolved in September 2007 on shareholder statement that all debts had been paid.

Erling Lindahl has served on the board of directors and the management of OG 25 A/S, which was dissolved by liquidation in December 2006.

Jørn Ankær Thomson has served on the board of directors of DBC International A/S, and Erling Eskildsen has served on the board of directors and the management of DBC International A/S, which was dissolved by liquidation in November 2005,

Erling Lindahl has served on the board of directors of Nydamsvej 53 af 15. september 2004 A/S, which was dissolved by liquidation in July 2005.

Erling Lindahl has served on the board of directors of H.E. af 1. May 1991 A/S, and Peter Kjær has served on the board of directors and the management of H.E. af 1. May 1991 A/S, which was dissolved by liquidation in December 2003.

4.7.6 Statement on kinship

To the best of the management's knowledge and belief, no kinship exists between any members of the Board of Directors or the Management Board.

4.7.7 Statement on conflicts of interest

No actual or potential conflict of interests exists between any of the duties of the members of the Board of Directors and the Management Board and their private interests and/or other duties.

4.7.8 Incentive programme

Since January 2003, Schouw & Co. has operated a share-based incentive programme comprising the Management and senior managers, including the executive managements of subsidiaries. A total of 96,000 options to buy shares in Schouw & Co. at a price of DKK 167.50 per share were exercised under the programme in 2007.

In continuation of the share-based incentive programme, Schouw & Co. awarded, in March 2006, 27,000 share options to members of the Management (two persons) and a total of 93,000 share options to other senior managers, including the executive management of subsidiaries (ten persons).

The share options are exercisable during a four-week period following the publication of Schouw & Co.'s Annual Report for 2007 at a strike price of DKK 301.75, equal to the market price of the shares at the time of grant plus a 3% premium per annum and adjusted for the increased dividend paid in respect of the 2006 financial year.

In addition, Schouw & Co. awarded, in March 2007, another 24,000 share options to members of the Management (two persons) and a total of 86,000 share options to other senior managers, including the executive management of subsidiaries (eleven persons).

The share options are exercisable during a four-week period following the publication of Schouw & Co.'s Annual Report for 2008 at a strike price of DKK 451.75, equal to the market price of the shares at the time of grant plus a 4% premium per annum. If the proposed bonus share issue is approved, the number of options will be doubled and the strike prices will be reduced by 50% due to the bonus share issue.

The entire share option programme, which amounts to 1.8% of the share capital, is covered by Schouw & Co.'s holding of treasury shares, which is recognised in the balance sheet at DKK 0.

4.7.9 Number of shares and options held by members of the Board of Directors and the Management Board

The table below sets out the number of shares and options held by members of the Board of Directors and the Management Board:

Shares held by members of the Board of Directors	No. of shares held by Board member	Board member's holding in related company¹	Holdings of other related parties²
Jørn Ankær Thomsen	0	100,000	11,610
Erling Eskildsen	502,231	0	0
Niels Kristian Agner	8,500	0	600
Erling Lindahl	14,585	5,000	1,000
Kjeld Johannesen	0	0	1,000

Shares held by members of the Management Board	No. of shares held by executive personally	Executive's holding in related company¹	Holdings of other related parties²
Jens Bjerg Sørensen	902	25,000	0
Peter Kjær	1,293	9,953	144

Options held by members of the Management Board	Share option programme 2006 (expires 2008)	Share option programme 2007 (expires 2009)
Jens Bjerg Sørensen	15,000	15,000
Peter Kjær	12,000	9,000

As a matter of principle, members of the Board of Directors of Schouw & Co. do not receive incentive remuneration and thus do not hold any options.

4.7.10 Board practices

The Board of Directors of Schouw & Co. held six Board meetings and a conference call in 2007, corresponding to the ordinary level of Board activity in the company. In addition, two board seminars were held during the year.

Ordinary Board meetings are scheduled at least six months in advance. Board meetings are normally attended by all members of the Board and the Management Board. At Board meetings held in 2007, the number of Board members unable to attend was never more than one.

For reasons of impartiality, the Chairman of the Board, Jørn Ankær Thomsen, does not, on principle, participate in business regarding the holding of shares in Vestas Wind Systems A/S, because Jørn Ankær Thomsen serves on that company's board of directors.

Niels Kristian Agner and Kjeld Johannesen are considered to be independent members of the Board, whereas Jørn Ankær Thomsen, Erling Eskildsen and Erling Lindahl are not considered to be independent under the definition provided in "Revised Recommendations on Corporate Governance in Denmark". Jørn Ankær Thomsen is a professional adviser to Schouw & Co., Erling Eskildsen is a principal shareholder of Schouw & Co., and Erling Lindahl is a former President of Schouw & Co.

Board meetings are conducted in accordance with a fixed master agenda, which ensures compliance with the Board's rules of procedure.

The Schouw & Co. Group has a decentralised corporate structure, under which the individual portfolio companies enjoy a large degree of independence and have their own individual organisation and management.

The boards of directors of the individual portfolio companies are generally composed of, as a minimum, a representative from each of the Board of Directors and the Management Board of Schouw & Co. along with external Board members who have a special interest or knowledge of the particular portfolio company's business area.

¹ Company wholly owned by the particular member of management

² Related parties as defined section 28a(4) of the Danish Securities Trading Act.

4.8 Corporate governance

The Management Board and the Board of Directors of Schouw & Co. see corporate governance as a natural part of operating a listed company, addressing on an ongoing basis the issues in relation to corporate governance and interaction with the company's stakeholders.

In our opinion, therefore, Schouw & Co. complies in all material respects with the intentions of "Revised Recommendations on Corporate Governance in Denmark".

However, corporate governance is an ongoing process. Consequently, there are procedures and policies which Schouw & Co. has not formalised and expressed in writing to the extent proposed in the corporate governance recommendations.

In addition, there are areas in which Schouw & Co. does not apply "Revised Recommendations on Corporate Governance in Denmark". In such cases the Management and Board seek other ways of maintaining high standards.

Below is a brief outline of the areas in which Schouw & Co. is believed to diverge materially from "Revised Recommendations on Corporate Governance in Denmark". The outline is based on the eight main areas of "Revised Recommendations on Corporate Governance in Denmark".

I. The role of the shareholders and their interaction with the management board

Shareholders have traditionally not been able to consider each individual item separately on the agenda when voting by proxy, because the company has not identified a material need therefor.

No other significant divergence.

II. The role of the stakeholders and their importance to the company

No significant divergence.

III. Openness and transparency

No significant divergence.

IV. The tasks and responsibilities of the Board of Directors

No significant divergence.

V. The composition of the board of directors

Schouw & Co. does not entirely comply with the recommendations on board independence, because we believe the Board composition meets the company's needs.

Schouw & Co. has no restrictions on the number of directorships a Board member may hold and has not determined an age limit, because we consider Board members' personal working capacity a matter for individual assessment.

Board members are elected for terms of four years, because continuity is considered to be a significant factor in a diversified group.

Schouw & Co. does not announce recruitment criteria or an annual profile of the Board. Nor does the company perform an annual evaluation, because the company does not see a significant need therefor.

No other significant divergence.

VI. Remuneration to the Board of Directors and Board of Management

Schouw & Co. does not publish information on the company's remuneration policy or the remuneration paid to individuals, because such information is not considered relevant. Members of the

Management have no unusual terms of employment, and as a matter of principle, Board members do not receive incentive remuneration.

No other significant divergence.

VII. Risk management

No significant divergence.

VIII. Audit

No significant divergence.

4.9 Internal financial management systems and procedures

The management of Schouw & Co. believes that the company has implemented all necessary management and control systems to ensure compliance with the obligations applying to issuers of shares quoted on the OMX Nordic Exchange Copenhagen.

Schouw & Co. applies a range of different management tools for the purpose of the day-to-day management. Each sub-group reports consolidated monthly figures on the basis of which Schouw & Co. prepares consolidated interim financial statements on a monthly basis. Monthly budget follow-ups are made on the basis of the monthly interim financial statements.

In addition, the Finance Department prepares detailed budgets in collaboration with the Management Board, including income, balance sheet and cash flow budgets. The same procedures apply to the subsidiaries.

At a board meeting in December of each year, the Management Board presents the entire budget produced on the basis of budgets prepared and processed by each sub-group to the Board of Directors in order for the budget to be approved at least one month before the beginning of the coming budget year.

4.10 Financial highlights of the continuing company

Since the end of 2005, BioMar Holding has been a fully consolidated subsidiary in Schouw & Co's financial statements. Accordingly, the accounting treatment of BioMar Holding in Schouw & Co.'s consolidated financial statements will not change as a result of the merger.

On the other hand, the allocation of profit will change, because the share of the profit for the year and the comprehensive income of the Schouw & Co. Group which in 2006 and 2007 was attributable to the minority interests of BioMar Holding will accrue to the shareholders of Schouw & Co. as from April 16, 2008. Similarly, the allocation of equity will change, because the share of the Schouw & Co. Group's equity, which in 2006 and 2007 was attributable to the minority interests of BioMar Holding henceforth will be attributable to the shareholders of Schouw & Co.

The areas affected by the merger and the changes as from 2008 due to the merger and comparative figures for 2006 and 2007 appear from the table below:

Allocation of the profit for the year	Change in 2008	2007	2006
Shareholders of Schouw & Co.	Will increase	DKK 1,652.5m	DKK 1,240.3m
Minority interests in BioMar Holding A/S	Only for the period January 1 – April 16, 2008	DKK 16.0m	DKK 65.0m
Other minority interests	Unchanged	DKK 14.7m	DKK 9.5m
Profit for the year	Unchanged	DKK 1,683.2m	DKK 1,314.8m

Allocation of recognised comprehensive income	Change in 2008	2007	2006
Shareholders of Schouw & Co.	Will increase	DKK 1,668.3m	DKK 1,224.7m
Minority interests in BioMar Holding A/S	Only for the period January 1 – April 16, 2008	DKK 32.6m	DKK 61.8m
Other minority interests	Unchanged	DKK 22.1m	DKK 4.6m
Total recognised comprehensive income	Unchanged	DKK 1,723.0m	DKK 1,291.1m

Allocation of equity	Change in 2008	2007	2006
Shareholders of Schouw & Co.	Will increase	DKK 4,972.4m	DKK 3,460.6m
Minority interests in BioMar Holding A/S	Eliminated	DKK 391.0m	DKK 372.1m
Other minority interests	Unchanged	DKK 278.1m	DKK 8.7m
Total equity	Unchanged	DKK 5,641.5m	DKK 3,841.4m

4.11 Capital resources

Schouw & Co. gives priority to having a high equity ratio and substantial cash resources in order to ensure financial versatility. Based on the consolidated equity ratio of 54.7% at December 31, 2007, this policy opens up for a considerable expansion of the Group's operations on the basis of:

- existing unutilised credit facilities;
- the establishment of additional credit facilities; and
- substantial current cash flows from existing operations.

In addition, the holding of 4,800,000 shares in Vestas is free and unencumbered and represents a substantial and highly liquid investment for Schouw & Co. The market value of the holding was approximately DKK 2,467 million at March 11, 2008. In addition, Schouw & Co. held 928,734 treasury shares at a total market value at March 11, 2008, of approximately DKK 379 million. The portfolio of treasury shares is recognised at DKK 0 in the 2007 Annual Report. The holding of treasury shares has not been provided as security or charged in any other way. A part of Schouw & Co.'s holding of treasury shares will be used in connection with the merger.

Schouw & Co.'s other assets are also free and unencumbered, with the exception of the security provided for a mortgage loan of DKK 50 million.

The Board of Directors reviews the company's capital structures at appropriate intervals, most recently when considering the 2007 Annual Report. The Board of Directors believes that the company's existing credit facilities and liquid assets, combined with the Group's strong equity ratio and its general risk diversification ensure that the company can continue to maintain sufficient financing of the Group's current working capital and its continued growth and development.

The Schouw & Co. Group's overall liabilities can be divided into current and non-current categories, the current liabilities being items falling due for payment within 12 months. The overall liabilities can also be divided into interest-free supplier credits, etc. and interest-bearing liabilities to credit institutions, as appears from the table below.

The group's total liabilities at December 31, 2007 (DKKm)

	Carrying amount
Total long-term liabilities	1,455,4
Total short-term liabilities	<u>2,618,0</u>
Total liabilities	<u>4,073,4</u>
Distributed on:	
Non-interest-bearing trade payables, etc.	1.205,0
Interest-bearing debt to credit institutions	<u>2.868,4</u>
Total liabilities	<u>4.073,4</u>

Like the overall liabilities, the interest-bearing liabilities can be divided into current and non-current categories. At December 31, 2007, the Schouw & Co. Group had unutilised credit facilities of approximately DKK 800 million and cash and cash equivalents of more than DKK 200 million.

For long-term credit facilities, the bank has provided a commitment for a fixed term of the loan, as appears from the table below.

The group's interest-bearing debt at December 31, 2007 (DKKm)

Currency	Matures in	Fixed/floating	Carrying amount	2006
DKK	2027	Fixed	161,9	35,8
DKK	2025	Floating	519,9	772,2
EUR	2022	Fixed	269,4	201,7
EUR	2024	Floating	212,8	367,2
Other	2011	Fixed	41,7	57,7
Other	2015	Floating	<u>243,6</u>	<u>268,5</u>
Total long-term loans			<u>1.449,3</u>	<u>1.703,1</u>
Of which short-term part of long-term debt			181,7	361,2
DKK			1.022,8	251,5
EUR			107,4	85,6
PLN			95,6	49,5
USD			75,7	42,1
NOK			60,7	0,7
CZK			24,7	34,2
MYR			3,7	28,8
Other			<u>28,5</u>	<u>31,3</u>
Total short-term credit facilities			<u>1.419,1</u>	<u>523,7</u>
Total interest-bearing debt			<u>2.868,4</u>	<u>2.226,8</u>
Cash and cash equivalents			<u>227,1</u>	
Net interest-bearing debt			<u>2.641,3</u>	

As the Schouw & Co. Group operates a business in several different countries, a part of the debt will inherently be in foreign currency, as also appears from the table.

The total net interest-bearing debt was DKK 2,641.3 million at December 31, 2007, while the Schouw & Co. Group's equity exclusive of minority interests at December 31, 2007 was DKK 4,972.4 million. The relationship between these two amounts is expressed as a financial gearing of 0.53.

4.12 Outlook

As appears from Schouw & Co.'s 2007 Annual Report, the Schouw & Co. Group has built substantial financial strength in recent years that allows for the continued expansion of the Group's opera-

tions, especially on a long-term investment horizon during a time of uncertainty in the financial markets.

Our ambition remains to exploit this potential, and we are ready to act if the right opportunities present themselves.

The companies of the Schouw & Co. Group will be facing different challenges in 2008, and we anticipate generally lower growth rates and rising costs, not least for raw materials.

Grene will have to meet expectations emanating from its highly satisfactory performances and successful results under favourable market conditions in 2006 and 2007.

Martin will need to sustain the momentum from the improvements achieved in 2007 and to position the business for continued growth with earnings at a permanently higher level.

Fibertex must ensure good utilisation of the installed production capacity and sharply improved profitability.

BioMar will need to capitalise on the potential of its existing production plant and to successfully integrate the businesses acquired from Provimi with its existing operations.

Finally, Xergi will need to expand its business base in a fast and committed process within an appropriate financial framework.

Overall, Schouw & Co. projects consolidated full-year 2008 revenue of approximately DKK 10 billion and a profit before tax of about DKK 400 million exclusive of the effects from the holding of shares in Vestas Wind Systems A/S and exclusive of the share of the profit in BioMar's subsidiary Sjøtroll Havbruk, which is recognised separately under "Profit from discontinuing operations".

A sales process involving the equity stake in Sjøtroll has been initiated. Accordingly, there can be no assurance as to for how much of the 2008 financial year the company will recognise a share of the profit in Sjøtroll.

5 REMUNERATION AND AGREEMENTS RELATED TO THE MERGER

No agreements on remuneration to members of the Board of Directors, the Management Board or employees of the two companies have been entered into in connection with the merger.

Apart from the corporate documents required by legislation, no special agreements have been entered into in connection with the merger.

6 THE NEW SHARES

As stated above, a capital increase in Schouw & Co. is required as a result of the merger in order to produce the necessary number of shares to carry out the exchange.

6.1 Rights attaching to the shares

The new shares shall rank *pari passu* with all other shares of Schouw & Co.

No shares of Schouw & Co. carry any special rights.

The company's articles of association do not provide a procedure for changing shareholders' rights. The provisions of Danish law apply.

6.2 Limitations on shareholdings

No ownership limitations apply to the shares of Schouw & Co.

6.3 Bearer shares

All shares of Schouw & Co. are registered in book-entry form and must be held through a Danish bank or other institution authorised to be registered as the custodian of such shares in accounts maintained in the computer system of VP Securities Services. The shares are issued to bearer, but may be registered by name in the register of shareholders.

6.4 Dividend rights/Rights to share in profits

Pursuant to the Danish Public Companies Act, the shareholders authorise the distribution of dividends at the annual general meeting on the basis of the most recently approved annual report. Dividends may not exceed the amount recommended by the Board of Directors. Extraordinary dividends may be distributed on the basis of an authorisation issued by the shareholders in general meeting to the Board of Directors. The Board of Directors has no current plans to propose that such authorisation be incorporated in the articles of association of Schouw & Co.

The new shares in Schouw & Co. to be issued as consideration to the shareholders of BioMar Holding are eligible for any dividends payable as from the date of the merger, i.e. from January 1, 2008, and all dividends declared and paid thereafter. Accordingly, the new shares will entitle the holders to receive any dividends declared in respect of the 2008 financial year, provided the shareholders attending the annual general meeting in 2009 vote in favour of a resolution to pay a dividend.

Dividends are paid out in Danish kroner to the shareholders' account with their account-holding bank and in accordance with the rules of VP Securities Services in force from time to time. On payment of dividends, Schouw & Co. withholds tax on dividends pursuant to the rules in force from time to time. The current general rate for individuals is 28%. If an ownership interest does not meet the requirement for a distribution of dividend without withholding tax, the rate for companies is 16.5%. Dividends not claimed by shareholders are forfeited under the general rules of Danish law.

6.5 Voting rights

Each share with a nominal amount of DKK 10 shall carry one vote.

Voting rights may be exercised pursuant to a written and dated instrument of proxy. Proxy forms are valid for a maximum of 12 months.

Shareholders who have obtained admission cards have voting rights at general meetings. Admission cards are issued against documentation of shareholder status at a place specified in the notice convening the general meeting until five days prior to the general meeting.

For a shareholder to exercise his or her voting rights, the share upon which the voting rights are based must also be registered in that shareholder's name in the register of shareholders. The voting rights attaching to shares acquired by transfer may only be exercised if the relevant shares have been recorded in the register of shareholders not later than the day before the relevant general meeting was convened, or if the shareholder has given notice of his acquisition not later than at such time and submitted appropriate documentation thereof.

6.6 Pre-emption rights

If the share capital is increased by new shares, shareholders are entitled to subscribe pro rata for the new shares as provided in article 2(8) of the company's articles of association unless specifically resolved otherwise by the general meeting. Pursuant to article 2(7), pre-emption rights to existing shareholders may be disapplied by the Board of Directors exercising its authority to increase the share capital provided the subscription price equals the market price.

6.7 Rights on liquidation

In the event Schouw & Co. is liquidated, the shareholders shall be entitled to participate in the distribution of the net assets in proportion to their nominal shareholdings after the company's creditors have been satisfied.

6.8 Negotiability and transferability of the Shares

The shares of Schouw & Co. are freely transferable and negotiable instruments pursuant to Danish law and no restrictions shall apply to their transferability. The new shareholders shall not be under an obligation to allow their shares to be redeemed other than under the provisions of the Danish Public Companies Act.

6.9 Exchange of shares

As a result of the merger, the shares of the discontinuing company, BioMar Holding, must be exchanged for shares in the continuing company, Schouw & Co.

The exchange of shares will be recorded in the register of VP Securities Services, Helgeshøj Allé 61, P.O. Box 20, 2630 Taastrup, when the merger has been registered with the Danish Commerce and Companies Agency. Shareholders of the discontinuing company, BioMar Holding, will receive notification to that effect when the merger has been registered and the exchange of shares is to take place.

6.10 Trading in and official listing of the new shares

Application will be made for the new shares relating to the capital increase of Schouw & Co. to be admitted for trading and official listing on the OMX Nordic Exchange Copenhagen and dealings in the shares are expected to commence as set out in the timetable below.

7 OTHER INFORMATION ABOUT SCHOUW & CO.

7.1 Name and registered office

Aktieselskabet Schouw & Co.
Chr. Filtenborgs Plads 1
DK-8000 Aarhus C
Tel. +45 86 11 22 22
Fax +45 86 11 33 22

The company has no registered secondary names.

The Company's registered office is situated in the Municipality of Aarhus, Denmark.

The Company was incorporated on March 28, 1911.

Aktieselskabet Schouw & Co. is registered with the Danish Commerce and Companies Agency under company registration (CVR) no. 63 96 58 12 and is a limited liability company registered under Danish law.

7.2 Financial year and financial reporting

The company's financial year runs from 1 January to 31 December. The company publishes quarterly reports.

7.3 Objects

Pursuant to article 1(3) of the Articles of Association, the objects of the company are to carry on trade and manufacturing and any other business deemed to be related thereto.

7.4 Auditors

KPMG C. Jespersen Statsautoriseret revisorinteressentskab, Aarhus.

7.5 Issuing agent

The company's issuing agent is Danske Bank A/S, Holmens Kanal 2-12, DK-1092 Copenhagen K, Denmark.

7.6 Financial calendar

Schouw & Co.'s financial calendar for 2008 is as follows:

- March 13, 2008 Webcast from the presentation of the 2007 Annual Report
- April 16, 2008 Annual General Meeting
- May 8, 2008 Release of Q1 2008 interim report and teleconference
- August 18, 2008 Release of H1 2008 interim report
- August 19, 2008 Webcast from the presentation of the H1 2008 interim report
- November 6, 2008 Release of Q3 2008 interim report and teleconference

8 EXPECTED TIMETABLE FOR THE MERGER

Expected timetable of the planned merger.

- April 15, 2008 Annual general meeting of BioMar Holding – resolutions to distribute dividend and to approve merger proposal
- April 16, 2008 Annual general meeting of Schouw & Co. – resolutions to distribute dividend, to issue bonus shares and to approve merger proposal

Shares in BioMar Holding traded ex dividend
- April 17, 2008 Shares in Schouw & Co. trading ex dividend - Last day of trading including bonus shares
- April 18, 2008 Statutory Danish holiday
- April 21, 2008 Last day of trading in BioMar Holding shares on the OMX Nordic Exchange Copenhagen
- April 22, 2008 Bonus shares and shares in Schouw & Co. exchanged from shares in BioMar Holding (i.e. first day of trading ex bonus shares in Schouw & Co. and first day of trading in shares in Schouw & Co. allocated to shareholders in BioMar on the merger)
- April 22, 2008 Net dividend available in accounts held by BioMar Holding shareholders
- April 23, 2008 Net dividend available in accounts held by Schouw & Co. shareholders
- April 24, 2008 Bonus shares allocated in 1:1 ratio in VP Securities Services (after the daily updating)

VP Securities Services issues a new shareholding statement to the shareholders of Schouw & Co.

Merger processed by VP Securities Services. Each share in BioMar Holding to be exchanged for a share in Schouw & Co.

VP Securities Services issues a new shareholding statement to the shareholders of BioMar Holding.

9 DOCUMENTS

Enclosed with this announcement are:

- A joint merger plan;
- Merger memorandums issued by the boards of directors of Schouw & Co. and BioMar Holding;
- Articles of association;
- Opinion by valuation experts on the merger plan at 1 January 2008 between Schouw & Co. and BioMar Holding and statements in accordance with section 134c(4) of the Danish Public Companies Act issued by the independent auditors.

As of the date of this announcement, these documents will also be available for inspection by the shareholders at the offices of Schouw & Co., Chr. Filtenborgs Plads 1, 8000 Aarhus C, and of BioMar Holding, Værkmestergade 25,6, 8000 Aarhus C.

10 FINANCIAL HIGHLIGHTS – SCHOUW & Co.

GROUP SUMMARY (DKK MILLION)	2007	2006	2005	2004	2003
REVENUE	8,150.3	7,370.2	3,734.8	3,382.5	3,081.9
Operating profit before goodwill	438.8	471.5	203.7	212.0	202.1
Goodwill amortisation and impairment	0.0	0.0	(2.1)	0.0	(29.6)
Profit/(loss) from associates before goodwill	(3.0)	5.0	0.1	(0.7)	(116.4)
Goodwill amortisation and impairment in associates	0.0	(0.8)	0.0	0.0	(6.9)
Profit/loss from divestment of equity investments	0.0	282.9	17.6	0.0	(4.6)
Net financials	1,330.3	589.5	310.4	(238.7)	172.7
Profit/(loss) before tax	1,766.1	1,348.1	529.7	(27.4)	217.3
Tax on the profit/loss for the year	(102.4)	(107.9)	(33.1)	(38.5)	(44.4)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	1,663.7	1,240.2	496.6	(65.9)	172.9
Profit for the year from discontinued operations	19.5	74.6	0.0	0.0	0.0
PROFIT/(LOSS) FOR THE YEAR	1,683.2	1,314.8	496.6	(65.9)	172.9
Attributable to:					
Shareholders of Schouw & Co.	1,652.5	1,240.3	498.0	(62.7)	172.2
Minority interests	30.7	74.5	(1.4)	(3.2)	0.7
Share of equity attributable to shareholders of Schouw & Co.	4,972.4	3,460.6	2,307.6	1,789.7	1,904.4
Minority interests	669.1	380.8	472.1	118.6	67.9
TOTAL EQUITY	5,641.5	3,841.4	2,779.7	1,908.3	1,972.3
Total assets	10,316.4	7,465.8	6,965.1	4,249.8	4,243.6
OTHER FINANCIAL DATA					
Average number of employees in the year	3,541	3,352	2,784	2,690	2,441
Investments in property, plant and equipment	308.8	536.7	450.9	338.9	232.8
Depreciation of property, plant and equipment	300.5	293.2	187.3	204.0	192.1
Return on equity (%)	39.2	43.0	24.3	(3.4)	9.2
ROIC (%)	10.3	13.5	7.5	9.0	9.2
Equity ratio (%)	54.7	51.5	39.9	44.9	46.5
PER SHARE DATA					
Earnings per share (of DKK 10)	141.48	105.51	42.17	-5.29	14.21
Diluted earnings per share (of DKK 10)	140.90	105.11	42.12	-5.29	14.21
Dividend per share (of DKK 10)	6.00	6.00	3.00	2.00	2.00
Net asset value per share (of DKK 10)	430.84	295.98	195.35	151.68	158.97
Share price at year end (of DKK 10)	441.40	360.17	230.01	122.65	118.34
Price/net asset value	1.02	1.22	1.18	0.81	0.74
P/E	3.12	3.41	5.45	neg.	8.33
MARKET CAPITALISATION	5,094	4,211	2,717	1,447	1,418

Danish Society of Financial Analysts. Financial highlights and key figures for 2004-2007 have been prepared in accordance with IFRS. The comparative figures for 2003 have not been restated to reflect the change in accounting policies, but were prepared according to the previous accounting policy based on the provisions of the Danish Financial Statements Act and Danish Accounting Standards.

11 FINANCIAL HIGHLIGHTS – BIOMAR HOLDING

GROUP SUMMARY (DKK MILLION)	2007	2006	2005	2004	2003
Income statement, DKK million					
Revenue	3,677	3,274	2,622	2,603	2,661
EBITDA	248	313	210	145	-210
EBIT	163	232	124	27	-424
Profit/loss from financial items, net	-35	-21	3	5	-34
Profit/loss for the year before tax	128	210	126	32	-458
Profit from discontinued operations	19	75	49	2	0
Profit for the year	138	241	166	-9	-390
Balance sheet, DKK million					
Non-current assets	733	843	756	713	622
Current assets	1,101	1,107	1,005	1,170	1,513
Assets held for sale	1,251	-	-	-	-
Total assets	3,085	1,950	1,761	1,883	2,135
Equity	1,138	967	836	1,255	1,275
Average invested capital	1,053	920	959	1,114	1,682
Financial ratios					
ROIC before tax	15.5%	25.2%	12.9%	2.4%	-25.2%
Operating margin (EBIT margin)	4.4%	7.1%	4.7%	1.0%	-15.9%
ROIC before tax adjusted for non-recurring item	16.8%	22.0%	14.1%	11.3%	-
EBIT adjusted for non-recurring items	163	202	135	126	-
EBIT margin adjusted for non-recurring items	4.4%	6.2%	5.1%	4.8%	-
Volume (tonnes)	547,300	513,067	466,887	440,078	-
Gross profit per kilo (DKK)	1.63	1.69	1.61	1.73	-
EBITDA plus change in working capital	265	307	272	317	-
Acquisition of property, plant and equipment	141	121	49	53	-
Receivables	526	510	470	522	-
Overheads	360	334	311	319	-
Number of employees	538	497	499	503	517
Equity ratio	62.1%	49.6%	47.5%	66.6%	59.7%
Return on equity	13.1%	26.7%	15.9%	-0.7%	-22.4%
Financial ratios for shares and dividends					
Number of shares, face value of DKK 1,000 each	10,999	10,999	10,999	10,999	10,999
Market price (year end)	197	246	137	110	93
Net asset value per share	103	88	76	114	116
Price/book value (year end)	1.90	2.80	1.80	0.96	0.80
Earnings per share	11.5	21.9	15.1	(0.8)	(35.5)
Price Earnings Ratio (P/E)	17.1	11.2	9.1	neg.	neg.

Financial highlights for 2004-2007 were prepared in accordance with IFRS. The comparative figures for 2003 have not been restated to the changed accounting policies, but prepared in accordance with the former accounting policies based on the Danish Financial Statements Act and Danish Accounting Standards. We refer to the section "Definition of financial ratios" under "Accounting policies" with the exception of equity ratio for 2007, which has been calculated as "equity excluding minority interests as a percentage of assets of continuing operations".