

# QUARTERLY REPORT Q2 2015

## QUARTER IN BRIEF

- 45 000 + ha seeded
- Pumpkin was introduced and seeded
- Net profit for the period was 107 390 KSEK
- The last remaining stock from 2014 were sold
- Grivna currency fluctuations
- Only small stops during seeding due to weather conditions
- Winter wheat state remains at a range from good to excellent

## FINANCIAL INDICATORS

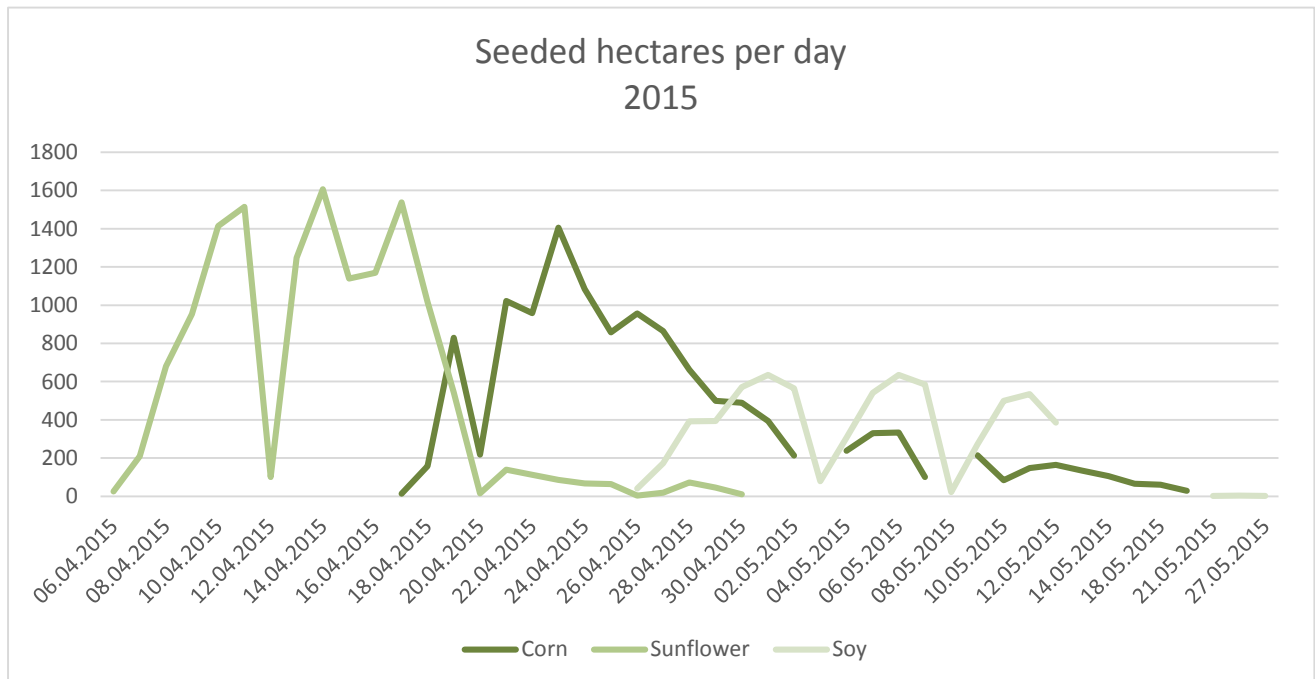
	2Q 2015	2Q 2014
	KSEK	KSEK
Total revenue and gains	241 142	188 446
Gross profit	137 779	80 309
EBITDA	82 422	89 165
EBITDA margin	34 %	61%
Net profit/loss	107 390	44 672
Net margin	45 %	24 %
Total assets	357 581	389 229
Total equity	199 142	188 980
Total liabilities	158 439	200 249
Profit/loss per share	13,8	5,7

## SEEDING CAMPAIGN

This year we planned to sow 43 700 hectares but the actual sowing area was 45 473 ha. The timing of seeding was about the same as last year, Sunflower started in beginning of April and took about a month to complete in all regions. Corn was seeded mid- April and had two stops during the seeding campaign due to bad weather conditions. Corn was finalized during last part of May. Pumpkin and Soy was also finalized within the planned time frame.

Herbicides, fungicides and growth stimulators were injected on winter wheat during the second quarter. The state of the winter wheat crops remained at a range from good to excellent, except of 52 ha in Chernigov which had to be re-seeded with corn.

During June Ukraine had a few days of very high temperature which affects crops growth. Fortunately the high temperature only lasted a few days and dropped back to normal conditions, which should mean that the crop growth process started and the negative impact from the abnormal heat stopped.



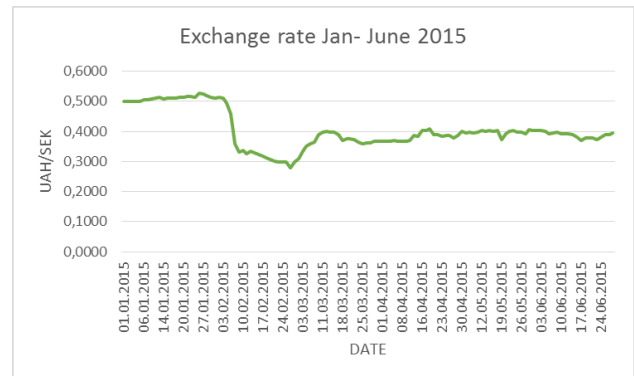
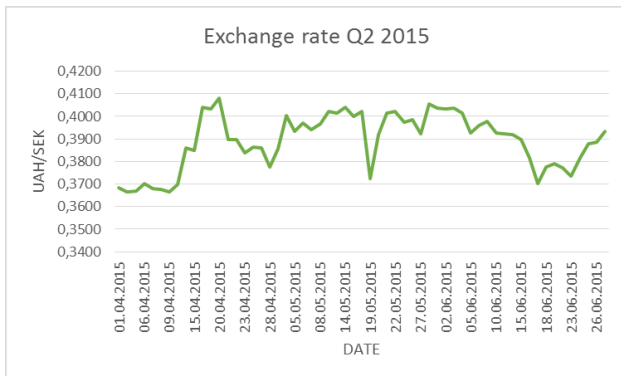
# QUARTERLY REPORT Q2 2015



## CURRENCY

The currency have fluctuated significantly during the year. Since January, Grivna has fallen by over 20 % against the Swedish krona.

The inflation in Ukraine is also still very high, 25-30 %.

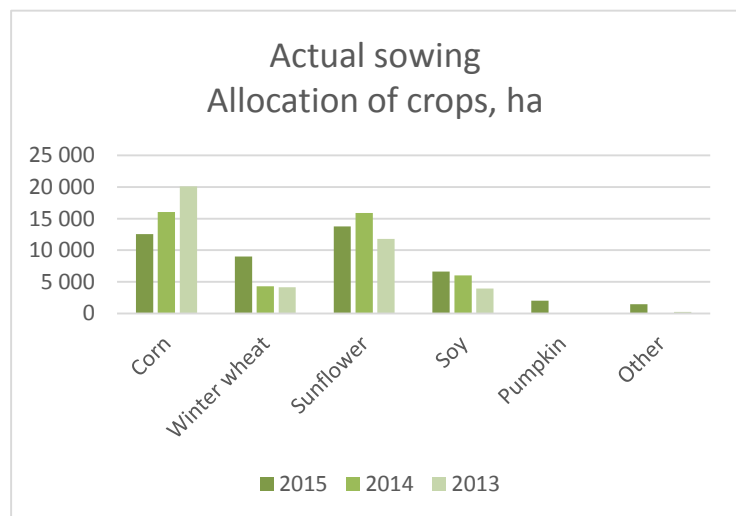


## STOCK

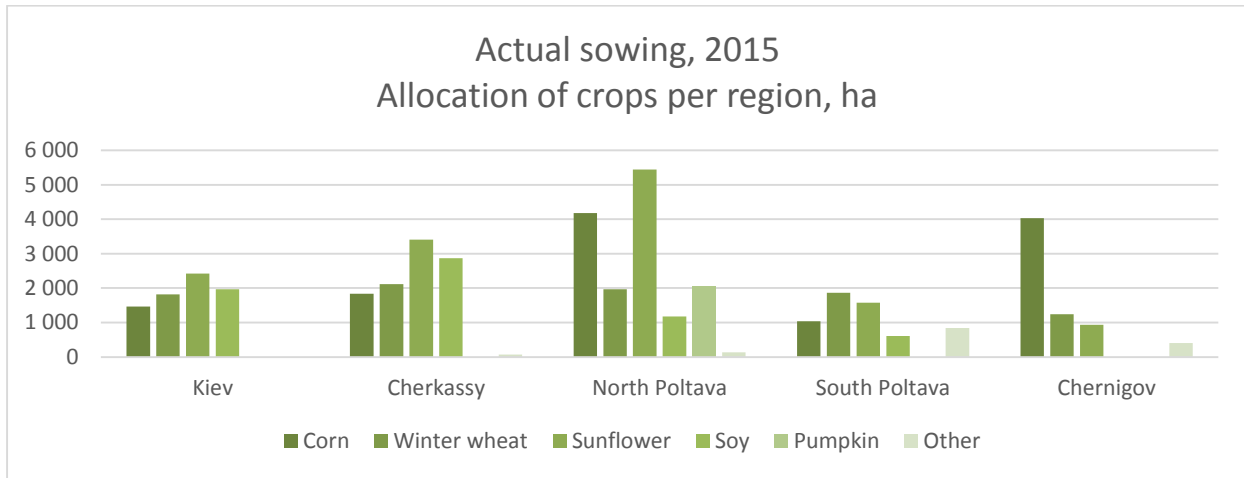
By the end of the second quarter, there were no stock left from the crops harvested in 2014.

## ALLOCATION OF CROPS

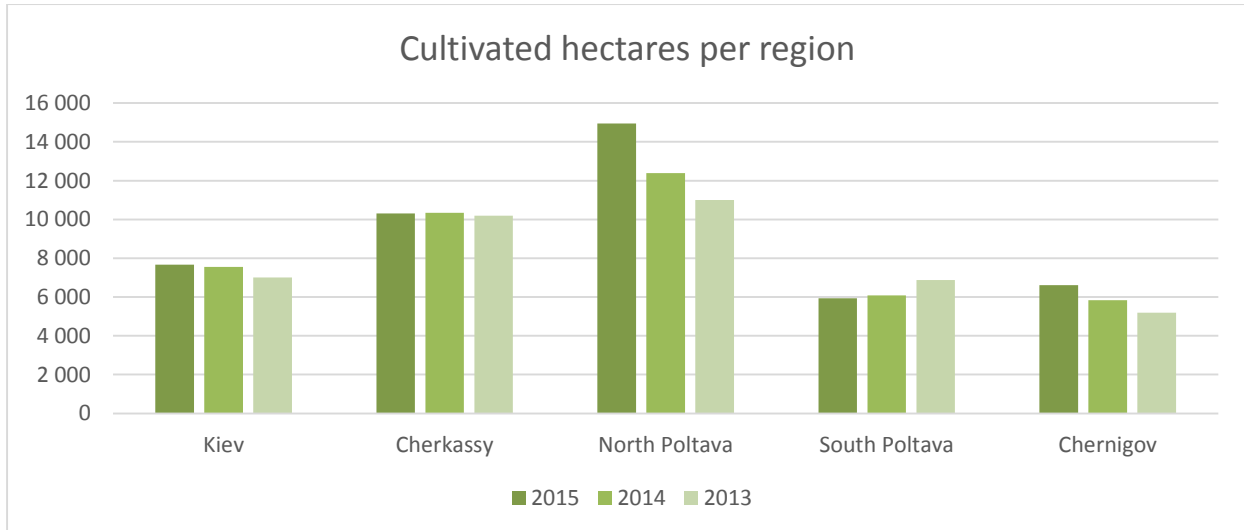
Crop	2015	2014	2013
Corn	12 548	16 029	20 083
Winter wheat	9 019	4 277	4 148
Sunflower	13 787	15 896	11 802
Soy	6 612	6 003	3 971
Pumpkin	2 050		
Other	1 458		272
<b>Total</b>	<b>45 474</b>	<b>42 205</b>	<b>40 276</b>



## ALLOCATION OF CROPS PER REGION

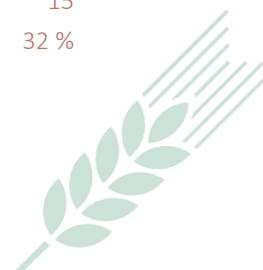


## CULTIVATED AREA PER REGION



## KEY RATIOS

	2Q 2015	1Q 2015	2014
Total revenue and gains	241 142	141 338	301 360
Gross profit	137 779	66 978	110 111
EBITDA	82 422	79 551	110 837
EBITDA margin	34 %	56 %	37 %
Net profit/loss	107 390	35 201	22 447
Net margin	45 %	25 %	1 %
Total assets	357 581	290 370	362 701
Total equity	199 142	117 711	116 826
Total liabilities	158 439	172 659	248 874
No of shares	7 807 775	7 807 775	7 807 775
Profit/loss per share	13,8	4,5	0,3
Equity per share	25,5	15,1	15
Equity ratio	56 %	41 %	32 %





**Consolidated and Parent Company's statements of comprehensive income**  
*In thousands of SEK*

	<u>The Group</u>			<u>The Parent Company</u>		
	<u>2015-06-30</u>	<u>2014-06-30</u>	<u>2014-12-31</u>	<u>2015-06-30</u>	<u>2014-06-30</u>	<u>2014-12-31</u>
Revenue from sales	206 608	146 303	225 106	-	-	-
Net gain / (loss) on fair value measurement of biological assets and agricultural produce	34 534	42 143	76 254	-	-	-
Cost of sales	-103 363	-108 137	-191 249	-	-	-
<b>Gross profit</b>	<b>137 779</b>	<b>80 309</b>	<b>110 111</b>	-	-	-
Other operating income	24 983	12 009	12 758	-	-	-
Selling expenses	-317	-585	-1 159	-	-1 409	-
General and administrative expenses	-12 414	-9 226	-22 656	-2 798	-	-3 035
Other operating expenses	-2 603	-2 022	-5 207	-	-	-
<b>Operating profit / (loss)</b>	<b>147 428</b>	<b>80 485</b>	<b>93 847</b>	<b>-2 798</b>	<b>-1 409</b>	<b>-3 035</b>
Finance costs	-9 502	-7 616	-20 347	-1 850	-2 686	-4 073
Finance income	197	85	88	1 525	1 517	3 207
Foreign exchange gain/loss	-30 733	-28 282	-71 358	4 007	-	11 753
<b>Profit / (loss) before tax</b>	<b>107 390</b>	<b>44 672</b>	<b>2 230</b>	<b>884</b>	<b>-2 578</b>	<b>7 852</b>
Income tax expense	-	-	-	-	-	-
<b>Profit / (loss) for the year</b>	<b>107 390</b>	<b>44 672</b>	<b>2 230</b>	<b>884</b>	<b>-2 578</b>	<b>7 852</b>
Whereof attributed to equity holders of the company	<b>107 390</b>	<b>44 672</b>	<b>2 230</b>			
<b>Other comprehensive income:</b>						
Foreign exchange differences	-25 073	-48 834	-78 548	-	-	-
Tax effect	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>82 317</b>	<b>-4 162</b>	<b>-76 318</b>	<b>884</b>	<b>-2 578</b>	<b>7 852</b>
Whereof attributed to equity holders of the company	<b>82 317</b>	<b>-4 162</b>	<b>-76 318</b>			





**Consolidated and Parent Company's statements of financial position**  
*In thousands of SEK*

	<b>The Group</b>			<b>The Parent Company</b>		
	<b>2015-06-30</b>	<b>2014-06-30</b>	<b>2014-12-31</b>	<b>2015-06-30</b>	<b>2014-06-30</b>	<b>2014-12-31</b>
<b>Non-current assets</b>						
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	107 963	168 852	133 717	-	-	-
Shares in subsidiaries	-	-	-	256 530	256 714	256 530
Biological assets	1 325	2 335	1 650	-	-	-
Other non-current assets	499	1 557	624	-	-	-
	<b>109 787</b>	<b>172 744</b>	<b>135 991</b>	<b>256 530</b>	<b>256 714</b>	<b>256 530</b>
<b>Current assets</b>						
Inventories	18 145	21 958	159 392	-	-	-
Biological assets	171 683	161 504	30 818	-	-	-
Trade and other receivables	2 536	1 680	1 963	-	-	-
Receivable subsidiary	-	-	-	44 924	55 436	68 084
Other current assets	21 937	27 765	30 624	811	1 086	958
Cash and cash equivalents	33 493	3 578	3 913	29 924	2 088	2 874
	<b>247 794</b>	<b>216 485</b>	<b>226 710</b>	<b>75 659</b>	<b>58 610</b>	<b>71 916</b>
<b>Total assets</b>	<b>357 581</b>	<b>389 229</b>	<b>362 701</b>	<b>332 189</b>	<b>315 324</b>	<b>328 446</b>
<b>Equity</b>						
Issued capital	11 556	11 556	11 556	11 556	11 556	11 556
Other contributed capital	278 295	278 295	278 295	278 295	-	278 295
Retained earnings	44 833	-20 116	-62 557	-38 450	228 531	-39 334
Foreign currency translation reserve	-135 542	-80 755	-110 468	-	-	-
	<b>199 142</b>	<b>188 980</b>	<b>116 826</b>	<b>251 401</b>	<b>240 087</b>	<b>250 517</b>
<b>Non-current liabilities</b>						
Liability to non-controlling interests	1 418	2 479	1 810	-	-	-
Loans and borrowings	53 602	52 434	54 408	55 913	55 289	57 003
	<b>55 020</b>	<b>54 913</b>	<b>56 218</b>	<b>55 913</b>	<b>55 289</b>	<b>57 003</b>
<b>Current liabilities</b>						
Loans and borrowings bank	67 632	92 859	158 646	-	-	-
Loans and borrowings relative parties	23 380	19 290	21 930	23 380	19 290	20 228
Trade and other liabilities	10 734	32 052	7 747	1 495	658	698
Other current liabilities	1 673	1 135	1 334	-	-	-
	<b>103 419</b>	<b>145 336</b>	<b>189 657</b>	<b>24 875</b>	<b>19 948</b>	<b>20 926</b>
<b>Total liabilities</b>	<b>158 439</b>	<b>200 249</b>	<b>245 875</b>	<b>80 788</b>	<b>75 237</b>	<b>77 929</b>
<b>Total equity and liabilities</b>	<b>357 581</b>	<b>389 229</b>	<b>362 701</b>	<b>332 189</b>	<b>315 324</b>	<b>328 446</b>





**Consolidated and Parent Company's statements of changes in equity**  
*In thousands of SEK*

<b>The Group</b>	<b>Issued capital</b>	<b>Other contributed capital</b>	<b>Retained earnings</b>	<b>Foreign exchange differences</b>	<b>Total equity</b>
<b>Balance at 31 December 2013</b>	<b>11 556</b>	<b>278 295</b>	<b>-64 787</b>	<b>-31 921</b>	<b>193 143</b>
Profit for the year			2 230		2 230
Loss for the year					
Other comprehensive income				-78 548	-78 548
<i>Total comprehensive income</i>			2 230	-78 548	-76 318
<i>Transactions with owners</i>					
<b>Balance at 31 December 2014</b>	<b>11 556</b>	<b>278 295</b>	<b>-62 557</b>	<b>-110 469</b>	<b>116 825</b>
Profit for the year			107 390		107 390
Other comprehensive income				-25 073	-25 073
<i>Total comprehensive income</i>			107 390	-25 073	82 317
<i>Transactions with owners</i>					
<b>Balance at 30 June 2015</b>	<b>11 556</b>	<b>278 295</b>	<b>44 833</b>	<b>-135 542</b>	<b>199 142</b>

<b>The Parent Company</b>	<b>Issued capital</b>	<b>Other contributed capital</b>	<b>Retained earnings</b>	<b>Total equity</b>
<b>Balance at 31 December 2013</b>	<b>11 556</b>	<b>278 295</b>	<b>-47 186</b>	<b>242 665</b>
Profit for the year			7 852	7 852
<i>Total comprehensive income</i>			7 852	7 852
<i>Transactions with owners</i>				
<b>Balance at 31 December 2014</b>	<b>11 556</b>	<b>278 295</b>	<b>-39 334</b>	<b>250 517</b>
Profit for the year			884	884
<i>Total comprehensive income</i>			884	884
<i>Transactions with owners</i>				
<b>Balance at 30 June 2015</b>	<b>11 556</b>	<b>278 295</b>	<b>-38 450</b>	<b>251 401</b>





**Consolidated and Parent Company's statements of cash flows**  
In thousands of SEK

	<u>The Group</u>			<u>The Parent Company</u>		
	2015-06-30	2014-06-30	2014-12-31	2015-06-30	2014-06-30	2014-12-31
<b>Operating activities</b>	<b>107 390</b>	<b>44 672</b>	<b>2 230</b>	<b>884</b>	<b>-2 578</b>	<b>7 852</b>
Profit / (loss) before tax						
Non-cash adjustments:						
Depreciation and amortisation	5 273	8 192	16 990	-	-	-
Gain on sales of fixed assets	21	-	-35			
Finance income	-	-86	-87	-1 525	-1 517	-3 207
Foreign exchange gain/loss	30 733	28 282	71 357	-	-	-
Finance costs	9 111	5 878	14 957	1 850	2 686	4 257
Non-controlling interests	-392	-771	-1 440	-	-	-
Write down of property, plant and equipment	-	192	-	-	-	-
Working capital adjustments:						
Change in biological assets	-140 540	-153 271	-21 900	-	-	-
Change in trade receivables and other current assets	943	2 157	-12 993	23 307	516	-12 004
Change in agricultural produce and other inventories	98 771	163 800	-54 818	-	-	-
Change in trade and other payables and other current liabilities	5 323	18 823	175	3 949	2 322	4 400
	<b>116 633</b>	<b>117 868</b>	<b>14 436</b>	<b>28 465</b>	<b>1 429</b>	<b>1 298</b>
Interest received	-	86	87	1 525	670	3 207
Income tax paid	-	-	-	-	-	-
<b>Net cash flows from operating activities</b>	<b>116 633</b>	<b>117 954</b>	<b>14 523</b>	<b>29 990</b>	<b>2 099</b>	<b>4 505</b>
<b>Investing activities</b>						
Purchase of property, plant and equipment	-8 494	-5 884	-16 727	-	-	-
Prepayments for land lease rights	-	-	-	-	-	-
Proceeds from (payments for) other non-current assets, net	126	414	1 724	-	-	-
Proceeds from sale of assets classified as held for sale	-	-	-	-	-	-
Purchase of financial assets	-	-	-	-	-	-
<b>Net cash flows used in investing activities</b>	<b>-8 368</b>	<b>-5 470</b>	<b>-15 003</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financing activity</b>						
Proceeds from loans and borrowings	103 675	54 881	676 204	-1 090	-	624
Repayment of loans and borrowings	-166 741	-160 503	-659 057	-	-	-
Issue of capital	-	-	-	-	-	-
Interest paid	-9 111	-5 878	-14 957	-1 850	-1 829	-4 073
<b>Net cash flows from financing activities</b>	<b>-72 177</b>	<b>-111 500</b>	<b>2 190</b>	<b>-2 940</b>	<b>-1 829</b>	<b>-3 449</b>
Net change in cash and cash equivalents	36 088	984	1 711	27 050	270	1 056
Foreign exchange difference cash	-6 508	-79	-471	-	-	-
Cash and cash equivalents at 1 January	3 913	2 673	2 673	2 874	1 818	1 818
<b>Cash and cash equivalents at end of period</b>	<b>33 493</b>	<b>3 578</b>	<b>3 913</b>	<b>29 924</b>	<b>2 088</b>	<b>2 874</b>