

# QUARTERLY REPORT Q1 2016

## QUARTER IN BRIEF

- Result above budget
- Sowing plan 50 000+ for 2016
- Preparations for seeding campaign
- New grain implemented; Pumpkin
- Most stock sold end of 2015
- 19 000 tons of sold sunflower
- Currency fall

## FINANCIAL INDICATORS

	1q 2016	1q 2015
Revenue and gains	57 007	141 338
Gross profit	3 620	66 978
EBITDA	-3 737	79 551
EBITDA margin	-7 %	56 %
Net profit/loss	-14 216	35 201
Net margin	-25 %	25 %
Total assets	280 199	290 370
Total equity	168 607	117 711
Total liabilities	111 592	172 659
Profit/loss per share	-1,8	4,5
Equity ratio	60 %	41 %



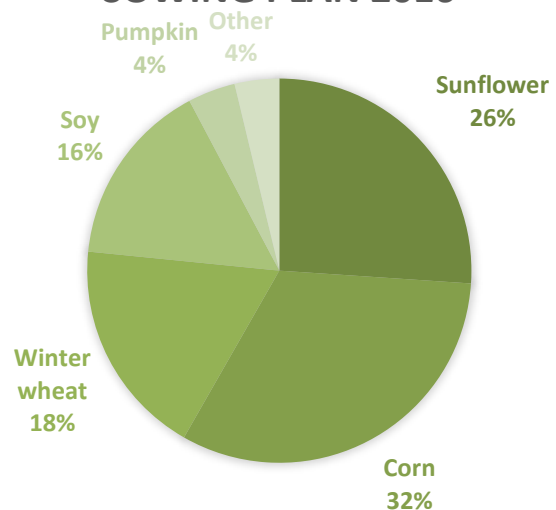
## OPERATIONS

Operations in the first quarter marked by sales of current inventories, the planning of the upcoming sowing and maintenance of machinery. Financing of operations explained largely by sale of stock on hand.. The outcome compared with the previous year is completely expected when we sold substantially more of the stock before the end of 2015 compared with previous years. The liquidity from the sale have been used, in addition to paying ongoing operating costs, to buy seeds, fertilizers, pesticides, diesel etc.

## SOWING PLAN

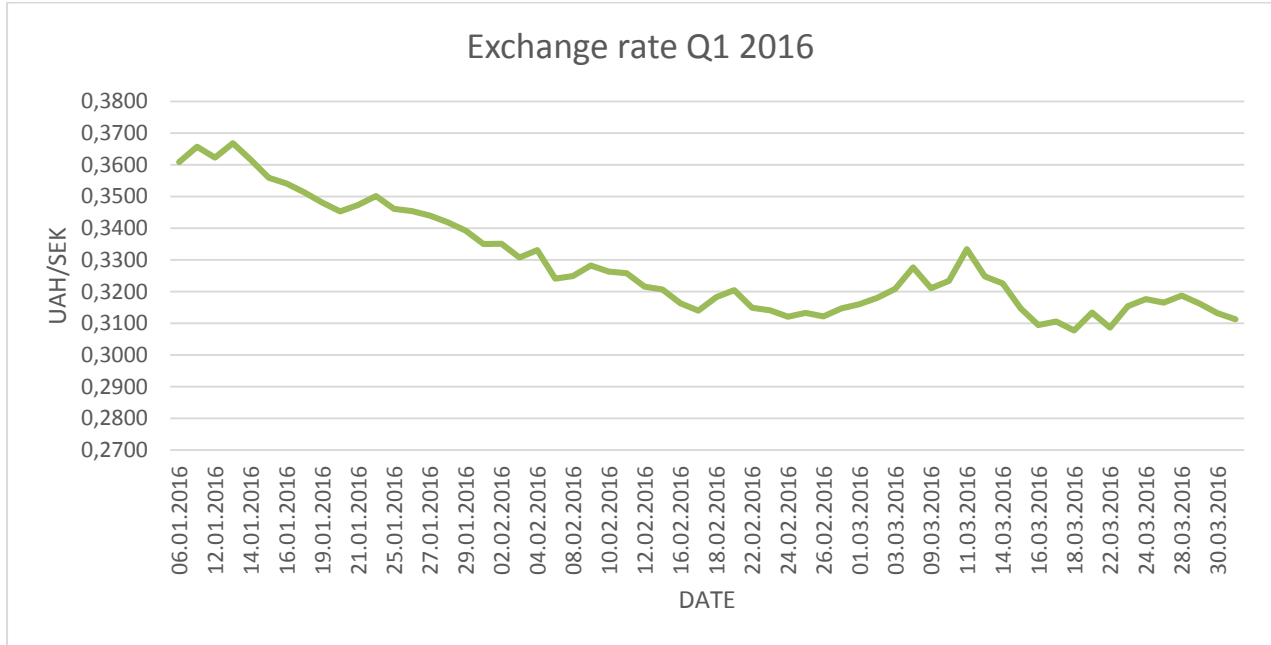
The sowing plan for 2016 in total are 50 025 hectares, whereof corn is the biggest crop in seeding this year total amounting to approximately 16 100 hectares.

## SOWING PLAN 2016



## CURRENCY

The currency has continued to fall rapidly. At the beginning of 2016 corresponded 1 UAH 0.35 SEK, at the end of March 2016 was the ratio of 1 UAH = 0.31 SEK ie, the Ukrainian currency has lost more than 11% in value against the Swedish krona at 3 months. The effect of the currency fluctuations on the result is however small during the period.



## STOCK

The prices of all crops, including soybeans and sunflowers, which was the crops with high inventory levels at the beginning of 2016, has not fluctuated to any great extent during Q 1 2016. This means that the decision to increase sales at the end of 2015, instead of waiting for a possible price increase in 2016 financed by debt at high interest rates, was right. Remaining stock is by the end of Q1 2016 valued approximately 21 million.

CROP	STOCK 2015 (TONNE)	STOCK Q1 2016 (TONNE)	SALE Q1 2016 (TONNE)
Winter whete	609	195	414
Corn	1 172	516	656
Sunflower	18 975	46	18 929
Soy	12 943	12 778	165
	33 699	13 535	20 164





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

	<u>The Group</u>			<u>The Parent Company</u>		
	2016-03-31	2015-03-31	2015-12-31	2016-03-31	2015-03-31	2015-12-31
Revenue from sales	57 007	141 338	402 072	-	-	-
Net gain / (loss) on fair value measurement of biological assets and agricultural produce	-470	-1 839	38 945	-	-	-
Cost of sales	-52 917	-72 521	-277 943	-	-	-
<b>Gross profit</b>	<b>3 620</b>	<b>66 978</b>	<b>163 074</b>	-	-	-
Other operating income	335	15 409	63 463	-	-	-
Selling expenses	-841	-187	-641	-	-	-
General and administrative expenses	-7 902	-3 661	-31 443	-2 555	-142	-6 796
Other operating expenses	-1 607	-1 748	-9 213	-	-	-
<b>Operating profit / (loss)</b>	<b>-6 395</b>	<b>76 791</b>	<b>185 240</b>	<b>-2 555</b>	<b>-142</b>	<b>-6 796</b>
Finance costs	-2 394	-6 557	-21 537	-1 082	-925	-3 925
Finance income	17		332	553	896	2 754
Foreign exchange gain/loss	-5 444	-35 033	-34 736	-1 440	7 365	5 046
<b>Profit / (loss) before tax</b>	<b>-14 216</b>	<b>35 201</b>	<b>129 299</b>	<b>-4 524</b>	<b>7 194</b>	<b>-2 921</b>
Income tax expense	-44	-	-5	-	-	-
<b>Profit / (loss) for the year</b>	<b>-14 260</b>	<b>35 201</b>	<b>129 294</b>	<b>-4 524</b>	<b>7 194</b>	<b>-2 921</b>
Whereof attributed to equity holders of the company	<b>-14 260</b>	<b>35 201</b>	<b>129 294</b>			
<b>Other comprehensive income:</b>						
Foreign exchange differences	-15 120	-34 315	-48 318	-	-	-
Tax effect	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-29 380</b>	<b>886</b>	<b>80 976</b>	<b>-4 524</b>	<b>7 194</b>	<b>-2 921</b>
Whereof attributed to equity holders of the company	<b>-29 380</b>	<b>886</b>	<b>80 976</b>			





## CONSOLIDATED AND PARENT COMPANY'S STATEMENTS OF FINANCIAL POSITION

In thousands of SEK

	<b>The Group</b>			<b>The Parent Company</b>		
	<b>2016-03-31</b>	<b>2015-03-31</b>	<b>2015-12-31</b>	<b>2016-03-31</b>	<b>2015-03-31</b>	<b>2015-12-31</b>
<b>Non-current assets</b>						
Intangible assets	-	-	-	-	-	-
Property, plant and equipment	102 346	99 012	112 092	-	-	-
Shares in subsidiaries	-	-	-	256 367	256 530	256 367
Biological assets	1 264	1 246	1 484	-	-	-
Other non-current assets	1	457	1	-	-	-
	<b>103 611</b>	<b>100 715</b>	<b>113 577</b>	<b>256 367</b>	<b>256 530</b>	<b>256 367</b>
<b>Current assets</b>						
Inventories	117 796	104 143	113 126	-	-	-
Biological assets	6 726	26 479	7 380	-	-	-
Trade and other receivables	2 047	3 254	2 319	-	-	-
Receivable subsidiary	-	-	-	37 272	46 552	42 796
Other current assets	27 410	19 087	47 091	1 166	871	622
Cash and cash equivalents	22 609	36 692	18 522	19 122	32 050	17 740
	<b>176 588</b>	<b>189 655</b>	<b>188 438</b>	<b>57 560</b>	<b>79 473</b>	<b>61 158</b>
<b>Total assets</b>	<b>280 199</b>	<b>290 370</b>	<b>302 015</b>	<b>313 927</b>	<b>336 003</b>	<b>317 525</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	278 295
Retained earnings	52 661	-27 356	66 737	-46 780	-32 140	-42 255
Foreign currency translation reserve	-173 905	-144 784	-158 787	-	-	-
	<b>168 607</b>	<b>117 711</b>	<b>197 801</b>	<b>243 071</b>	<b>257 711</b>	<b>247 596</b>
<b>Non-current liabilities</b>						
Liability to non-controlling interests	-	1 324	-	-	-	-
Loans and borrowings	59 578	55 406	58 496	58 484	57 859	57 467
	<b>59 578</b>	<b>56 730</b>	<b>58 496</b>	<b>58 484</b>	<b>57 859</b>	<b>57 467</b>
<b>Current liabilities</b>						
Loans and borrowings bank	31 616	88 407	23 083	-	-	-
Loans and borrowings relative parties	12 245	20 382	12 150	12 245	20 382	12 150
Trade and other liabilities	6 714	4 885	7 787	127	51	312
Other current liabilities	1 439	2 255	2 698	-	-	-
	<b>52 014</b>	<b>115 929</b>	<b>45 718</b>	<b>12 372</b>	<b>20 433</b>	<b>12 462</b>
<b>Total liabilities</b>	<b>111 592</b>	<b>172 659</b>	<b>104 214</b>	<b>70 856</b>	<b>78 292</b>	<b>69 929</b>
<b>Total equity and liabilities</b>	<b>280 199</b>	<b>290 370</b>	<b>302 015</b>	<b>313 927</b>	<b>336 003</b>	<b>317 525</b>





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
<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			129 294		129 294
Loss for the year					
Other comprehensive income				-48 318	-48 318
<i>Total comprehensive income</i>			129 294	-48 318	80 976
<i>Transactions with owners</i>					
<b>Balance at 31 December 2015</b>	<b>11 556</b>	<b>278 295</b>	<b>66 737</b>	<b>-158 787</b>	<b>197 801</b>
Profit for the year			-14 259		-14 259
Other comprehensive income				-15 120	-15 120
<i>Total comprehensive income</i>			-14 259	-15 120	-29 379
Liquidation subsidiary			184		184
<i>Transactions with owners</i>					
<b>Balance at 31 March 2016</b>	<b>11 556</b>	<b>278 295</b>	<b>52 478</b>	<b>-173 907</b>	<b>168 606</b>

The Parent Company	Issued capital	Other contributed capital	Retained earnings	Total equity
<b>Balance at 31 December 2014</b>	<b>11 556</b>	<b>278 295</b>	<b>-39 334</b>	<b>250 517</b>
Loss for the year			-2 921	-2 921
<i>Total comprehensive income</i>			-2 921	-2 921
<i>Transactions with owners</i>				
<b>Balance at 31 December 2015</b>	<b>11 556</b>	<b>278 295</b>	<b>-42 255</b>	<b>247 596</b>
Loss for the year			-4 524	-4 524
<i>Total comprehensive income</i>			-4 524	-4 524
<i>Transactions with owners</i>				
<b>Balance at 31 March 2016</b>	<b>11 556</b>	<b>278 295</b>	<b>-46 779</b>	<b>243 072</b>





CONSOLIDATED AND PARENT COMPANY'S STATEMENTS OF CHANGES IN EQUITY

	<u>The Group</u>			<u>The Parent Company</u>		
	<u>2016-03-31</u>	<u>2015-03-31</u>	<u>2015-12-31</u>	<u>2016-03-31</u>	<u>2015-03-31</u>	<u>2015-12-31</u>
<b>Operating activities</b>						
Profit / (loss) before tax	-14 259	35 201	129 294	-4 524	7 194	-2 921
Non-cash adjustments:						
Depreciation and amortisation	2 475	2 623	10 552	-	-	-
Gain on sales of fixed assets	-	-	537	-	-	-
Finance income	-	-	-	-553	-896	-2 754
Foreign exchange gain/loss	-5 444	-35 033	34 737	-	-	-
Finance costs	978	7 214	23 734	1 082	925	3 925
Non-controlling interests	-	-486	-1 810	-	-	-
Write down of property, plant and equipment	-	-	-	-	-	-
Working capital adjustments:						
Change in biological assets	875	4 743	13 939	-	-	-
Change in trade receivables and other current assets	22 668	1 446	-30 892	4 979	21 619	25 780
Change in agricultural produce and other inventories	-267	74 411	-2 169	-	-	-
Change in trade and other payables and other current liabilities	-1 493	511	4 129	-90	-493	-8 464
	<b>5 533</b>	<b>90 630</b>	<b>182 051</b>	<b>894</b>	<b>28 349</b>	<b>15 566</b>
Interest received	-	-	-	553	793	2 754
Income tax paid	-	-	-	-	-	-
<b>Net cash flows from operating activities</b>	<b>5 533</b>	<b>90 630</b>	<b>182 051</b>	<b>1 447</b>	<b>29 142</b>	<b>18 320</b>
<b>Investing activities</b>						
Purchase of property, plant and equipment	-11 960	-3 911	-31 903	-	-	-
Prepayments for PPE	-	-	-832	-	-	-
Proceeds from (payments for) other non-current assets, net	-	168	-	-	-	-
Proceeds from sale of assets classified as held for sale	-	-	-	-	-	-
Purchase of financial assets	-	-	-	-	-	-
<b>Net cash flows used in investing activities</b>	<b>-11 960</b>	<b>-3 743</b>	<b>-32 735</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financing activity</b>						
Proceeds from loans and borrowings	49 010	76 790	329 037	1 017	856	464
Repayment of loans and borrowings	-37 375	-114 834	-435 627	-	-	-
Issue of capital	-	-	-	-	-	-
Interest paid	-794	-7 214	-23 734	-1 082	-822	-3 918
<b>Net cash flows from financing activities</b>	<b>10 841</b>	<b>-45 258</b>	<b>-130 324</b>	<b>-65</b>	<b>34</b>	<b>-3 454</b>
Net change in cash and cash equivalents	4 414	41 629	18 992	1 382	29 176	14 866
Foreign exchange difference cash	-327	-8 850	-4 383	-	-	-
Cash and cash equivalents at 1 January	18 522	3 913	3 913	17 740	2 874	2 874
<b>Cash and cash equivalents at end of period</b>	<b>22 609</b>	<b>36 692</b>	<b>18 522</b>	<b>19 122</b>	<b>32 050</b>	<b>17 740</b>