



ANNUAL REPORT 2014



Trigon Agri is an integrated soft commodities producer, storage provider and trader. Its core operations are cereals production in Rostov, Russia and cereals production in Central-Eastern Ukraine.

CONTENTS

HIGHLIGHTS OF 2014.....	2
COMMENTS BY THE CHAIRMAN:.....	3
OVERVIEW OF TRIGON AGRI	4
COMPETITIVE STRENGTHS	5
HISTORY	6
FINANCIAL AND OPERATIONAL REVIEW	8
EVENTS AFTER THE BALANCE SHEET DATE.....	21
CORPORATE GOVERNANCE.....	25
CORPORATE SOCIAL RESPONSIBILITY	31
FINANCIAL HISTORY.....	34
THE SHARE	35
FINANCIAL CALENDAR	37
CONSOLIDATED FINANCIAL STATEMENTS.....	38
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	38
CONSOLIDATED INCOME STATEMENT.....	39
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	40
CONSOLIDATED STATEMENT OF CASH FLOWS.....	41
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	43
MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT.....	97
INDEPENDENT AUDITOR'S REPORT	98
DEFINITIONS.....	99

HIGHLIGHTS OF 2014

- Total revenue, other income, fair value adjustments and net changes in inventory amounted to **EUR 74.5 million** (EUR 75.4 million in 2013).
- **EBITDA** was a profit of **EUR 13.6 million** (loss of EUR 1.1 million in 2013).
- **The Net loss** was **EUR 13.3 million** (loss of EUR 16.8 million in 2013). Please note that the result includes EUR 12.3 million of non-cash currency translation losses due to the dramatic depreciation of the Rouble and Hryvna.
- The consolidated assets as of December 31, 2014 amounted to EUR 149.6 million (EUR 185.2 million at December 31, 2013).



Income statement, EUR thousand

Total revenue, other income and fair value adjustments and net changes in inventories

Cost of purchased goods for trading purposes

OPEX

Other (losses)/gains - net

EBITDA

Depreciation and amortization

EBIT

Net financial items

Corporate income tax

Net loss

	2013	2014
Total revenue, other income and fair value adjustments and net changes in inventories	75,389	74,536
Cost of purchased goods for trading purposes	-15,010	-9,735
OPEX	-63,819	-48,785
Other (losses)/gains - net	2,327	-2,381
EBITDA	-1,113	13,635
Depreciation and amortization	-8,258	-6,246
EBIT	-9,371	7,389
Net financial items	-6,785	-20,377
Corporate income tax	-688	-313
Net loss	-16,844	-13,301

Balance sheet, EUR thousand

Total assets

incl Non-current assets

incl Property, plant and equipment

Investment in property, plant and equipment

Net debt

Total equity

Cash flow statement, EUR thousand

Cash flows from operating activities

Cash flows from investing activities

Cash flows from financing activities

Effects of exchange rate changes

Cash and cash equivalents at beginning of period

Cash and cash equivalents at end of period

	31.12.2013	31.12.2014
Total assets	185,247	149,591
incl Non-current assets	155,617	119,792
incl Property, plant and equipment	132,750	104,438
Investment in property, plant and equipment	6,912	24,180
Net debt	69,080	74,434
Total equity	103,805	61,906
2013	2013	2014
Cash flows from operating activities	9,263	7,942
Cash flows from investing activities	-14,511	-5,673
Cash flows from financing activities	2,280	-2,006
Effects of exchange rate changes	-225	-1,135
Cash and cash equivalents at beginning of period	8,190	4,997
Cash and cash equivalents at end of period	4,997	4,125

Key figures

Number of shares, end of the period

Number of shares outstanding, end of the period

Total number of employees

Land under control, hectares

incl land under registered ownership, hectares

Ratios

Earnings per share (EPS), EUR

Book value per share, EUR

Return on assets (ROA)

Return on equity (ROE)

Equity ratio, %

Current ratio

Acid test

	31.12.2013	31.12.2014
Number of shares, end of the period	129,627,479	129,627,479
Number of shares outstanding, end of the period	129,627,479	129,627,479
Total number of employees	1,455	1,269
Land under control, hectares	167,381	144,103
incl land under registered ownership, hectares	113,926	91,892
2013	2013	2014
Earnings per share (EPS), EUR	-0.13	-0.10
Book value per share, EUR	0.80	0.48
Return on assets (ROA)	-9%	-8%
Return on equity (ROE)	-15%	-18%
Equity ratio, %	56%	41%
Current ratio	1.51	0.48
Acid test	0.72	0.20

COMMENTS BY THE CHAIRMAN:



Trigon Agri's Founder and Chairman of the Board, Joakim Helenius

Trigon Agri achieved an EBITDA of EUR 13.6 million in 2014 versus a negative EBITDA of EUR 1.1 million in 2013. This result was achieved despite the continued low soft commodity prices which in real terms for the second year running have remained near their historical all-time lows. In fact the actual prices achieved by Trigon Agri in 2014 were even lower than in 2013. Our continued focus on costs and operational efficiencies helped to achieve this result. Despite the good EBITDA result given the circumstances the net profit was severely impacted by non-cash currency translation losses driven by the dramatic drop in value of both the Ukrainian Hryvna and the Russian Rouble. Out of the reported net loss of EUR 13.3 million non-cash currency translation losses amounted to EUR 12.3 million. The dramatic currency depreciation has also significantly impacted the value of our assets measured in euros.

The overall situation in the agricultural sectors of both Russia and Ukraine is strongly impacted by the political, economic and financial situation in the region. Trigon Agri itself has secured the working capital it needs for the 2015 season, however it

would appear based on anecdotal evidence that a significant part of the agricultural producers are having serious trouble financing their working capital needs given the stressed state of the banking sectors in the two countries. This could mean that the regional harvest in 2015 will be negatively affected, possibly significantly so. Everything else being equal this should be positive for likely price developments in the region, assuming no export restrictions (such as the current Russian ones).

As has been stated in a separate stock exchange release on February 26, 2015 Trigon Agri bondholders voted unanimously to support an extension of the maturity of the bonds to August 2017. This gives us additional time to continue implementing our previously communicated divestment strategy, selling non-core assets in order to repay the bonds.

OVERVIEW OF TRIGON AGRI

TRIGON AGRI IS AN INTEGRATED SOFT COMMODITIES PRODUCER, STORAGE PROVIDER AND TRADER. ITS CORE OPERATIONS ARE CEREALS PRODUCTION IN ROSTOV, RUSSIA AND CEREALS PRODUCTION IN CENTRAL-EASTERN UKRAINE.



The Group has divided its assets into core and non-core.

CORE ASSETS

Core operations of the Group are:

- Cereal production and storage and trading in Central Eastern Ukraine

The cereals production farms in Ukraine are clustered close to major population centres of Kharkov and Kirovograd in the Black Earth region of Ukraine. The proximity to urban areas, storage facilities and transport networks facilitates logistics, transport as well as access to qualified personnel.

In Ukraine the Group controls a total land bank of 47 thousand hectares under long-term land rental agreements out of which 47 thousand hectares was also cropped in 2014.

To support its cereals production operations, the Group has five operational elevators in Ukraine with a total storage capacity of 322 thousand tonnes.

To have an efficient sales set-up the Group operates its own cereals sales and trading arm. The primary purpose of this division is to maximise the sales prices received for Group's own commodities and also on a case-by-case basis engage in intermediation of third-party goods if such trading supports the sales of its own production.

NON-CORE ASSETS

Non-core operations of the Group are:

- Cereal production operations in Rostov, Russia
- Milk production operations in Estonia and in the St Petersburg region of Russia.

In Rostov cluster the Group currently controls a total land bank of 80 thousand hectares, out of which 21 thousand hectares was cropped in 2014.

COMPETITIVE STRENGTHS

The Group believes that its main competitive strengths are:

HIGH-QUALITY LAND PORTFOLIO

All of the Group's land area for cereal production is located in the Black Earth region, offering some of the lowest production costs of grains and oilseeds globally.

OPTIMAL GEOGRAPHIC LOCATION WITH ACCESS TO REQUIRED INFRASTRUCTURE AND PERSONNEL

The Group's production clusters are contiguous and compact, allowing for low production logistics costs, and are located close to regional population centres providing access to required infrastructure and personnel.

SOME OF THE LOWEST PRODUCTION COSTS IN ITS REGION

Due to high potential for economies of scale from land concentration and high-capacity Western manufactured machinery, the Group obtains some of the lowest production costs in the Black Earth region where many competitors are substantially

smaller in size and rely on out-dated Soviet-era machinery.

EFFICIENT APPLICATION OF MODERN AGRICULTURAL KNOW-HOW IN THE FORMER SOVIET UNION SETTING

The Western training and Russian language skills of its key management in combination with their knowledge of the post-Soviet environment allows the Group to implement modern agricultural know-how efficiently in the former Soviet Union setting.

INTEGRATED BUSINESS MODEL WITH ACCESS TO GRAIN ELEVATORS AND TRADING EXPERTISE

The Group has its own elevator storage facilities which strengthens independence from regional traders and storage providers. The Group's sales and trading business allows the Group to obtain best available prices for its commodities through the execution of deliveries both domestically as well as to export markets. Further, it allows the Group to combine its own goods with third-party commodities thereby increasing sale volumes and average prices achieved.



500-550Hp tractor class



Self-propelled sprayers



300-350Hp tractor class



Combine harvesters



State-of-the-art equipment base

HISTORY

2006

Trigon Agri was established in May 2006 by the asset management company Trigon Capital. The initially committed start-up capital of EUR 20 million was raised from Trigon Capital and primarily Finnish high net worth individuals. Trigon Capital remains a non-controlling shareholder in the Group while its wholly-owned subsidiary Trigon Agri Advisors provides management services to the Group.

With the start-up capital raised, the Group made its first investments in farming companies in 2006 by acquiring cereal farming operations in eastern Ukraine nearby the city of Kharkov. The acquisitions marked the establishment of the first production cluster of the Group. The Group's dairy farms were acquired during the second half of 2006. Since the St Petersburg farm was of greenfield character, commercial milk production did not start until April 2008.

2007

On May, 17 2007, Trigon Agri completed a private placing of shares to institutional investors and high net worth individuals in several European Union member states and in the United States securing approximately EUR 50 million, before issue costs. Following the private placing, the Group's shares were listed on the NASDAQ OMX First North alternative stock exchange in Stockholm on 18 May 2007.

With the capital raised in 2007, the Group continued the expansion of its cereal farming in Kharkov and made the first investments into railroad connected large storage facilities (elevators) pursuing its strategy of building an integrated production, storage and trading operation.

2008

During the first quarter of 2008, the Group also established a second production cluster nearby the city of Kirovograd in Ukraine, and two further clusters nearby the cities of Samara and Penza in Russia. After the set-up of operations in three additional cereal production clusters in the Black Earth region, the Group had by the middle of 2008 established a strong platform for cereal production, storage and trading throughout the Black Earth regions of Ukraine and Russia.

On April, 7 2008, Trigon Agri entered into an agreement with Ramburs Group, a leading Ukrainian commodities trading group, for the establishment of the joint venture company

Ramburs Trigon. The joint venture handled sales and trading activities as well as the management of the cereal storage operations of the Group.

On May, 6 2008, Trigon Agri completed a further follow-on capital raising of EUR 105 million to fund the expansion of its operations in the Black Earth regions of Ukraine and Russia. The funds raised from the placing were intended for financing investment programmes in the existing production clusters.

2009

In late 2009, the Group acquired the fifth operational cereal cluster in Stavropol, Russia.

Additionally, the Group acquired a brownfield elevator site next to its farming operations in the Penza region and increased its freehold ownership of land in Russia to 80,276 hectares.

In December 2009, the Group signed an agreement to acquire a brownfield elevator site next to its farming operations in the Stavropol region.

2010

In August 2010, the Group acquired the non-controlling share of Ramburs Trigon, thereby fully taking over the operations of its sales and trading joint venture.

Since December 8, 2010 the shares of Trigon Agri A/S are listed on main market of Small Cap segment on NASDAQ OMX Stockholm.

2011

In 2Q 2011 Trigon Agri concluded a four-year bond issue in amount of SEK 350 million with an annual interest rate of 11%.

Since December 14, 2011 the bonds of Trigon Agri are listed on the Corporate Bond List of NASDAQ OMX Stockholm.

2012

In April 2012 the Group finalized acquisition of Estonian dairy farm AS Väätsa Agro, the largest milk production farm in Estonia in terms of milk quota. At the time of the acquisition the company farmed 4,160 hectares of farmland and had 3,386 dairy animals, including 1,685 milking cows.

In 4Q 2012 Trigon Agri carried out a land-swap transaction in Russia involving the acquisition of a new 71 thousand hectares production cluster in Rostov Oblast in exchange for its two current Russian production clusters in Samara and Stavropol.

2013

As part of the Group's longer-term planning the Group divided its assets into core and non-core with focus on core assets. The core assets of the Group are cereals production operations in Ukraine and cereals production operations in the Rostov cluster in Russia. The non-core assets of the Group are cereals production operations in Penza, Russia and milk production operations in St Petersburg region in Russia and in Estonia.

In 2Q 2013 the Group completed a limited capital raising for its Estonian dairy farming subsidiary AS Trigon Dairy Farming Estonia ('TDFE'). As a part of

the transaction, the Ingman Group from Finland acquired 21% of TDFE.

In 4Q 2013 the Group disposed 15.3% in AS Trigon Dairy Farming Estonia. Following the transaction Trigon Agri retains an ownership stake of 63.7% in AS Trigon Dairy Farming Estonia.

2014

In 2014, Trigon Agri completed the divestment of 36,000ha in Penza, Russia.

2015

On February 26, 2015 Trigon Agri SEK 350 million bond was extended until August 31, 2017.

FINANCIAL AND OPERATIONAL REVIEW

INCOME STATEMENT

The Group's operations are divided into the following operational segments: Cereals production in Ukraine and Russia, Milk production, Storage services and Sales and trading.

In 2014, the Group's EBITDA reached a profit of EUR 13.6 million against a loss of EUR 1.1 million in 2013.

The EBITDA by segments is explained as follows.

The Cereal production segment showed strong performance with EBITDA increasing by EUR 14.9 million supported by a record average yield and lower costs as national currencies devalued and the Group divested its Penza cluster in Russia.

In the Milk production segment higher productivity raised the EBITDA to EUR 2.9 million.

Storage services segment showed an EBITDA loss of EUR 0.6 million as dry harvest in 2014 lowered

the revenue from elevator services, especially from drying services.

In the Sales and trading segment, favorable export contracts led to an EUR 0.9 million surge in EBITDA compared to 2013.

Assuming similar crop yields and prices compared to 2014, the Group expects the financial result for 2015 to be roughly similar to 2014 with the exception of the dairy business which is negatively impacted by sharply lower milk prices, unless there will be further significant currency movements. Nevertheless, it is important to emphasise that it is too early to forecast the financial result for 2015 at this stage.

Summary of the financial results by segments can be seen in the following tables. For detailed explanations on each operational segment, please refer to further sections in this report.

2014, EUR thousand	Cereals production Ukraine	Cereals production Russia	Milk production	Storage services	Sales and trading	Eliminations between segments	Total
Revenue between segments	21,620	7,012	-	1,201	4,159	-33,992	-
Revenue from external customers	1,934	133	13,854	1,770	41,438	-	59,129
Total segment revenue	23,554	7,145	13,854	2,971	45,597	-33,992	59,129
Subsidies	-	4	1,351	-	-	-	1,355
Other income	203	597	6	220	52	-889	189
Change in biol.assets	567	393	752	-	-	-	1,712
TOTAL income	24,324	8,139	15,963	3,191	45,649	-34,881	62,385
Change in inventories	7,736	166	3,726	-	97	426	12,151
Cost of purchased goods	-84	-117	-9	-20	-41,429	31,924	-9,735
OPEX	-20,615	-7,361	-16,779	-3,484	-3,002	2,456	-48,785
Other (losses)/gains - net	1,507	-3,577	-51	-291	-44	75	-2,381
EBITDA	12,868	-2,750	2,850	-604	1,271	-	13,635

2013, EUR thousand	Cereals production Ukraine	Cereals production Russia	Milk production	Storage services	Sales and trading	Eliminations between segments	Total
Revenue between segments	31,605	7,153	-	2,640	6,929	-48,327	-
Revenue from external customers	1,393	162	12,903	4,241	56,909	-	75,608
Total segment revenue	32,998	7,315	12,903	6,881	63,838	-48,327	75,608
Subsidies	-	293	2,065	-	-	-	2,358
Other income	373	206	39	15	214	-81	766
Change in biol.assets	-280	-528	567	-	-	-	-241
TOTAL income	33,091	7,286	15,574	6,896	64,052	-48,408	78,491
Change in inventories	-6,109	-774	3,781	-	-	-	-3,102
Cost of purchased goods	-760	-91	-23	-291	-59,087	45,242	-15,010
OPEX	-27,672	-12,375	-16,961	-5,304	-4,592	3,085	-63,819
Other (losses)/gains - net	2,891	-288	-100	-208	-49	81	2,327
EBITDA	1,441	-6,242	2,271	1,093	324	-	-1,113



Sunflower in Kharkov (Ukraine) in July, 2014

BALANCE SHEET ASSETS

The consolidated assets of the Group as at December 31, 2014 amounted to EUR 149.6 million (EUR 185.2 million at December 31, 2013). The assets decreased due to devaluation of national currencies against euro as Russian rouble weakened 37% and Ukrainian hryvna 43%.

The total land under control as at December 31, 2014 stood at 144 thousand hectares (167 thousand as at December 31, 2013) as Penza cluster in Russia was divested.

Land under control, hectares

Cereal production Ukraine

Land under rental agreements

Total Cereal production Ukraine

Cereal production Russia

Land in ownership

Land under rental agreements

Land in ownership acquisition process

Total Cereal production Russia

Milk production Russia

Land in ownership

Land under rental agreements

Total Milk production Russia

Milk production Estonia

Land in ownership*

Land under rental agreements

Total Milk production Estonia

Total

Land in ownership*

Land under rental agreements

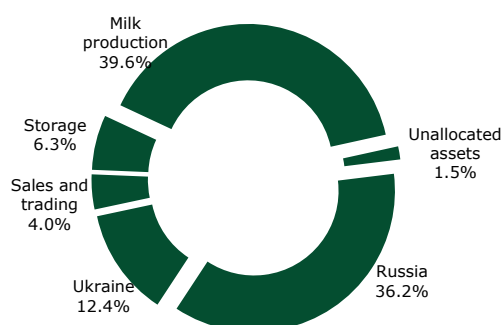
Land in ownership acquisition process

Total

	31.12.2013	31.12.2014
	47,843	46,753
Total Cereal production Ukraine	47,843	46,753
	107,262	78,345
	1,656	1,656
	-	318
Total Cereal production Russia	108,918	80,319
	1,991	8,851
	500	-
Total Milk production Russia	2,491	8,851
	4,673	4,696
	3,456	3,484
Total Milk production Estonia	8,129	8,180
	113,926	91,892
	53,455	51,893
	-	318
Total	167,381	144,103

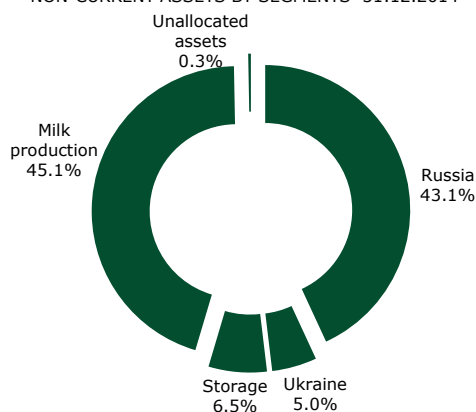
* including usufruct agreements in Estonia

TOTAL ASSETS BY SEGMENTS 31.12.2014

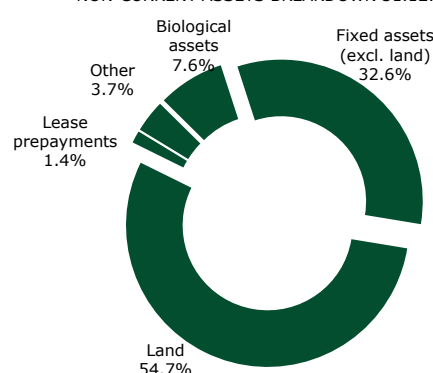


Unallocated assets of the Group include cash and other assets in Group holding companies that are not possible to allocate between segments.

NON-CURRENT ASSETS BY SEGMENTS 31.12.2014



NON-CURRENT ASSETS BREAKDOWN 31.12.2014

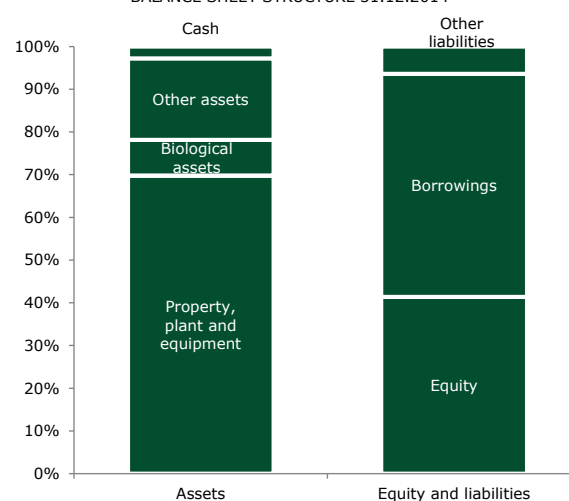


NET DEBT AND LIQUIDITY POSITION

The total borrowings of the Group as at December 31, 2014 amounted to EUR 78.1 million compared with EUR 74.1 million as at December 31, 2013. The main contributor to this increase was an additional credit in amount of EUR 7.1 million drawn by the Milk production segment for investments that had been previously agreed as part of the divestment process.

The net debt of the Group as at December 31, 2014 amounted to EUR 74.4 million (EUR 69.1 million as at December 31, 2013).

BALANCE SHEET STRUCTURE 31.12.2014



INVESTMENTS

During 2014 the Group invested mostly into the Milk production segment, previously agreed as part of the divestment process. Proceeds from sales of property, plant, equipment and biological assets in amount of EUR 7.5 million were related to the divestment of Penza cluster in Russia.

Cash flows from investing activities, EUR thousand

	2013	2014
Acquisition of subsidiary, net of cash acquired	-4,864	-
Purchase of biological assets	-2	-2
Purchase of property, plant and equipment	-10,686	-13,824
Purchase of intangible assets	-90	-
Proceeds from sales of property, plant and equipment	1,131	7,885
Proceeds from sales of biological assets	-	268
Net cash used in investing activities	-14,511	-5,673

CEREAL PRODUCTION

The Group has its cereals production operations in the Black Earth regions in Kharkov, Nikolaev and Kirovograd in Ukraine and Rostov in Russia. In July, 2014 the divestment of Penza cluster in Russia was completed.

The EBITDA for 2014 showed a profit of EUR 10.1 million against a loss of EUR 4.8 million in 2013.

CEREAL PRODUCTION FINANCIAL REVIEW

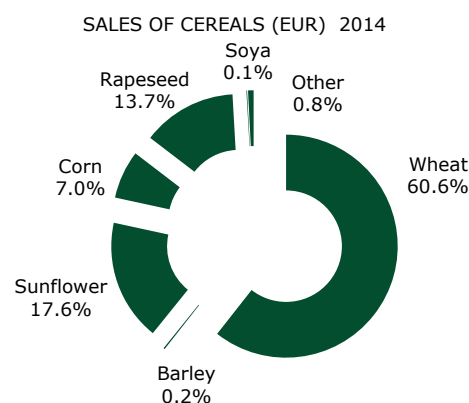
In the Cereal production segment the revenue is made up primarily from sales of cereals to the Group's Sales and trading segment. Sales and trading division in turn sells the cereals to third parties.

Total 2014 harvest value increased compared with 2013 as yields increased and prices of grain in stock at year-end were higher. In 2014, the Cereal production segment revenue stood at EUR 30.7 million (EUR 40.3 million in 2013). Revenue from sales of cereals in 2014 declined as carry-over inventory from previous year was lower and unsold stock as of December 31, 2014 was higher.

Average sales prices in 2014 were lower compared to 2013. However, own produced grain in inventory

as at the end of the year was valued more favorably compared with 2013, especially sunflower. For details on cereal prices and quantities please refer to the included tables.

Gains arising from changes in biological assets amounted to EUR 1.0 million (loss of EUR 0.8 million during 2013), including costs of winter crop seeded in 2014 and 2013, respectively.



	Ukraine			Russia			Total		
	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t
2013									
Wheat	78,086	10,492	134	43,121	5,298	123	121,207	15,790	130
Barley	1,483	204	137	9,434	927	98	10,917	1,131	104
Sunflower	26,013	7,923	305	2,653	526	198	28,666	8,448	295
Corn	55,339	6,191	112	661	62	93	56,000	6,253	112
Rapeseed	15,176	4,640	306	19	1	42	15,195	4,641	305
Soya	7,495	2,444	326	-	-	-	7,495	2,444	326
Other	48	13	270	2,466	265	107	2,514	278	111
Total	183,639	31,906	174	58,355	7,079	121	241,994	38,985	161

	Ukraine			Russia			Total		
	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t
2014									
Wheat	86,795	11,681	135	57,160	6,406	112	143,955	18,087	126
Barley	491	48	98	-	-	-	491	48	98
Sunflower	20,116	5,024	250	1,346	240	178	21,462	5,264	245
Corn	21,625	2,064	95	141	14	100	21,766	2,078	95
Rapeseed	14,734	4,060	276	108	21	193	14,842	4,081	275
Soya	123	37	301	-	-	-	123	37	301
Other	1,427	127	89	1,721	121	70	3,148	248	79
Total	145,311	23,041	159	60,476	6,802	112	205,787	29,843	145

Own produced grain available for sale in stock in Cereals production segments 31.12.2013

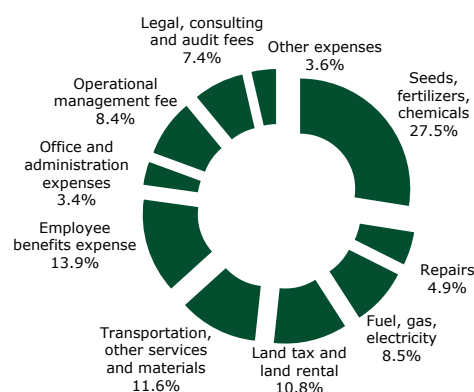
	Ukraine			Russia			Total		
	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t
Wheat	283	38	134	-	-	-	283	38	134
Barley	62	8	130	-	-	-	62	8	130
Sunflower	10,313	2,491	242	-	-	-	10,313	2,491	242
Corn	160	16	100	56	6	106	217	22	102
Rapeseed	-	-	-	100	22	220	100	22	220
Total	10,818	2,553	236	156	28	179	10,975	2,581	235

Own produced grain available for sale in stock in Cereals production segments 31.12.2014

	Ukraine			Russia			Total		
	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t
Wheat	7,034	1,014	144	185	26	141	7,219	1,040	144
Barley	82	10	122	-	-	-	82	10	122
Sunflower	14,235	4,672	328	-	-	-	14,235	4,672	328
Corn	3,022	361	119	3	-	n/m	3,025	361	119
Rapeseed	1	-	-	-	-	-	1	-	-
Soya	3,850	1,301	338	-	-	-	3,850	1,301	338
Total	28,224	7,358	261	188	26	138	28,412	7,384	260

Total operating expenses for 2014 dropped by 30% compared with 2013 due to devaluation of national currencies and divestment of Penza cluster in Russia.

CEREAL PRODUCTION SEGMENTS OPEX 2014


Cereals production segment

in EUR thousand	2013			2014		
	Ukraine	Russia	Total	Ukraine	Russia	Total
Seeds, fertilizers, chemicals	-8,027	-3,720	-11,747	-5,528	-2,163	-7,691
Repairs	-1,147	-938	-2,085	-824	-538	-1,362
Fuel, gas, electricity	-2,295	-1,062	-3,357	-1,910	-462	-2,372
Land tax and land rental	-4,263	-259	-4,522	-2,804	-215	-3,019
Transportation, other services and materials	-4,007	-2,116	-6,123	-2,317	-941	-3,258
Employee benefits expense	-3,496	-1,762	-5,258	-2,580	-1,317	-3,897
Office and administration expenses	-1,127	-471	-1,598	-622	-318	-940
Operational management fee	-1,693	-1,053	-2,746	-1,649	-694	-2,343
Legal, consulting and audit fees	-1,447	-890	-2,337	-1,661	-414	-2,075
Other expenses	-170	-104	-274	-720	-299	-1,019
Total expenses	-27,672	-12,375	-40,047	-20,615	-7,361	-27,976

In the Cereals production segment in Ukraine very good yields, improved prices for year-end inventory and reduced costs lead to an EBITDA profit of EUR 12.9 million (EUR 1.4 million in 2013).

In the Cereals production segment in Russia EBITDA was a loss of EUR 2.8 million (loss of EUR 6.2 million in 2013). Good yields and divestment of

Penza cluster in 2014 contributed to the improvement in EBITDA. At the same time, the deterioration of the political and economic situation in Russia lead to losses in amount of EUR 3.6 million recorded under 'Other losses/gains - net'. The major item included in this figure are receivable write-offs, land revaluation loss and Penza divestment loss.

Cereals production segment

in EUR thousand

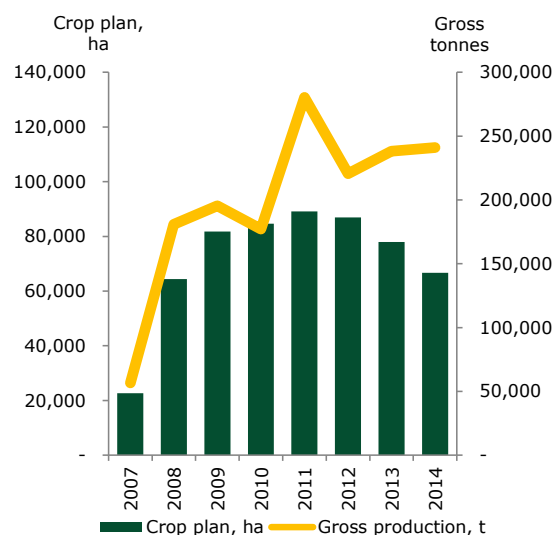
	2013			2014		
	Ukraine	Russia	Total	Ukraine	Russia	Total
Revenue between segments	31,605	7,153	38,758	21,620	7,012	28,632
Revenue from external customers	1,393	162	1,555	1,934	133	2,067
Total segment revenue	32,998	7,315	40,313	23,554	7,145	30,699
Subsidies	-	293	293	-	4	4
Other income	373	206	579	203	597	800
Change in biol.assets	-280	-528	-808	567	393	960
TOTAL income	33,091	7,286	40,377	24,324	8,139	32,463
Change in inventories	-6,109	-774	-6,883	7,736	166	7,902
Cost of purchased goods	-760	-91	-851	-84	-117	-201
OPEX	-27,672	-12,375	-40,047	-20,615	-7,361	-27,976
Other (losses)/gains - net	2,891	-288	2,603	1,507	-3,577	-2,070
EBITDA	1,441	-6,242	-4,801	12,868	-2,750	10,118

CEREALS PRODUCTION OPERATIONAL REVIEW

In 2014 the Group archived the best average yield in the history of our operations. High standards of crop management, coupled with good growing conditions, particularly for the winter crop were the contributing factors towards this result. Total of 241 thousand tonnes were harvested from 67 thousand hectares. For details about the harvest results please refer to the included tables.

In 2014 the Group completed autumn seeding in October, with 44 thousand hectares sown with winter wheat and 7 thousand hectares with winter rapeseed. The extent of possible reseeding will be decided in the spring of 2015. All crops are in good condition as of today's date, despite a very dry autumn 2014 in Russia.

CROP PRODUCTION DYNAMICS



Summary for major crops

Kharkov (Ukraine)

Gross yield, t/ha	2007	2008	2009	2010	2011	2012	2013	2014
Winter wheat	2.95	5.66	4.14	3.85	4.71	3.74	4.73	5.61
Corn	5.26	6.24	5.78	2.22	8.03	4.07	-	-
Winter rapeseed	-	-	-	3.01	1.52	1.61	2.04	2.00
Sunflower	2.52	2.74	2.71	1.86	2.95	2.73	2.84	2.89
Soya	-	1.30	1.40	0.99	2.22	1.57	1.40	1.84

Summary for major crops

Gross yield, t/ha	Kirovograd (Ukraine)						
	2008	2009	2010	2011	2012	2013	2014
Winter wheat	3.61	5.26	4.94	4.93	2.17	4.79	5.91
Corn	5.33	7.98	7.67	11.55	8.03	8.79	7.38
Winter rapeseed	2.13	2.43	1.70	-	-	-	-
Sunflower	2.04	2.36	2.14	-	-	-	1.32
Soya	1.02	1.91	1.47	1.95	-	-	-

Gross yield, t/ha	Nikolaev (Ukraine)						
	2008	2009	2010	2011	2012	2013	2014
Winter wheat	3.43	3.59	3.52	3.57	1.02	2.14	3.37
Corn	-	-	-	-	2.63	10.59*	11.24*
Winter rapeseed	1.61	1.35	2.37	1.33	0.62	1.02	-
Sunflower	1.49	1.47	2.15	1.70	0.82	1.90	1.26
Soya	-	-	1.56	0.35	0.94	-	-

Gross yield, t/ha	Rostov (Russia)	
	2013	2014
Winter wheat	2.04	3.72
Corn	4.19	2.10
Sunflower	0.59	1.26

*irrigated

Crop plan, ha	2013			2014		
	Ukraine	Russia	Total	Ukraine	Russia	Total
Wheat	20,768	20,494	41,262	20,756	16,079	36,835
Corn	4,875	201	5,077	3,547	45	3,592
Rapeseed	8,814	-	8,814	8,011	-	8,011
Sunflower	10,606	3,230	13,837	11,934	1,085	13,019
Soya	3,116	-	3,116	2,348	-	2,348
Barley	379	4,214	4,593	116	-	116
Other cereals	-	1,251	1,251	176	2,591	2,767
Total	48,560	29,391	77,951	46,888	19,800	66,688

Gross production, t	2013			2014		
	Ukraine	Russia	Total	Ukraine	Russia	Total
Wheat	84,347	47,151	131,498	101,188	59,738	160,926
Corn	42,951	844	43,796	26,561	95	26,655
Rapeseed	16,560	-	16,560	16,082	-	16,082
Sunflower	26,400	1,910	28,311	27,077	1,364	28,440
Soya	4,367	-	4,367	4,313	-	4,313
Barley	809	10,359	11,168	439	-	439
Other cereals	-	2,514	2,514	1,273	3,188	4,461
Total	175,435	62,779	238,214	176,932	64,385	241,317

Gross yield, t/ha	2013			2014		
	Ukraine	Russia	Total	Ukraine	Russia	Total
Wheat	4.06	2.30	3.19	4.88	3.72	4.37
Corn	8.81	4.19	8.63	7.49	2.10	7.42
Rapeseed	1.88	-	1.88	2.01	-	2.01
Sunflower	2.49	0.59	2.05	2.27	1.26	2.18
Soya	1.40	-	1.40	1.84	-	1.84
Barley	2.13	2.46	2.43	3.77	-	3.77
Other cereals	-	2.01	2.01	7.23	1.23	1.61
Total	3.61	2.14	3.06	3.77	3.25	3.62

CEREALS STORAGE SERVICES

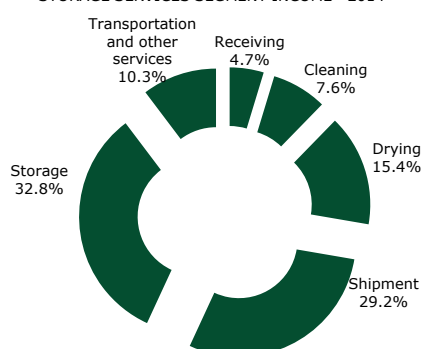
The Group owns cereals storage elevators to support its production operations. Currently the Group has five operational elevators in Ukraine with a total storage capacity of 322 thousand tonnes.

Storage services segment showed an EBITDA loss of EUR 0.6 million (EBITDA profit of EUR 1.1 million in 2013) as dry harvest in 2014 lowered the revenue from elevator services, especially from drying services.

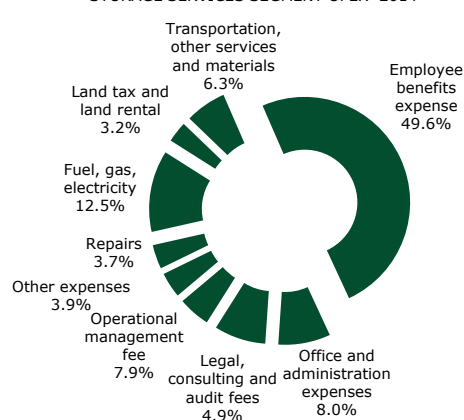
STORAGE SERVICES FINANCIAL REVIEW

Total revenues of the Storage services in 2014 fell by EUR 3.9 million as the dry crop reduced the volumes handled and devaluation of Ukrainian hryvna resulted in lower prices of elevator services in euro terms. While weaker hryvna also contributed to the 34% reduction in OPEX in euro terms, the impact from lower volumes was larger and thus caused the decline in EBITDA.

STORAGE SERVICES SEGMENT INCOME 2014



STORAGE SERVICES SEGMENT OPEX 2014



Operating expenses breakdown: Storage services segment

in EUR thousand

	2013	2014
Repairs	-184	-128
Fuel, gas, electricity	-1,234	-434
Land tax and land rental	-116	-112
Transportation, other services and materials	-409	-220
Employee benefits expense	-2,307	-1,728
Office and administration expenses	-363	-280
Operational management fee	-323	-276
Legal, consulting and audit fees	-306	-171
Other expenses	-62	-135
Total expenses	-5,304	-3,484

Storage services segment

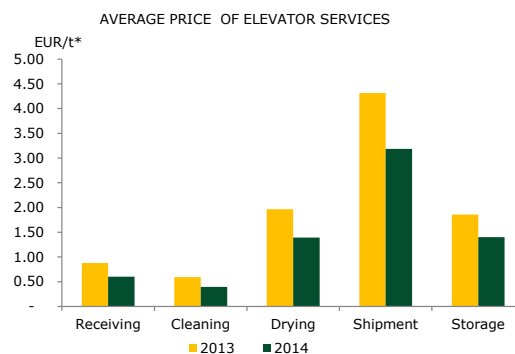
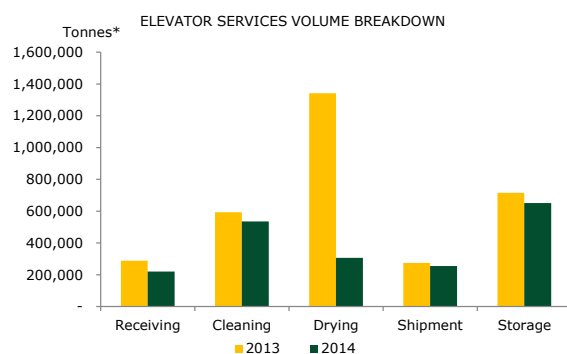
in EUR thousand

	2013	2014
Revenue between segments	2,640	1,201
Revenue from external customers	4,241	1,770
Total segment revenue	6,881	2,971
Other income	15	220
TOTAL income	6,896	3,191
Cost of purchased goods	-291	-20
OPEX	-5,304	-3,484
Other (losses)/gains - net	-208	-291
EBITDA	1,093	-604

STORAGE SERVICES OPERATIONAL REVIEW

Dry harvest reduced the need for elevator services in 2014 and reduced the volumes handled by the Storage services segment. Drying services were mostly impacted by lower moisture percentages for

corn. Average prices for elevator services declined in euro terms due to devaluation of Ukrainian hryvna.



*for storage services tonnes are accumulated, for cleaning and drying services tonnes are multiplied with cleaning and moisture percentages

Volumes handled, tonnes*	2013			2014		
	Trigon Agri commodities	Third party commodities	Total	Trigon Agri commodities	Third party commodities	Total
Receiving	131,358	156,768	288,127	136,101	83,725	219,825
Cleaning	341,639	250,969	592,608	326,781	208,972	535,753
Drying	592,355	749,277	1,341,632	175,317	130,877	306,194
Shipment	101,287	173,344	274,631	87,442	167,216	254,658
Storage	207,661	507,390	715,051	194,956	456,056	651,013

*for storage services tonnes are accumulated, for cleaning and drying services tonnes are multiplied with cleaning and moisture percentages

SALES AND TRADING

The main purpose of the Sales and trading segment is to maximize the cereals sales prices received for the Group's own commodity production. Depending on market situation, the Sales and trading department is also engaged in intermediation of third-party goods. In addition to the cereals sales the Sales and trading division organizes purchases of seeds and fertilizers for the cereals production companies of the Group.

In the Sales and trading segment, higher margins in 2014 supported by export contracts lead to an EUR 0.9 million surge in EBITDA from 2013.

SALES AND TRADING FINANCIAL REVIEW

The total revenue of the Sales and trading segment in 2014 stood at EUR 45.6 million (EUR 63.8 million

in 2013). Sales of cereals amounted to EUR 41.4 million, down EUR 15.5 million from 2013 as volumes declined. For details on the cereals sales prices and sold quantities in the Sales and trading segment please refer to the included tables.

SALES AND TRADING SEGMENT INCOME 2014



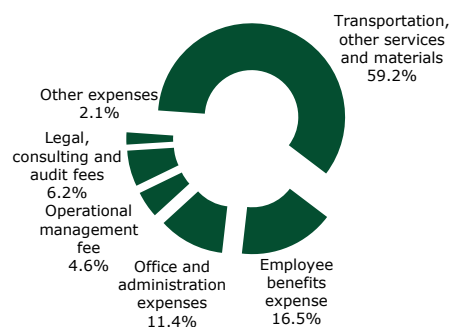
	2013			2014		
	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t
Wheat	147,698	23,992	162	160,862	25,396	158
Barley	12,564	1,367	109	2,735	307	112
Sunflower	35,047	10,524	300	25,182	6,341	252
Corn	83,000	10,275	124	11,853	1,512	128
Rapeseed	20,648	8,010	388	20,458	7,423	363
Soya	7,221	2,492	345	675	181	268
Other	2,478	250	101	3,596	271	75
Total	308,657	56,909	184	225,361	41,431	184
incl own produced	242,675			184,379		
incl third party	65,982			40,982		

Grain for sale in stock in Sales and trading segment

	31.12.2013			31.12.2014		
	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t
Wheat	-	-	-	1,277	225	176
Sunflower	-	-	-	120	39	325
Corn	-	-	-	3,540	431	122
Soya	-	-	-	101	34	338
Total	-	-	-	5,038	729	145

Total expenses decreased by EUR 1.6 million as lower sales volumes and devaluation of Ukrainian hryvna cut the costs for Transportation, other services and materials.

SALES AND TRADING SEGMENT OPEX 2014



Operating expenses breakdown: Sales and trading segment

in EUR thousand

	2013	2014
Transportation, other services and materials	-3,389	-1,776
Employee benefits expense	-571	-494
Office and administration expenses	-300	-341
Operational management fee	-162	-138
Legal, consulting and audit fees	-135	-186
Other expenses	-35	-67
Total expenses	-4,592	-3,002

Sales and trading segment

in EUR thousand

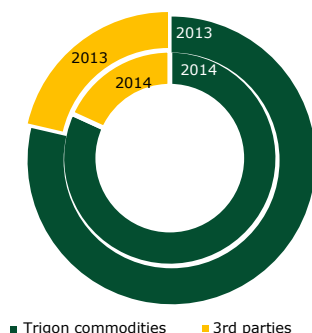
	2013	2014
Revenue between segments	6,929	4,159
Revenue from external customers	56,909	41,438
Total segment revenue	63,838	45,597
Other income	214	52
TOTAL income	64,052	45,649
Change in inventories	-	97
Cost of purchased goods	-59,087	-41,429
OPEX	-4,592	-3,002
Other (losses)/gains - net	-49	-44
EBITDA	324	1,271

SALES AND TRADING OPERATIONAL REVIEW

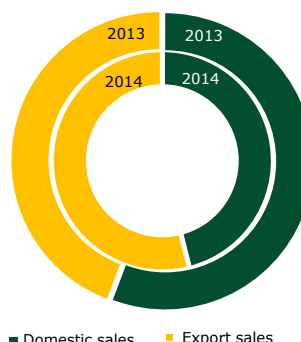
The share of own produced commodities from total sales increased, although volumes declined as the Cereal production segment held larger part of grain in stock as at December 31, 2014 and carry-over inventory from previous year was lower.

The share of export in total sales surged from 44% in 2013 to 54% in 2014, enabling to reach higher margins. The segment exported wheat, rapeseed and corn.

SALES AND TRADING SEGMENT CEREALS SALES VOLUME BREAKDOWN



SALES AND TRADING SEGMENT CEREALS SALES VOLUME BREAKDOWN

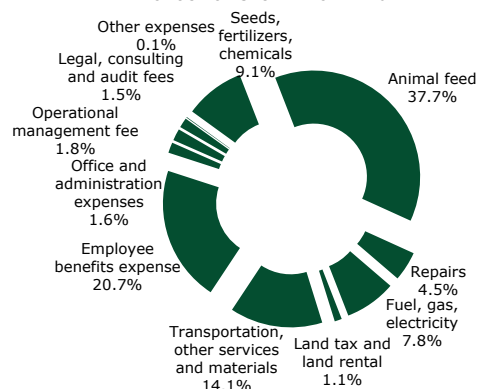


MILK PRODUCTION

The Group's milk production operations are located in Estonia and in the St Petersburg region of Russia.

In the Milk production segment higher productivity during 2014 raised the EBITDA to EUR 2.9 million (EUR 2.3 million in 2013).

MILK PRODUCTION SEGMENT OPEX 2014



Milk production segment in EUR thousand

	2013	2014
Revenue between segments	-	-
Revenue from external customers	12,903	13,854
Total segment revenue	12,903	13,854
Subsidies	2,065	1,351
Other income	39	6
Change in biol.assets	567	752
TOTAL income	15,574	15,963
Change in inventories	3,781	3,726
Cost of purchased goods	-23	-9
OPEX	-16,961	-16,779
Other (losses)/gains - net	-100	-51
EBITDA	2,271	2,850

EVENTS AFTER THE BALANCE SHEET DATE

WINTER CROPS

As at the date of the current report no damages to the winter crops have been occurred and the necessity for the reseeded will be determined in due course.

BOND EXTENSION APPROVED

On February 26, 2015 the amended terms and conditions of the SEK 350 million bonds were approved by the bondholders.

The new terms and conditions include the extension of the bond maturity to August 31, 2017. The interest rate is kept unchanged at the current level of 11 % per annum. As part of the new terms and conditions the Company has agreed to post security for the bonds in the form of share pledges over the shares of its material subsidiary companies, and undertakes that the same subsidiaries provide agreed upon guarantees to the bondholders. Furthermore, the Company has agreed to a step-up in the redemption payments to bondholders depending upon the date of repayment (accordingly, the redemption payment will be 101 % of the nominal amount if the redemption occurs during the period from 30 June 2015 to 31 December 2015; 104 % of the nominal amount if the redemption occurs during the period from 1 January 2016 to 31 December 2016; 106 % of the nominal amount if the redemption occurs during the period from January 2017 to the final redemption date). The Company further undertakes to implement cost saving measures by internalising certain management and advisory functions. The Company undertakes to take all reasonable steps to divest its activities in Estonia and Russia as soon as reasonably possible, given market conditions, and to apply the proceeds from cost savings and disposals towards a full or partial early redemption of the bonds (subject to further conditions and limited exemptions). The Company agrees to new covenants restricting its ability to declare dividends to its shareholders, carry out additional investments and take on new borrowings unless approved by the committee to be set up to represent the bondholders. Net capital expenditure on group level will be capped at EUR 6 million during the period from 1 January 2015 until the final redemption date. Financial indebtedness on group level (excluding the bond itself) will be capped at EUR 45 million.

COVENANT CHANGE

The recent devaluation of both Ukrainian Hryvna and Russian Rouble has caused non-cash currency translation losses which lower the Company's equity. The covenant ratio of Financial Indebtedness to Shareholders' Equity that was effective in the old bond terms and conditions had, therefore, significantly worsened during the fourth quarter of 2014 and as a result the Company was not be able to meet this covenant as at 31.12.2014. Therefore, this covenant has been removed in the new terms and conditions and replaced by a cap on financial indebtedness.

ESTONIAN DAIRY BUSINESS

Since the imposition of the Russian import ban on EU food products, the milk price received by Trigon Agri Estonian milk production subsidiary AS Trigon Dairy Farming Estonia (TDFE) has dropped sharply. As a result of this milk price drop in the market the Estonian dairy farming sector is facing dramatic difficulties.

In light of this situation, in order to strengthen its balance sheet, TDFE has in February 2015 successfully concluded negotiations with Ingman Development Oy Ab, an investment vehicle of the Ingman family, to subscribe for a new share issue of EUR 2.00 million into Trigon Dairy Farming Estonia AS. As a result the shareholding of Ingman Development Oy Ab will increase to 33.82% after the transaction. Additionally, in the second phase Ingman Development Oy Ab will have an option to subscribe for further shares within four months in an amount of up to EUR 2.12 million less any shares subscribed for by non-controlling shareholders to retain their shareholding percentage prior to the share issues at the same valuation, so that the total shares issue shall not exceed EUR 2.12 million in the second phase. If Ingman Development Oy Ab decides to fully exercise their option to invest in the second phase, the shareholding of Trigon Agri in TDFE will drop to 49.98% and TDFE will no longer be an entity controlled by Trigon Agri.

If non-controlling shareholders will not participate and Ingman Development Oy Ab decides to invest the further EUR 2.12 million, their shareholding will increase to 41.16% after the transaction.

MARKET DYNAMICS AND OUTLOOK

GLOBAL MARKET FOR GRAINS AND OILSEEDS

Record output in grain and oilseed for 2014 has caused the rise in the stock-to use ratio to its highest level since 2009. Trade has declined 3% from its record 2013/14 levels as the main importer China reduced its corn and soybean imports due to a large harvest.

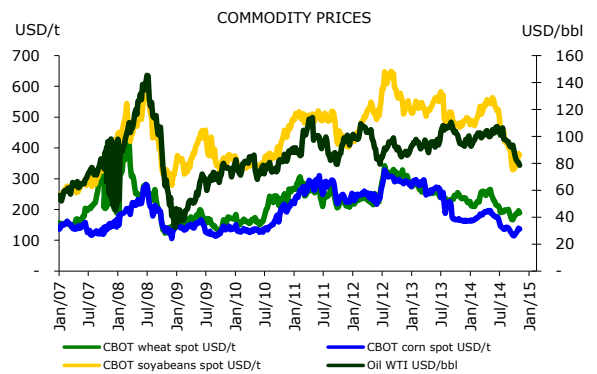
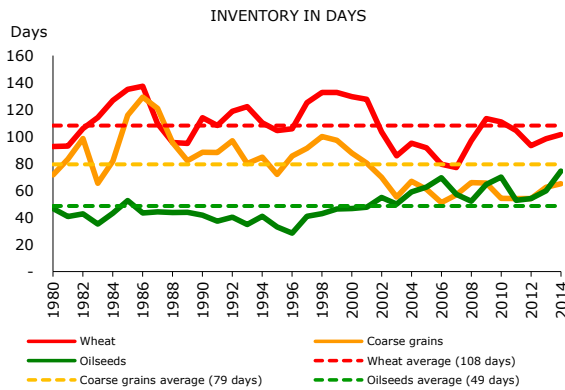
Production for 2015 is likely to remain at a high level as early indications according to FAO have been mostly favorable. Large supplies combined with strong dollar and depressed oil prices have kept grain and oilseed prices near their four-year lows in dollar terms.

World use of grains, millions of tonnes	2009	2010	2011	2012	2013	2014
Wheat						
Total production	686	652	697	659	716	725
Total production y-o-y, %	0%	-5%	7%	-6%	9%	1%
Total use	650	655	697	680	704	715
Total use y-o-y, %	1%	1%	6%	-2%	4%	1%
Ending stocks	203	198	199	175	187	198
Ending stocks y-o-y, %	21%	-2%	1%	-12%	7%	6%
Inventory in days	114	110	104	94	97	101
Coarse grains						
Total production	1,116	1,099	1,151	1,136	1,280	1,275
Total production y-o-y, %	0%	-1%	5%	-1%	13%	0%
Total use	1,115	1,131	1,152	1,136	1,238	1,262
Total use y-o-y, %	3%	1%	2%	-1%	9%	2%
Ending stocks	195	166	165	169	211	224
Ending stocks y-o-y, %	1%	-15%	0%	2%	25%	6%
Inventory in days	64	54	52	54	62	65
Oilseeds						
Total production	445	456	446	476	504	532
Total production y-o-y, %	12%	2%	-2%	7%	6%	6%
Total use	422	444	467	469	490	505
Total use y-o-y, %	5%	5%	5%	1%	5%	3%
Ending stocks	72	82	65	69	80	105
Ending stocks y-o-y, %	31%	14%	-21%	7%	16%	30%
Inventory in days	62	67	51	54	60	76

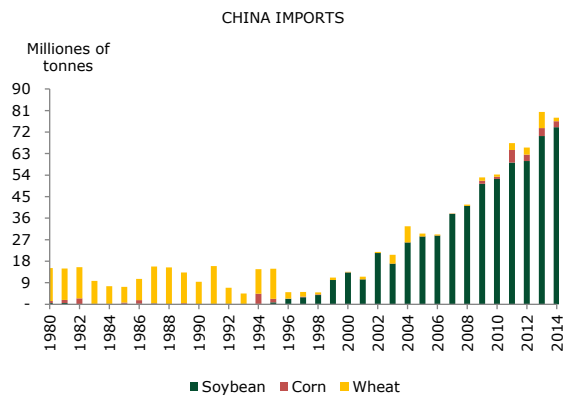
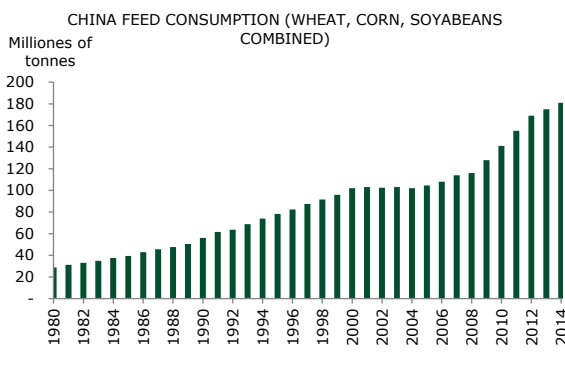
Source: USDA, estimates as of February 10, 2015

	13.02.2015	CBOT 6 m future	CBOT 1 year future
Wheat CBOT USD/t	195	196	203
Corn CBOT USD/t	150	159	164
Soybeans CBOT USD/t	362	367	359
Oil WTI USD/bbl	53	58	62

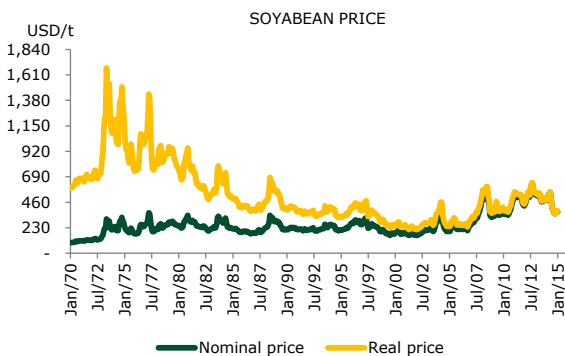
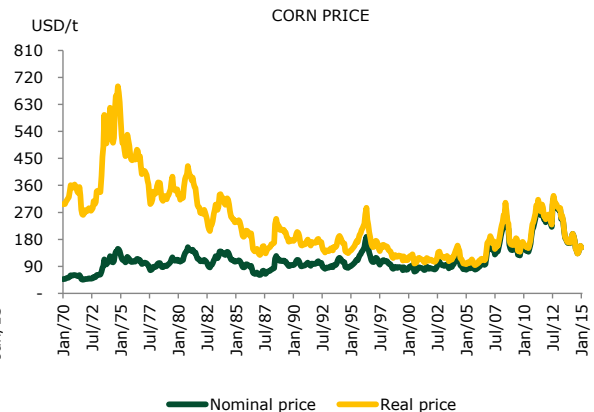
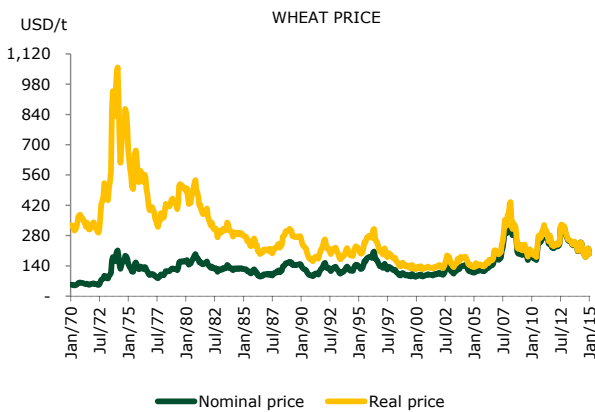
Source: Bloomberg



Source: USDA



Source: USDA



Price chart comments:

- Prices are monthly averages until January 2015
- S&P GSCI Index (1 January 1970 = 100) first converted to CBOT Futures prices (USD/bushel) and then to USD/tonnes. Source: Bloomberg.
- Real values adjusted with US CPI (1982-84=100 rebased to Current prices = 100). Source: Bureau of Labor Statistics.

RUSSIAN AND UKRAINIAN MARKET FOR GRAINS AND OILSEEDS

In Ukraine, grain and oilseeds output in 2014 was marginally below previous record level, enabling to export 20 million tonnes of grain during the first half of the marketing year and 17 million tonnes are estimated for the exports during second half. In 2014, domestic prices in dollar terms were driven by the world market. After price recovery at the end of 2014 and beginning of 2015, the Ukrainian hryvna devalued against dollar in February by 40% and domestic prices in dollar terms lost 22%-26% of their value compared with year-end prices as hryvna denominated prices have not yet recovered to previous dollar-equivalent levels. Winter crop area for 2015 harvest has increased by 3%, however low moisture levels and

absence of snow are likely to cause higher winterkill losses.

In Russia, increased plantings and good weather in 2014 resulted in an estimated 11% rise in production. Albeit the duty for wheat export, current export estimate for 2014/15 marketing year is still at 27 million tonnes as most of the wheat has been sold to the foreign markets already. Domestic prices in 2014 have been mostly affected by the devaluation of ruble, the prices in dollar terms have declined due to overall low prices in world markets. Cold weather and lower soil moisture levels have negatively affected winter crops and are expected to offset the production rise from the 2 million hectare increase in plantings for 2015.

Grains and oilseeds

Ukraine

	2009	2010	2011	2012	2013	2014
Arable area, millions of ha	32	32	32	32	32	32
Harvested area, millions of ha	21	21	22	22	23	23
Average yield, tonne/ha	2.6	2.3	3.1	2.7	3.4	3.5
Harvest, millions of tonnes	56	50	69	58	79	80
Harvest y-o-y, %	-12%	-11%	40%	-16%	36%	2%
Exports, millions of tonnes	23	15	26	25	36	37
Exports y-o-y, %	-19%	-35%	73%	-4%	45%	4%
Consumption, millions of tonnes	33	34	41	36	40	41
Consumption y-o-y, %	1%	3%	21%	-13%	13%	1%
Ending stocks, millions of tonnes	5	6	8	6	8	10

Russia

	2009	2010	2011	2012	2013	2014
Arable area, millions of ha	122	119	120	120	120	120
Harvested area, millions of ha	48	39	48	44	48	50
Average yield, tonne/ha	2.1	1.7	2.1	1.8	2.1	2.3
Harvest, millions of tonnes	102	65	102	77	101	112
Harvest y-o-y, %	-10%	-36%	56%	-24%	31%	11%
Exports, millions of tonnes	22	4	28	16	26	27
Exports y-o-y, %	-7%	-80%	544%	-44%	64%	6%
Consumption, millions of tonnes	80	65	79	70	77	82
Consumption y-o-y, %	-2%	-18%	20%	-10%	10%	6%
Ending stocks, millions of tonnes	18	16	13	6	8	13

Source: USDA and FAO

USD per tonne excl VAT

	31.12.2012	31.12.2013	30.09.2014	31.12.2014	13.02.2015
Wheat 3rd class EXW Ukraine	224	181	154	159	124
Wheat 3rd class FOB Ukraine	340	295	238	262	230
Wheat 3rd class EXW Russia	344	232	191	194	160
Wheat 3rd class FOB Russia	365	295	238	259	246
Wheat CBOT	282	223	167	229	195
Corn EXW Ukraine	205	134	107	135	100
Corn FOB Ukraine	305	205	163	190	173
Corn EXW Russia	253	148	130	151	135
Corn CBOT	278	163	116	155	150
Sunflower EXW Ukraine	521	349	278	365	283
Sunflower FOB Ukraine	670	480	380	435	415
Sunflower EXW Russia	521	335	303	340	336

Source: Bloomberg, APK-Inform

CORPORATE GOVERNANCE

INTRODUCTION

The full Report on Corporate Governance during the period of 1 January 2014-31 December 2014 ("Report") is published at the same time with the Annual Report on the Company's web page (available <http://www.trigonagri.com/wp-content/uploads/2012/03/Trigon-Agri-Report-on-Corporate-Governance-2014.pdf>). The following constitutes Trigon Agri's statutory reporting on corporate governance in accordance with Section 107 b (1)(3) of the Danish Financial Statements Act.

Despite the absence of any Danish law requirement to apply the Danish Recommendations on Corporate Governance ("Code", available at www.corporategovernance.dk), the Board of Directors and Executive Board feel strongly about sound corporate governance and applies the Code within Trigon Agri.

The principles of corporate governance in Trigon Agri are described below and governed by the Articles of Association, applicable laws, the Code, Rules of Procedure for both of the Boards, exchange requirements and market practice. Specific reference is made to any areas in which Trigon Agri deviates from the Code, as is required by the 'comply or explain' principle in the Code.

It is Trigon Agri's declared intention to secure that the standards and principles of good corporate governance will be adhered to at all times.

The governance of Trigon Agri is attended to by:

- The General Meeting of Shareholders
- The Board of Directors
- The Executive Board

Trigon Agri Advisors provides management advisory services to the company.

GENERAL MEETING

The General Meeting of Shareholders has supreme authority in all matters and things pertaining to the Company subject to the limits set by statute and by the Articles of Association. Any share carries one vote in the General Meeting of Shareholders. The members of the Board of Directors and the auditor are elected by the General Meeting of Shareholders.

BOARD OF DIRECTORS

The Board of Directors consists of five members. In accordance with the Code, at least half of the members must be independent of the company,

management and shareholders, and this requirement is fulfilled by Trigon Agri having three independent members of the Board of Directors (Raivo Vare, David Mathew and René Nyberg).

In accordance with the Code the elected members of the Board of Directors are appointed to hold office for one year and thus the election term expires at the annual General Meeting following the election. The Board of Directors shall have a Chairman, which they shall elect from among their members.

More information for the Board of Directors has been presented in the following paragraphs. No member of the Board of Directors has management positions in any other Danish company.

Joakim Helenius (born 1957)

Chairman of the Board of Directors of Trigon Agri since 2007 (Supervisory Board until its dissolution in 2010).

Shareholdings in Company: 10,424,034¹.

Warrant holdings: none.

Other current active positions:

- Supervisory Board member in Trigon Capital (7)
- Supervisory Board member in Trigon Capital subsidiary companies (Trigon Capital ownership less than 100%) (6)
- Supervisory Board member in other Trigon Agri Group companies (4)
- OÜ Helenius Baltic, Management board

Experience (highlights of former positions):

- Baltic Republics Fund, Board of Directors
- AS Baltika, Supervisory Board
- EMV, Supervisory Board
- FKSM, Supervisory Board
- Estonian Savings Bank, Supervisory Board
- Hansapank, Supervisory Board
- Reval Hotelligrupi AS, Supervisory Board
- Koger & Sumberg, Supervisory Board
- Gutta, Supervisory Board
- Olainfarm, Supervisory Board
- Sylvester and Sanitas, Supervisory Board

¹ Owns 305,700 shares directly and 10,118,334 indirectly, i.e. controls an entity (55.69 per cent) which holds 10,118,334 shares in the Company.

- Merrill Lynch International Bank, Board of Directors
- Goldman Sachs International Limited, Vice President of fixed income division
- AS Estonian Air, Supervisory Board
- AS Marat, Supervisory Board
- ERGO Funds AS, Supervisory Board
- Supervisory Board member in Trigon Capital Group companies

Pertti Laine (born 1941)

Member of Board of Directors of Trigon Agri since 2007 (Supervisory Board until its dissolution in 2010).

Shareholdings in Company: 9,105,757².

Warrant holdings: None.

Other current active positions:

- Supervisory Board member / member of Board of Directors in Trigon Capital (3)
- Veikko Laine Ltd, Board of Directors
- Osaühing Karlskroona, Board of Directors
- Länsiauto Oyj, Board of Directors
- Taaleritehdas Oyj, Board of Directors

Experience (highlights of former positions):

- Finlines Plc, Chairman
- Nordic Aluminium Oyj, Board of Directors
- Evox Rifa Oyj, Board of Directors
- Conventum Oyj, Board of Directors
- United Bankers Ltd, Board of Directors
- Evox Rifa Group Plc, Board of Directors
- Amanda Capital Plc, Board of Directors
- eQ Oyj, Board of Directors
- Supervisory Board member in Trigon Agri Group companies

René Nyberg (born 1946)

Member of Board of Directors of Trigon Agri since 2008 (Supervisory Board until its dissolution in 2010).

Shareholdings in Company: 15,000.

Warrant holdings: None.

Other current active positions: None

Experience (highlights of former positions):

- East Office of Finnish Industries, CEO 2008-2013
- Foreign Ministry of Finland (1971-2008):
 - Assistant Secretary General of the Finnish-Soviet Economic Commission
 - Director for Security Policy

² Does not own any shares directly. Controls an entity (83.33 per cent) which holds 9,105,757 shares in the Company.

- Director for Eastern Affairs
- Ambassador of Finland, Berlin
- Ambassador of Finland, OSCE, Vienna
- Ambassador of Finland, Moscow

Raivo Vare (born 1958)

Member of Board of Directors of Trigon Agri since 2012.

Shareholdings in Company: None.

Warrant holdings: None.

Other current active positions:

- Live Nature OÜ, Owner
- AS SmartCap, Member of the Supervisory Council/Board of Directors
- AS Smart City Group, Member of the Supervisory Council/Board of Directors
- AS Mainor Ülemiste, Member of the Supervisory Council/Board of Directors
- 3D Technologies R&D AS, Member of the Supervisory Council/Board of Directors
- AS Sthenos Grupp, Chairman of the Supervisory Council/Board of Directors
- AS Superia, Member of the Supervisory Council/Board of Directors
- Member of Supervisory Board/Board of Directors, Trigon Agri Group companies (2)

Experience (highlights of former positions):

- Minister of State
- Minister of Transport and Communications
- Development Director and Member of the Management Board of Estonian Railways Ltd
- Chief Executive Officer and Member of the Management Board of Pakterminal Ltd
- Director and Member of the Management Board of the Bank of Tallinn
- Industrial Advisor, EQT Funds Management Ltd.
- Member of Advisory Board of Norwegian Eastern Europe Group
- Member of Transport Industry Task Force of EU-Russia Industrialists' Round Table
- Supervisory Board/Board of Directors member in Trigon Agri Group companies
- Supervisory Board/Board of Directors member in Trigon Capital Group companies
- Member of Board of Directors/Supervisory Council in several other different companies in telecom, real estate etc.

David Mathew (born 1954)

Member of Board of Directors of Trigon Agri since 2012.

Shareholdings in Company: None.

Warrant holdings: None.

Experience (highlights of former positions):

- Director of Robert Fleming
- Director of Baring Brothers Hong Kong
- Director of Jardine Matheson China

All the members of Board of Directors are at the age below 80 which is the retirement age for Board of Directors set by Articles of Association.

A Board of Directors meeting shall constitute a quorum when more than half the directors are present. Resolutions by the Board of Directors shall be passed by a simple majority of votes. The Board of Directors has held four physical meetings during 2014 and several via electronic means.

The Board of Directors is the highest level of the management structure, which primary functions are to be responsible for the overall and strategic management as well as decision outside of the day-to-day management, i.e. decisions of unusual nature or of major importance. The Board of Directors will arrange for the proper organisation of the activities of Trigon Agri, and will ensure that the keeping of accounts and the administration of property are carried out in a satisfactory way.

The Board of Directors has drawn up rules of procedure governing the performance of its duties.

Fees paid to Board of Directors are resolved by General Meeting and are disclosed under section 'related Party Transactions'.

EXECUTIVE BOARD

The Board of Directors has appointed an Executive Board consisting of two members to be responsible for the day-to-day operations of the company. One of the managers of the Executive Board shall be appointed the CEO.

List of management positions of Executive Board members in other companies is presented in the following paragraphs. No member of the Executive Board has management positions in any other Danish company.

Ülo Adamson (born 1978)

Chairman of the Executive Board, CEO and the President of Trigon Agri, in charge of the financial and operational strategy of the company since 2007.

Shareholdings in Company: None.

Warrant holdings: None.

Other current active positions:

- Supervisory Board / Management Board member of Trigon Agri Group companies (10)

- Supervisory Board / Management Board member in Trigon Capital (7)
- Supervisory Board / Management Board member in Trigon Capital subsidiary companies (Trigon Capital ownership less than 100%) (11)
- OÜ Invenio and RBT OÜ (personal investment companies)
- Hermitage Eesti OÜ

Experience (highlights of former positions):

- AS Telema, Supervisory Board
- Trigon Capital Sp. Z.o.o., Management board
- ST Coffee Advisors Ltd, Board of Directors
- Quadro Media Sp. Z.o.o., Supervisory board
- OÜ Macro Kinnisvara, Supervisory board
- AS Martinson Trigon Venture Partners, Management board
- AS MARTINSON TRIGON, Supervisory board
- Supervisory Board / Management Board member of Trigon Capital Group companies

Konstantin Kotivnenko (born 1978)

Member of the Executive Board of Trigon Agri since 2010, responsible for sourcing, structuring and set-up of the majority of Trigon Agri A/S acquisitions in Ukraine and Russia.

Shareholdings in Company: None.

Warrant holdings: None.

Other current active positions:

- Supervisory Board member in Trigon Agri Group companies (3)
- Management Board member in Trigon Agri Group companies (1)
- Supervisory Board in Trigon Capital Subsidiary Company (1)

Experience (highlights of former positions):

- Law Firm Sorainen, Attorney at Law
- Supervisory Board member of Trigon Agri Group companies

The Executive Board shall be accountable to the Board of Directors for managing the company in accordance with applicable law in force, the company's Articles of Association, the Rules of Procedure of the Board of Directors and the Guidelines for Segregation of Duties between the Board of Directors and Executive Board.

According to the Advisory Agreement with Trigon Agri Advisors, the parties have undertaken to ensure that person(s) nominated by Trigon Agri Advisors are appointed as members of the Executive Board and that such members from time

to time may be replaced by such persons as Trigon Agri Advisors may designate.

The Board of Directors has drawn up guidelines to segregation of duties between the Board of Directors and the Executive Board.

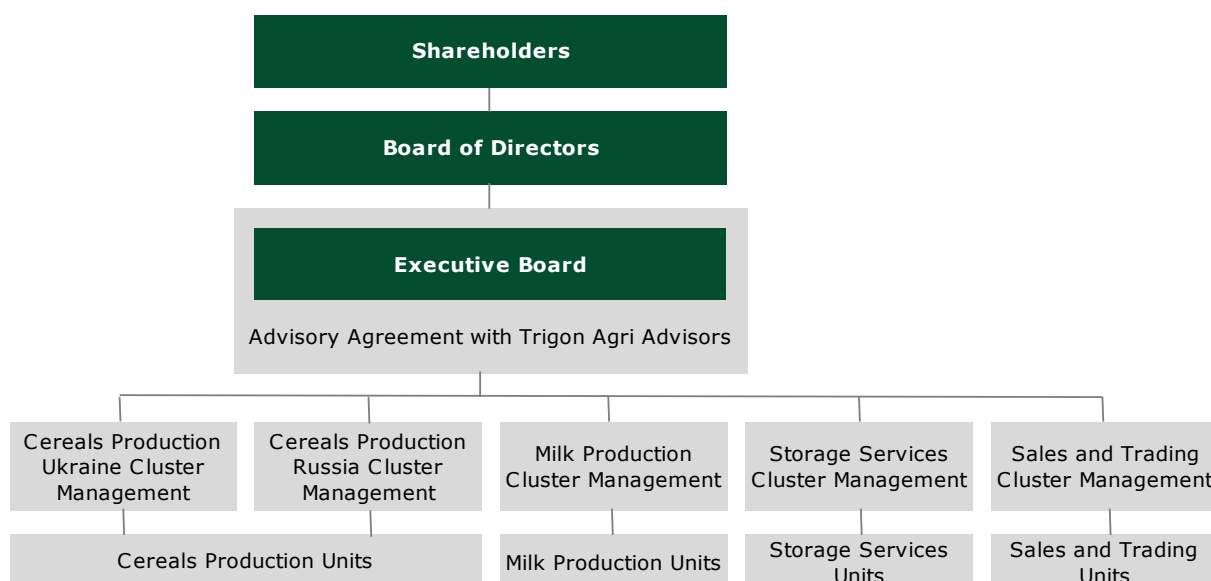
Fees paid to Executive Board are disclosed under section 'related Party Transactions'.

ADVISORY AGREEMENT

Trigon Agri has entered into the Advisory Agreement with Trigon Agri Advisors. Pursuant to

the Advisory Agreement, Trigon Agri Advisors is the exclusive provider of strategic management services and general management services to Trigon Agri, including strategic and financial management, structuring of land and farm acquisitions and designing financing solutions.

The management structure of the Group as at the date of publication of the current report is shown in the following graph.



The average number of employees in 2014 stood at 1,404 (2013: 1,506).

RULES FOR AMENDMENT OF THE ARTICLES OF ASSOCIATION

Amendments of the Company's Articles of Association may be proposed either by the shareholders or the Board of Directors.

As a general rule, proposed resolutions to amend the Articles of Association shall be passed at a general meeting by the shareholders. The resolution to amend the Articles of Association shall generally be passed by a majority of at least two-thirds of the votes cast as well as of the share capital represented at the general meeting, cf. Section 105 of the Danish Companies Act (the "DCA").

For the sake of good order, please note that pursuant to Section 107(2) of the DCA, certain proposals to amend the Articles of Association shall be passed by at least nine-tenths of the votes cast as well as of the share capital represented at the general meeting. Finally, certain decisions which favour certain shareholders to the detriment of other shareholders may contravene with the

principle of equal treatment of shares in Section 45 of the DCA and as such requires unanimity.

However, pursuant to the DCA the shareholders may by passing a resolution at a general meeting authorise the Board of Directors to amend the Articles of Association in certain respects e.g. by an increase or decrease of the share capital of the Company. The authorisation is subject to a number of requirements.

Except for the authorisations mentioned under 'Authorisations to Board of Directors' below, the Company's general meeting has not passed resolutions with respect to such authorisations.

COMMITTEES

In the autumn of 2010, the Board of Directors established three committees: the Audit Committee, the Nomination Committee and the Remuneration Committee.

Audit committee

The responsibilities of the Audit Committee include: (i) reviewing significant accounting and reporting issues; (ii) giving recommendations to the Board of

Directors prior to the release of the interim reports, annual reports and preliminary results' announcements whether these should be approved by the Board of Directors; (iii) assisting the Board of Directors with the oversight of the financial reporting process; and (iv) reviewing, on an annual basis, the performance of the external auditors.

The members of the Audit Committee shall be appointed by the Board of Directors and among its members. Trigon Agri's Audit Committee currently consists of Raivo Vare (Chairman) and David Mathew.

The Audit Committee shall meet as frequently as the Chairman of the Audit Committee deems necessary. In 2014, the Audit Committee held four physical meetings one meeting via electronic form.

Nomination Committee

The Nomination Committee's duties include: (i) identifying and recommending members to the Board of Directors and Executive Board to the Board of Directors; (ii) evaluating the structure, size, composition and performance of the Board of Directors and Executive Board and to propose any changes in this respect to the Board of Directors; and (iii) considering proposals submitted by relevant persons for candidates for executive positions.

The Nomination Committee shall consist of two to four persons and at least half of its members shall be independent of Trigon Agri and its subsidiaries. The members of the Nomination Committee shall be appointed by the Board of Directors and among its members. The Nomination Committee currently consists of Pertti Laine (Chairman), Joakim Helenius, Raivo Vare, and David Mathew.

In 2014, the Nomination Committee held one meeting via electronic form.

Remuneration Committee

The Remuneration Committee's duties include to make proposals to the Board of Directors, prior to approval at the general meeting, on the remuneration policy and the principles of the incentive pay schemes for the Board of Directors and the Executive Board and to ensure that the remuneration is consistent with Trigon Agri's remuneration policy and the evaluation of the performance of the persons concerned.

The members of the Remuneration Committee shall be appointed by the Board of Directors and among its members. The Remuneration Committee shall consist of two to three members and the Chairman of the Board of Directors shall always be the Chairman of the Remuneration Committee. At least half of the members shall be independent in

relation to Trigon Agri and its subsidiaries. Trigon Agri's Remuneration Committee consists of Joakim Helenius and René Nyberg (Chairman). The Remuneration Committee shall convene as often as considered necessary by the Chairman of the Committee and at least once a year.

In 2014 the Remuneration Committee held one meeting via electronic form.

INTERNAL CONTROL

The Executive Board is responsible for the organisation and administration of the Company, which includes establishing an effective system of internal control. Internal control in this context refers to those measures taken by the Executive Board, the senior executives and other personnel to ensure that the bookkeeping and the Company's financial condition in general are controlled and reported upon in a reliable fashion and in compliance with relevant legislation, applicable accounting standards and other requirements related to the Company's listing on the Stock exchange.

In order to ensure that the organisational structure, chain of command and authority are well defined and clearly communicated, the Company has prepared written instructions and formal routines for division of labour between the Executive Board, the Board of Directors, the management and other personnel. The Executive Board has established general guidelines for the Company's activities in internal policies, manuals and codes. Controls have also been carried out to ensure that the IT-/computer systems involved in the reporting process support a sufficiently high dependability for its task. The Company has established fixed routines and invested in reliable technical applications to guarantee a fast and reliable way of sharing information throughout the organisation. Internal policies and general guidelines for financial reporting are communicated between the Executive Board, senior executives and other personnel through regular meetings and via electronic form.

The internal control system followed in 2014 consisted of risk assessment, reporting instructions, control procedures and monitoring.

The Executive Board and also the Audit Committee assess risks related to financial reporting that the Company is exposed to. The main risks have been identified as risk of fraud and misconduct. Certain risks have been disclosed and explained also in the Annual Report under section Financial Risk Management.

Several control procedures have been integrated in the accounting and reporting systems such as

finance policy, internal reporting guidelines and certain internal accounting control routines.

The Executive Board follows up to ensure that any internal control weaknesses are addressed and that potential errors are detected and reported and corrected in timely and orderly fashion.

The policies, guidelines and routines are updated on an on-going basis and are introduced to employees regularly via electronic form or internal training events.

Monitoring over accounting and financial reporting is conducted by the Executive Board and Audit Committee on a regular basis. Monitoring procedures are designed to identify risks, detect

errors and correct any weaknesses. The Executive Board receives monthly internal financial reporting and the Audit Committee receives quarterly interim reports.

SUMMARY OF CODE RECOMMENDATIONS NOT FOLLOWED AND REASONS WHY NOT FOLLOWED

The following table is a summary from the Report and outlines the Code recommendations the Company did not follow as well as explanation why the Company did not comply with the recommendation. Regardless, the Company is satisfied with its Code adherence discipline.

Recommendation	Reason why the Company complied only partially
<p>2.3.1. The Committee recommends appointing a vice-chairman of the board of directors who will assume the responsibilities of the chairman in the event of the chairman's absence, and who will also act as effective sparring partner for the chairman.</p>	<p>The Board of Directors did not elect vice-chairman due to the constant presence of Chairman</p>
<p>4.1.1. The Committee recommends that the board of directors prepare a clear and transparent remuneration policy for the board of directors and the executive board, including</p> <ul style="list-style-type: none"> • a detailed description of the components of the remuneration for members of the board of directors and the executive board, • the reasons for choosing the individual components of the remuneration, and • a description of the criteria on which the balance between the individual components of the remuneration is based. <p>The remuneration policy should be approved by the general meeting and published on the company's website.</p>	<p>No separate remuneration policy has been adopted. However, since the remuneration of the Board of Directors and Executive Board is very transparent, the Company does not see the need for a separate policy.</p> <p>The remuneration of the Board of Directors is always resolved by the annual general meeting.</p> <p>The Company notes the following:</p> <p>The Company has entered into an Advisory Agreement with AS Trigon Agri Advisors (Advisor). The Executive Board (save for CEO) receive compensation from the Advisor and the compensation is included in the management fee paid to the Advisor. Detailed information about the Advisory Agreement is available here http://www.trigonagri.com/corporate-governance/advisory-agreement/</p> <p>The agenda of the annual general meeting includes agenda item regarding remuneration of Board of Directors and is very transparent as the fee is resolved as annual flat fee per each individual member.</p>
<p>5.2.1. The Committee recommends that the board of directors decide whether to establish a whistleblower scheme for expedient and confidential notification of possible or suspected wrongdoing.</p>	<p>The recommendation was discussed among the executive board members and since found not urgent the establishment of a whistleblower scheme was postponed and will be discussed upon need again in 2015.</p>

CORPORATE SOCIAL RESPONSIBILITY

The Group management has a policy on social responsibility with the following focus areas:

Human rights

The Group operates in countries where businesses' exposure to human rights violations is limited. Consequently, the Group does not conduct any activities, liaise or contract with business partners or suppliers in countries considered high-risk in terms of human rights abuses. Therefore there is no separate formal human rights policy. However, Trigon Agri is respecting human rights and supports the UN Global Compact principles for human rights and labour. The rights include the rights covered in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

In 2014 there were no registrations of violations of human rights or incidents of discrimination reported.

The Group strives for gender equality and does not discriminate based on gender. While the Board of Directors (5 members) and Executive Board (2 members) consist of men, the next level of management and top specialists consists of 41% of women and 59% of men, consequently there is no underrepresentation at the next level of management. The Group rules of procedure stating that the Board of Directors must assess every year whether men and women are equally represented on the Board of Director, or whether there is a requirement for the definition of a target ratio for the share of the underrepresented sex on the Board of Directors. The Board of Directors has set the target figure for the proportion of female directors elected by the general meeting to have 1 female Board Member by 2017. The Board did not progress toward this target in 2014 as generally, new members of the Board are not considered unless specifically requested by our owners and that has not been the case in 2014.

Health and safety

The Group health and safety policy provides a brief overview of major principles in the field of health and safety.

According to the health and safety policy basic obligations of Trigon Agri in the area of health and safety are to provide:

- safe and healthy systems of work;
- safe and healthy work environment;

- adequate amenities;
- safe and healthy premises of work;
- safe and well maintained plant and machinery;
- safe methods of handling, storing and transporting materials;
- adequate instruction and training for employees;
- adequate supervision by competent and trained personnel;
- relevant and adequate information for all employees;
- responsible person.

According to the health and safety policy each employee of the Group is encouraged to play a vital and responsible role in maintaining a safe and healthy workplace through:

- being involved in the workplace health and safety system;
- sticking to correct procedures and equipment;
- wearing appropriate clothing and equipment as and when required;
- ensuring all accidents and incidents are reported to direct superior and responsible staff member;
- helping new employees, trainees and visitors to the workplace understand the right safety procedures and their objective;
- telling your direct superior immediately of any health and safety concerns;
- keeping the work place tidy to minimise the risk of any trips and falls.

In 2014, The Group has implemented strict work safety regulations and provided proper training to employees in order to ensure safety and avoid accidents.

Furthermore, in 2014 the Group has dedicated work safety officers to ensure compliance with the policy. General health and safety induction training has been provided for all employees.

Community involvement

Trigon Agri contributes to making the communities in which it operates better places to live and do business. Trigon Agri values mutually beneficial relationships with communities where it operates and strives to engage or consult communities regarding business development plans that have a material impact on those communities.

Trigon Agri strives to support on select basis local municipalities and organizations taking into account the availability of resources. For example, the support can be in the form of organising local

events, buying equipment to schools, helping with renovation works of public facilities, etc. A record of contributions and donations shall be kept to monitor activities and progress.

In 2014, the Group's subsidiaries in Russia and Ukraine have supported local municipalities and organisations by

- making non-returnable charity and financial aid payments
- buying renovation materials or organizing small renovation works for schools, churches, kindergartens
- buying necessary equipment and furnishing for the various local organisations (incl. machinery and furnishing for schools and other local organisations)
- doing gifts for children, students or veteran organisations
- supporting other local activities (for example supporting veteran's trips, organising local events, transportation and catering).

The Group has also given financial aid and organised events and training for its employees and bought Christmas gifts for the children of the employees.

The financial resources allocated by the Group for community support amounted to nearly EUR 0.3 million. The activities have improved the facilities in the local communities and helped to carry out events, increasing the welfare of people in the communities where Trigon Agri operates.

Environment and climate change

Trigon Agri is committed to operating the agricultural businesses under its control utilising environmentally and agronomically sustainable production methods. We recognise the need to honour the responsibilities we have with respect to protecting the environment and to the consumer by ensuring that the food we produce is both safe and of a high standard.

To achieve this commitment we ensure that all our agronomists and managers are fully trained with the most up to date technical information, to ensure that there is optimal use of seeds, fertilisers and pesticides so as to keep a sound balance between production and the environment. Trigon Agri's cultivation, field application, and harvesting philosophy focuses on the minimal usage of energy thus minimising the Group's carbon footprint. The crop rotations adopted are carefully planned to ensure no build-up of pests, diseases or weeds. We are highly water conscious and at all times look to preserve this most precious resource. All waste materials are disposed of in an environmentally

sensitive way so as to minimise pollution of our planet.

Our 2014 activities have been focused on continuous application of the following principles to our business:

- The Group has a real-time, 24 hour, computerized control centre and immediate reaction to on-ground mistakes. This has resulted in a drop in fuel consumption of 10-25% (depending on type of machinery) and prevents non-compliances, accidents and technical failures (speed limits, servicing, diagnostics).
- Maintaining soil fertility is ensured by having in place a sustainable rotation, nutrient management plan, soil management plan and crop protection management plan. These are enforced by approving annual budgets where the utilization of hectares and application of nutrients and chemicals is detailed.
- Soil management – low-till farming is used whenever possible. This helps to preserve soil microbes, preserve natural drainage, results in less nitrogen leaching and lowers fuel consumption. Cultivation is not carried out up and down any slopes wherever possible, to prevent soil erosion.
- Crop protection – chemicals are applied strictly adhering to label recommendations that specify which crops the chemical can be applied to, application rate per hectare, permissible frequency of application and harvest interval – i.e. the minimum time period that has to be left between application and harvest to ensure food safety. Reduced application rates are used when they have internally been proven to be sufficient, which also assists to reduce our environmental footprint.
- Nutrient management – appropriate quantities and application practices are used to ensure optimum growing conditions, maintain soil fertility and prevent pollution that would be caused by over-application of nutrients.
- Fertilizer and Pesticide storage – national regulations are followed that specify maximum quantities permissible to store and the required distance from habitation.
- Fuel consumption is monitored using real-time GPS tracking of vehicles for example enforcing optimum driving speeds and engine revolutions helps to reduce fuel consumption. Waste disposal – washed chemical, fertilizer and seed packaging are delivered to a special factory where they are incinerated to provide energy for power production.

- Accident and emergency plan – in case of chemical spill there is an action plan listing specific steps in each vehicle and all relevant operatives have been trained in the procedure.

The Group has acted in accordance with this policy for several years. No environmental incidents were reported in 2014.

Trigon Agri will continue ensure that all its employees are fully conversant with the aims set out in this policy statement in order that all its activities are compliant and represent best practise.

FINANCIAL HISTORY

Income statement, EUR thousand	2010	2011	2012	2013	2014
Total revenue	74,704	47,995	73,317	75,608	59,129
EBIT	-5,312	6,242	10,846	-9,371	7,389
Result of Financial items	-1,748	-5,100	-8,687	-6,785	-20,377
Net profit/loss	-7,723	1,202	1,687	-16,844	-13,301
Balance sheet, EUR thousand	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.12.2014
Total assets	148,121	194,360	213,965	185,247	149,591
incl Non-current assets	112,180	119,944	167,831	155,617	119,792
incl Property, plant and equipment	100,708	83,228	147,473	132,750	104,438
Investment in property, plant and equipment	25,186	8,659	9,059	6,912	24,180
Net debt	-2,073	40,434	61,268	69,080	74,434
Total equity	120,387	122,098	128,566	103,805	61,906
Cash flow statement, EUR thousand	2010	2011	2012	2013	2014
Cash flows from operating activities	9,183	-11,127	10,842	9,263	7,942
Cash flows from investing activities	-8,594	-20,473	-19,249	-14,511	-5,673
Cash flows from financing activities	5,294	39,974	-2,648	2,280	-2,006
Effects of exchange rate changes	319	65	-68	-225	-1,135
Cash and cash equivalents at beginning of period	4,672	10,874	19,313	8,190	4,997
Cash and cash equivalents at end of period	10,874	19,313	8,190	4,997	4,125
Key figures	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.12.2014
Number of shares, end of the period	129,627,479	129,627,479	129,627,479	129,627,479	129,627,479
Number of shares outstanding, end of the period	129,627,479	129,627,479	129,627,479	129,627,479	129,627,479
Total number of employees	1,463	1,501	1,569	1,455	1,269
Land under control, hectares	170,956	176,891	169,811	167,381	144,103
incl land under registered ownership, hectares	167,725	114,787	113,767	113,926	91,892
Ratios	2010	2011	2012	2013	2014
Earnings per share (EPS), EUR	-0.10	0.01	0.01	-0.13	-0.10
Dividends per share, EUR	0.00	0.00278	0.00390	0.00	0.00
Book value per share, EUR	0.93	0.94	0.99	0.80	0.48
Return on assets (ROA)	-5%	1%	1%	-9%	-8%
Return on equity (ROE)	-6%	1%	1%	-15%	-18%
Equity ratio, %	81%	63%	60%	56%	41%
Current ratio	3.00	4.56	1.45	1.51	0.48
Acid test	1.82	2.37	0.60	0.72	0.20

For definitions of the ratios please refer to page 99

THE SHARE

Share information

Official listing:	OMX NASDAQ Stockholm
Form of listing:	Common stock
Round lot:	500
Sector:	Agricultural Products
Exchange ISIN:	DK0060083566
Short name:	TAGR
Reuters ticker:	TAGR.ST
Bloomberg ticker:	TAGR:SS
Analyst coverage:	Pareto Securities AB Remium Nordic AB

Dividends

The bond terms effective from February 26, 2015 do not allow declaring and paying dividends for as long as the bonds remain outstanding.

Major nominee shareholders as at 31.12.2014

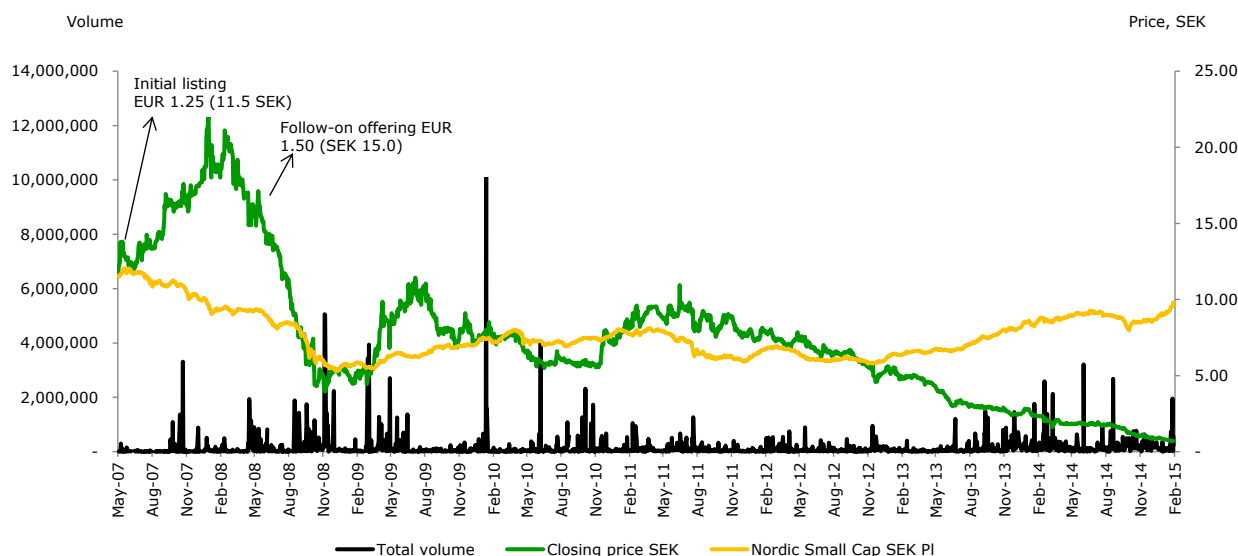
JPM CHASE NA
SWEDBANK
UB SECURITIES AB
EUROCLEAR BANK S.A/N.V, W8-IMY
J P MORGAN CLEARING CORP, W9
LIND VALUE APS
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION
NORDEA BANK FINLAND ABP
CBLDN-POHJOLA BANK PLC CLIENT A/C
FIM Bank
OTHER
TOTAL

Country	No of shares	Holdings in %
Great Britain	12,378,921	9.5%
Sweden	12,240,847	9.4%
Finland	10,202,048	7.9%
Belgium	8,491,317	6.6%
USA	8,061,153	6.2%
Denmark	7,405,227	5.7%
Sweden	5,725,959	4.4%
Finland	5,680,033	4.4%
Great Britain	5,067,667	3.9%
Finland	4,054,139	3.1%
	50,320,168	38.9%
	129,627,479	100.0%

As at December 31, 2014 Trigon Agri had approximately 1,230 shareholders.

Trigon Agri Share trade data

	2012	2013	2014
MCap (period end), SEK	674,062,891	320,179,873	108,887,082
Average no of trades per day	28	32	44
Average volume per trade	3,061	3,544	5,397
Average number of traded shares per day	84,910	112,350	237,264
Average turnover per day, SEK	564,293	357,850	411,785
Average turnover per trade, SEK	20,342	11,289	9,367



Group changed its listing currency from EUR to SEK on May 11, 2010.

BONDS

Bonds information

Official listing:	Corporate Bond List of OMX NASDAQ Stockholm
Exchange ISIN:	SE0004019008
Short name:	TAGR 001 O2
Currency:	SEK
Annual interest rate:	11%
Expiry date:	31.08.2017
Next coupon date:	31.08.2015

FINANCIAL CALENDAR

Annual General meeting April 27, 2015	Interim Report 1Q 2015 May 29, 2015	Interim Report 2Q 2015 August 31, 2015
Interim Report 3Q 2015 November 30, 2015	Interim Report 4Q 2015 February 29, 2016	Annual Report 2015 March 31, 2016

For further information please contact:
Mr Úlo Adamson, President of A/S Trigon Agri
Tel: +372 66 79 200
E-mail: mail@trigonagri.com

Trigon Agri A/S
Sundkrogsgade 5, DK-2100 Copenhagen, Denmark
Phone: +372 66 79 200
Fax: +372 66 79 201
E-mail: mail@trigonagri.com
Home page: www.trigonagri.com

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

in EUR thousand	Note	31.12.2014	31.12.2013
ASSETS			
Current assets			
Cash and cash equivalents	5,7	4,125	4,997
Trade and other receivables	6,7	8,483	9,083
Inventories	8	13,724	10,790
Biological assets	9	3,405	4,629
Assets held for sale		62	131
		29,799	29,630
Non-current assets			
Prepaid land rents and land usage rights	12	1,736	3,361
Other non-current prepayments and receivables	6	4,476	9,782
Biological assets	9	9,036	9,317
Deferred tax assets	16	15	18
Investment Property		-	136
Intangible assets	11	91	253
Property, plant and equipment	10	104,438	132,750
		119,792	155,617
Total assets		149,591	185,247
LIABILITIES			
Current liabilities			
Trade and other payables	7,13	7,239	4,350
Borrowings	7,14	54,640	15,282
		61,879	19,632
Non-current liabilities			
Trade and other payables	7,13	123	149
Borrowings	7,14	23,506	58,795
Derivative financial instruments	7,14	413	-
Deferred tax liabilities	16	1,237	2,316
Deferred income from EU subsidies		527	550
		25,806	61,810
Total liabilities		87,685	81,442
EQUITY			
Capital and reserves attributable to equity holders of the Group			
Ordinary shares	17	64,814	64,814
Share premium	17	99,941	99,941
Other reserves	19	-64,446	-32,886
Retained earnings/accumulated deficit		-47,073	-33,629
		53,236	98,240
Non-controlling interest in equity		8,670	5,565
Total equity		61,906	103,805
Total equity and liabilities		149,591	185,247

The notes on pages 43 to 96 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

in EUR thousand	Note	2014	2013
Revenue	20	59,129	75,608
Other income	20	1,544	3,124
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets	9	1,712	-241
Total revenue, other income and fair value adjustments		62,385	78,491
Net changes in inventories of agricultural produce and work in process	8	12,151	-3,102
Cost of purchased goods for trading purposes		-9,735	-15,010
Raw materials and consumables used for production purposes	21	-31,566	-43,040
Employee benefits expense	22	-9,585	-11,498
Depreciation and amortization		-6,246	-8,258
Other administrative expenses	24	-7,634	-9,281
Other (losses)/gains - net	25	-2,381	2,327
		7,389	-9,371
Gains/losses from exchange rate differences		-12,269	1,040
Interest income	26	18	141
Finance costs	26	-8,126	-7,966
Loss before income tax		-12,988	-16,156
Corporate income tax	15	-313	-688
Loss for the period		-13,301	-16,844
Attributable to:			
Equity holders of the Company		-13,444	-17,157
Non-controlling interest		143	313
		-13,301	-16,844
Loss per share for profit attributable to the equity holders of the Company during the period, both basic and diluted (expressed in Euros per share)	27	-0.10	-0.13

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR thousand		2014	2013
Loss for the period		-13,301	-16,844
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Gain/loss on revaluation of land	10,19	12,721	-
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	19	-41,320	-13,277
		-28,599	-13,277
Total comprehensive income/expense for the period		-41,900	-30,121
Attributable to:			
Equity holders of the Company		-45,004	-30,434
Non-controlling interest		3,105	313
		-41,899	-30,121

The notes on pages 43 to 96 are an integral part of this consolidated financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR thousand	Attributable to equity holders of the Company						
	Share capital	Share premium	Other reserves	Retained earnings/ accumulated deficit	Total	Non-controlling interest	Total Equity
Balance at 31.12.2012	64,814	99,941	-16,762	-19,920	128,073	493	128,566
Profit/loss for the period (amended)	-	-	-	-17,157	-17,157	313	-16,844
Other comprehensive income	-	-	-13,277	-	-13,277	-	-13,277
Total comprehensive income	-	-	-13,277	-17,157	-30,434	313	-30,121
Reclassification of warrants reserve	-	-	-2,847	2,847	-	-	-
Dividends (Note 18)	-	-	-	-506	-506	-	-506
Total contributions by and distributions to owners of the parent, recognised directly in equity	-	-	-2,847	2,341	-506	-	-506
Sale of interest to non-controlling interest in TDFE AS (Note 31)	-	-	-	1,106	1,106	4,759	5,865
Total transactions with owners of the parent, recognised directly in the equity	-	-	-	1,106	1,106	4,759	5,865
Balance at 31.12.2013	64,814	99,941	-32,886	-33,629	98,240	5,565	103,805
Profit/loss for the period	-	-	-	-13,444	-13,444	143	-13,301
Other comprehensive income	-	-	-31,560	-	-31,560	2,962	-28,598
Total comprehensive income	-	-	-31,560	-13,444	-45,004	3,105	-41,899
Balance at 31.12.2014	64,814	99,941	-64,446	-47,073	53,236	8,670	61,906

The notes on pages 43 to 96 are an integral part of this consolidated condensed interim financial information.

CONSOLIDATED STATEMENT OF CASH FLOWS

in EUR thousands	Note	2014	2013
Cash flows from operating activities			
Cash receipts from customers		66,644	82,002
Cash paid to suppliers and employees		-58,913	-74,650
Income tax paid	15	-1,186	-636
Subsidies received		1,383	2,479
Interest received	26	14	68
Net cash generated from operating activities		7,942	9,263
Cash flows from investing activities			
Acquisition of subsidiary	31	-	-4,864
Purchase of biological assets	9	-2	-2
Purchase of property, plant and equipment	10	-13,824	-10,686
Purchase of intangible assets	11	-	-90
Proceeds from sales of property, plant and equipment	10	7,885	1,131
Proceeds from sales of biological assets	9	268	-
Net cash used in investing activities		-5,673	-14,511
Cash flows from financing activities			
Proceeds from borrowings	14	12,223	33,327
Proceeds from issuance of subsidiary's shares to non-controlling interest	31	-	3,000
Proceeds from sales of subsidiary's shares	31	1,633	1,000
Repayments of borrowings	14	-7,421	-25,957
Repayments of finance lease liabilities	14	-941	-972
Dividends paid to company's shareholders	18	-	-506
Interest paid	26	-7,500	-7,612
Net cash used in/generated from financing activities		-2,006	2,280
Net increase/decrease in cash and cash equivalents		263	-2,968
Effects of exchange rate changes on cash and cash equivalents		-1,135	-225
Cash and cash equivalents at beginning of period	5	4,997	8,190
Cash and cash equivalents at end of period	5	4,125	4,997

The notes on pages 43 to 96 are an integral part of this consolidated condensed interim financial information.

CONTENTS OF NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1.	GENERAL INFORMATION.....	43
2.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	43
3.	FINANCIAL RISK MANAGEMENT	52
4.	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT.....	57
5.	CASH AND CASH EQUIVALENTS.....	60
6.	TRADE AND OTHER RECEIVABLES	60
7.	FINANCIAL INSTRUMENTS BY CATEGORY	62
8.	INVENTORIES	63
9.	BIOLOGICAL ASSETS.....	64
10.	PROPERTY, PLANT AND EQUIPMENT.....	65
10.1	FAIR VALUE OF LAND	67
11.	INTANGIBLE ASSETS	69
12.	PREPAID LAND RENTS AND LAND USAGE RIGHTS	69
13.	TRADE AND OTHER PAYABLES.....	70
14.	BORROWINGS.....	70
15.	INCOME TAX.....	72
16.	DEFERRED TAX	73
17.	SHARE CAPITAL.....	74
18.	DIVIDENDS PER SHARE	75
19.	OTHER RESERVES	75
20.	REVENUE AND OTHER INCOME	75
21.	RAW MATERIALS AND CONSUMABLES USED FOR PRODUCTION PURPOSES.....	76
22.	EMPLOYEE BENEFIT EXPENSE.....	76
23.	OPERATING LEASE PAYMENTS.....	76
24.	OTHER ADMINISTRATIVE EXPENSES.....	76
25.	OTHER LOSSES/GAINS	77
26.	FINANCE INCOME AND FINANCE COST.....	77
27.	EARNINGS/LOSS PER SHARE.....	77
28.	SEGMENT REPORTING.....	78
29.	CONTINGENCIES	80
30.	COMMITMENTS	81
31.	BUSINESS COMBINATIONS AND TRANSACTIONS WITH NON-CONTROLLING INTEREST	81
32.	GROUP STRUCTURE.....	81
33.	RELATED PARTY TRANSACTIONS	84
34.	FEES TO THE AUDITORS APPOINTED BY THE SHAREHOLDERS.....	85
35.	EVENTS AFTER THE BALANCE SHEET DATE	86
36.	FINANCIAL STATEMENTS OF THE PARENT COMPANY.....	87
37.	NOTES TO THE FINANCIAL STATEMENTS OF THE PARENT COMPANY.....	90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Trigon Agri A/S (The Company) is an integrated soft commodities producer (operating commercial cereals and dairy farms), storage provider and trader with operations in Ukraine, Russia and Estonia. The Company was established on December 11, 2006. The Company has subsidiaries in Estonia, Cyprus, Russia, Ukraine and Switzerland (together hereinafter referred to as "the Group"). The list of all Group subsidiaries is provided in Note 32.

The parent company is a limited liability company incorporated and domiciled in Denmark. The

address of its registered office is Sundkrogsgade 5, DK-2100 Copenhagen. The company listed its shares on the Stockholm First North Stock Exchange in May 18, 2007. From December 8, 2010 the company's shares are traded in main market Small Cap segment on NASDAQ OMX Stockholm. The Group's owners are legal and physical persons and no sole shareholder has control over the Group's activities.

These financial statements were authorised for issue by the Board of Directors on March 31, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented unless otherwise stated.

2.1 BASIS OF PREPARATION

The consolidated financial statements of Trigon Agri A/S have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and additional Danish statutory disclosure requirements for annual reports. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of biological assets, available-for-sale financial assets and financial assets at fair value through profit or loss.

The reporting period of the financial statements is the calendar year.

The Company prepares its separate financial statements in accordance with IFRS and the additional Danish requirements for annual reports. Parent company financial statements are presented after notes to the consolidated financial statements in the same set of financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and

estimates are significant to the consolidated financial statements are disclosed in Note 4.

Change in accounting policy

As of March 31, 2014, the Group has opted for the revaluation method to revalue its freehold land. Previously freehold land was stated at historic cost.

The revaluation of land provides shareholders with a more representative value than the historic cost basis. For the impact see Note 10.

The following new or revised standards and interpretations became effective for the Group from 1 January 2014:

- IFRS 12, Disclosure of Interest in Other Entities (effective for annual periods beginning on or after 1 January 2014), applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an separately structured entity. IFRS 12 sets out the required disclosures for entities reporting under the two new standards: IFRS 10, Consolidated financial statements, and IFRS 11, Joint arrangements, and replaces the disclosure requirements currently found in IAS 28 "Investments in associates". IFRS 12 requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and separately structured entities. To meet these objectives, the new standard requires disclosures in a number of areas, including (i) significant judgements and

assumptions made in determining whether an entity controls, jointly controls, or significantly influences its interests in other entities, (ii) extended disclosures on share of non-controlling interests in group activities and cash flows, (iii) summarised financial information of subsidiaries with material non-controlling interests, and (iv) detailed disclosures of interests in separately structured entities. The standard resulted in additional disclosures in these financial statements. Refer to note 32.

- IFRS 10, Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014), replaces all of the guidance on control and consolidation in IAS 27 "Consolidated and separate financial statements" and SIC-12 "Consolidation - special purpose entities". IFRS 10 changes the definition of control so that the same criteria are applied to all entities to determine control. This definition is supported by extensive application guidance. The standard did not impact these financial statements, but is relevant going forward when control over entities is determined (e.g. when stakes in subsidiaries are reduced).

There are no other new or revised standards or interpretations that are effective for the first time for the financial year beginning on or after 1 January 2014 that would be expected to have a material impact to the Group.

Certain new or revised standards and interpretations have been issued that are mandatory for the Group's annual periods beginning on or after 1 January 2015, and which the Group has early adopted.

IAS 24 (effective for annual periods beginning on or after 1 February 2015) was amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity'), and to require to disclose the amounts charged to the reporting entity by the management entity for services provided. The Group has already adopted this Standard.

Certain new or revised standards and interpretations have been issued that are mandatory for the Group's annual periods beginning on or after 1 January 2015, and which the Group has not early adopted.

- IFRS 15, Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2017; not yet adopted by the EU). The new standard introduces the core principle that revenue must be recognised when the goods or services are transferred to the

customer, at the transaction price. Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements. When the consideration varies for any reason, minimum amounts must be recognised if they are not at significant risk of reversal. Costs incurred to secure contracts with customers have to be capitalised and amortised over the period when the benefits of the contract are consumed. The Group is currently assessing the impact of the standard on its financial statements.

- Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016; not yet adopted by the EU). IAS 34 will require a cross reference from the interim financial statements to the location of "information disclosed elsewhere in the interim financial report". The Group is currently assessing the impact of the amendment on its financial statements.

- Disclosure Initiative – Amendments to IAS 1 (effective for annual periods beginning on or after 1 January 2016; not yet adopted by the EU). The amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The Group is currently assessing the impact of the amendments on its financial statements.

There are no other new or revised standards or interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Any difference between fair value and carrying value of assets transferred is recognised in the income statement. The consideration transferred includes the fair

value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised profits on transactions between Group companies are eliminated. Losses are also eliminated but considered whether they indicate an impairment that requires recognition in consolidated financial statements. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.3 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currencies of group entities are the following: for Estonian subsidiaries the Euro, for Ukrainian subsidiaries the Ukrainian hryvna, for Russian subsidiaries the Russian rouble, for Cypriot subsidiaries the Euro and for Danish parent company the Euro. The consolidated financial statements are presented in Euro, which is the functional currency for the parent company and the presentation currency for the group.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses that relate to borrowings and cash equivalents are presented in the income statement within 'Gains/losses from exchange rate differences'. All other foreign exchange gains and losses are presented in the income statement within 'Other (losses)/gains – net.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- b) income and expenses for each income statement are translated at average exchange rates of a month or a longer period as appropriate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in Other comprehensive income are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.4 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment except for land is stated at historical cost less depreciation and impairment, where required. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Buildings 25-40 years
- Machinery 7-20 years
- Vehicles 3-5 years
- Furniture, fittings and equipment 3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.6).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within Other gains/losses – net, in the income statement.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

FAIR VALUE OF LAND

Since March 31, 2014 land is carried using the revaluation method. Previously freehold land was stated at historic cost.

Under the revaluation method an increase in an asset's carrying amount as a result of a revaluation is recognised in other comprehensive income and

accumulated in equity under other reserves. However, the increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in an asset's carrying amount as a result of a revaluation is recognised in profit or loss. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under other reserves.

Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2.5 INTANGIBLE ASSETS

(a) Licences

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of two to ten years.

2.6 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 FINANCIAL ASSETS

(a) Classification

The Group classifies its financial assets in the following categories: loans and receivables, and at fair value through profit and loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Loans and receivables are non-derivative financial assets with fixed or determinable

payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The group's loans and receivables comprise "Trade and other receivables" (see Note 6) and Cash and cash equivalents (see Note 5) in the balance sheet. See Note 2.11 for measurement of trade receivables.

(b) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in Note 2.11.

(c) Impairment of financial assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated

income statement. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.8 AGRICULTURE AND BIOLOGICAL ASSETS

Agricultural activity is defined by the management as an activity of the biological transformation of biological assets for sale into agricultural produce or into additional biological assets. Agricultural produce is defined as the harvested product of the Group's biological assets and a biological asset is defined as a living animal or plant. The Group has determined the groups of its biological assets to be livestock and growing crops.

Biological assets are measured on initial recognition and at each balance sheet date at its fair value less estimated point-of-sale cost, except for the case where the fair value cannot be measured reliably on initial recognition. Agricultural produce harvested from the Group's biological assets is measured at its fair value less estimated point-of-sale costs at the point of harvest and is subsequently recorded as inventories and measured in accordance with the accounting principles of inventory (Note 2.10 (a)).

If an active market exists for a biological asset or agricultural produce, the quoted price in that market is the appropriate basis for determining the fair value of that asset. If an active market does not exist the most proximate market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the balance sheet date, is used in determining fair value. Cost is used as an approximation of fair value when little biological transformation has taken place since initial cost incurrence, e.g. within short time after seeding the crop.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated point-of-sale costs and from a subsequent change in fair value less estimated point-of-sale costs of a biological asset is included in profit or loss for the period in which it arises as "Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets".

The biological assets are recorded as current and non-current biological assets based on the operational cycle of the respective biological assets. In general, biological assets of growing plants are recognised as current assets, because the

operational cycle is less than 12 months. Dairy herd is recorded as non-current biological asset.

(a) Livestock and dairy herd

Livestock are measured at their fair value less estimated point-of-sale costs. Milk within EU can be sold based on milk quotas allocated by the State for each producer, however the quotas will be abolished in April 2015. The milk quota itself cannot be separated from the herd and the agricultural business as it is not possible to trade with the quota in EU countries where the Group operates without selling it together with the herd and the agricultural business. Also, there is no active market available for the herd without the milk quota. As the fair value of the herd can be determined reliably only together with the attached milk quota, the Group considers the milk quota to be an integral part of the fair value of the dairy herd.

Milk outside EU can be sold free of any quota and therefore the fair value of herd is not affected by the sales restrictions.

(b) Crops – cereals and grassland

Crops are measured at their fair value less estimated point-of-sale costs. The fair value measurements are categorized under Level 2 in the fair value hierarchy, as defined by IFRS 13. At initial recognition (after seeding) the crops are measured at cost as the market-determined values are not available for such biological assets. The cost includes direct costs related to the management of the biological transformation of biological assets, like costs of seeds, fertilising, cultivation, labour costs of employees directly involved in production process, fuel and energy and related production overheads (based on normal operating capacity). The crops are measured at fair value once the fair value becomes reliably measurable. Usually the fair value of a crop can be reliably measured only immediately before harvest. This does not create a significant limitation in valuation of crop balances at year-end, as the main increase in fair value is attributable to the same accounting period when the crop is harvested. As the main growth period of the crops is April to July, the change in the fair values is always the highest in the second quarter of the year. The biological assets are revalued using the latest information about actual harvesting results of the early crops, harvest related cash outflows and cereal sales market prices. Yields for the late crops are estimated using the latest field surveys. The cereals sales prices used for revaluation include actual contracted prices and latest market prices.

2.9 GOVERNMENT GRANTS

(a) Government grants related to agricultural activity

An unconditional government grant related to a biological asset measured at its fair value less estimated point-of-sale costs is recognised as income when the government grant becomes receivable (government grants for dairy herd, general area-aid subsidies). If a government grant related to a biological asset measured at its fair value less estimated point-of-sale costs is conditional, including whereby a government grant requires a Group company not to engage in specified agricultural activity, the Group recognises the government grant as income when the conditions attaching to the government grant are met (investment subsidies, area-aid environmental subsidies) and until then aid received is recognised as a liability.

(b) Government grants related to purchase of property, plant and equipment

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are amortised to the income statement on a straight-line basis over the expected lives of the related assets.

(c) Ukraine VAT treatment for companies under agricultural regime

In Ukraine there is a special VAT treatment for companies under agricultural regime. Companies under agricultural regime are not obliged to pay VAT and the net of VAT receivable and payable is recorded under Other Losses/Gains. Amount recognized under Other Losses/Gains is measured as a difference between VAT on sales invoices issued during the year and purchase invoiced received during the year. Input and output VAT are recognized in the Income statement in the period when the respective income/cost is recognized.

2.10 INVENTORIES

(a) Agricultural produce

(i) Milk

Milk is initially measured at its fair value less estimated point-of-sale costs at the time of milking and subsequently recorded as

inventories. The fair value of milk is determined based on market prices in the local area.

(ii) Grain- own produced (harvested)

Grain and feeds produced by the Group are initially measured at its fair value less estimated point-of-sale costs at the time of harvest and recorded in inventories until sold to third parties or used internally for feeding animals or for seeds. Grains and feed produced by the Group is subsequently measured at net realisable value. The net realisable value of feed is determined based on market prices in the local area. The net realisable value of grain is determined based on quoted prices on the nearest market or if multiple markets are available, of the market where the Group's company expects to sell the produce.

(iii) Other agricultural produce

Other agricultural produce are initially recorded at cost. Cost of other agricultural produce is determined using FIFO method. Write-down of other agricultural produce (excluding grain) to the net realisable value (if lower than cost) is included in income statement as change in inventories. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(b) Grain – purchased from third parties

Purchased grain from third parties is initially recorded at purchase price and subsequently measured at fair value less estimated costs to sell. The fair value of grain is determined based on quoted prices on the nearest market or if multiple markets are available, of the market where the Group's company expects to sell the produce.

(c) Work-in-progress related to field preparation

Cost of agricultural preparation on fields before seeding is recorded as work-in-progress in inventories. Work in progress comprises raw materials, direct labour costs, other direct costs and overheads (based on normal operating capacity). After seeding the cost of field preparation is reclassified as biological assets held at fair value (Note 2.8 (b)).

(d) Raw materials

Inventories are stated at the lower of costs and net realisable value. Cost is determined using first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.11 TRADE RECEIVABLES

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Deposits over three months are classified as cash and cash equivalents if they are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.13 SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 TRADE PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.16 CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

a) Corporate income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The income tax rate in Ukraine is 18% (in 2013 19%) and in Russia 20%. Agricultural producers in both Ukraine and Russia are exempted from the ordinary corporate income tax system if they meet the requirements to be recognised as agricultural producers (Note 2.16 (b)). The income tax in Estonia is calculated only on distributed earnings with the effective rate 21/79 (20/80 in 2015) of the distributed amount (Note 2.16 (c)).

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention and ability to settle the balances on a net basis.

b) Agricultural tax regimes in Ukraine and Russia

Both in Ukraine and Russia companies are exempt from ordinary corporate income tax regime if they meet criteria to be recognised as agricultural producers.

In Ukraine, a company is considered to be an agricultural producer if it derived at least 75% of its revenue in the previous tax year from the sales of self-produced agricultural product. Simplified agricultural tax means that the agricultural producer pays tax based not on its profits, but on the total area used for agricultural production.

In Russia a company can apply for the agricultural tax regime if it meets the criteria of an agricultural company. However, the companies on a general tax regime having the revenue from sales of self-produced agricultural produce have reduced tax rates.

c) Income tax in Estonia

According to the Income Tax Act of Estonia, the annual profit earned by enterprises is not taxed and thus there are no temporary differences between the tax bases and carrying values of assets and liabilities and no deferred tax assets or liabilities arise. Instead of taxing the net profit, the distribution of retained earnings is subject to income tax of 21/79 (20/80 starting from 2015) of the amount paid out as dividends. The corporate income tax arising from the payment of dividends is accounted for as an expense in the period when dividends are declared, regardless of the actual payment date or the period for which dividends are paid.

2.17 EMPLOYEE BENEFITS

(a) Pension obligations and other post-employment obligations

The Group does not operate pension schemes and does not provide post-retirement benefits to their retirees. Pension obligations may arise due to a legal obligation to pay for the incapability to work because of an accident.

The Group has legal obligation to pay contributions to the state pension funds according to the local regulations of each country of location. The

contributions to the local pension funds are treated as social security tax payments.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

2.18 PROVISIONS

Provisions for environmental restoration, restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of

revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) Sales of goods – agricultural produce

The Group's main revenue arises from the sales of agricultural produce – grain and milk. The agricultural produce is subject to quality control at the point of sale and the sales value is depending on the quality. Revenue from sales of agricultural produce is recognised after the results of quality control are available.

(b) Sales of biological assets

The Group sells living animals for slaughtering. The revenue from sales of living animals is recognised after the animals have been delivered to the slaughterhouse.

(c) Sales of services

The Group occasionally sells services to other agricultural producers. Revenue from the services is recognised when the service has been provided.

(d) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(e) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.20 LEASES

The Group as a lessee.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. Land lease is considered to be operating lease unless the title of the land passes to the lessee at the end of the lease period.

Leases in which the risks and rewards incidental to the ownership of an asset are transferred substantially to the lessee are classified as finance leases. At the commencement of the lease term, the

Group recognises the asset purchased on finance lease term on its balance sheet at the amount lower of the present value of future rent payments or fair value of the leased asset.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of future finance charges, are included in borrowings. The interest cost is charged to the income statement over the lease period using the effective interest method. The assets acquired under finance leases are depreciated over the shorter of their useful life or lease term if the Group is not reasonably certain that it will obtain ownership by the end of the lease term.

2.21 DIVIDEND DISTRIBUTION

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

2.22 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Board. The Executive Board considers the business from a geographical and operational perspective. Local production units, which are interlinked with each other in operational activities, are aggregated in the internal reporting in production clusters. Segments are presented to the management on aggregated unit basis, indicating separately plant cultivation and animal husbandry if they are both material for the clusters' revenue.

2.23 SHARE-BASED PAYMENTS

The fair value of services assumed to have been received in exchange for the equity instruments (warrants) issued is generally recognised as an expense in the income statement and in other reserves in equity during the vesting period (from the grant date of warrants until the vesting date). In case the services assumed form part of the costs directly attributable to the issue of new shares, the costs are shown in equity as a deduction from the proceeds as a part of related translation costs and not as an expense in the income statement. The fair value of the services received is determined by reference to the fair value (market value) of equity instruments granted at the grant date, which equals the fair value of services received by the Group. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.24 DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves, and is categorized under Level 2 in the fair value hierarchy, as defined by IFRS 13. The fair value changes of the swap and swap interest are recognized in profit or loss under finance costs. The fair value of the swap is recognized on the balance sheet under line item 'Derivative financial instruments'.

3. FINANCIAL RISK MANAGEMENT

3.1 FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, commodity price risk, cash flow interest rate risk, fair value interest rate risk), credit risk, liquidity risk and capital repatriation risk. The Group's overall risk management program acknowledges the unpredictability of financial markets and on the basis of the current business operations of the Group the management is following financial risk management policies to minimise potential adverse effects on the Group's financial performance from unpredictable fluctuations in the financial markets.

The Group's centralised controlling and risk management function carries out risk management activities on a day-to-day basis in close cooperation with the regional management members.

(a) Market risk

(i) Foreign exchange risk

The Group operates in Estonia, Ukraine and Russia and is exposed to foreign exchange risk arising primarily from exposures to the US dollar, Russian rouble, Ukrainian hryvna and Swedish krona. Foreign exchange risks from US dollar, Swedish krona, Russian rouble and Ukrainian hryvna arise

mainly from recognised assets and liabilities. Foreign exchange risk from Swedish krona arises from Trigon Agri four-year bonds issued in 2011. The Group has not implemented any formal currency risk management policies.

The average value of hryvna relative to euro depreciated by 32% in 2014 (depreciated in 2013 by 3%).

Russian rouble depreciated by 17% in 2014 (depreciated in 2013 by 6%).

Swedish krona depreciated by 5% relative to euro in 2014 (appreciated in 2013 by 1%).

2014	Reasonably possible change	Impact on Income statement
UAH	+/- 30%	+/- 162
RUB	+/- 30%	-/+26
SEK	+/- 5%	-/+1,959
USD	+/- 5%	-/+494

2013	Reasonably possible change	Impact on Income statement
UAH	+/- 10%	+/-372
RUB	+/- 10%	+/-144
SEK	+/- 10%	-/+4,117
USD	+/- 10%	-/+1,011

The changes in exchange rates of Russian rouble and Ukrainian hryvna have been unfavourable to the Group's business in 2014 (unfavorable in 2013). The changes in exchange rates of rouble and hryvna decreased the value of the net investment in 2014 (decreased in 2013).

(ii) Commodity price risk

The Group is exposed to commodities price risk because of the significant size of its business operations in the production of cereals. In case cereals produced by the Group in Russia and Ukraine are primarily exported, a significant share of the Group's revenues will be exposed to global fluctuations in agricultural commodity prices. The milk production operations of the Group are to a much lesser extent affected by global commodity prices since the raw milk is sold regionally and cannot be exported over long distances. This is

in EUR thousand

Borrowings and finance leases (outstanding amount)

Floating rate
 incl. related to 6-month EURIBOR
 incl. related to 3-month EURIBOR
 incl. related to LIBOR
 Fixed rate

further supported by the fact that milk powder, a milk product commodity which can be transported over long distances, does not directly compete with raw milk due to the inferiority of milk powder based end-product quality. Such lower quality makes milk powder a secondary raw material to the milk processing companies operating in the target countries of the Group and allows the Group to negotiate fresh high quality raw milk price relatively independently of global milk powder price levels.

The Group's strategy is not to hedge against any commodity price movements in order to provide its shareholders a direct exposure to the fluctuation in the market. Unlike traditional large-scale farming enterprises that have typically used a financial hedging strategy to protect against adverse price fluctuations or the risks inherent in a highly seasonal business, the Group does not engage in any commodity hedging. The Group believes that its diversified geographic production base, its crop rotation system and its combination of cereal production and dairy farming provide its business with sufficient operational stability, while enabling investors to pursue their own individual hedging strategies.

(iii) Cash flow and fair value interest rate risk

As the Group has no significant floating interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. Cash (see Note 5) is invested in short term deposits and no material interest rate risk arises from these assets.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. About half of the exposure to the fluctuations in Euribor arising from the debt in the Estonian dairy business has been managed with an interest rate swap paying fixed interest.

Breakdown between floating and fixed interest rates for the existing borrowings of the Group is shown below:

	31.12.2014	31.12.2013
	19,997	13,810
	343	9,082
	15,979	235
	3,675	4,493
	58,149	60,267
	78,146	74,077

At 31 December 2014, if interest rates on floating interest rate borrowings at that date had been 50 basis points higher with all other variables held constant, net profit for the year would have been EUR 100 thousand lower, as a result of higher interest expense on floating rate borrowings. At 31 December 2013, if interest rates on floating interest rate borrowings at that date had been 50 basis points lower (higher) with all other variables held constant, net profit for the year would have been EUR 69 thousand higher (lower), as a result of lower (higher) interest expense on floating rate borrowings

(b) Credit risk and counterparty business risk

Credit risk for the Group arises from cash and cash equivalents, deposits with banks and financial institutions and customers, including outstanding receivables and committed transactions. Credit limits are not normally set for individual companies, as all balances are closely monitored specifically (see also Note 6 for details). For banks and financial institutions, the Group's policy is to work with institutions, which have an internationally reputable strategic shareholder as the majority investor. (See also Note 5 for details).

(c) Liquidity risk

The Group's main liquidity risks derive from the cyclical nature of agricultural production. Field-works in spring and harvest in autumn entails concentration of costs and working capital need in the spring season and concentration of revenues in the autumn season. The cyclicity is stronger in cereals production and much lower in dairy production, as dairy production revenues accrue evenly throughout the whole operating year. The Group has been lowering the cyclicity also in cereals production by acquiring its own warehousing infrastructure to store grain for longer time periods and to be able to sell cereal products more evenly throughout the year. In addition, the management monitors the liquidity risk by following the main key performance indicators on a continuous basis, including cash flows.

The undiscounted gross payments of all borrowings and trade payables are presented in the included tables. The amounts include interest payments.

in EUR thousand	Total 31.12.2014	no later than 12 months	between 1 and 5 years	Over 5 years	Maturity	Interest rate
Borrowings and finance leases	85,213	59,008	15,081	11,124		
<i>incl. related to 6- month EURIBOR</i>	355	178	177	-	2015-2018	6 month EURIBOR+1.75%- 2.7%
<i>incl. related to 3 month EURIBOR</i>	18,527	1,543	5,860	11,124	2016-2020	3 month EURIBOR+0.0%- 3.35%
<i>incl. related to LIBOR</i>	4,048	4,048	-	-	2015	LIBOR +11%
<i>inc.with fixed interest rate</i>	9,733	9,161	572	-	2015-2017	no interest rate, 2%-15%
<i>inc.with fixed interest rate*</i>	11,340	2,868	8,472	-	2016	10%
<i>incl. fixed interest rate bond**</i>	41,210	41,210	-	-	2015	11%
<i>Derivative financial instruments</i>	413	-	-	413	2020	
Trade payables	3,444	3,319	84	41	2015-2054	no interest rate, 5%
Total	89,070	62,327	15,165	11,578		

*Fixed interest rate borrowings in amount of EUR 11,340 thousand represent a loan that carries interest rate of 3-month EUR LIBOR +6% or minimum 10%, whichever is higher. As at 31.12.2014, the interest rate was 10%.

**The bond was extended on February 26, 2015 until August 31, 2017. In the table above the bond is classified as payable within 12 months under contractual terms effective as at December 31, 2014 the maturity date June 29, 2015 (see note 3.2).

in EUR thousand	Total 31.12.2013	no later than 12 months	between 1 and 5 years	Over 5 years	Maturity	Interest rate
Borrowings and finance leases	87,788	19,905	62,406	5,477		
<i>incl. related to 6- month EURIBOR</i>	12,594	1,070	6,047	5,477	2014-2020	6-month EURIBOR+1.4%- 3.35%
<i>incl. related to 3 month EURIBOR</i>	235	96	139	-	2016	3-month EURIBOR+0%
<i>incl. related to LIBOR</i>	4,829	4,368	461	-	2014-2016	LIBOR+8.75%- 9.5%
<i>inc. with fixed interest rate</i>	7,939	6,804	1,135	-	2014-2017	no interest, 2%- 17%
<i>inc. with fixed interest rate*</i>	14,510	3,209	11,301	-	2016	10%
<i>incl. fixed interest rate bond</i>	47,681	4,358	43,323	-	2015	11%
Trade payables	2,715	2,565	107	43	2014-2054	no interest rate, 5%
Total	90,503	22,470	62,513	5,520		

*Fixed interest rate borrowings in amount of EUR 14,510 thousand represent a loan that carries interest rate of 3-month EUR LIBOR +6% or minimum 10%, whichever is higher. As at 31.12.2013, the interest rate was 10%.

3.2 CAPITAL MANAGEMENT

The Group considers as capital its equity and borrowings.

All significant bank borrowings of the Group will be approved by the Board of Directors of the Group prior to being drawn upon. The Board of Directors will also approve the leveraging strategy to be worked out by the management, keeping in mind (i) safeguarding the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and (ii) development of an optimal capital structure so as to reduce the cost of capital.

in EUR thousand	31.12.2014	31.12.2013
Financial indebtedness (Note 14)	78,559	74,077
Total shareholders' equity	61,906	103,805
Financial indebtedness to shareholders' equity	127%	71%

As of December 31, 2014 (and as of December 31, 2013), the Group was financed in addition to the owners' equity by bonds and bank borrowings.

According to the terms of bonds that were effective as at December 31, 2014, the covenant of Financial indebtedness to shareholders' equity ratio should not have exceeded 75%. The Group was in breach of this covenant as at December 31, 2014. At that date, the bonds (with carrying value of EUR 39,172

thousand) were classified as current liabilities due to the maturity date on June 29, 2015; therefore the breach did not have any impact on the classification of the bonds in the balance sheet. Net working capital as at December 31, 2014 is negative in the amount of EUR 32,080 thousand.

On February 26, 2015, the term of the bonds was extended until August 31, 2017. Interest rate remained unchanged to 11%. The Group has an option to early repay the bonds, and the nominal amount to be repaid depends on the timing of the repayment: if payment will be done by June 29 2015, 100% of nominal amount shall be repaid, by December 31, 2015 – 101%, by December 31, 2016 – 104%, and by August 31, 2017 – 106%.

Under the amended bond terms, Financial indebtedness to shareholders' equity ratio no longer applies. However, the amended terms include other restrictions to the Group until the repayment of the bonds:

- Borrowings, other than bonds, including any interest accrual must not exceed EUR 45 million; the Group may not incur any additional borrowings.
- Capital expenditure must not exceed EUR 6 million until August 31, 2017 (including max EUR 3 million in 2015).
- The sales, leases, transfers and other disposals of assets are only allowed to extent allowed by the bond terms; the sales proceeds need to be deposited to a

restricted deposit, save for few exceptions. Any sales of assets with book value exceeding EUR 500 thousand, or the sales proceeds exceeding EUR 500 thousand must be confirmed with the Holders' Committee of the bonds.

- No pledges may be created over the assets of the Group.
- The Group must take reasonable steps to divest its activities in Estonia and Russia as soon as possible.
- The Group may not declare or pay any dividend or any other distribution from its equity, including redeeming repurchasing of any shares.
- The group may not pay any management, advisory or other fees to any of the shareholders, except for under the existing Advisory agreement effective until January 1, 2016. From thereon, the remuneration of employees hired may not exceed EUR 1,850 thousand per annum.
- From January 2, 2016, the Group must deposit quarterly EUR 325 thousand to restricted deposit account.
- According to the terms of bonds, the bonds must be redeemed early in case one or more persons acting together shall acquire control over Trigon Agri by acquiring control over more than 50% of voting rights in the company or over the right to appoint or remove the whole or majority of the Board of Directors.

Impact of currency fluctuation to the equity of the Group

The total Group capital is influenced by exchange rate fluctuations of Ukrainian hryvna, Russian rouble and Swedish krona, as described also in Note 3.1. a) i). The total recognised decrease in equity from currency translation differences amounted to EUR 74,206 thousand at December 31, 2014 (EUR 32,887 thousand at December 31, 2013).

As described in Note 10, significant portion of reduction of equity is due to devaluation of the Russian rouble and the Ukrainian hryvna that has led to decrease of the book value of rouble and hryvna denominated assets on the Group's balance sheet. Russian rouble and Ukrainian hryvna have continued to devalue at the beginning of 2015. The assets on the Group's balance sheet in Russia and Ukraine are denominated in local currency and will

decrease in euro terms when rouble and hryvna weaken against the euro.

Capital repatriation risk

The capital repatriation risk derives from the Group's investments into Ukrainian and Russian subsidiaries. Potential changes in the political environment in Ukraine or Russia may impose restrictions on repatriating capital invested into these countries. Currently, Ukraine has in place currency controls. The Group's policy is to make investments into Ukraine and Russia only via Cypriot holding companies. The advantageous double taxation treaties with Ukraine and Russia make Cyprus a favoured location of inward investments to these regions by several internationally recognised investors as well as for Ukrainian and Russian own capital, which seeks to have foreign domiciliation. In the assessment of the Group's management, carrying out investments into Ukraine and Russia via Cypriot holding companies is the best possible hedge for minimising capital repatriation risks.

3.3 FAIR VALUE ESTIMATION

The different levels for assets carried at fair value have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See note 10 for disclosures of the land that is measured at fair value, note 8 for inventories, note 9 for biological assets and note 14 for borrowings.

DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves, and is categorized under Level 2 in the fair value hierarchy, as defined by IFRS 13.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

a) Fair value of biological assets

The Group's biological assets are measured at fair value less point-of-sale costs at each balance sheet date (value at December 31, 2014 was EUR 12,441 thousand, value at December 31, 2013 was EUR 13,946 thousand). Due to the specifics of the agricultural production, fair value of some crops and animals cannot be determined reliably in their present status. The biological assets in the countries where the Group operates (Ukraine, Russia and Estonia) are mostly not traded on active market. Therefore the fair value is determined using the alternative methods described in Note 2.8. The use of alternative methods of fair value estimation requires the Group to refer to latest transactions and use price averages, or to use cost as an approximation of fair value in case when little biological transformation has taken place since initial cost incurrence, e.g. within short time after seeding the crop. Because the carrying value of the biological assets in the plant cultivation is based on cost upon initial recognition, no variability analysis is relevant. Were the actual prices for the biological assets in animal husbandry higher by 10% from management's estimates, the net profit would increase by EUR 831 thousand (EUR 876 thousand in 2013), if the prices were lower by 10%, the net profit would decrease by the same amount.

b) Useful lives of property, plant and equipment

The depreciable items of property, plant and equipment amounted to EUR 37,757 thousand as at

December 31, 2014 (EUR 46,862 thousand as at December 31, 2013). The remaining balance includes land, which does not depreciate; and construction in process. Management has estimated useful lifetimes for depreciable property, plant and equipment. However, the actual useful lifetimes can be different than those estimated by the management. If the average useful lifetime would be 10% longer (shorter) than estimated by the management, it would decrease (increase) the depreciation charge by EUR 568 thousand (EUR 746 thousand in 2013).

c) Net realisable value and fair value less costs to sell of inventories

The Group has its agricultural produce in inventory as of the year end. The agricultural produce and inventories for commodities trading have been valued to fair value less costs to sell. The fair value of the grain is determined based on the market statistics published by APK-Inform or in case the Group had sold or had sales contracts for its inventory then those actual prices were used. Would the prices been lower than estimated by 10%, the value of the inventories would be EUR 813 thousand less and the equity smaller by the equal amount (in 2013: EUR 263 thousand).

d) Recoverable values of property, plant and equipment

In 2014 impairment test was carried out, no impairment was identified. The value-in-use method was applied to determine the recoverable values of non-current assets in operating clusters (cereals production Ukraine; cereals production Russia; storage services and sales and trading; milk production Estonia, milk production Russia). Cash flows were projected in each cluster, including revenues, operating expenses, investment requirements and working capital needs. The test demonstrated that the Group's assets recoverable value is higher than the carrying amount in all of its operating segments. The Group has used in the model its target yields, similar to 2014 actual yields and 3-year average prices for cereals, except for 2015 where lower prices were used. The Group applied 1.5% (2% in 2013) long-term growth rate that has been aggregated from the long-term growth perspective in the respective country and estimation of the growth in food prices in relation

to other inputs. The discount rates applied were the following: in Ukraine 23% (cereals production) (16% in 2013) and 18.5% (16% in 2013) in storage services and sales and trading, 16.5% (11% in 2013) in Russia and 7% in Estonia. Any reasonable changes in impairment test inputs would not cause the decrease of recoverable amount below the carrying amount.

e) Fair value of land

The fair value of land is reliant on significant assumptions and unobservable inputs. See Note 10.1 for the financial impact of a potential change in the value per hectare.

4.2 OTHER RISK FACTORS

RISKS RELATED TO UKRAINIAN LAND RENTAL

Ukrainian law imposes several restrictions on ownership of agricultural land. Foreign citizens or foreign legal entities are not allowed to acquire agricultural land, and it is unclear whether a Ukrainian company controlled by non-Ukrainians may own agricultural land in Ukraine. Moreover, there is a blanket moratorium against selling freeholds of agricultural land until adoption of particular legal act on the land market and land cadastre in Ukraine.

The Group owns the buildings and structures of its Ukrainian farms and controls the Ukrainian land through registered long-term leases supplemented with a right of first refusal to acquire the freehold, or through signed, but not yet registered, leases. However, under the current legislation, the Group may not be able to exercise its right of first refusal to acquire the freehold. In the event that the Group's title to any of its land is challenged, and the Group is unable to defend such a claim, the Group risks losing its rights to such land which could materially affect the Group's business, financial condition, and operational results.

RISKS RELATED TO LAND OWNERSHIP IN RUSSIA

Russian law does not allow a foreign entity nor a foreign controlled Russian entity to own agricultural land in Russia. A Russian entity is considered a foreign controlled entity when more than 50 per cent of its share capital is owned by a foreign entity.

The Russian agricultural land (Note 10) of the Group is currently owned by Russian operating companies, which are wholly-owned subsidiaries of the relevant holding companies incorporated in Russia. The Russian parent holding companies are, in turn, owned (depending on the Company, directly or indirectly) by Cypriot holding companies. While this structure technically complies with the

Russian law restriction on the foreign ownership of Russian agricultural land, no assurances can be given that the ownership structure could not be challenged on the basis that they possibly violate the spirit of the law. The Russian courts and legal system generally tend to adopt a formal approach to legislative interpretation. However, no assurance can be given as to how a Russian court would treat each particular situation brought to its consideration or as to future developments in the Russian legal system which may give greater weight to substance over form.

If the Russian agricultural land holding structure of the Group is found to breach the above mentioned Russian law restriction, the Group could be forced to either sell its land, or return the land to the previous owner (in which case it will be entitled to require the purchase price back from the previous owner), or introduce Russian shareholders to its subsidiaries, which may have a material adverse effect on the Group's business, financial condition and operational results.

4.3 SITUATION IN UKRAINE AND RUSSIA AND POTENTIAL IMPACT ON THE GROUP'S OPERATIONS

RUSSIAN FEDERATION

The Russian Federation displays certain characteristics of an emerging market. Its economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and subject to frequent changes and varying interpretations (Note 29). During 2014 the Russian economy was negatively impacted by a decline in oil prices and ongoing political tension in the region and international sanctions against certain Russian companies and individuals. As a result during 2014:

- the ECB exchange rate fluctuated between RR 45.0019 and RR 91.52 per EUR;
- the CBRF key refinancing interest rate increased from 5.5% p.a. to 17.0% p.a. including an increase from 12.0% p.a. to 17.0% p.a. on 16 December 2014;
- the RTS stock exchange index ranged between 1 445 and 791;
- access to international financial markets to raise funding was limited for certain entities; and
- capital outflows increased compared to prior years.

The financial markets continue to be volatile and are characterised by frequent significant price movements and increased trading spreads. During 1 January 2015 till 13 March 2015:

- the ECB exchange rate fluctuated between RR 79.925 and RR 64.214 per EUR;
- Russia's credit rating was downgraded by Fitch Ratings in January 2015 to BBB-, whilst Standard & Poor's cut it to BB+, putting it below investment grade for the first time in a decade. Moody's Investors Service and Fitch Ratings still have Russia as investment grade. However, all these rating agencies indicated a negative outlook, meaning further downgrades are possible.
- bank lending activity decreased as banks are reassessing business models of their borrowers and their ability to withstand the increased lending and exchange rates; and
- the CBRF key refinancing interest rate decreased from 17.0% p.a. to 15% p.a.

These events may have a further significant impact on the Group's future operations and financial position, the effect of which is difficult to predict. The future economic and regulatory situation and its impact on the Group's operations may differ from management's current expectations.

UKRAINE

Starting in 2013, the political situation in Ukraine has experienced instability with numerous protests and continued political uncertainty that has led to deterioration of the state's finances, volatility of financial markets and sharp depreciation of the national currency against major foreign currencies. The ratings of Ukrainian sovereign debt were downgraded by international rating agencies with negative outlooks for the future. The National Bank

of Ukraine ("NBU"), among other measures, imposed certain restrictions on processing of client payments by banks and on the purchase of foreign currency on the inter-bank market.

The recent political situation has been volatile, with changes in the Ukrainian Parliament and the Presidency. In March 2014, various events in Crimea led to the accession of the Republic of Crimea to the Russian Federation. This event resulted in a significant deterioration of the relationship between Ukraine and the Russian Federation.

The political and economic situation has deteriorated particularly in Eastern Ukraine with increasing levels of armed conflict and military activity, particularly in the Donetsk and Lugansk regions. The Group has no business in Crimea, Donetsk or Lugansk regions.

As of March 13, 2015 the official NBU exchange rate of Hryvnia against EUR dollar was UAH 22.9411 per EUR 1, compared to 19.2329 per EUR 1 as at 31 December 2014. On 3 March 2015 the National Bank of Ukraine issued a regulation which temporarily prohibits payment of dividends by Ukrainian legal entities abroad. The restriction is effective until 3 June 2015. Management is currently assessing the legal basis for this and the possible impact of this restriction on the Group.

The final resolution of the political and economic crisis in Ukraine and the final effects are difficult to predict but it may have further severe effects on the Ukrainian economy and the Group's business.

5. CASH AND CASH EQUIVALENTS

in EUR thousand

Cash on hand	
Short-term bank deposits	
Cash in transaction	

31.12.2014	31.12.2013
16	19
4,062	4,978
47	-
4,125	4,997

Short-term bank deposits bear interest of 0%-6.5% on annualised base (in 2013 0.0% – 2.0%).

The credit quality of cash at bank according to banks external credit rating (Moody's) is given in the following table.

in EUR thousand

A1***	
A2***	
Baa1	
Baa3	
Ba2***	
Caa3	
Ca	
Without Moody's rating *	
Other**	

31.12.2014	31.12.2013
2,206	2,254
460	452
-	240
-	139
889	996
-	330
53	-
443	7
58	560
4,109	4,978

* The balances without Moody's rating include cash in UkrSibbank (Ukraine), Unicreditbank (Russia) and in Alfa Bank (Russia), which are not rated by Moody's, although they are rated by Fitch with ratings CCC, BBB- and CCC, respectively.

**Other includes cash in Megabank (Ukraine), in Mast bank (Russia) and in Energomashbank (Russia)– not rated.

*** For the money at AS SEB Pank (Estonia), AS Swedbank (Estonia), PJSC OTP Bank (Ukraine) and PJSC Credit Agricole Bank (Ukraine) the parent company ratings were used.

The split of cash between currencies:

in EUR thousand

Ukrainian hryvna	
US dollar	
Euro	
Russian rouble	
Other currencies	

31.12.2014	31.12.2013
726	2,133
1,475	186
1,814	2,266
103	365
7	47
4,125	4,997

6. TRADE AND OTHER RECEIVABLES

in EUR thousand

Trade receivables	
Other receivables	
Prepayments	
Total receivables and prepayments	
Less non-current portion:	
Prepayments for new acquisitions	
Prepayments for non-current assets	
Other receivables	
Total non-current portion	
Current portion	

31.12.2014	31.12.2013
2,280	2,495
1,358	3,105
9,321	13,265
12,959	18,865
-2,690	-4,949
-1,716	-4,737
-70	-96
4,476	9,782
8,483	9,083

The fair values of trade and other receivables are not materially different from the carrying values based on the expected discounted cash flows. All

non-current receivables are due within more than one year from the balance sheet date. Non-current

prepayments will realize in non-current assets, like land and property, plant and equipment.

As at December 31, 2014, Other receivables include EUR 234 thousand from related parties (Note 33) (none as at December 31, 2013).

Non-Current prepayments for non-current assets in amount of EUR 1,634 thousand is related to the prepayments for land in Rostov cluster (EUR 3,514 thousand for land and other assets as at December 31, 2013).

During 2014 the Group has written off non-current prepayments related to its Russian operations in amount of EUR 1,880 thousand (Note 25) due to the

deterioration of the political and economic situation in Russia.

As at December 31, 2014, Non-Current prepayments for acquisitions in amount of EUR 2,690 thousand were related to the land acquisition for dairy operations in Russia (EUR 4,949 thousand as at December 31, 2013). During 2014 the Group has finalised land purchases in amount of EUR 4,374 thousand (Note 10).

Current prepayments as at December 31, 2014 include prepayments for fertilizers, taxes.

For breakdown of trade and other receivables by category please refer to Note 7.

The expected timing of proceeds from trade receivables is as follows:

in EUR thousand

Up to 3 months
 3 to 6 months
 Over 6 months

	31.12.2014	31.12.2013
Up to 3 months	2,113	1,745
3 to 6 months	14	620
Over 6 months	153	130
	2,280	2,495
including receivables not due	2,110	2,303
including receivables overdue up to 3 months	14	88
including receivables overdue up to 3 to 6 months	10	5
including receivables overdue over 6 months	146	99

including receivables not due
 including receivables overdue up to 3 months
 including receivables overdue up to 3 to 6 months
 including receivables overdue over 6 months

The expected timing of proceeds from other receivables is as follows:

in EUR thousand

Up to 3 months
 3 to 6 months
 Over 6 months

	31.12.2014	31.12.2013
Up to 3 months	636	2,346
3 to 6 months	47	21
Over 6 months	675	738
	1,358	3,105
including receivables not due	1,297	3,103
including receivables overdue over 6 months	61	2

including receivables not due
 including receivables overdue over 6 months

Trade receivables less than 3 months past due from balance sheet date are not considered impaired based on the individual assessment of each significant receivable.

The credit quality of Trade receivables that are not impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Counterparties with Fitch credit rating
 in EUR thousand

A
 BBB
 CCC

	31.12.2014	31.12.2013
A	357	-
BBB	566	-
CCC	105	-
	1,028	-

Counterparties without external credit ratings:
 in EUR thousand

Group 1
 Group 2
 Group 3

	31.12.2014	31.12.2013
Group 1	73	504
Group 2	736	1,405
Group 3	443	586
	1,252	2,495
Total unimpaired trade receivable	2,280	2,495

Total unimpaired trade receivable

Group 1 – new customers/related parties (less than 6 months).
 Group 2 – existing customers/related parties (more than 6 months) with no defaults in the past.
 Group 3 – existing customers/related parties (more than 6 months) with some defaults in the past. All defaults were fully recovered.

Other receivables not due are from counterparties with no defaults in the past.

Total impairment loss recognised from the trade receivables in 2014 was EUR 40 thousand (in 2013 EUR 269 thousand). EUR 2,273 thousand was write-

off of other doubtful receivables (in 2013 EUR 631 thousand) (Note 25).

in EUR thousand

At January 1

Provision for receivables impairment
 Unused amounts reversed
 Currency translation differences

At December 31

	2014	2013
	-645	-460
	-40	-269
	61	27
	252	57
	-372	-645

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

in EUR thousand

US dollar
 Russian rouble
 Ukrainian hryvna
 Euro

	31.12.2014	31.12.2013
	922	2
	1,047	1,541
	547	1,180
	1,122	2,877
	3,638	5,600

The maximum exposure to credit risk arising from trade and other receivables at the reporting date is the carrying amount of each class of receivable

mentioned above. The Group does not hold any collateral as security for the trade receivable.

7. FINANCIAL INSTRUMENTS BY CATEGORY

Assets as per balance sheet

Cash and cash equivalents
 Trade and other receivables excluding prepayments

	31.12.2014	31.12.2013
	Loans and receivables	Loans and receivables
	4,125	4,997
	3,638	5,600
	7,763	10,597

Liabilities as per balance sheet

Trade and other payables excluding social security, other taxes and prepayments from clients
 Borrowings excluding finance lease liabilities
 Finance lease liabilities
 Derivative financial instruments

31 December 2014		
Liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
-	3,443	3,443
-	76,687	76,687
-	1,459	1,459
413	-	413
413	81,589	82,002

31 December 2013

Liabilities as per balance sheet

Trade and other payables excluding social security, other taxes and prepayments from clients
 Borrowings excluding finance lease liabilities
 Finance lease liabilities
 Derivative financial instruments

Liabilities at fair value through profit and loss	Financial liabilities at amortised cost	Total
-	2,713	2,713
-	72,607	72,607
-	1,470	1,470
-	-	-
-	76,790	76,790

Prepayments are excluded as this analysis is required only for financial assets.

8. INVENTORIES

Inventory breakdown, EUR thousand

Grain for sale
 Raw materials, supplies
 Fieldworks in process
Total
 Incl. own produced inventory

31.12.2014	31.12.2013
8,131	2,631
4,490	5,533
1,103	2,626
13,724	10,790
11,220	6,815

Grain for sale as at December 31, 2014 includes grain from third parties in amount of EUR 233 thousand (none as at December 31, 2013). Raw materials, supplies includes materials and supplies from third

parties in amount of EUR 2,271 thousand as at December 31, 2014 (EUR 3,975 thousand as at December 31, 2013).

in EUR thousand
At 1 January

Changes in balances of finished product stocks:
 - *Agricultural production recognised at the fair value (Note 9)*
 - *Dairy production recognised at the fair value*
 - *Capitalization of costs to fieldworks in process*
 - *Reclassification from fieldworks in process to biological assets at the moment of seeding*
 - *Cost of own production on realization to third parties*
 - *Inventory revaluation*
 For internal use*
 Currency translation differences

2014	2013
6,815	16,116
12,151	-3,102
37,590	42,729
13,143	12,239
1,837	3,720
-2,561	-3,448
-42,593	-55,828
4,735	-2,515
-4,053	-4,670
-3,694	-1,529
11,220	6,815

At 31 December

*Own produced inventory for internal use includes seeds, fertilizer and animal feed, which are presented in the Income statement on the line Raw materials and consumables used for production purposes (Note 21).

Breakdown of the grain for sale, agricultural produce inventory, 31.12.2014

	Grain for sale, agricultural produce, EUR thousand	Total Grain for sale, agricultural produce, tonnes	Average price used for valuing Grain for sale, agricultural produce, EUR/t
Wheat	1,266	8,496	149
Barley	10	82	122
Sunflower	4,711	14,355	328
Corn	792	6,566	121
Rapeseed	-	1	n/r
Soya	1,335	3,950	338
Other	17	416	41
Total	8,131	33,866	240

Breakdown of the grain for sale, agricultural produce inventory, 31.12.2013

	Grain for sale, agricultural produce, EUR thousand	Total Grain for sale, agricultural produce, tonnes	Average price used for valuing Grain for sale, agricultural produce, EUR/t
Wheat	38	283	134
Barley	8	62	130
Sunflower	2,491	10,313	242
Corn	22	217	102
Rapeseed	22	99	221
Other	50	1,597	31
Total	2,631	12,572	209

Inventories that are measured at fair value are categorized under Level 2 in the fair value hierarchy, as defined by IFRS 13.

Grain for sale is revalued by the Group on each balance sheet date for revaluations as at December 31, the Group used the market prices from APK- Inform as at the end of January for both years as the year-end prices do not reflect the realistic market situation due to long holiday season in Ukraine and Russia and therefore very low volume of trades. The Group uses market prices from the moment when trading volumes are restored and market becomes active. The judgement as to

whether a market is active includes the consideration of availability of prices for different grains, and the volatility of prices over a period – the prices tend to be less volatile the more frequent the trading activity becomes. Own produced inventories are measured at net realizable value. In determining the NRV, the Group considers existing sales agreements at balance sheet date, and actual sales transactions by the Group shortly after the balance sheet date. Inventories in Estonia were pledged in amount of EUR 2,619 thousand (2013: EUR 2,228 thousand) for the benefit of the bank.

9. BIOLOGICAL ASSETS

As at the balance sheet date, Current biological assets in plant cultivation include winter crops seeded in autumn 2014. The fair value of these crops has been determined by the cost of seeding and preceding fieldworks.

Non-current biological assets in plant cultivation include grasslands, which are used for harvesting animal feed.

Non-current assets in animal husbandry include dairy herd, both mature and immature.

Animal husbandry is measured at fair value less costs to sell. The fair value of livestock is determined based on expert opinion obtained from Animal Breeders Association which is based on market prices of livestock of similar age, breed and genetic merit based on the relevant market, taking into account transaction prices, sales opportunities in local and export markets, and the market situation in the dairy

sector. The fair value of dairy herd also takes into account any milk quota attached to the herd. The fair value measurements are categorized under Level 2 in the fair value hierarchy, as defined by IFRS 13.

The gain arising from changes in fair value includes changes in both physical quantities due to the growth of plants/animals and changes in market prices of the biological assets.

Biological assets in Russia were pledged at a carrying value of EUR 81 thousand (2013: EUR 551 thousand) for the benefit of the bank. In Ukraine winter crops (11,697 hectares) at a carrying value of EUR 1,363 thousand were pledged for the benefit of the bank (2013: EUR 1,339 thousand). In Estonia biological assets at a carrying value of EUR 7,456 thousand were pledged for the benefit of the bank (2013: EUR 6,909 thousand).

in EUR thousand

Carrying amount at 31.12.2012

Non-current biological assets
Current biological assets

12m 2013

Increases due to purchases
Decrease due to sales

Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets:

- *Increases due to new plantations/birth*
- *Harvest*
- *Decreases due to written-off biol.assets*
- *Other changes in fair value*

Currency translation differences

Carrying amount at 31.12.2013

Non-current biological assets
Current biological assets

	Plant cultivation	Animal husbandry	Total
Carrying amount at 31.12.2012	6,128	8,704	14,832
Non-current biological assets	413	8,704	9,117
Current biological assets	5,715	-	5,715
12m 2013			
Increases due to purchases	20	2	22
Decrease due to sales	-3	-	-3
Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets:			
- <i>Increases due to new plantations/birth</i>	-617	376	-241
- <i>Harvest</i>	42,676	1,721	44,397
- <i>Decreases due to written-off biol.assets</i>	-42,729	-1,480	-44,209
- <i>Other changes in fair value</i>	-564	-441	-1,005
- <i>Other changes in fair value</i>	-	576	576
Currency translation differences	-345	-319	-664
Carrying amount at 31.12.2013	5,183	8,763	13,946
Non-current biological assets	554	8,763	9,317
Current biological assets	4,629	-	4,629

in EUR thousand

Carrying amount at 31.12.2013

Non-current biological assets
Current biological assets

12m 2014

Increases due to purchases

Decrease due to sales

Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets:

- *Increases due to new plantations/birth*
- *Harvest*
- *Decreases due to written-off biol.assets*
- *Other changes in fair value*

Currency translation differences

Carrying amount at 31.12.2014

Non-current biological assets
Current biological assets

	Plant cultivation	Animal husbandry	Total
Carrying amount at 31.12.2013	5,183	8,763	13,946
Non-current biological assets	554	8,763	9,317
Current biological assets	4,629	-	4,629
12m 2014			
Increases due to purchases	-	2	2
Decrease due to sales	-146	-7	-153
Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets:			
- <i>Increases due to new plantations/birth</i>	1,142	570	1,712
- <i>Harvest</i>	38,755	1,732	40,487
- <i>Decreases due to written-off biol.assets</i>	-37,590	-1,680	-39,270
- <i>Other changes in fair value</i>	-23	-381	-404
- <i>Other changes in fair value</i>	-	899	899
Currency translation differences	-2,047	-1,019	-3,066
Carrying amount at 31.12.2014	4,132	8,309	12,441
Non-current biological assets	727	8,309	9,036
Current biological assets	3,405	-	3,405

Physical quantities at 31.12.2014

Physical quantities at 31.12.2013

	Animals, pcs	Winter crops, hectares
Physical quantities at 31.12.2014	8,151	51,901
Physical quantities at 31.12.2013	8,134	46,344

10. PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2014 the Group owned 91,892 hectares of land, out of which 4,696 hectares was in Estonia and 87,196 hectares in Russia. As of 31 December 2013 the Group owned 113,926 hectares of land, out of which 4,673 hectares was in Estonia and 109,253 hectares in Russia.

The Group's acquisitions of property, plant and equipment during the period amounted to EUR 24,180 thousand (EUR 6,912 thousand in 2013).

The majority of the EUR 15,244 thousand of disposals represent divestment of Penza cluster.

The loss from the divestment of Penza cluster assets amounted to EUR 315 thousand. Out of that, EUR 300 thousand was attributable to property, plant and equipment (Note 25) and EUR 15 thousand to biological assets (Note 9). The Group received EUR 7,511 thousand in cash and land at fair value of EUR 7,588 thousand.

The difference compared to the purchase of property, plant and equipment in the cash flow statement is related to:

- the prepayments for new acquisitions (realised EUR 4,374 thousand) and prepayments for non-current assets (realised EUR 1,141 thousand) that are recorded under Trade and other receivables (Note 6);
- assets obtained in an exchange transaction recognised at fair value of EUR 7,588 thousand.

The change in total property, plant and equipment carrying value was also influenced by the change in the exchange rate of Russian rouble and Ukrainian hryvna, which decreased their value in relation to the euro by 37% and 43% respectively between December 31, 2013 and December 31, 2014 and decreased their value in relation to the euro by 11% and 5% respectively between December 31, 2012 and December 31, 2013. Please see Note 3.3 for further information.

In Estonia as at December 31, 2014 land at a carrying value of EUR 12,088 thousand was pledged for the benefit of the bank (2013: EUR 4,005 thousand).

Buildings, machinery and equipment in Estonia were pledged at a carrying value of EUR 18,726 thousand (2013: EUR 7,913 thousand). Land in Russia was mortgaged at a carrying value of EUR 24,111 thousand (2013: EUR 40,011 thousand). Buildings, machinery and equipment in Russia were pledged at a carrying value of EUR 628 thousand (2013: EUR 982 thousand). Buildings, machinery and equipment in Ukraine were pledged at a carrying value of EUR 7,085 thousand (2013: EUR 7,837 thousand).

The net book value of assets leased under finance lease (vehicles and machinery) as at December 31, 2014 stood at EUR 2,329 thousand (as at December 31, 2013 EUR 2,754 thousand). Information on operating lease liabilities of the assets used under the terms of an operating lease is presented in Note 23.

During 2014, the group has capitalized borrowing costs amounting to EUR 241 thousand (2013: no costs were capitalized) on qualifying assets. Borrowing costs in 2014 were capitalised at the weighted average rate of its general borrowings of 3,672%.

in EUR thousand	Land	Buildings	Vehicles & machinery	Furniture, fittings & equipment	Construction in process	Total
31.12.2012						
Cost	90,728	35,606	40,377	981	3,517	171,209
Accumulated depreciation	0	-5,318	-17,833	-585	-	-23,736
Net book amount	90,728	30,288	22,544	396	3,517	147,473
2013						
Additions	527	1,680	2,507	94	2,104	6,912
Disposals	-1	-208	-369	-41	-	-619
Reclassification balance sheet items/between groups	-	364	289	71	-1,187	-463
Depreciation charge	-	-1,625	-5,684	-147	-	-7,456
Currency translation differences	-9,539	-1,810	-1,464	-23	-261	-13,097
Closing net book amount	81,715	28,689	17,823	350	4,173	132,750
31.12.2013						
Cost	81,715	35,539	39,804	1,059	4,173	162,290
Accumulated depreciation	-	-6,850	-21,981	-709	-	-29,540
Net book amount	81,715	28,689	17,823	350	4,173	132,750
2014						
Additions	12,953	219	2,865	72	8,071	24,180
Revaluation surplus through Other Comprehensive Income (Note 19)	12,721	-	-	-	-	12,721
Revaluation losses recognised in the Income statement (Note 19, 25)	-762	-	-	-	-	-762
Disposals	-12,470	-1,343	-1,157	-274	-	-15,244
Reclassification balance sheet items/between groups	-	8,705	1,299	281	-10,299	-14
Depreciation charge	-	-1,376	-4,197	-108	-	-5,681
Currency translation differences	-28,682	-8,652	-5,303	-136	-739	-43,512
Closing net book amount	65,475	26,242	11,330	185	1,206	104,438
31.12.2014						
Cost	65,475	33,624	31,992	976	1,206	133,273
Accumulated depreciation	-	-7,382	-20,662	-791	-	-28,835
Net book amount	65,475	26,242	11,330	185	1,206	104,438

10.1 FAIR VALUE OF LAND

The fair value of freehold land as at December 31, 2014 is EUR 65,475 thousand (EUR 81,715 thousand at cost as at December 31, 2013). Had the assets been carried under the cost model, the balance as at December 31, 2014 would have been EUR 53,516 thousand. The increase of EUR 11,959 thousand includes an increase in amount of EUR 12,721 thousand that has been recognized in other comprehensive income and a decrease in amount of EUR 762 thousand, related to Cereal

production in Russia, recognized in the income statement of 2014.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections.

The valuation as at December 31, 2014 was performed by Everest Consulting LLC for the land

in Russia and by Colliers International Advisors OÜ for the land in Estonia.

	Fair value at 31.12.2014 (EUR thousand)	Value (EUR/ha)	Valuation level
Rostov cluster	46,915	596	Level 3
Russian dairy cluster	6,193	700	Level 3
Estonian dairy cluster	12,367	3,047	Level 2
Total	65,475		

Level 2 fair values of land have been derived using the sales comparison approach. The most

significant input into this valuation approach is price per hectare.

Fair value measurements using significant unobservable inputs (Level 3)

in EUR thousand

	Rostov cluster	Russian dairy cluster
Opening balance	62,478	1,041
Additions	8,530	3,971
Revaluation surplus through Other Comprehensive Income	3,185	1,375
Revaluation losses recognised in the Income statement	-762	-
Exchange rate differences	-26,516	-194
Closing balance	46,915	6,193

Information about fair value measurements using significant unobservable inputs (Level 3)

	Fair value at 31.12.2014 (EUR thousand)	Unobservable inputs	Range	Weighted average
Agricultural land				
Sales comparison approach				
Rostov cluster	46,915	Adjusted rate per hectare (EUR)	519-650	596
		Adjustments applied to comparison data:		
		Size adjustment	from -15% to -5%	
		Location adjustment	from -68% to -44%	
		Bargaining discount	-12%	
Russian dairy cluster	6,193	Adjusted rate per hectare (EUR)	413-946	700
		Adjustments applied to comparison data:		
		Size adjustment	from -10% to +10%	
		Location adjustment	from -53% to +122%	
		Bargaining discount	-12%	

Sales comparison approach was applied. It is a valuation methodology whereby the subject property is compared to recently sold or to sales quotes of properties of a similar nature with fair value determined through the application of positive and negative adjustments for their differing attributes.

Unobservable inputs within the sales comparison approach:

Size adjustment – the valuer’s assessment of the price differential between the valued property and compared property attributable to their size difference.

Location adjustment – the valuer’s assessment of the price differential between the valued property

and compared property attributable to differences in their location.

Bargaining discount – the valuer’s assessment of the average price discount generally obtained compared to quoted asking prices of property.

Relationship of unobservable inputs to fair value:

The fair value measurements listed above are all sensitive to significant increase (decrease) in the unobservable inputs. The higher the rate per hectare, the higher the fair value. If the value per hectare had been 10% higher/lower, the fair value would have been EUR 5,311 thousand higher/lower.

11. INTANGIBLE ASSETS

in EUR thousand	Software	Software in progress	Total
31.12.2012			
Cost	209	199	408
Accumulated amortization	-61	-	-61
Net book amount	148	199	347
2013			
Additions	212	22	234
Disposals	-166	-	-166
Reclassification balance sheet items/between groups	170	-220	-50
Amortization charge	-101	-	-101
Currency translation differences	-11	-	-11
Closing net book amount	252	1	253
31.12.2013			
Cost	425	1	426
Accumulated amortization	-173	-	-173
Net book amount	252	1	253
2014			
Additions	7	-	7
Reclassification balance sheet items/between groups	-	-1	-1
Amortization charge	-73	-	-73
Currency translation differences	-95	-	-95
Closing net book amount	91	-	91
31.12.2014			
Cost	337	-	337
Accumulated amortization	-246	-	-246
Net book amount	91	-	91

12. PREPAID LAND RENTS AND LAND USAGE RIGHTS

The Group's land in Ukraine is used mainly based on long term (up to 42 years) lease agreements. There was 46,753 hectares of land in use based on long-term lease agreements as of December 31, 2014 (as of December 31, 2013: 47,843 hectares).

The Group has made prepayments or has recognised land usage rights in business combinations to get access to that land. These prepayments and land usage rights are amortised during the period of lease (Note 23).

in EUR thousand	31.12.2014	31.12.2013
Balance at the beginning of the period	3,361	4,043
Additional prepayments made	21	61
Amortization recognised	-492	-705
Unrealised exchange rate differences	-1,153	-38
Balance at the end of the period	1,736	3,361

13. TRADE AND OTHER PAYABLES

in EUR thousand

Trade payables
Prepayments from clients
Social security and other taxes
Accrued expenses
Amounts due to related parties (Note 33)
Other payables

31.12.2014	31.12.2013
1,953	1,278
2,146	39
1,279	1,175
1,289	1,687
6	12
689	308
7,362	4,499
-123	-149
7,239	4,350

Less: non-current portion

Fair values of trade and other payables are not materially different from book values due to short maturities.

The carrying amounts of the Group's trade payables are denominated in the following currencies:

in EUR thousand

US dollar
Russian rouble
Ukrainian hryvna
Euro

31.12.2014	31.12.2013
8	-
789	562
720	527
1,926	1,624
3,443	2,713

14. BORROWINGS

The total borrowings of the Group as at December 31, 2014 amounted to EUR 78,146 thousand (EUR 74,077 thousand as at December 31, 2013). In 2014 additional credit was drawn for milk production segment in amount of EUR 7,075 thousand with maturity date in 2020. In Ukraine the Group received UAH 10 million (EUR 619 thousand) with maturity date in 2014 and USD 6,170 thousand (EUR 4,529 thousand) with maturity date in 2015. Working capital loans in amount of USD 7,724 thousand were refinanced with prolonged maturity dates in 2015. The value of SEK-nominated bond (including accrued interest) in euro terms decreased due to the changes in exchange rate. Other changes in borrowings include new leases in milk production segment and repayments of existing loans and leases.

The SEK-nominated bonds were extended on February 26, 2015 until August 31, 2017. According to the terms of bonds that were effective as at December 31, 2014, the covenant of Financial indebtedness to shareholders' equity ratio should not have exceeded 75%. The Group was in breach of this covenant as at December 31, 2014, but please note that the ratio no longer applies as it was removed in the amended bond terms adopted on February 26, 2015. Therefore the covenant breach only resulted in classifying the bond as a short-term liability on the 31.12.2014 balance sheet (see note 3.2).

Details of the borrowings' currencies, interest rates and maturities are shown in the included tables. Total finance costs in 2014 amounted to EUR 8,126 thousand (EUR 7,966 thousand in 2013) (Note 26).

In the Cash flow statement proceeds/repayments of borrowings and interests are shown in a different amount due to changes in foreign exchange rates, different periodization of interest payments compared with accrual of interest expenses and due to finance lease payables (Cash flow statement reflects only actual payments and not changes in Balance sheet items).

'Derivative financial instruments', a non-current liability on the balance sheet in amount of EUR 413 thousand represents the fair value of an interest rate swap to manage part of the exposure to the movements of EURIBOR and is related to EUR-nominated loan.

31.12.2014, in EUR thousand

	31.12.2014	Maturity	Interest rate
SEK-nominated (bonds incl. accrued interest)	39,172	2015	11%
RUB-nominated	447	2015-2017	2-15%
USD-nominated	8,478	2015-2016	5-11%
USD-nominated	3,675	2015	LIBOR+11%
USD-nominated	125	2017	no interest
EUR-nominated	9,893	2016	3m EUR LIBOR+6.0%, min 10%
EUR-nominated	15,194	2020	3m EURIBOR +3.35%
EUR-nominated	785	2016-2019	3m EURIBOR+0.0%-1.4%
EUR-nominated	343	2015-2018	6m EURIBOR + 1.75-2.7%
EUR-nominated	22	2016	no interest
UAH-nominated	12	2016-2017	no interest
	78,146		
Less: non-current portion	23,506		
	54,640		

31.12.2013, in EUR thousand

	31.12.2013	Maturity	Interest rate
SEK-nominated (bonds incl accrued interest)	41,174	2015	11%
RUB-nominated	1,319	2014-2017	2-17%
USD-nominated	5,663	2014-2015	5-9%
USD-nominated	4,493	2014-2016	LIBOR+8.75%-9.5%
USD-nominated	141	2017	no interest
EUR-nominated	15	2014	6%
EUR-nominated	11,881	2016	3m EUR LIBOR+6.0%, min 10%
EUR-nominated	235	2016	3 month EURIBOR+0.0%
EUR-nominated	9,082	2014-2020	6m EURIBOR + 1.4-3.35%
EUR-nominated	31	2016	no interest
UAH-nominated	43	2016-2017	no interest
	74,077		
Less: non-current portion	58,795		
	15,282		

in EUR thousand

	31.12.2014	31.12.2013
Non-current		
Bank borrowings	22,654	57,995
Finance lease payables	852	800
	23,506	58,795
Current		
Bonds and Bank borrowings	54,033	14,612
Finance lease payables	607	670
	54,640	15,282
Total borrowings	78,146	74,077

The carrying amounts of the Group's borrowings are denominated in the following currencies:

in EUR thousand	31.12.2014		31.12.2013	
	Bonds and Bank borrowings	Finance lease payables	Bonds and Bank borrowings	Finance lease payables
Euro	25,087	1,150	20,422	821
US dollar	11,998	280	9,746	551
Swedish krona	39,172	-	41,174	-
Russian rouble	430	17	1,265	55
Ukrainian hryvna	-	12	-	43
	76,687	1,459	72,607	1,470

	31.12.2014		31.12.2013	
	Bonds and Bank borrowings	Finance lease payables	Bonds and Bank borrowings	Finance lease payables
Floating rate:				
- Expiring within one year	4,517	388	4,478	301
- Expiring beyond one year	14,353	739	8,557	474
Fixed rate:				
- Expiring within one year	49,516	219	10,134	369
- Expiring beyond one year	8,301	113	49,438	326
	76,687	1,459	72,607	1,470

**Total future minimum payments
in EUR thousand**

up to 12 months
1-5 years

Future interests
Present value of the lease

	31.12.2014	31.12.2013
up to 12 months	646	737
1-5 years	892	851
	1,538	1,588
Future interests	79	118
Present value of the lease	1,459	1,470

All the loan and lease arrangements have been concluded under regular terms in the respective country. Lease agreements are related to the purchase of buildings, machinery and equipment in the Group's production clusters of Estonia, Ukraine and Russia. All these leases are classified as finance lease because the ownership of leased assets passes to the Group at the end of lease term. The Group has operating lease of land, office premises and

machinery in several locations (for further details on operating lease payments please refer to Note 23). The fair value of borrowings equals their carrying amount, as the impact of discounting is not significant or market rates are not significantly different from actual borrowing rates. The borrowings are classified as Level 3 under the fair value hierarchy, as defined by IFRS 13.

15. INCOME TAX

Income tax expense
in EUR thousand

Current tax:

Current tax on profits for the year
Adjustments in respect of prior years

Total current tax

Deferred tax (Note 16):

Origination and reversal of temporary differences
Impact of change in tax rate (Ukraine)

Total deferred tax

Income tax expense

	2014	2013
Current tax on profits for the year	420	860
Adjustments in respect of prior years	30	-112
Total current tax	450	748
Origination and reversal of temporary differences	-136	-28
Impact of change in tax rate (Ukraine)	-1	-32
Total deferred tax	-137	-60
Income tax expense	313	688

The tax on the group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

Profit/loss before tax

Loss before tax from entities not subject to Income tax by statutory legislation

Profit/loss before tax from entities subject to income tax

Tax calculated at domestic tax rates applicable to profits in the respective countries

Tax effects of:

Income not subject to tax

Expenses not deductible for tax purposes

Utilisation of previously unrecognised tax losses

Tax losses for which no deferred income tax asset was recognised

Adjustments in respect of prior years

Tax charge

-12,988	-16,156
-1,909	-3,018
-11,079	-13,138
-1,628	-2,541
-3,850	-5,502
975	7,527
-217	-854
5,067	1,937
-34	121
313	688

The weighted average applicable tax rate was 14.7% (2013: 19%). The decrease is caused by a change in the profitability of the Group's subsidiaries in the respective countries.

The Group does not have material deferred tax assets or liabilities in companies, which are active in agricultural production. This is due to the following reasons:

- 1) The Group companies in Estonia are subject to income tax only when the profits are distributed. No corporate income tax is imposed on earnings; therefore there are no temporary differences between the tax and accounting bases of assets and liabilities.
- 2) All of the Group companies in Ukraine that are producing agricultural produce are not subject to income tax, but to the unified agricultural tax.

The agricultural tax is based on hectares of arable land the company uses, not on its earnings and therefore no deferred tax arises. All other companies in Ukraine (companies that are related to sales and trading and storage elevators) are under regular tax regime and subject to income tax.

3) The Group companies in Russia, except for sub-holding companies, are subjects of the agricultural tax and not income tax. Agricultural tax regime means that the agricultural producer pays tax only from non-agricultural profits. Major income not subject to tax relates to currency translation differences. Major expenses not deductible for tax purposes relate to interests on intra-group borrowings.

16. DEFERRED TAX

The analysis of deferred tax assets and deferred tax liabilities is as follows:

in EUR thousand

Deferred tax assets:

- Deferred tax assets to be recovered after more than 12 months
- Deferred tax asset to be recovered within 12 months

Deferred tax liabilities:

- Deferred tax liability to be recovered after more than 12 months
- Deferred tax liability to be recovered within 12 months

Deferred tax liabilities (net)

The gross movement on the deferred income tax account is as follows:

in EUR thousand

At 1 January

Currency translation differences

Income statement charge related to change in deferred tax assets/ liability (Note 15)

Tax charge /(credit) relating to components of other comprehensive income

At 31 December

2014	2013
-	-1
-15	-17
-15	-18
1,173	2,221
64	95
1,237	2,316
1,222	2,298

2014	2013
2,298	2,042
-939	-88
-137	-60
-	404
1,222	2,298

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets of EUR 5,067 thousand (EUR 1,937 thousand in 2013) in respect of losses amounting to EUR 23,086 thousand (EUR 9,416 thousand in 2013) that can be carried forward

against future taxable income. The accumulated amount of tax losses where tax asset was not recognized as at 31.12.2014 was EUR 32,396 thousand (2013: EUR 17,637 thousand) that can be carried forward against future taxable income. Losses amounting to EUR 15,148 thousand (EUR 5,533 thousand 2013) have unlimited usage, rest of losses will expire during 4 to 10 years.

Deferred tax liabilities

At 1 January 2013

Charged/(credited) to the income statement
Currency translation differences

At 31 December 2013

Charged/(credited) to the income statement
Currency translation differences

At 31 December 2014

Accelerated tax depreciation	Other	Total
2,398	419	2,817
-95	-294	-389
-106	-6	-112
2,197	119	2,316
-64	-68	-132
-924	-23	-947
1,209	28	1,237

Deferred tax assets

At 1 January 2013

Charged/(credited) to the income statement
Tax charge /(credit) relating to components of other comprehensive income
Currency translation differences

At 31 December 2013

Charged/(credited) to the income statement
Tax charge /(credit) relating to components of other comprehensive income
Currency translation differences

At 31 December 2014

Other	Total
-775	-775
329	329
404	404
24	24
-18	-18
-5	-5
-	-
8	8
-15	-15

17. SHARE CAPITAL

in EUR thousand	Number of shares	Incl. ordinary shares	Share capital	Share premium	Total
31.12.2012	129,627,479	129,627,479	64,814	99,941	164,755
31.12.2013	129,627,479	129,627,479	64,814	99,941	164,755
31.12.2014	129,627,479	129,627,479	64,814	99,941	164,755

The total authorized number of ordinary shares is 129,627,479 shares (as of December 31, 2013: 129,627,479 shares) with a par value of 0.5 EUR per share (0.5 EUR per share as at December 31, 2013). All shares have been fully paid.

The shares of Trigon Agri A/S are listed on main market of Small Cap segment on NASDAQ OMX Stockholm.

WARRANTS ISSUED TO AS TRIGON CAPITAL:

In 2006- 2008, Trigon Capital received warrants to purchase 32,406,516 shares.

On October 31, 2013 the last exercise window lapsed and as none of the warrants were exercised, all warrants have now become null and void and there are no outstanding warrants as at December 31, 2013 and December 31, 2014.

In 2013 the whole remaining warrants reserve in amount of EUR 2,847 thousand was reclassified to retained earnings as all the became null and void during 2013 (Note 19).

18. DIVIDENDS PER SHARE

No dividends were approved in 2014. Trigon Agri's Annual General Meeting on April 29, 2013 approved to distribute 30% of the 2012 net profit of the Group to the shareholders as dividends in line with a dividend policy adopted on April 26, 2012. In 2013 the Group distributed EUR 506 thousand as dividends, i.e. 0.00390 EUR per share.

The bond terms effective from February 26, 2015 do not allow declaring and paying dividends for as long as the bonds remain outstanding.

19. OTHER RESERVES

in EUR thousand

31.12.2012

Currency translation differences
 Reclassification of warrants reserve

31.12.2013

Currency translation differences
 Revaluation of land (Note 10)

31.12.2014

	Revaluation of land ^(a)	Other reserves ^(b)	Translation differences ^(c)	Total
	-	2,847	-19,609	-16,762
Currency translation differences	-	-	-13,277	-13,277
Reclassification of warrants reserve	-	-2,847	-	-2,847
	-	-	-32,886	-32,886
Currency translation differences	-	-	-41,320	-41,320
Revaluation of land (Note 10)	9,759	-	-	9,759
	9,759	-	-74,206	-64,446

^(a) Revaluation of land in amount of EUR 9,759 thousand included in Other reserves is the portion of the total land revaluation reserve attributable to the holders of the parent. The total land revaluation reserve in amount of EUR 12,721 thousand includes EUR 2,962 thousand attributable to non-controlling interest.

^(b) Warrants' reserve has been recognised in the amount of the fair value of the warrants issued to

Trigon Capital and Trigon Agri Advisors (Note 17). In 2013 all the warrants expired and the total warrants reserve in amount of EUR 2,847 thousand was reclassified to retained earnings ^(c) The currency translation differences arise mainly from the Ukrainian hryvna and Russian rouble exchange rate movements during the reporting period.

20. REVENUE AND OTHER INCOME

in EUR thousand

Sales of cereals
 Sales of milk
 Revenue from elevator services
 Other revenue

TOTAL revenue

Subsidies
 Other income

Total other income

	2014	2013
Sales of cereals	43,599	58,342
Sales of milk	12,297	11,328
Revenue from elevator services	1,724	3,297
Other revenue	1,509	2,641
TOTAL revenue	59,129	75,608
Subsidies	1,355	2,358
Other income	189	766
Total other income	1,544	3,124

Government grants recognized as income include subsidies for both plant cultivation and animal husbandry. Government grants have been received within the framework of the European Union projects and Russian government. Additionally the Group has benefited from special Ukraine VAT treatment, as Ukraine companies under an agricultural regime are not obliged to pay VAT and

the net of VAT receivable and payable is recorded under Other Losses/Gains (Note 25).

Revenues of EUR 18,027 thousand (2013: EUR 24,606 thousand) are derived from one external customer and revenues of EUR 8,054 thousand (2013: EUR 1,765 thousand) are derived from second external customer. These revenues are attributable to the Sales and trading segments.

21. RAW MATERIALS AND CONSUMABLES USED FOR PRODUCTION PURPOSES

in EUR thousand

Seeds, fertilizers, chemicals
 Animal feed
 Repairs
 Fuel, gas, electricity
 Land tax and land rental
 Other services and materials

2014	2013
9,216	13,153
6,321	6,947
2,239	3,124
4,119	5,927
3,311	4,773
6,360	9,116
31,566	43,040

In 2014 devaluation of national currencies against euro divestment of Penza cluster (Russia) reduced

expenses by EUR 11,474 thousand compared to 2013.

22. EMPLOYEE BENEFIT EXPENSE

in EUR thousand

Wages and salaries
 Social security costs

2014	2013
7,361	8,776
2,224	2,722
9,585	11,498

The average number of employees in 2014 stood at 1,404 (2013: 1,506).

Remuneration to the Board of Directors is disclosed under Note 33.

23. OPERATING LEASE PAYMENTS

In 2014, operating lease payments amounted to EUR 3,819 thousand (in 2013 EUR 5,247 thousand). Lease expense are included in Raw material and consumables used and in Other expenses in the

income statement. The future aggregate estimated operating lease payments under non-cancellable operating lease agreements include mainly land lease agreements and are as follows:

in EUR thousand

up to 12 months
 1-5 years
 Over 5 years

2014	2013
3,591	4,904
11,922	17,309
53,940	76,122
69,453	98,335

Lease agreements have been concluded under regular terms, there are no renewal or purchase options for the underlying assets.

Calculating future land lease payments in Ukraine include uncertainties as the land rental cost per hectare is not fixed, but depends on a number of variables. For example, land rental cost is calculated

as a certain percentage of the value of the land, land rent might be dependent on the financial results and position of the lessee, land rent should be adjusted with the inflation and depends on other matters regulated in the rental agreements.

24. OTHER ADMINISTRATIVE EXPENSES

in EUR thousand

Legal and consulting fees
 Office and administration expenses
 Other expenses

2014	2013
5,415	6,353
1,740	2,507
479	421
7,634	9,281

25. OTHER LOSSES/GAINS

in EUR thousand

VAT in Ukraine	2,122	3,608
Write-down of doubtful receivables and prepayments(Note 6)	-2,313	-900
Foreign exchange losses/gains net	-343	-115
Loss from sales of Penza fixed assets (Note 10)	-300	-
Revaluation losses of Property, plant, equipment (Note 10)	-762	-
Write-off of property, plant and equipment (Note 10)	-491	-413
Other losses / gains net	-294	147

	2014	2013
	2,122	3,608
	-2,313	-900
	-343	-115
	-300	-
	-762	-
	-491	-413
	-294	147
	-2,381	2,327

Positive VAT item is related to Ukraine VAT treatment as Ukraine companies under an agricultural regime are not obliged to pay VAT and

the net of VAT receivable and payable is recorded under Other Losses/Gains.

26. FINANCE INCOME AND FINANCE COST

in EUR thousand

Interest income	18	132
Other finance income	-	9

	2014	2013
	18	132
	-	9
	18	141

Interest expense at effective interest rate:

Finance lease liabilities	-98	-108
Bank borrowings	-2,908	-2,889
Bond interests	-4,634	-4,719
Loss from fair value of derivative financial instruments	-413	-
Other finance costs	-73	-250

	-98	-108
	-2,908	-2,889
	-4,634	-4,719
	-413	-
	-73	-250
	-8,126	-7,966

27. LOSS PER SHARE

Basic earnings/loss per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of

ordinary shares outstanding during the year (Note 17).

in EUR thousand

Loss attributable to equity holders of the parent (EUR thousand)	-13,444	-17,157
Weighted average number of ordinary shares outstanding (thousands)	129,626	129,627
Basic loss per share (EUR per share)	-0.10	-0.13

	2014	2013
	-13,444	-17,157
	129,626	129,627
	-0.10	-0.13

The warrants issued to Trigon Capital are expired as of December 31, 2013 and the Group does not have convertible bonds, preference shares or other dilutive instruments except for the warrants (Note

17). Thus diluted EPS equals basic EPS as at 31.12.2014 and 31.12.2013.

28. SEGMENT REPORTING

2014, in EUR thousand	Cereal production Ukraine	Cereal production Russia	Milk production	Storage services	Sales and trading	Eliminations between segments	Total
Revenue between segments	21,620	7,012	-	1,201	4,159	-33,992	-
Revenue from external customers	1,934	133	13,854	1,770	41,438	-	59,129
Total segment revenue	23,554	7,145	13,854	2,971	45,597	-33,992	59,129
Subsidies	-	4	1,351	-	-	-	1,355
Other income	203	597	6	220	52	-889	189
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets	567	393	752	-	-	-	1,712
Total revenue, other income and fair value adjustments	24,324	8,139	15,963	3,191	45,649	-34,881	62,385
Net changes in inventories of agricultural produce and work in process	7,736	166	3,726	-	97	426	12,151
Cost of purchased goods	-84	-117	-9	-20	-41,429	31,924	-9,735
OPEX	-20,615	-7,361	-16,779	-3,484	-3,002	2,456	-48,785
Other (losses)/gains - net	1,507	-3,577	-51	-291	-44	75	-2,381
EBITDA	12,868	-2,750	2,850	-604	1,271	-	13,635
Depreciation and amortization							-6,246
Finance income/costs							-20,377
Profit/loss before income tax							-12,988
Additions of Property, plant and equipment	785	7,566	15,687	142	-	-	24,180
Additions of Intangible assets	7	-	-	-	-	-	7

Primary measures monitored by the Executive Board are segment OPEX (which is defined as operating expenses less Depreciation and amortization) and segment EBITDA (which is defined as Total segment revenue, other income and fair value adjustments adjusted with Changes in inventories of agricultural produce and work in process less operating expenses before Depreciation and amortization).

The management considers five business segments. For cereals production operations the Executive Board considers the business separately for Ukraine and Russia, for milk production the operations in Russia and Estonia are viewed together, for storage services and sales and trading operations the Ukrainian and Russian operations are viewed together.

The Group's milk production is located in Estonia and St Petersburg region. Cereals are produced for sale only in cereals production segments located in the Black Earth region in Ukraine and Russia. In the milk production segment, cereals are produced

only in crop rotation order and used mainly as animal feed. In these segments, cereals are considered to be side production. Trading segment includes companies active in purchasing the cereals both from the Group and from third parties and sales of the purchased cereals. The Storage services segment includes grain storage elevators providing storage services to both Group companies and third parties.

The Group's business is seasonal by its nature. The largest increase in fair value of biological assets occurs during the plant growth season from March to September and consequently the largest gains are recognised in the second quarter. The harvest starts in the last days of June and usually lasts until the end of October but subject to weather conditions can continue also to November. During the harvest time, the prices for the cereals are usually lowest and the Group may use its storage capacities to keep the crops until the price increases. Respectively the income in storage services is usually higher during second half of the

year and lower during first half of the year, when the elevators are having maintenance period and are preparing for the next season.

Trading income depends on the market conditions and may be irregular. The income from milk sales has the least seasonal nature.

2013, in EUR thousand	Cereal production Ukraine	Cereal production Russia	Milk production	Storage services	Sales and trading	Eliminations between segments	Total
Revenue between segments	31,605	7,153	-	2,640	6,929	-48,327	-
Revenue from external customers	1,393	162	12,903	4,241	56,909	-	75,608
Total segment revenue	32,998	7,315	12,903	6,881	63,838	-48,327	75,608
Subsidies	-	293	2,065	-	-	-	2,358
Other income	373	206	39	15	214	-81	766
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets	-280	-528	567	-	-	-	-241
Total revenue, other income and fair value adjustments	33,091	7,286	15,574	6,896	64,052	-48,408	78,491
Net changes in inventories of agricultural produce and work in process	-6,109	-774	3,781	-	-	-	-3,102
Cost of purchased goods	-760	-91	-23	-291	-59,087	45,242	-15,010
OPEX	-27,672	-12,375	-16,961	-5,304	-4,592	3,085	-63,819
Other (losses)/gains - net	2,891	-288	-100	-208	-49	81	2,327
EBITDA	1,441	-6,242	2,271	1,093	324	-	-1,113
Depreciation and amortization							-8,258
Finance income/costs							-6,785
Profit/loss before income tax							-16,156
Additions of Property, plant and equipment	1,192	1,262	3,433	972	53	-	6,912
Additions of Intangible assets	159	9	-	65	1	-	234

**Total assets by segments
In EUR thousand**

	31.12.2014	31.12.2013
Cereal production Ukraine	18,585	23,407
Cereal production Russia	54,219	94,527
Milk production	59,247	46,680
Storage services	9,426	17,418
Sales and trading	5,983	1,765
Unallocated assets	2,131	1,450
Total	149,591	185,247

**Total non-current assets by country
In EUR thousand**

	31.12.2014	31.12.2013
Ukraine	13,796	27,148
Russia	64,563	101,335
Estonia	38,584	22,013
Cyprus and other	2,849	5,122
Total	119,792	155,618

29. CONTINGENCIES

TAXES

ESTONIA:

The tax authorities may at any time inspect the books and records within three to five years subsequent to the reported tax year, and may impose additional tax assessments and penalties in Estonian subsidiaries of the Group. Tax audits were not conducted in 2013 or 2014 in Estonia. The Group's management is not aware of any circumstances which may give rise to a potential material liability in this respect.

UKRAINE:

Tax legislation. Ukrainian tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by the relevant regional and federal authorities. The tax authorities in Ukraine may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

The tax consequence of transactions for Ukrainian taxation purposes is frequently determined by the form in which transactions are documented and the underlying accounting treatment prescribed by Ukrainian GAAP.

RUSSIA:

Tax legislation. Russian tax legislation is subject to varying interpretations, and changes, which can occur frequently. Management's interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by the relevant authorities.

The Russian tax authorities may be taking a more assertive and sophisticated approach in their interpretation of the legislation and tax examinations. This includes them following guidance from the Supreme Arbitration Court for anti-avoidance claims based on reviewing the substance and business purpose of transactions. Combined with a possible increase in tax collection

efforts to respond to budget pressures, the above may lead to an increase in the level and frequency of scrutiny by the tax authorities. In particular, it is possible that transactions and activities that have not been challenged in the past may be challenged. As a result, significant additional taxes, penalties and interest may be assessed.

Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year of review. Under certain circumstances reviews may cover longer periods.

Russian transfer pricing legislation provides the possibility for tax authorities to make transfer pricing adjustments and impose additional tax liabilities in respect of all controllable transactions, provided that the transaction price differs from the market price by more than 20%.

Controllable transactions include transactions with interdependent parties, as determined under the Russian Tax Code, all cross-border transactions (irrespective whether performed between related or unrelated parties), transactions where the price applied by a taxpayer differs by more than 20% from the price applied in similar transactions by the same taxpayer within a short period of time, and barter transactions. There is no formal guidance as to how these rules should be applied in practice. In the past, the arbitration court practice with this respect has been contradictory.

Tax liabilities arising from transactions between companies are determined using actual transaction prices. It is possible with the evolution of the interpretation of the transfer pricing rules in the Russian Federation and the changes in the approach of the Russian tax authorities, that such transfer prices could be challenged. Given the brief nature of the current Russian transfer pricing rules, the impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the entity.

CHANGE OF CONTROL

Trigon Agri has entered into the Advisory Agreement with Trigon Agri Advisors. Advisory Agreement include change of control clauses. Trigon Agri has the right to terminate the Advisory Agreement if the controlling interest of the Advisor or Trigon Capital are transferred to a third party or if more than 5% of the voting shares of the Advisor or Trigon Capital are acquired, directly or indirectly, by the competitors of Trigon Agri.

In 2011 Trigon Agri issued four-year bonds that were extended on February 26, 2015 until August 31, 2017. The Terms and conditions of the bonds

also include change of control clauses (please refer to Note 3.2).

30. COMMITMENTS

The Group leases land and passenger cars under non-cancellable operating lease agreements. Future rent payments from non-cancellable lease

agreements are disclosed in Note 23. The Group has no other commitments.

31. BUSINESS COMBINATIONS AND TRANSACTIONS WITH NON-CONTROLLING INTEREST

TRANSACTIONS IN 2013

Disposal of interest in a subsidiary without loss of control

On May 30, 2013, a 21% interest in Trigon Dairy Farming Estonia AS was sold to non-controlling interest by way of a share issue. Trigon Dairy Farming Estonia AS received EUR 3,000 thousand of proceeds from the share issue.

On December 12, 2013, the Group sold a 15.3% interest in Trigon Dairy Farming Estonia AS to non-

controlling interest for a consideration of EUR 2,865 thousand. In 2013 the Group received EUR 1,000 thousand cash proceeds for the sale and the remaining amount receivable as at December 31, 2013 was EUR 1,865 thousand of which EUR 1,633 thousand was received in 2014.

The total carrying amount of non-controlling interests disposed of was EUR 4,759 thousand and the increase in parent's equity EUR 1,106 thousand.

In EUR thousand

Carrying amount of non-controlling interest disposed of
 Proceeds from subsidiary's share issue
 Consideration received from non-controlling interests
 Increase in parent's equity

2014	2013
-	-4,759
-	3,000
-	2,865
-	1,106

32. GROUP STRUCTURE

The Group's parent company A/S Trigon Agri is registered in Denmark. The parent company owns directly nine subsidiaries (including a branch in Estonia), which are holding companies for the Group operations in Estonia, Ukraine, Russia. These holdings are: Trigon Farming AS (Estonia); TC Farming Russia Ltd. (Cyprus), TC Farming Ukraine Ltd. (Cyprus), Arsetta Investments Ltd. (Cyprus), United Grain (Suisse) SA (Switzerland), Trigon Dairy Farming AS (Estonia), Trigon Security Llc. (Ukraine), Trigon Agri A/S Eesti filiaal (Estonia), Ennivolorous Holding Limited (Cyprus).

TC Farming Russia and TC Farming Ukraine have both participations in their subsidiary companies in Ukraine and Russia due to the local legislation, which requires that at least two shareholders must exist. TC Farming Ukraine owns also shares of the Ukrainian elevators. Trigon Dairy Farming AS owns milk production companies in Estonia and Russia.

All intermediary holding companies have members of the parent Company's Board of Directors as members of the management board, who are responsible for the management of the respective companies.

Transfer of funds from subsidiaries to A/S Trigon Agri is not restricted, except for the following. Transfer of funds from Ukraine and Russia to intermediary holdings may be subject to restrictions in relation to foreign currency transactions due to the occasional limitations in local legislation. On 3

March 2015 the National Bank of Ukraine issued a regulation which temporarily prohibits payment of dividends by Ukrainian legal entities abroad. The restriction is effective until 3 June 2015. As of December 31, 2014 and 2013 the Group included the following companies:

	Country of registration	Segment	Ownership percentage	Legal Status in the Group
1	Trigon Agri Ltd.	Denmark	-	100% Parent company
2	TC Farming Ukraine Ltd.	Cyprus	-	100% Subsidiary
3	TC Farming Russia Ltd.	Cyprus	-	100% Subsidiary
4	Arsetta Investments Ltd.	Cyprus	-	100% Subsidiary
5	Ennivororous Holding Ltd.	Cyprus	-	100% Subsidiary
6	Costwern Ltd.	Cyprus	-	100% Subsidiary
7	Trigon Farming Ltd.	Estonia	-	100% Subsidiary
8	LLC Russian Agro Investors	Russia	-	100% Subsidiary
9	United Grain (SUISSE) SA	Switzerland	-	100% Subsidiary
10	LLC Trigon Security	Ukraine	-	100% Subsidiary
11	LLC Trigon Farming Kharkiv	Ukraine	Ukraine cereals production	100% Subsidiary
12	LLC Trigon Agro 2	Ukraine	Ukraine cereals production	100% Subsidiary
13	LLC Agro Capital Center	Ukraine	Ukraine cereals production	100% Subsidiary
14	OJSC Krasnokutskagrohim	Ukraine	Ukraine cereals production	64.87% Subsidiary
15	LLC Kirovograd agroinvestment company	Ukraine	Ukraine cereals production	100% Subsidiary
16	LLC Agroperspektiva	Ukraine	Ukraine cereals production	100% Subsidiary
17	LLC Objedinjonnye Agrarnye Sistemy	Ukraine	Ukraine cereals production	100% Subsidiary
18	PAC Molniya-1	Ukraine	Ukraine cereals production	100% Subsidiary
19	LLC Trigon Farming	Ukraine	Ukraine cereals production	100% Subsidiary
20	LLC Trigon-Export	Ukraine	Trading	100% Subsidiary
21	LLC Trigon Export Vostok (Volga-Grain)	Russia	Trading	100% Subsidiary
22	LLC Trigon-Elevator	Ukraine	Elevators	100% Subsidiary
23	LLC Trigon-Elevator Vostok	Russia	Elevators	100% Subsidiary
24	LLC Kovyraqovskoye	Ukraine	Elevators	100% Subsidiary
25	CJSC Vovchanskiy Combinat Khlipoproductiv	Ukraine	Elevators	100% Subsidiary
26	LLC Ludmilovsky elevator	Ukraine	Elevators	100% Subsidiary
27	OJSC Yavkinskiy elevator	Ukraine	Elevators	92.33% Subsidiary
28	OJSC Novomirgorodski elevator	Ukraine	Elevators	85.70% Subsidiary
29	LLC Surskoe Zerno	Russia	Elevators	100% Subsidiary
30	LLC Agroholding Moskovie	Russia	Russia cereals production	100% Subsidiary
31	LLC Surskaya Niva	Russia	Russia cereals production	100% Subsidiary
32	LLC Surskiy Kray	Russia	Russia cereals production	100% Subsidiary
33	LLC Sura Agro	Russia	Russia cereals production	100% Subsidiary
34	LLC Surskoe Pole	Russia	Russia cereals production	100% Subsidiary
35	LLC Agrofirma	Russia	Russia cereals production	100% Subsidiary
36	LLC Agro	Russia	Russia cereals production	100% Subsidiary
37	CJSC Markon	Russia	Russia cereals production	100% Subsidiary
38	OJSC Plemennoy zavod Gashunskiy	Russia	Russia cereals production	100% Subsidiary
39	CJSC Zimovnikovskiy agrocompany	Russia	Russia cereals production	100% Subsidiary
40	Trigon Dairy Farming Ltd.	Estonia	Milk production	100% Subsidiary
41	LLC Trigon Moloko	Russia	Milk production	100% Subsidiary
42	LLC Dobruchi-2	Russia	Milk production	100% Subsidiary
43	CJSC ST-1*	Russia	Milk production	100% Subsidiary
44	LLC Novaja Ferma*	Russia	Milk production	100% Subsidiary
45	CJSC Agrokompleks*	Russia	Milk production	100% Subsidiary
46	LLC Agrokompleks*	Russia	Milk production	100% Subsidiary
47	CJSC ST-2*	Russia	Milk production	100% Subsidiary
48	LLC Korovka*	Russia	Milk production	100% Subsidiary

	Country of registration	Segment	Ownership percentage	Legal Status in the Group
49	CJSC Novaja Ferma*	Russia	Milk production	100% Subsidiary
50	LLC Schastlivaja Burjonka*	Russia	Milk production	100% Subsidiary
51	LLC Morskoi Klub*	Russia	Milk production	100% Subsidiary
52	LLC Russtroj*	Russia	Milk production	100% Subsidiary
53	Trigon Dairy Farming Estonia Ltd.	Estonia	Milk production	63.71% Subsidiary
54	LLC Kaiu LT	Estonia	Milk production	100% Subsidiary
55	Kärila Farmers Cooperative	Estonia	Milk production	100% Subsidiary
56	LLC Saare Farmer	Estonia	Milk production	100% Subsidiary
57	LLC Eikla Agro	Estonia	Milk production	90% Subsidiary
58	Väätsa Agro Ltd.	Estonia	Milk production	100% Subsidiary

* Not part of the Group as at December 31, 2013 (added during 2014)

** PVJ Kolos and LLC Lindoria were part of the Group as at December 31, 2013 but not as at December 31, 2014.

The total non-controlling interest is EUR 8,670 thousand, of which EUR 8,340 thousand is for

Trigon Dairy Farming Estonia Group. The non-controlling interest in respect of other entities is not material.

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for Trigon Dairy Farming Estonia

(TDFE) (sub/group in Estonia) that has non-controlling interests that are material to the group.

Summarised balance sheet

	TDFE consolidated	
	As at 31 December 2014	2013
Current		
Assets	4,540	5,250
Liabilities	-2,259	-1,840
Total current net assets	2,281	3,410
Non-current		
Assets	38,377	21,752
Liabilities	-16,110	-9,250
Total non-current net assets	22,267	12,502
Net assets	24,548	15,911

Summarised income statement

	TDFE consolidated	
	2014	2013
Revenue	11,193	10,599
Profit before income tax	472	678
Post-tax profit from continuing operations	472	678
Other comprehensive income	8,161	-
Total comprehensive income	8,633	678
Total comprehensive income allocated to non-controlling interests	2,962	387

Summarised cash flows

	TDFE consolidated	
	2014	2013
Net cash generated from operating activities	1,700	1,624
Net cash used in investing activities	-7,845	-3,559
Cash generated from financing activities	6,094	3,407
Interest paid	-613	-466
Net cash generated from financing activities	5,539	2,941
Net increase/decrease in cash and cash equivalents and bank overdrafts	-664	1 006
Cash, cash equivalents and bank overdrafts at beginning of year	1,489	483
Cash and cash equivalents and bank overdrafts at end of year	825	1,489

33. RELATED PARTY TRANSACTIONS

The following parties are considered to be related parties:

- AS Trigon Capital, who owns 7.81 % of shares and provides management services to the Group;
- Member of the Executive Boards and the Boards of Directors of parent company and subsidiaries and their immediate family members;

- Entities under the control of the members of the Executive Board and Board of Directors or their immediate members;
- Individuals with significant influence and entities under their control.

The Group's owners are legal and physical persons and no sole shareholder has control over the Group's activities.

(a) Sales and purchases

Sales and purchases

Interests from related parties
 Purchase of management services from related parties
 Purchase of goods and services from related parties

	2014	2013
Interests from related parties	1	-
Purchase of management services from related parties	-3,057	-3,381
Purchase of goods and services from related parties	-139	-204

The following table sets forth the aggregate gross amounts of salaries and other remuneration by the Group to the members of its Board of Directors and Executive Board in 2014 and in 2013.

in EUR thousand

2014

Members of Board of Directors
 Members of the Executive Board

2013

Members of Board of Directors
 Members of the Executive Board

	Salary (incl. social security costs)	Bonuses	Total
Members of Board of Directors	65	-	65
Members of the Executive Board	153	-	153
	218	-	218
Members of Board of Directors	65	-	65
Members of the Executive Board	146	-	146
	211	-	211

The payments from the company to the Executive Board members in 2014 amounted to EUR 153 thousand (in 2013 EUR 146 thousand). In accordance with the management agreement signed between the Group and Trigon Agri Advisors, Executive Board members compensation form a part of the management fee payable to Trigon Agri Advisors. Therefore, in each reporting period where payments are made directly from the Group to any Executive Board members, the management fee for such period is reduced by the corresponding amount

as the payment to the Executive Board members during the period. The respective deduction of the management fee in 2014 stood at EUR 144 thousand (in 2013 EUR 144 thousand).

As of December 31, 2014 the Group had liability to Board of Directors members in the amount of EUR 40 thousand (EUR 40 thousand as of December 31, 2013).

No warrants were issued to AS Trigon Capital in 2014 or 2013 (Note 17)

(b) Balances arising from sales/purchases of goods/services

Balances from sales/purchases of goods/services

Payable to related parties (Note 13)

	31.12.2014	31.12.2013
Payable to related parties (Note 13)	6	12

Other balances with related parties

Receivable from related parties (Note 6)

	31.12.2014	31.12.2013
Receivable from related parties (Note 6)	234	-

34. FEES TO THE AUDITORS APPOINTED BY THE SHAREHOLDERS

The following fees have been paid to PricewaterhouseCoopers:

in EUR thousand

	2014	2013
Audit	292	332
Other assurance engagements	4	92
Tax advice and consultations	22	62
Other services	32	34
	350	520

PricewaterhouseCoopers was not elected as the statutory auditor, and thus did not audit the annual report for the following companies:

- LLC Kaiu LT
- Kärla Farmers Cooperative
- Ltd Väätša Agro
- LLC Dobruchi-2
- LLC Trigon Export Vostok
- OJSC Yavkinskiy elevator
- OJSC Novomirgorodski elevator
- OJSC Plemennoy zavod Gashunskiy

Audit fees, other than fees to PricewaterhouseCoopers, amounted to EUR 41 thousand in 2014 (EUR 14 thousand in 2013).

35. EVENTS AFTER THE BALANCE SHEET DATE

WINTER CROPS

As at the date of the current report no damages to the winter crops have been occurred and the necessity for the reseeding will be determined in due course.

BOND EXTENSION APPROVED

On February 26, 2015 the amended terms and conditions of the SEK 350 million bonds were approved by the bondholders.

The new terms and conditions include the extension of the bond maturity to August 31, 2017. The interest rate is kept unchanged at the current level of 11 % per annum. As part of the new terms and conditions the Company has agreed to post security for the bonds in the form of share pledges over the shares of its material subsidiary companies, and undertakes that the same subsidiaries provide agreed upon guarantees to the bondholders. Furthermore, the Company has agreed to a step-up in the redemption payments to bondholders depending upon the date of repayment (accordingly, the redemption payment will be 101 % of the nominal amount if the redemption occurs during the period from 30 June 2015 to 31 December 2015; 104 % of the nominal amount if the redemption occurs during the period from 1 January 2016 to 31 December 2016; 106 % of the nominal amount if the redemption occurs during the period from January 2017 to the final redemption date). The Company further undertakes to implement cost saving measures by internalising certain management and advisory functions. The Company undertakes to take all reasonable steps to divest its activities in Estonia and Russia as soon as reasonably possible, given market conditions, and to apply the proceeds from cost savings and disposals towards a full or partial early redemption of the bonds (subject to further conditions and limited exemptions). The Company agrees to new covenants restricting its ability to declare dividends to its shareholders, carry out additional investments and take on new borrowings unless approved by the committee to be set up to represent the bondholders. Net capital expenditure on group level will be capped at EUR 6 million during the period from 1 January 2015 until the final redemption date. Financial indebtedness on group level (excluding the bond itself) will be capped at EUR 45 million.

COVENANT CHANGE

The recent devaluation of both Ukrainian Hryvna and Russian Rouble has caused non-cash currency translation losses which lower the Company's equity. The covenant ratio of Financial Indebtedness to Shareholders' Equity that was effective in the old bond terms and conditions had, therefore, significantly worsened during the fourth quarter of 2014 and as a result the Company was not be able to meet this covenant as at 31.12.2014. Therefore, this covenant has been removed in the new terms and conditions and replaced by a cap on financial indebtedness.

ESTONIAN DAIRY BUSINESS

Since the imposition of the Russian import ban on EU food products, the milk price received by Trigon Agri Estonian milk production subsidiary AS Trigon Dairy Farming Estonia (TDFE) has dropped sharply. As a result of this milk price drop in the market the Estonian dairy farming sector is facing dramatic difficulties.

In light of this situation, in order to strengthen its balance sheet, TDFE has in February 2015 successfully concluded negotiations with Ingman Development Oy Ab, an investment vehicle of the Ingman family, to subscribe for a new share issue of EUR 2.00 million into Trigon Dairy Farming Estonia AS. As a result the shareholding of Ingman Development Oy Ab will increase to 33.82% after the transaction. Additionally, in the second phase Ingman Development Oy Ab will have an option to subscribe for further shares within four months in an amount of up to EUR 2.12 million less any shares subscribed for by non-controlling shareholders to retain their shareholding percentage prior to the share issues at the same valuation, so that the total shares issue shall not exceed EUR 2.12 million in the second phase. If Ingman Development Oy Ab decides to fully exercise their option to invest in the second phase, the shareholding of Trigon Agri in TDFE will drop to 49.98% and TDFE will no longer be an entity controlled by Trigon Agri.

If non-controlling shareholders will not participate and Ingman Development Oy Ab decides to invest the further EUR 2.12 million, their shareholding will increase to 41.16% after the transaction.

36. FINANCIAL STATEMENTS OF THE PARENT COMPANY

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

in EUR thousand	Note	31.12.2014	31.12.2013
ASSETS			
Current assets			
Cash and cash equivalents	37.5	1,354	30
Trade and other receivables	37.7	11,555	19,208
		12,909	19,238
Non-current assets			
Investments in subsidiaries	37.6	132,028	132,028
Trade and other receivables	37.7	15,746	23,118
		147,774	155,146
Total assets		160,683	174,384
LIABILITIES			
Current liabilities			
Trade and other payables	37.8	4,259	4,902
Borrowings	37.9	39,339	2,343
		43,598	7,245
Non-current liabilities			
Long-term payables	37.8	29	74
Borrowings	37.9	695	39,561
		724	39,635
Total liabilities		44,322	46,880
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Ordinary shares	37.10	64,814	64,814
Share premium	37.10	99,941	99,941
Retained earnings		-48,394	-37,251
Total equity		116,361	127,504
Total equity and liabilities		160,683	174,384

STATEMENT OF THE COMPREHENSIVE INCOME OF THE PARENT COMPANY

in EUR thousand	Note	2014	2013
Revenues		4,122	5,128
Employee benefits expense	37.11	-808	-960
Other expenses		-4,710	-4,915
Impairment of loans to and investments into subsidiaries	37.6,37.7	-10,663	-36,777
Gains/losses from exchange rate differences		2,490	1,297
Interest income	37.12	3,083	3,387
Interest expense	37.12	-4,657	-4,740
Profit before income tax		-11,143	-37,580
Corporate income tax		-	-
Net profit for the period		-11,143	-37,580
Other comprehensive income		-	-
Total comprehensive income for the period		-11,143	-37,580

STATEMENT OF CHANGES IN EQUITY FOR THE PARENT COMPANY

in EUR thousand	Share capital	Share premium	Retained earnings	Total
Amended balance at 31.12.2012	64,814	99,941	835	165,590
Dividends	-	-	-506	-506
Total comprehensive income for the period	-	-	-37,580	-37,580
Balance at 31.12.2013	64,814	99,941	-37,251	127,504
Total comprehensive income for the period	-	-	-11,143	-11,143
Balance at 31.12.2014	64,814	99,941	-48,394	116,361

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

In EUR thousand	Note	2014	2013
Cash flows from operating activities			
Cash receipts from customers		4,530	3,384
Cash paid to suppliers and employees		-5,671	-6,015
Proceeds from interest repayments from subsidiaries		1,488	4,374
Net cash used in/generated from operating activities		347	1,743
Cash flows from investing activities			
Investment into subsidiary		-	-4,322
Subsidiary share capital decrease		6,782	2,781
Loan payments to subsidiaries		-12,070	-12,556
Proceeds from loan repayments from subsidiaries		10,399	17,414
Purchase of intangible assets		-	-21
Intangible assets		-	57
Net cash used in/generated from investing activities		5,110	3,353
Cash flows from financing activities			
Dividends paid to company`s shareholders		-	-506
Interest paid		-4,219	-4,555
Repayments of borrowings		-3	-15
Lease repayments		-98	-162
Net proceeds from loans from subsidiaries		210	75
Net cash used in financing activities		-4,110	-5,163
Net increase in cash and cash equivalents		1,347	-67
Effects of exchange rate changes on cash and cash equivalents		-23	-76
Cash and cash equivalents at beginning of period	37.5	30	173
Cash and cash equivalents at end of period	37.5	1,354	30

37. NOTES TO THE FINANCIAL STATEMENTS OF THE PARENT COMPANY

37.1 GENERAL INFORMATION

The Company was established on December 11, 2006. Trigon Agri A/S ("the Company") is the parent company of the Trigon Agri Group. The Company is a limited liability company incorporated and domiciled in Denmark. The address of its registered certificates of subscription office is Sundkrogsgade 5, DK-2100 Copenhagen.

The Parent Company has in 2011 established a branch "Trigon Agri Eesti Filiaal" in Estonia. The branch employs the people who perform overall management of the subsidiaries, consolidation, legal, controlling etc.

The Company prepares its separate financial statements in accordance with IFRS and the additional Danish requirements for annual reports.

The principal accounting policies applied in the preparation of these financial statements are set out below.

37.2 ACCOUNTING PRINCIPLES

Basis of preparation of the financial statements of the parent company

The financial statements of Trigon Agri A/S have been prepared in accordance with International Financial Reporting Standards, as adopted by the EU (IFRS). The parent company has applied the same accounting policies as the Group, except for the investments in subsidiaries as described below. See Note 2 to the Consolidated Financial Statements, for the summary of significant accounting policies of the Group.

Long-term investments in subsidiaries and associate companies

In the separate financial statements of the parent company the investments in subsidiaries are recognised and measured at cost. Equity interests in foreign currencies are translated to the reporting currency using the historical exchange rate prevailing at the time of transaction. Where cost exceeds the recoverable amount, the carrying value is written down to the recoverable amount. Dividends from investments in subsidiaries, joint ventures and associates are recognized as income in the financial year when the dividends are distributed.

37.3 CRITICAL ACCOUNTING ESTIMATES

Impairment test was performed as at December 31 2014 and 2013.

Same inputs were used for impairment test as in consolidated financial statements described in note 4.1 (d).

37.4 FINANCIAL RISK MANAGEMENT

Financial risk management principles of Trigon Agri A/S correspond to the principles used for the whole Group. For further information of the financial risk management principles used please refer to the consolidated financial statements Note 3. For details concerning the parent company please refer to the other Notes of the financial statements of the parent company.

37.5 CASH AND CASH EQUIVALENTS OF THE PARENT COMPANY

in EUR thousand

Cash at bank and on hand

	2014	2013
	1,354	30
	1,354	30

As at December 31, 2014 (and December 31, 2013) there were no cash on bank deposits.

The credit rating (Moody`s) of the banks where the cash was held was A1 and Ba2.

37.6 LONG-TERM INVESTMENTS IN SHARES OF SUBSIDIARIES

Breakdown of investments in subsidiaries by companies is given in the table below:

in EUR thousand	2014	2013
TC Farming Ukraine Ltd.	40,513	40,513
Arsetta Investments Ltd.	2	2
United Grain (SUISSE) Ltd.	834	834
Ltd Trigon Dairy Farming	14,345	14,345
Llc Trigon Security	28	28
Trigon Farming Ltd.	2,187	2,187
Ennivororous Holding Limited	74,119	74,119
	132,028	132,028

During 2013 impairment in investment TC Farming Russia was recognised in amount of EUR 12,212

thousand due to adjustment of Penza cluster investment value.

As of December, 31 2014 the parent company owned directly the following companies:

	Country of registration	Segment	Ownership percentage	Legal Status in the Group
TC Farming Ukraine Ltd.	Cyprus	-	100%	Subsidiary
TC Farming Russia Ltd.	Cyprus	-	100%	Subsidiary
Arsetta Investments Ltd.	Cyprus	-	100%	Subsidiary
United Grain (SUISSE) Ltd.	Switzerland	Trading	100%	Subsidiary
Ltd Trigon Dairy Farming	Estonia	Milk production	69%	Subsidiary
Llc Trigon Security	Ukraine	-	100%	Subsidiary
Trigon Farming Ltd.	Estonia	-	100%	Subsidiary
Ennivororous Holding Limited	Cyprus	-	100%	Subsidiary

As of December, 31 2013 the parent company owned directly the following companies:

	Country of registration	Segment	Ownership percentage	Legal Status in the Group
TC Farming Ukraine Ltd.	Cyprus	-	100%	Subsidiary
TC Farming Russia Ltd.	Cyprus	-	100%	Subsidiary
Arsetta Investments Ltd.	Cyprus	-	100%	Subsidiary
United Grain (SUISSE) Ltd.	Switzerland	Trading	100%	Subsidiary
Ltd Trigon Dairy Farming	Estonia	Milk production	69%	Subsidiary
Llc Trigon Security	Ukraine	-	100%	Subsidiary
Trigon Farming Ltd.	Estonia	-	100%	Subsidiary
Ennivororous Holding Limited	Cyprus	-	100%	Subsidiary

37.7 TRADE AND OTHER RECEIVABLES

in EUR thousand

Current receivables:

Receivables from subsidiaries
 Short-term loans given to subsidiaries
 Other receivables

Total current receivables

Current prepayments:

Prepayments
 Prepayments for indirect taxes

Total current receivables and prepayments

Non-current receivables:

Receivables from subsidiaries
 Loans to subsidiaries
 Other non-current receivables

Total non-current receivables

Total receivables and prepayments

	2014	2013
Current receivables:		
Receivables from subsidiaries	11,009	18,895
Short-term loans given to subsidiaries	195	180
Other receivables	91	119
Total current receivables	11,295	19,194
Current prepayments:		
Prepayments	250	-
Prepayments for indirect taxes	10	14
	260	14
Total current receivables and prepayments	11,555	19,208
Non-current receivables:		
Receivables from subsidiaries	41	139
Loans to subsidiaries	15,675	22,883
Other non-current receivables	30	96
Total non-current receivables	15,746	23,118
Total receivables and prepayments	27,301	42,326

Breakdown of the receivables from subsidiaries and group companies by companies is given below:

in EUR thousand

TC Farming Ukraine Ltd.
 TC Farming Russia Ltd.
 Russian Agro Investors Ltd.
 Surskoe Zerno Ltd.
 Trigon Dairy Farming Ltd.
 OAO Plemennoy Zavod Gashunsky
 Ennivororous Holding Limited
 LLC Trigon Farming Kharkiv
 LLC Surskaya Niva
 LLC Ludmilovsky elevator
 Other

Total receivables

	31.12.2014	31.12.2013
TC Farming Ukraine Ltd.	10,583	12,535
TC Farming Russia Ltd.	3,630	20,860
Russian Agro Investors Ltd.	2,437	2,750
Surskoe Zerno Ltd.	216	508
Trigon Dairy Farming Ltd.	9,399	3,832
OAO Plemennoy Zavod Gashunsky	195	180
Ennivororous Holding Limited	100	-
LLC Trigon Farming Kharkiv	224	229
LLC Surskaya Niva	-	243
LLC Ludmilovsky elevator	-	277
Other	136	683
Total receivables	26,920	42,097

During 2014 loans to group companies were impaired in amount of EUR 10,663 thousand (2013: EUR 24,133 thousand) to reflect the losses

in the Russia cluster, including currency translation losses.

The periodization of trade receivables is as follows:

in EUR thousand

Up to 3 months
 Over 6 months

including receivables not due

	31.12.2014	31.12.2013
Up to 3 months	260	14
Over 6 months	11,204	19,020
	11,464	19,034
including receivables not due	11,464	19,034

The expected periodization of proceeds from other receivables is as follows:

in EUR thousand

Up to 3 months
 3 to 6 months
 Over 6 months

	31.12.2014	31.12.2013
	22	23
	11	96
	58	-
	91	119
including receivables not due	91	119

The effective interest rates on non-current receivables were as follows:

Loans to related parties

	2014	2013
	7.0-11.0%	7.0-11.0%

The carrying amounts of the trade and other receivables were denominated in the following currencies:

in EUR thousand

US dollar
 Russian ruble
 Euro

	31.12.2014	31.12.2013
	-	507
	17	22
	27,284	41,797
	27,301	42,326

37.8 TRADE AND OTHER PAYABLES

in EUR thousand

Trade payables
 Social security and other taxes
 Accrued expenses
 Amounts due to related parties

	31.12.2014	31.12.2013
	87	146
	20	23
	282	311
	3,899	4,496
	4,288	4,976
Less: non-current portion	29	74
	4,259	4,902

in EUR thousand

Euro

	31.12.2014	31.12.2013
	4,288	4,976
	4,288	4,976

37.9 BORROWINGS

As at December 31, 2014 borrowings in amount of EUR 40,075 thousand (EUR 41,904 thousand as at December 31, 2013) include liability for four-year SEK-nominated bonds with maturity date in June 29, 2015 in amount of EUR 37,122 thousand (EUR 38,977 thousand as at December 31, 2013), accrued interests in amount of EUR 2,049 thousand (EUR 2,197 thousand as at December 31, 2013), borrowings from subsidiaries EUR 71 thousand and

finance lease in amount of EUR 96. The bonds are nominated in SEK and are bearing annual fixed interest rate of 11%. For further information please refer to consolidated financial statements Note 14. Finance lease is bearing 3-month EURIBOR interest rate and is due in 2016.

37.10 SHARE CAPITAL OF THE PARENT COMPANY

in EUR thousand	Number of shares	Ordinary shares	Share capital	Share premium	Total
Balance at 31.12.2012	129,627,479	129,627,479	64,814	99,941	164,755
Balance at 31.12.2013	129,627,479	129,627,479	64,814	99,941	164,755
Balance at 31.12.2014	129,627,479	129,627,479	64,814	99,941	164,755

The Company was founded on December 11, 2006 with total ordinary share capital at foundation of 500,000 Danish kronas (EUR 67,018). At the foundation, the Company had only ordinary shares. As of March 27, 2007 the Company's share capital was changed to be EUR nominated, the share capital was increased with issue of additional 85,133 shares for cash.

On April 2, 2007, the Company issued 19,475,328 new ordinary shares with a par value of EUR 1 per share. For additional information regarding the share capital please see Note 17 in the consolidated financial statements.

On May 10, 2007 the Company's extraordinary shareholder's meeting made a resolution to increase the share capital issuing 40,000,000 new shares with a par value of EUR 1 per share. The new investors subscribed all 40,000,000 shares with the price of EUR 1.25 per share. The payment for the subscribed shares was made in cash. After the new share issue the share capital increased to EUR 59,627,479.

Starting from May 18, 2007 the shares of Trigon Agri A/S were listed in First North stock exchange in Stockholm, an alternative market place part of the OMX Nordic Exchange.

On May 6, 2008 the Group's extraordinary shareholder's meeting made a resolution to increase the share capital issuing 70,000,000 new shares with a par value of EUR 1 per share. The

new investors subscribed all 70,000,000 shares with the price of EUR 1.50 per share. The payment for the subscribed shares was made in cash. After the share issue the share capital increased to EUR 129,627,479.

Based on the resolution of the Extraordinary General Meeting of the shareholders, which was held on 29 October 2008 in Copenhagen, the Board of Directors was authorised to acquire own shares on behalf of the company. The purpose of acquiring the company's own shares was to enhance shareholder value.

As of December 31, 2008 the Company had purchased 10,700,100 shares and paid for the shares EUR 4,246,067 whereas the amount of unsettled trades as of December 31, 2008 was EUR 30,580.

As of December 31, 2009 the Company had purchased 12,857,000 shares and paid for the shares EUR 5,757 thousand. The shares were bought to provide additional value to the investors. There were no unsettled trades at December 31, 2009. All treasury shares were sold in February 2011 with the average price of EUR 0.765 per share. Total proceeds from the sales were EUR 9,638 thousand (net of fees paid to the brokers).

Since December 8, 2010 the shares of Trigon Agri A/S are listed on main market of Small Cap segment on NASDAQ OMX Stockholm.

37.11 EMPLOYEE BENEFITS EXPENSE

Employee benefits expense in amount of EUR 808 thousand (EUR 960 thousand in 2013) includes salary expenses in amount of EUR 624 thousand (EUR 737 thousand in 2013) and social tax

expenses in amount of EUR 184 thousand (EUR 223 thousand in 2013).

The average number of employees in 2014 was 21 (21 in 2013).

in EUR thousand

	2014	2013
Fees of Members of Board of Directors and Executive Board	184	184
Social security costs related to fees of Members of Board of Directors and Executive Board	34	27
	218	211
Wages and salaries	440	553
Social security costs	150	196
	590	749
	808	960

37.12 FINANCE INCOME AND FINANCE COSTS

in EUR thousand

	2014	2013
Interest income	3,083	3,387
	3,083	3,387
Bond interests	-4,634	-4,719
Other interests	-23	-21
	-4,657	-4,740

37.13 RELATED PARTY TRANSACTIONS

in EUR thousand

Sales and purchases

	2014	2013
Sale of services to group companies	3,967	5,113
Including re-charged expenses	2,901	3,291
Purchase of management services - AS Trigon Capital and its subsidiaries	2,756	3,231
Purchase of goods and services from AS Trigon Capital and its subsidiaries	139	198

The following table sets forth the aggregate gross amounts of salaries and other remuneration to the Board of Directors and Executive Board in 2014 and in 2013.

in EUR thousand	Salary (incl social security costs)	Bonuses	Total
2014			
Members of Board of Directors	65	-	65
Members of the Executive Board	153	-	153
	218	-	218
2013			
Members of Board of Directors	65	-	65
Members of the Executive Board	146	-	146
	211	-	211

Receivables from subsidiaries and other group companies

in EUR thousand

Total receivables (Note 37.7)

31.12.2014	31.12.2013
26,920	42,097

Balances from sales/purchases of goods/services

Payable to AS Trigon Capital and its subsidiaries

31.12.2014	31.12.2013
4	12

37.14 FEES TO THE AUDITORS OF THE PARENT COMPANY

in EUR thousand

Audit
Other assurance engagements
Tax advice and consultations
Other services

	2014	2013
Audit	214	212
Other assurance engagements	4	29
Tax advice and consultations	20	38
Other services	17	34
	255	313

MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Trigon Agri A/S for the financial year 1 January – 31 December 2014.

The Annual Report is prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. Moreover, the Annual Report is prepared in accordance with additional Danish disclosure requirements for listed companies.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the financial position at 31 December 2014 of the Group and the Company

and of the results of the Group and Company operations and cash flows for the financial year 1 January – 31 December 2014.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Company, of the results for the year and of the financial position of the Group and the Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, March 31, 2015

 Joakim Helenius

Chairman of the
Board of Directors

 Pertti Laine

Member of the
Board of Directors

 René Nyberg

Member of the
Board of Directors

 Raivo Vare

Member of the
Board of Directors

 David Mathew

Member of the
Board of Directors

 Ülo Adamson

Chairman of the
Executive Board

 Konstantin Kotivnenko

Member of the
Executive Board

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Trigon Agri A/S

Report on Consolidated Financial Statements and Parent Company Financial Statements

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements (incorporated in note 36-37) of Trigon Agri A/S for the financial year 1 January to 31 December 2014, which comprise statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies, for the Group as well as for the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's

preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements and the Parent Company Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2014 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2014 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Emphasis of Matter

We draw your attention to Note 4.3 to the consolidated financial statements. The operations of the Group have been affected and may continue to be affected for the foreseeable future, by the continuing political and economic uncertainties in Ukraine and Russia. Our opinion is not qualified in respect of this matter.

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Copenhagen, March 31, 2015

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Jens Otto Damgaard

State Authorised Public Accountant

Thomas Lauritsen

State Authorised Public Accountant

DEFINITIONS

Acid test	<i>(Total current assets – Inventories(inventories including biological assets))/Total current liabilities</i> . The acid test or quick ratio measures a company's ability to use its near cash or quick assets to immediately extinguish or retire its short-term liabilities (liabilities due within the next twelve months).
Current ratio	<i>Total current assets/Total current liabilities</i> . The current ratio measures a company's ability to meet short-term obligations (liabilities due within the next twelve months).
Earnings per share	<i>Net result attributable to the shareholders of the Company/ weighted average number of common shares outstanding during the period</i> (in accordance with IAS 33). Earnings/loss per share for profit attributable to the equity holders of the Company during the year, both basic and diluted.
EBITDA	EBITDA is calculated by adding to the operating profit the annual depreciation of the fixed assets and amortisation of land-related long-term prepayments
Equity ratio	<i>Total equity/Total assets</i> . Equity ratio measures financial leverage, demonstrating the capital structure of a company.
Net debt	<i>Total borrowings and the fair value of derivative financial instruments -Cash and cash equivalents</i> . Net debt is a measure of a company's ability to repay its debts if they were all due today.
Return on assets (ROA)	<i>Net profit attributable to the owners of the parent company/Average total assets</i> . Return on assets compares income with total assets measuring management's ability and efficiency in using the firm's assets to generate profits
Return on equity (ROE)	<i>Net profit attributable to the owners of the parent company/Average equity excluding minority interest</i> . Return on equity relates income with the equity capital measuring management's ability and efficiency in generating return to the shareholders of the Company.
Book value per share	<i>Total Stockholders' equity/ weighted average number of common shares outstanding during the period</i> (in accordance with IAS 33).The book value per share measures the per share value of a company based on its equity available to shareholders.
Dividends per share	<i>Dividends/ weighted average number of common shares outstanding during the period</i> (in accordance with IAS 33). The total dividends paid out over an entire year divided by the number of outstanding ordinary shares issued.