



Trigon Agri A/S: Divestment of Rostov Cluster

With the following Trigon Agri A/S is pleased to announce that it has signed a framework agreement for the divestment of its Rostov cluster, Russia with a Cypriot company Ellania Business Inc. The total expected proceeds to Trigon Agri from the transaction are up to EUR 25 million consisting of the following elements: divestment of land and buildings for up to EUR 14.5 million (price agreed separately for Gashunskiyi farm plot for EUR 8 million and for Zimovnikovskiyi land plot with ancillary land areas for EUR 6.5 million), separate sale of machinery and equipment, price to be established in market-based negotiations, and separate sale of 2016 harvest, price to be established on the basis of yields and pricing for crops to be achieved in 2016. The agreement foresees closing of the transaction no later than August 28, 2016. As part of the transaction, Trigon Agri has achieved a compromise agreement with the counter-party of the ongoing legal dispute on the Zimovnikovskiyi land plot as a result of which the court case will be terminated by mutual agreement between the parties, subject to fulfilling conditions precedent, which we are working on towards completing by the end of November.

Joakim Helenius, Chairman of the Board of Trigon Agri, comments "This is the first step of our divestment process in order to reduce the borrowings of the Group and focus on the profitable operations in Ukraine. In 2015 the Group farmed around 47,000ha in Ukraine. Importantly the land that is farmed in Ukraine is leasehold land with leases averaging over 16 years. Trigon Agri does not show the market value of its leasehold land in Ukraine on its balance sheet although transaction values in good quality leasehold land in Ukraine can be significant."

The transaction will have the following impact on Trigon Agri 2015 financial statements:

On the balance sheet as at 30.09.2015 the land and buildings of the Rostov cluster will be classified as held for sale at a total valuation of EUR 14.5 million. The total value of these assets on the 30.06.2015 balance sheet was EUR 57.3 million, which means that a reduction of EUR 42.8 million will be recognized in the Q3 Income Statement and Statement of Comprehensive Income consisting of the following components (based on preliminary calculations): EUR 31.3 million loss in the Income Statement; EUR 3.2 million reduction of land revaluation reserve and EUR 8.3 million currency translation loss included in 'Other comprehensive income'.

As at 30.09.2015 the Rostov cluster had an outstanding loan principal balance of EUR 8.43 million. Closing the transaction would enable the Group to pay back the loan from transaction proceeds.

In 2014 the Rostov cluster generated revenues of EUR 6.9 million and an EBITDA of EUR 2.2 million (before extraordinary items and overhead allocations). In 2015 the revenue and EBITDA will be lower.

Investor enquiries:

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About Trigon Agri

Trigon Agri is a leading integrated soft commodities production, storage and trading company with operations in Ukraine, Russia and Estonia. Trigon Agri's shares are traded on the main market of NASDAQ OMX Stockholm. Trigon Agri is managed under a management agreement by Trigon Capital, a leading Central and Eastern European operational management firm with around USD 1 billion of assets under management.

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