

Alpcot Agro has decided to undertake a directed new share issue

The Board of Directors of Alpcot Agro AB (publicly listed company) (the "Company") has decided to undertake a directed new share issue, subject to the approval of the general meeting, of SEK 138.4 million (the "Issue").

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The Issue has been subscribed for primarily by Swedish and international institutional investors in an aggregate amount of SEK 138,400,003, corresponding to approximately USD 20.0 million.

The Issue is undertaken by reason of the acquisition (the Acquisition") of Landkom International plc ("Landkom") through a scheme of arrangement in accordance with section 157 in the Isle of Man Companies Act 2006 (the "Scheme"). The Acquisition means that the Company acquires all outstanding shares and warrants in Landkom against payment in the form of newly issued shares in the Company. The newly issued shares constitute 17 per cent of the equity of the Company prior to the Issue.

Payment for the newly issued shares will be made in cash (approx. SEK 117.6 million) and by set-off (approx. SEK 20.8 million). The set-off is a part of the Acquisition and includes a purchase by the Company of claims against a subsidiary of Landkom with payment against a promissory note. This promissory note will be used for subscription of shares in the Issue with payment by set-off.

The number of shares relating to the Issue amounts to 19,771,429. The subscription price, which was decided through *book building* amounts to SEK 7.0 and corresponds to a premium to the ten day volume-weighted average share price of 4.5 per cent. The shares relating to the Issue constitute 16.6 per cent of the equity prior to the Acquisition but including the Issue, and 14.2 per cent of the equity after the Acquisition and including the Issue.

Announced in a separate press release today, the Board of Directors has resolved to convene an extraordinary general meeting, which will be held on the 9th of January 2012, in order to obtain approval for the Acquisition and the Board of Directors' resolution on the Issue.

The Issue is conditional upon: (i) the passing of the resolutions to duly approve: (a) the Issue and (b) the Acquisition, by the Company's shareholders at the extraordinary general meeting contemplated to be held on or about 9 January 2012; (ii) The Company receiving binding subscriptions of shares in respect of an aggregate subscription amount of not less than USD 20 million; (iii) the Scheme becoming effective under the Isle of Man Companies Act 2006 (as amended); and (iv) all conditions to the Scheme being fulfilled or waived save for the condition that the conditions to such new issue of shares are satisfied.

Distribution of confirmation to the subscribers of the new shares will be made on the date the Scheme becomes effective which is expected to take place on or about 26 January 2012 and payment of the new shares shall be made within three days thereafter.

The newly issued shares carry the right to profit sharing from the financial year 2012.

The reason for derogating from the shareholders' pre-emptive right is to ensure that the Company can raise sufficient capital to satisfy the terms of the Acquisition. The proceeds from the Issue is intended to be used for working capital for the Ukrainian operations, investments in Ukraine and restructuring and transaction costs in relation to the Acquisition.

The Issue means that the number of shares in the Company will increase from 99,197,472 to 118,968,901. The Company's equity will therefore increase by SEK 98,857,145, from SEK 496,987,360 to SEK 594,844,505.

Pareto Öhman (E. Öhman J:or Fondkommission AB) is the financial adviser to the Company in connection with the Issue. Gernandt & Danielsson Advokatbyrå KB is the legal adviser to Pareto Öhman in connection with the Issue, and Kilpatrick Townsend Advokat KB is the legal adviser to the Company. The Company's Certified Adviser is Remium Nordic AB.

For additional information, please contact

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About Alpcot Agro AB (publ)

Alpcot Agro is a Swedish limited liability company incorporated in 2006. The Company's business idea is to generate an attractive return on invested capital by optimally utilizing the Company's agricultural land bank through crop production, dairy farming and other similar operations in Russia and the other CIS states. The shares in Alpcot Agro are listed on First North under the ticker ALPA and the Company's Certified Adviser is Remium Nordic AB. Additional information is available on www.alpcotagro.com

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