

QUARTERLY REPORT Q1 2015

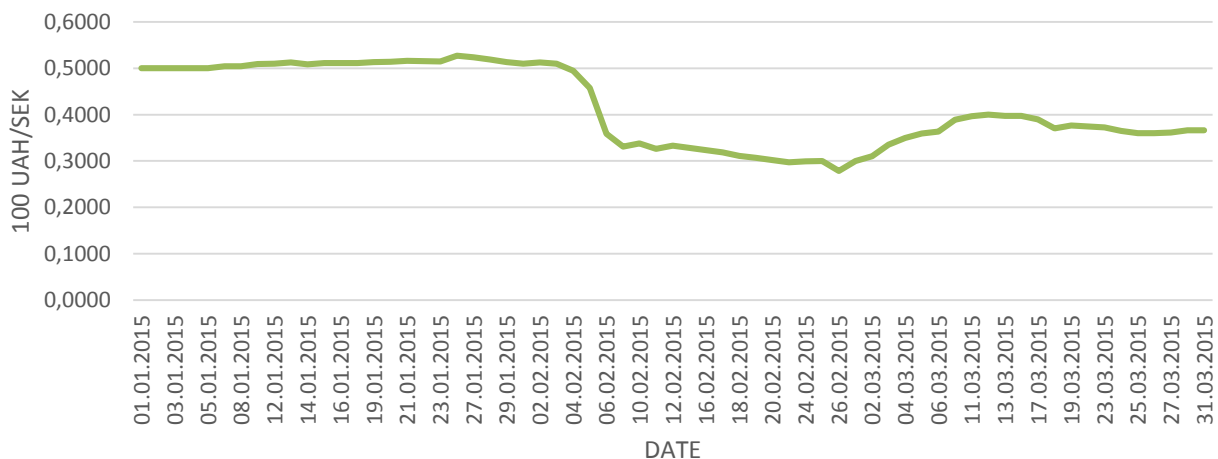
QUARTER IN BRIEF

- Preparations for seeding campaign
- Sowing plan close to 44 000 ha for 2015
- New grain implemented; Pumpkin
- 40 000+ tons of corn sold
- 20 000 tons of sold sunflower
- 8 800 tons of soy sold
- Fluctuant exchange rate

FINANCIAL INDICATORS

| | 1q 2015 | 1q 2014 |
|-----------------------|---------|---------|
| Revenue and gains | 141 338 | 172 232 |
| Gross profit | 66 978 | 54 374 |
| EBITDA | 79 551 | 57 182 |
| EBITDA margin | 56 % | 33 % |
| Net profit/loss | 35 201 | 24 839 |
| Net margin | 25 % | 14 % |
| Total assets | 290 370 | 320 962 |
| Total equity | 117 711 | 142 598 |
| Total liabilities | 172 659 | 178 364 |
| Profit/loss per share | 4,5 | 3,2 |
| Equity ratio | 41 % | 44 % |

Q1 2015 uah/sek



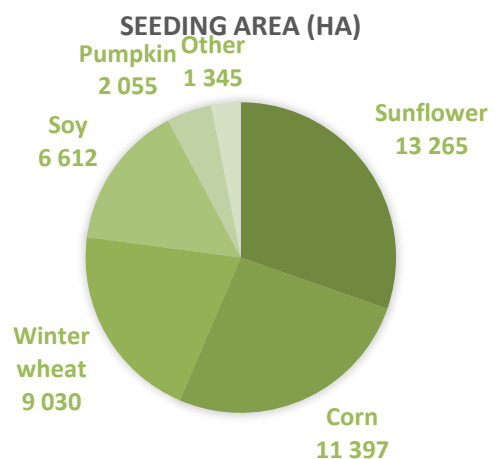
SEEDING CAMPAIGN PREPARATIONS

The weather conditions for winter wheat have been good during the winter, the fields during the first quarter have however been very wet and have therefore resulted in damaged crops. Around 1 800 ha of winter wheat have been damaged. In February/ march fertilization on leaves and soil were made on winter wheat. Moisture covering for all regions and crops was made within time plan. Seeds, like previous year were treated with micro-fertilizers and growth stimulant before seeded.

The sowing plan for 2015 in total are 43 704 hectares, whereof sunflower is still the biggest crop in seeding area and the plan is to seed approximately 13 200 hectares.

New for 2015 is that we will seed 2 000 hectares of pumpkin.

SOWING PLAN FOR 2015



PUMPKIN

This year we will seed approximately 2 000 ha of pumpkin. We started working with an Austrian company, which provided us with seeds, and will later pick up wet seeds containing mass direct from the fields. The Austrian partner will arrange all supporting work themselves, harvesting, transporting from fields, washing, cleaning, drying and packaging, which will be carried out with mobile equipment units. Pumpkin need much less moisture than sunflower but the margin will be similar.

CURRENCY

The International Monetary Fund, approved a \$17,5 billion loan program for Ukraine, including an immediate \$5 billion disbursement. IMF estimates that by the end of 2015 the exchange rate could reach 22 UAH/USD.

Ukraine's consumer-price inflation expects to hit 26% in 2015, twice higher than expected earlier this year. The discount rate in middle of march was also increased from 19,5% to 30%.

STOCK

Grain Alliance have built storage capacity in order to store as much as possible and postpone the sale to when the prices are higher. During the first quarter of 2015 Grain Alliance sold most of its stock, leaving just about 20 000 tonnes of sunflower, 1 300 tonnes of soy, 700 tonnes of corn and 100 tonnes of wheat.





CONSOLIDATED AND PARENT COMPANY'S STATEMENTS OF COMPREHENSIVE INCOME
In thousands of SEK

| | <u>The Group</u> | | | <u>The Parent Company</u> | | |
|---|-------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|
| | <u>2015-03-31</u> | <u>2014-03-31</u> | <u>2014-12-31</u> | <u>2015-03-31</u> | <u>2014-03-31</u> | <u>2014-12-31</u> |
| Revenue from sales | 141 338 | 172 232 | 225 106 | - | - | - |
| Net gain / (loss) on fair value measurement of biological assets and agricultural produce | -1 839 | -427 | 76 254 | - | - | - |
| Cost of sales | -72 521 | -117 431 | -191 249 | - | - | - |
| Gross profit | 66 978 | 54 374 | 110 111 | - | - | - |
| Other operating income | 15 409 | 14 059 | 12 758 | - | - | - |
| Selling expenses | -187 | -4 997 | -1 159 | - | -853 | - |
| General and administrative expenses | -3 661 | -357 | -22 656 | -142 | - | -3 035 |
| Other operating expenses | -1 748 | -697 | -5 207 | - | - | - |
| Operating profit / (loss) | 76 791 | 62 382 | 93 847 | -142 | -853 | -3 035 |
| Finance costs | -6 557 | -7 124 | -20 347 | -925 | -1 861 | -4 073 |
| Finance income | | 935 | 88 | 896 | 745 | 3 207 |
| Foreign exchange gain/loss | -35 033 | -31 353 | -71 358 | 7 365 | - | 11 753 |
| Profit / (loss) before tax | 35 201 | 24 840 | 2 230 | 7 194 | -1 969 | 7 852 |
| Income tax expense | - | - | - | - | - | - |
| Profit / (loss) for the year | 35 201 | 24 840 | 2 230 | 7 194 | -1 969 | 7 852 |
| Whereof attributed to equity holders of the company | 35 201 | 24 840 | 2 230 | | | |
| Other comprehensive income: | | | | | | |
| Foreign exchange differences | -34 315 | -75 399 | -78 548 | - | - | - |
| Tax effect | - | - | - | - | - | - |
| Total comprehensive income for the year | 886 | -50 559 | -76 318 | 7 194 | -1 969 | 7 852 |
| Whereof attributed to equity holders of the company | 886 | -50 559 | -76 318 | | | |





CONSOLIDATED AND PARENT COMPANY'S STATEMENTS OF FINANCIAL POSITION

In thousands of SEK

| | <u>The Group</u> | | | <u>The Parent Company</u> | | |
|--|-------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|
| | <u>2015-03-31</u> | <u>2014-03-31</u> | <u>2014-12-31</u> | <u>2015-03-31</u> | <u>2014-03-31</u> | <u>2014-12-31</u> |
| Non-current assets | | | | | | |
| Intangible assets | - | - | - | - | - | - |
| Property, plant and equipment | 99 012 | 156 695 | 133 717 | - | - | - |
| Shares in subsidiaries | - | - | - | 256 530 | 256 714 | 256 530 |
| Biological assets | 1 246 | 2 102 | 1 650 | - | - | - |
| Other non-current assets | 457 | 1 436 | 624 | - | - | - |
| | 100 715 | 160 233 | 135 991 | 256 530 | 256 714 | 256 530 |
| Current assets | | | | | | |
| Inventories | 104 143 | 84 322 | 159 392 | - | - | - |
| Biological assets | 26 479 | 7 086 | 30 818 | - | - | - |
| Trade and other receivables | 3 254 | 2 689 | 1 963 | - | - | - |
| Receivable subsidiary | - | - | - | 46 552 | 55 392 | 68 084 |
| Other current assets | 19 087 | 16 814 | 30 624 | 871 | 1 137 | 958 |
| Cash and cash equivalents | 36 692 | 49 803 | 3 913 | 32 050 | 1 744 | 2 874 |
| | 189 655 | 160 714 | 226 710 | 79 473 | 58 273 | 71 916 |
| Total assets | 290 370 | 320 947 | 362 701 | 336 003 | 314 987 | 328 446 |
| Equity | | | | | | |
| 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 | 278 295 |
| Retained earnings | -27 356 | -39 948 | -62 557 | -32 140 | -49 155 | -39 334 |
| Foreign currency translation reserve | -144 784 | -107 320 | -110 468 | - | - | - |
| | 117 711 | 142 583 | 116 826 | 257 711 | 240 696 | 250 517 |
| Non-current liabilities | | | | | | |
| Liability to non-controlling interests | 1 324 | 2 287 | 1 810 | - | - | - |
| Loans and borrowings | 55 406 | 72 226 | 54 408 | 57 859 | 57 236 | 57 003 |
| | 56 730 | 74 513 | 56 218 | 57 859 | 57 236 | 57 003 |
| Current liabilities | | | | | | |
| Loans and borrowings bank | 88 407 | 77 258 | 158 646 | - | - | - |
| Loans and borrowings relative parties | 20 382 | 16 438 | 21 930 | 20 382 | 16 438 | 20 228 |
| Trade and other liabilities | 4 885 | 9 414 | 7 747 | 51 | 617 | 698 |
| Other current liabilities | 2 255 | 741 | 1 334 | - | - | - |
| | 115 929 | 103 851 | 189 657 | 20 433 | 17 055 | 20 926 |
| Total liabilities | 172 659 | 178 364 | 245 875 | 78 292 | 74 291 | 77 929 |
| Total equity and liabilities | 290 370 | 320 947 | 362 701 | 336 003 | 314 987 | 328 446 |





CONSOLIDATED AND PARENT COMPANY'S STATEMENT OF CHANGES IN EQUITY
In thousands of SEK

| The Group | Issued capital | Other contributed capital | Retained earnings | Foreign exchange differences | Total equity |
|------------------------------------|-----------------------|----------------------------------|--------------------------|------------------------------|----------------|
| Balance at 31 December 2013 | 11 556 | 278 295 | -64 787 | -31 921 | 193 143 |
| 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> | | | | | |
| Balance at 31 December 2014 | 11 556 | 278 295 | -62 557 | -110 469 | 116 825 |
| Profit for the year | | | 35 201 | | 35 201 |
| Other comprehensive income | | | | -34 315 | -34 315 |
| <i>Total comprehensive income</i> | | | 35 201 | -34 315 | 886 |
| <i>Transactions with owners</i> | | | | | |
| Balance at 31 March 2015 | 11 556 | 278 295 | -27 356 | -144 784 | 117 711 |
| The Parent Company | Issued capital | Other contributed capital | Retained earnings | Total equity | |
| Balance at 31 December 2013 | 11 556 | 278 295 | -47 186 | 242 665 | |
| Loss for the year | | | 7 852 | 7 852 | |
| <i>Total comprehensive income</i> | | | 7 852 | 7 852 | |
| <i>Transactions with owners</i> | | | | | |
| Balance at 31 December 2014 | 11 556 | 278 295 | -39 334 | 250 517 | |
| Loss for the year | | | 7 194 | 7 194 | |
| <i>Total comprehensive income</i> | | | 7 194 | 7 194 | |
| <i>Transactions with owners</i> | | | | | |
| Balance at 31 March 2015 | 11 556 | 278 295 | -32 140 | 257 711 | |





CONSOLIDATED AND PARENT COMPANY'S STATEMENTS OF CHANGES IN EQUITY

| | The Group | | | The Parent Company | | |
|--|-------------------|-------------------|-------------------|---------------------------|-------------------|-------------------|
| | 2015-03-31 | 2014-03-31 | 2014-12-31 | 2015-03-31 | 2014-03-31 | 2014-12-31 |
| Operating activities | | | | | | |
| Profit / (loss) before tax | 35 201 | 24 839 | 2 230 | 7 194 | -1 969 | 7 852 |
| Non-cash adjustments: | | | | | | |
| Depreciation and amortisation | 2 623 | 4 235 | 16 990 | - | - | - |
| Gain on sales of fixed assets | - | - | -35 | - | - | - |
| Finance income | - | - | -87 | -896 | -976 | -3 207 |
| Foreign exchange gain/loss | -35 033 | 31 353 | 71 357 | - | - | - |
| Finance costs | 7 214 | 3 392 | 14 957 | 925 | 1 487 | 4 257 |
| Non-controlling interests | -486 | -963 | -1 440 | - | - | - |
| Write down of property, plant and equipment | - | 83 | - | - | - | - |
| Working capital adjustments: | | | | | | |
| Change in biological assets | 4 743 | 1 379 | -21 900 | - | - | - |
| Change in trade receivables and other current assets | 1 446 | 12 099 | -12 993 | 21 619 | 259 | -12 004 |
| Change in agricultural produce and other inventories | 74 411 | 72 916 | -54 818 | - | - | - |
| Change in trade and other payables and other current liabilities | 511 | -4 209 | 175 | -493 | 531 | 4 400 |
| | 90 630 | 145 124 | 14 436 | 28 349 | -668 | 1 298 |
| Interest received | - | - | 87 | 793 | 664 | 3 207 |
| Income tax paid | - | - | - | - | - | - |
| Net cash flows from operating activities | 90 630 | 145 124 | 14 523 | 29 142 | -4 | 4 505 |
| Investing activities | | | | | | |
| Purchase of property, plant and equipment | -3 911 | -2 691 | -16 727 | - | - | - |
| Prepayments for land lease rights | - | - | - | - | - | - |
| Proceeds from (payments for) other non-current assets, net | 168 | 535 | 1 724 | - | - | - |
| Proceeds from sale of assets classified as held for sale | - | - | - | - | - | - |
| Purchase of financial assets | - | - | - | - | - | - |
| Net cash flows used in investing activities | -3 743 | -2 156 | -15 003 | 0 | 0 | 0 |
| Financing activity | | | | | | |
| Proceeds from loans and borrowings | 76 790 | 19 677 | 676 204 | 856 | - | 624 |
| Repayment of loans and borrowings | -114 834 | -111 879 | -659 057 | - | - | - |
| Issue of capital | - | - | - | - | - | - |
| Interest paid | -7 214 | -3 407 | -14 957 | -822 | -925 | -4 073 |
| Net cash flows from financing activities | -45 258 | -95 609 | 2 190 | 34 | -925 | -3 449 |
| Net change in cash and cash equivalents | 41 629 | 47 359 | 1 711 | 29 176 | -929 | 1 056 |
| Foreign exchange difference cash | -8 850 | -229 | -471 | - | - | - |
| Cash and cash equivalents at 1 January | 3 913 | 2 673 | 2 673 | 2 874 | 2 673 | 1 818 |
| Cash and cash equivalents at end of period | 36 692 | 49 803 | 3 913 | 32 050 | 1 744 | 2 874 |

