

TRIGON AGRI A/S 1H 2016 INTERIM REPORT

CEO Statement

Physical Highlights

- Winter Wheat harvest completed and above expectation at 3.91 Tonnes / ha Net
- Spring Wheat harvest completed and below expectation at 3.21 Tonnes / ha Net
- Oilseed Rape crop harvest completed and as expectation at 1.50 Tonnes / ha Net
- Wheat quality shows 76% of harvest at Export levels, similar to 2015
- Rainfall levels in July and August have been good for the summer crops of Maize, Soya and Sunflower, particularly in the Kharkov region
- 2017 crop Oilseed Rape sowing is nicely advanced with 8,5 thousand ha now completed

Our 2016 Wheat (Winter and Spring) harvest which has averaged circa 3.9 tonnes / hectare Net was completed on 10th August having been delayed a little in July by slightly above average rainfall. Export is a very important sales route for us, due to the advantages it gives us with both price and the present VAT regime in Ukraine; of the 75 thousand tonnes of wheat harvested this year initial testing shows that 76% is of export quality, 12% is domestic quality and 12% has been reserved as seed for the 2017 crop and for rental payments. To date we have physically moved to the port 19 thousand tonnes (33%) of the export quality wheat.

The 2016 Oilseed rape crop which consisted of 70% oilseed rape and 30% spring crop yielded an average of 1.5 Tonnes / ha which was as forecast. Sowing of the 2017 crop commenced at the end of July and now has been completed, this year there is at present adequate moisture for germination. For the 2017 winter wheat harvest we are targeting 22 thousand ha.

In summary the yields of Wheat and Oilseed Rape were as expected, somewhat lower than our 5-year average, due to as reported in May, having been adversely affected by the very dry autumn in 2015. It should be appreciated though that the direct inputs, particularly Nitrogen fertilizer were reduced significantly on these crops in recognition of the perceived lower potential, so that the costs were in effect tailored to the potential yield. Rainfall levels have been variable in July and August across the group, generally Nikolaev and Kirovograd have been relatively dry, whilst Kharkov has been quite wet. This is positive for the summer crops in Kharkov, but did give us some quality issues with wheat. Harvesting of summer crops will start in late August in the South and the group aims to complete harvest of all crops during October.

Our dairy business in Russia continues to become more efficient having had a high level of management in place now for two years. The fruits of this increase in "attention to detail" and management ability should start to be realised over the next twelve months.

Financial Highlights

- The Rostov farms were sold in early June at a sales price of Euro 13.3 million
- Total revenue, other income, fair value adjustments and net changes in inventory from continuing operations amounted to EUR 24.2 million (EUR 28.1 million in 1H 2015).
- EBITDA from continuing operations stood at EUR 12.3 million (EUR 9.7 million in 1H 2015).
- The Net profit from continuing operations was EUR 7.2 million (EUR 1.6 million in 1H 2015).
- The Net Loss from all activities (Continued and discontinued) for the period was Euro -14.9 million (Profit EUR 2.5 million in 1H 2015).
- The consolidated assets as of June 30, 2016 amounted to EUR 69.9 million (EUR 67.8 million at December 31, 2015).

The restructuring of the business has continued in the second quarter, with the most significant event being the divestment of the Rostov business for the price of EUR 13.3 million, allowing full repayment of the Rietumu Bank loan (including interest) of EUR 8. million. The net proceeds from the sale shall be used to pay the annual interest of the Bonds on 31 August 2016 and the balance will be released to the Company as working capital.

The loss from the Rostov divestment amounted to EUR 22.1 million, out of which Currency translation differences in amount of EUR 19.9 million were recycled from Other comprehensive income to the Income Statement. The remaining loss includes one-off re-measurement in amount of EUR 3.3 million (as reported in 1Q 2016 report) and a profit of EUR 1.1 million mainly related to the gain from exchange rate differences.

The improvement in operational EBITDA is very encouraging and shows the underlying profitability of the production business.

Continuing the drive to reduce our overhead costs we have relocated our head office in Tallinn to more modest accommodation and are now operating with a reduced team. The other large saving for 2016 and going forward has been the termination of the management fee (Euro 2.5 million 2015) For 2016 as a result of the corporate and debt restructuring exercises that are ongoing we do though anticipate additional legal and consultancy costs; these though must be considered as investments for the future.

Now the Winter crop harvest is completed, having assessed both its yield and quality, and with the Spring crops in relatively good condition and despite crop prices being under pressure, we now predict a stronger projected cereal revenue from the 2016 harvest. A usual farmer's caveat must be included, that of course 48% of the area is still to be harvested, and you do not realise crop potential until it is in the barn.

Finally, negotiations with all stakeholders in the business are continuing towards the objective of reaching a universally agreed debt restructuring solution that will enable the company to move forward and enable management to concentrate fully on efficient production.

Update on the restructuring of the Bonds

The management of the Company continues negotiations with all stakeholders of the Company in order to complete the debt restructuring of the Company. One of the preconditions for the prolongation/renewal of the working capital loans of the Ukrainian operational companies is a substantial reduction of the outstanding bonds (including a real progress with the implementation of the convertible bonds authorized by the extraordinary general meeting on 4th March 2016). According to the contractual terms of the respective working capital loans the Company shall submit to the Ukrainian banks hard evidence verifying a binding commitment by both the bondholders and the current shareholders to reduce the outstanding bonds (preferably entirely) by not later than the end of September 2016. If the Company will fail to present such evidence the Ukrainian banks may refuse to prolong/renew the working capital loans and demand the repayment of the working capital loans as follows: USD 4.2 million and UAH 10 million in September 2016,

USD 1.2 million and UAH 5 million in October 2016, USD 1.2 million in November 2016, USD 4.9 and UAH 15.2 million in December 2016 (Note 8 for reference). If the bondholders and shareholders will not be able to demonstrate real actions facilitating the restructuring process of the bonds by the middle of September 2016, the Company may eventually fail to secure working capital from the current Ukrainian banks.

The management of the Company urges all involved stakeholders to find a constructive solution in order to secure further working capital funding for 2016/2017 harvest period.

Simon Boughton 31st August 2016

Income statement, EUR thousand

Continuing operations:
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 from continuing operations
EBIT
Gains/losses from exchange rate differences
Finance income and finance cost
Share of loss of investments accounted for using the equity method
Corporate income tax
Profit for the period from continuing operations
Loss/profit for the period from discontinued operations
Loss/profit for the period

	2Q 2016	2Q 2015	1H 2016	1H 2015
Total revenue, other income and fair value adjustments and net changes in inventories	20,873	23,697	24,164	28,122
Cost of purchased goods for trading purposes	-488	-305	-640	-1,258
OPEX	-6,363	-9,459	-10,790	-16,655
Other (losses)/gains - net	68	-1,340	-426	-551
EBITDA from continuing operations	14,090	12,593	12,308	9,658
EBIT	13,719	11,914	11,566	8,319
Gains/losses from exchange rate differences	1,353	1,155	421	-3,601
Finance income and finance cost	-1,682	-1,969	-3,346	-2,790
Share of loss of investments accounted for using the equity method	-458	-317	-1,443	-317
Corporate income tax	-19	-2	-21	11
Profit for the period from continuing operations	12,913	10,781	7,177	1,622
Loss/profit for the period from discontinued operations	-18,874	1,309	-22,111	846
Loss/profit for the period	-5,961	10,781	-14,934	2,468

Balance sheet, EUR thousand

Total assets
incl Assets of disposal group classified as held for sale
incl Non-current assets
incl Property, plant and equipment
Investment in property, plant and equipment
Net debt
Total equity

30.06.2016	31.12.2015
69,868	67,848
-	8,000
32,793	35,766
22,734	22,787
368	4,478
47,752	60,423
4,988	541

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

1H 2016	1H 2015
163	420
11,672	-2,685
-7,100	-257
-118	-351
1,901	4,125
6,518	4,323

Key figures

Number of shares, end of the period
Total number of employees
Land under control, hectares
Land of disposal group, hectares

30.06.2016	31.12.2015
129,627,479	129,627,479
940	1,011
59,347	123,544
-	64,136

Ratios

Earnings per share (EPS), EUR
Book value per share, EUR
Return on assets (ROA)
Equity ratio, %
Current ratio
Acid test

1H 2016	1H 2015
-0.11	0.02
0.04	0.45
-22%	2%
7%	42%
1.43	1.21
0.43	0.25

FINANCIAL AND OPERATIONAL REVIEW

INCOME STATEMENT

The Group's operations are divided into the following operational segments: Ukraine cereals production including storage and trading, and Milk production. Operations in Russian cereals production (Rostov cluster) that were sold on 2 June, 2016 are considered as discontinued operations and therefore are not part of the segment report.

In 1H 2016, the Group's EBITDA from continuing operations amounted to EUR 12.3 million, improved by lower OPEX in Ukraine and

cancellation of the management agreement from January 1, 2016. The 1H 2016 EBITDA for the Milk production rose compared to 1H 2015 as the loss from disposing its subsidiaries in Estonia was recorded in 1H 2015. Starting from 2Q 2015, Trigon Agri's shareholding in TDFE is recorded in Trigon Agri's accounts using the equity method.

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.

1H 2016, EUR thousand

Revenue from external customers

Total segment revenue

Subsidies

Other income

Change in biol.assets

TOTAL income

Change in inventories

Cost of purchased goods

OPEX

Other (losses)/gains - net

EBITDA

1H 2015, EUR thousand

Revenue from external customers

Total segment revenue

Subsidies

Other income

Change in biol.assets

TOTAL income

Change in inventories

Cost of purchased goods

OPEX

Other (losses)/gains - net

EBITDA

	Ukraine	Russian Milk production	Total
Revenue from external customers	6,522	1,226	7,748
Total segment revenue	6,522	1,226	7,748
Subsidies	-	97	97
Other income	119	1	120
Change in biol.assets	21,875	106	21,981
TOTAL income	28,516	1,430	29,946
Change in inventories	-5,855	73	-5,782
Cost of purchased goods	-636	-4	-640
OPEX	-9,427	-1,363	-10,790
Other (losses)/gains - net	-385	-41	-426
EBITDA	12,213	95	12,308

	Ukraine	Milk production	Total
Revenue from external customers	8,648	3,378	12,026
Total segment revenue	8,648	3,378	12,026
Subsidies	-	292	292
Other income	60	41	101
Change in biol.assets	22,155	141	22,296
TOTAL income	30,863	3,852	34,715
Change in inventories	-6,758	165	-6,593
Cost of purchased goods	-1,255	-3	-1,258
OPEX	-12,539	-4,116	-16,655
Other (losses)/gains - net	547	-1,098	-551
EBITDA	10,858	-1,200	9,658

BALANCE SHEET ASSETS

The consolidated assets of the Group as at June 30, 2016 amounted to EUR 69.9 million (EUR 67.8 million at December 31, 2015). The divestment of Rostov cluster decreased the assets, stated on the balance sheet as assets held for sale, while biological assets

increased benefiting from the revaluation of the harvest. The total land under control as at June 30, 2016 declined as the land for sale in Russia was sold on 2 June 2016.

Land under control, hectares

Cereal production Ukraine

Land under rental agreements

Total Cereal production Ukraine

Cereal production Russia related to assets held for sale

Land in ownership

Land under rental agreements

Land in ownership acquisition process

Total Cereal production Russia related to assets held for sale

Milk production Russia

Land in ownership

Land under rental agreements

Total Milk production Russia

Total

Land in ownership*

Land under rental agreements

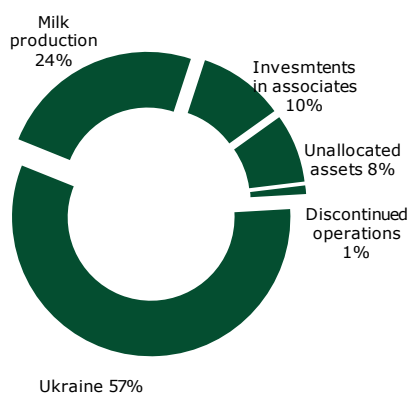
Land in ownership acquisition process

Total

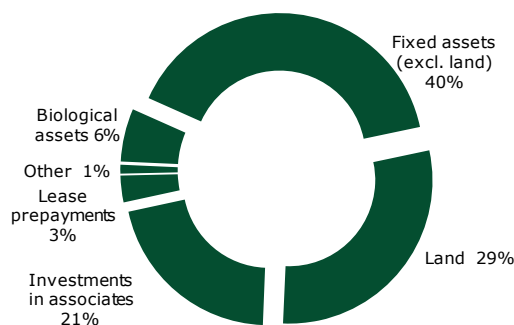
31.12.2015 **30.06.2016**

	46,223	46,165
Total Cereal production Ukraine	46,223	46,165
	47,581	-
	14,899	-
	1,656	-
Total Cereal production Russia related to assets held for sale	64,136	-
	13,180	13,177
	5	5
Total Milk production Russia	13,185	13,182
Total	123,544	59,347

TOTAL ASSETS BY SEGMENTS 30.06.2016



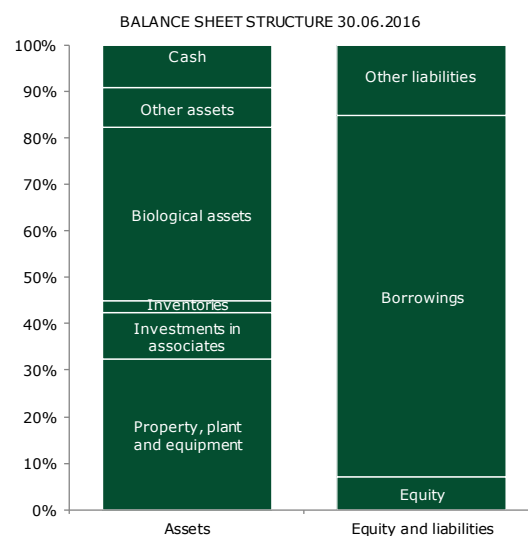
NON-CURRENT ASSETS BREAKDOWN 30.06.2016



Investments in associates represents the shareholding in the Milk production business in Estonia.

NET DEBT AND LIQUIDITY POSITION

The total borrowings of the Group as at June 30, 2016 amounted to EUR 54.3 million (EUR 54.4 million as at December 31, 2015). Lower bank balance for Ukraine as at June 30, 2016 was offset by accrued interest of the bond included in the borrowings due on August 31, 2016. The net debt of the Group as at June 30, 2016 amounting to EUR 47.8 million (EUR 60.4 million as at December 31, 2015) decreased as the Rostov cluster was divested including the borrowings of the disposal group held for sale.



INVESTMENTS

The investment cash flows from continuing and discontinued operations are presented separately. Proceeds from sales of shares in associate is related to the sales of shares in AS Trigon Dairy Farming

Estonia (TDFE). Net cash inflow from discontinued operations includes the proceeds from the sale of Rostov cluster.

Cash flows from investing activities, EUR thousand

Continuing operations:

Payment for acquisition of subsidiary	-	-13
Cash outflow from loss of control over subsidiary	-2,564	-
Proceeds from issuance of subsidiary's shares to non-controlling interest	2,000	1,504
Purchase of property, plant and equipment	-433	-378
Proceeds from sales of property, plant and equipment	80	54
Net cash inflow from discontinued operations:	231	10,505

Net cash used in investing activities

	1H 2015	1H 2016
Net cash used in investing activities	-686	11,672

UKRAINE

The Group has its cereals production operations in the Black Earth regions in Kharkov, Nikolaev and Kirovograd and owns five operational elevators with total storage capacity of 322 thousand tonnes. The Group is also engaged in intermediation of third-party goods.

The 1H 2016 EBITDA strengthened from 1H 2015 by EUR 1.4 million, owing to the cost reductions in Ukraine and termination of the management agreement.

FINANCIAL REVIEW

The segment's revenue is made up primarily from sales of own produced cereals. Revenue from cereal sales for the first half of the financial year consists of the sale of the previous harvest and third party crop. Lower year-end stock from 2015 and reduced third party sales attributed to the decrease in revenue for 1H 2016.

Gain arising from changes in biological assets amounted to EUR 21.9 million (EUR 22.2 million in 1H 2015). The Group revalued biological assets using the latest information about the prices, yields (both actual and estimated) and harvest related cash outflows. Prices for 1H 2016 have benefitted from concluded export contracts as the Group expects to

export the maximum qualifying quantity of crops. For the prices and yields please refer to the included tables.

Change in inventories was a negative amount of EUR 5.9 million as the Group sold its harvest from previous year during 1H 2016 (negative amount of EUR 6.8 million in 1H 2015).

OPEX for 1H 2016 fell by EUR 3.1 million as the Group lowered its fertilizer input for wheat due to unfavorable growing conditions to be realistic with the crop potential. Reduced transportation costs are in line with reductions in sale as the Group exported less crops to the port during 1H 2016. Downsizing the expenses for the Overhead office included termination of the management agreement as well as cutting the Employee benefit expenses.

As of 2016 the government of Ukraine changed the policy of special VAT treatment for agricultural companies under which the Group can record only 15% of the positive balance between VAT payable and receivable under Other (losses)/gains-net and 85% must be paid back to the State Budget of Ukraine. Therefore, the VAT amount recorded in 1H 2016 decreased compared to 1H 2015, when 100% of the VAT was recorded on the Income Statement.

Ukraine

in EUR thousand

Revenue from external customers

Total segment revenue

Other income

Change in biol.assets

TOTAL income

Change in inventories

Cost of purchased goods

OPEX

Other (losses)/gains - net

EBITDA

	1H 2015	1H 2016
Revenue from external customers	8,648	6,522
Total segment revenue	8,648	6,522
Other income	60	119
Change in biol.assets	22,155	21,875
TOTAL income	30,863	28,516
Change in inventories	-6,758	-5,855
Cost of purchased goods	-1,255	-636
OPEX	-12,539	-9,427
Other (losses)/gains - net	547	-385
EBITDA	10,858	12,213

Operating expenses breakdown: Ukraine

in EUR thousand

	1H 2015	1H 2016
Seeds, fertilizers, chemicals	-5,593	-4,111
Repairs	-654	-656
Fuel, gas, electricity	-537	-395
Land tax and land rental	-1,152	-1,233
Transportation, other services and materials	-587	-216
Employee benefits expense	-1,872	-1,657
Office and administration expenses	-404	-403
Management Agreement fee	-835	-
Legal, consulting and audit fees	-829	-658
Other expenses	-76	-98
Total expenses	-12,539	-9,427

1H 2016	Own produced			Third party			Total		
	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t
Wheat	192	20	106	279	33	118	471	53	113
Barley	62	6	99	3	-	70	65	6	92
Sunflower	16,876	5,182	307	950	307	323	17,826	5,489	308
Corn	3,464	473	137	323	37	115	3,787	510	135
Soya	188	54	287	-	-	-	188	54	287
Other	19	-	-	-	-	-	19	-	-
Total	20,801	5,735	276	1,555	377	242	22,356	6,112	273

1H 2015	Own produced			Third party			Total		
	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t	Tonnes	Revenue, EUR thousand	Price EUR/t
Wheat	7,640	1,051	138	837	125	149	8,477	1,176	139
Barley	6	-	77	-	-	-	6	-	77
Sunflower	14,111	4,042	286	421	136	324	14,532	4,178	288
Corn	5,665	645	114	5,093	650	128	10,758	1,295	120
Soya	3,816	1,335	350	161	57	351	3,977	1,392	350
Other	17	-	n/r	-	-	-	17	-	n/r
Total	31,255	7,073	226	6,512	968	149	37,767	8,041	213

Grain available for sale in stock
31.12.2015

	31.12.2015			30.06.2016		
	Tonnes	Value, EUR thsd	Average price, EUR/t	Tonnes	Value, EUR thsd	Average price, EUR/t
Wheat	162	20	124	106	13	125
Barley	79	9	116	602	69	115
Sunflower	16,916	5,427	321	9	3	339
Corn	3,524	461	131	28	4	141
Rapeseed	5	1	292	24	7	303
Soya	1	0	286	5	2	333
Total	20,687	5,918	286	774	98	127

EUR per tonne	1H 2015	1H 2016
Wheat	111	121
Sunflower	336	290
Rapeseed	240	290
Corn	119	131
Barley	-	110
Soya	297	330

CEREALS PRODUCTION OPERATIONAL REVIEW

Trigon Agri finished its early crop harvest by August 10, 2016 with 53% of the total area now being harvested. Although the weather conditions were unfavorable during germination of the winter crops, the harvest result was above expectations. As of the date of this report the late crops are in good

condition, with corn, sunflower and soya expected to be harvested with yields above previous year. The Company started winter crops sowing in July with enough moisture for the good germination of the crops.



Ukraine**Harvested hectares**

	2011	2012	2013	2014	2015	2016E
Wheat	20,519	21,204	20,768	20,756	23,218	19,536
Sunflower	13,115	13,319	10,606	11,934	12,222	16,419
Rapeseed	3,851	6,095	8,814	8,011	6,742	4,416
Corn	4,889	6,053	4,875	3,547	3,199	1,879
Barley	2,014	1,066	379	116	-	424
Soya	4,804	4,003	3,116	2,348	1,248	3,057
Other	922	722	-	176	-	330
Total	50,114	52,462	48,560	46,888	46,629	46,060

Net production, t

	2011	2012	2013	2014	2015	2016E
Wheat	86,719	65,339	81,588	98,733	92,302	75,570
Sunflower	30,215	20,428	23,674	24,038	30,319	37,035
Rapeseed	4,975	8,753	15,234	14,766	8,739	6,641
Corn	44,510	39,718	37,018	24,490	18,876	14,094
Barley	6,389	1,434	717	411	-	1,476
Soya	9,866	5,959	3,996	4,158	2,256	5,637
Other	13,795	31,702	-	1,165	-	3,328
Total	196,469	173,333	162,226	167,759	152,493	143,782

Net yield, t/ha

	2011	2012	2013	2014	2015	2016E
Wheat	4.23	3.08	3.93	4.76	3.98	3.87
Sunflower	2.30	1.53	2.23	2.01	2.48	2.26
Rapeseed	1.29	1.44	1.73	1.84	1.30	1.50
Corn	9.10	6.56	7.59	6.91	5.90	7.50
Barley	3.17	1.35	1.89	3.53	-	3.48
Soya	2.05	1.49	1.28	1.77	1.81	1.84
Other	14.96	43.91	-	6.62	-	10.10
Total	3.92	3.30	3.34	3.58	3.27	3.12

MILK PRODUCTION

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

In 1Q 2015, the Group's Estonian milk production subsidiary AS Trigon Dairy Farming Estonia (TDFE) completed a new share issue of EUR 2 million subscribed by Ingman Development Oy Ab. Consequently, as of April 1, 2015 the Milk production segment in Estonia is no longer consolidated into Trigon Agri's accounts and starting from 2Q 2015, Trigon Agri's shareholding in TDFE is recorded in Trigon Agri's accounts using the equity method, meaning that Trigon Agri's share in TDFE's profit/loss is shown on the income statement line 'Share of profit of investments accounted for using the equity method'.

In 1Q 2016 the Group sold shares in TDFE for 1.5 million, decreasing Trigon Agri's shareholding in TDFE to 39.24% as of June 30, 2016.

The EBITDA for the 1H 2016 was up from 1H 2015 as the result for the previous period included the loss from disposal of Estonian subsidiaries. The EBITDA of the Milk production operations only for Russia was nearly unchanged from 1H 2015.

Milk production segment in EUR thousand

	1H 2015	1H 2016
Revenue from external customers	3,378	1,226
Total segment revenue	3,378	1,226
Subsidies	292	97
Other income	41	1
Change in biol.assets	141	106
TOTAL income	3,852	1,430
Change in inventories	165	73
Cost of purchased goods	-3	-4
OPEX	-4,116	-1,363
Other (losses)/gains - net	-1,098	-41
EBITDA	-1,200	95

Milk production Russia in EUR thousand

	1H 2015	1H 2016
Revenue from external customers	1,382	1,226
Total segment revenue	1,382	1,226
Subsidies	21	97
Other income	0	1
Change in biol.assets	70	106
TOTAL income	1,473	1,430
Change in inventories	133	73
Cost of purchased goods	-3	-4
OPEX	-1,419	-1,363
Other (losses)/gains - net	-1	-41
EBITDA	183	95

MARKET DYNAMICS AND OUTLOOK

GLOBAL MARKET FOR GRAINS AND OILSEEDS

USDA estimates record grain and oilseeds output for 2016/17 with all-time highest yields for USA, especially for corn. Excessive rain for European Union offset the otherwise even larger harvest as

Russia, Brazil, Argentina, India are all expected to have a large crop as well. Given the background of extremely large stock levels, signals for prices are really bearish.

World use of grains, millions of tonnes	2011	2012	2013	2014	2015	2016
Wheat						
Total production	697	659	715	728	735	743
Total production y-o-y, %	7%	-6%	9%	2%	1%	1%
Total use	697	680	698	706	709	733
Total use y-o-y, %	6%	-2%	3%	1%	0%	3%
Ending stocks	199	175	194	216	242	253
Ending stocks y-o-y, %	1%	-12%	11%	11%	12%	5%
Inventory in days	104	94	101	112	125	126
Coarse grains						
Total production	1,151	1,136	1,281	1,305	1,248	1,323
Total production y-o-y, %	5%	-1%	13%	2%	-4%	6%
Total use	1,152	1,136	1,233	1,272	1,248	1,312
Total use y-o-y, %	2%	-1%	9%	3%	-2%	5%
Ending stocks	165	169	211	245	245	256
Ending stocks y-o-y, %	0%	2%	25%	16%	0%	4%
Inventory in days	52	54	62	70	72	71
Oilseeds						
Total production	446	476	504	537	519	543
Total production y-o-y, %	-2%	7%	6%	6%	-3%	5%
Total use	467	469	494	518	527	543
Total use y-o-y, %	5%	1%	5%	5%	2%	3%
Ending stocks	65	69	78	93	84	80
Ending stocks y-o-y, %	-21%	7%	12%	20%	-10%	-4%
Inventory in days	51	54	58	66	58	54

Source: USDA, estimates as of Aug 12, 2016

	12.08.2016	CBOT 6 m future	CBOT 1 year future
Wheat CBOT USD/t	152	162	177
Corn CBOT USD/t	121	131	141
Soybeans CBOT USD/t	367	361	357
Oil WTI USD/bbl	43	48	49

Source: Bloomberg

UKRAINIAN MARKET FOR GRAINS AND OILSEEDS

Favorable weather conditions during the harvesting period have paved the way for surge in yields estimates for 2016 production, led by wheat. Although exports are predicted to fall behind last year's record, at 40 million tonnes Ukraine is crystallizing its position as one of the top grain exporters in the world.

As usual, domestic prices for wheat during the harvesting time have weakened, while corn and oilseed prices have followed the overall market trend and risen since June. Further price growth is now limited by optimism over supply levels.

Ukraine						
Wheat	2011	2012	2013	2014	2015	2016
Harvested area, millions of ha	6.7	5.6	6.6	6.3	7.1	6.5
Average yield, tonne/ha	3.4	2.8	3.4	3.9	3.8	4.2
Harvest, millions of tonnes	22.3	15.8	22.3	24.8	27.3	27.0
Harvest y-o-y, %	-55%	-29%	41%	11%	10%	-1%
Exports, millions of tonnes	5.4	7.2	9.8	11.3	17.2	14.5
Exports y-o-y, %	-64%	32%	36%	16%	53%	-16%
Consumption, millions of tonnes	15.0	11.4	11.5	12.0	12.5	12.5
Consumption y-o-y, %	-56%	-24%	1%	4%	4%	0%
Ending stocks, millions of tonnes	5.4	2.6	3.7	5.2	2.8	2.9
Coarse grains	2011	2012	2013	2014	2015	2016
Harvested area, millions of ha	8.0	8.6	8.8	8.4	7.6	7.8
Average yield, tonne/ha	4.2	3.5	4.6	4.7	4.4	4.7
Harvest, millions of tonnes	33.5	29.5	40.0	39.4	33.4	37.1
Harvest y-o-y, %	-33%	-12%	36%	-2%	-15%	11%
Exports, millions of tonnes	17.8	15.0	22.8	24.3	21.0	21.7
Exports y-o-y, %	18%	-16%	52%	7%	-14%	4%
Consumption, millions of tonnes	15.6	14.7	16.0	15.4	13.8	14.7
Consumption y-o-y, %	-54%	-6%	9%	-3%	-10%	6%
Ending stocks, millions of tonnes	2.4	2.3	3.6	3.3	1.9	2.6
Oilseeds	2011	2012	2013	2014	2015	2016
Harvested area, millions of ha	7.3	7.5	7.6	8.0	8.1	8.3
Average yield, tonne/ha	1.8	1.7	2.2	2.0	2.1	2.3
Harvest, millions of tonnes	13.5	12.7	16.7	16.3	17.0	18.7
Harvest y-o-y, %	-73%	-6%	32%	-3%	4%	10%
Exports, millions of tonnes	2.8	2.7	3.6	4.4	3.9	3.4
Exports y-o-y, %	-81%	-4%	31%	24%	-13%	-13%
Consumption, millions of tonnes	10.7	9.7	12.9	12.3	13.2	15.2
Consumption y-o-y, %	-69%	-9%	33%	-5%	7%	15%
Ending stocks, millions of tonnes	0.2	0.5	0.7	0.3	0.2	0.4

Source: USDA

USD per tonne excl VAT	31.12.2014	30.06.2015	31.12.2015	30.06.2016	12.08.2016
Wheat 3rd class EXW Ukraine	159	122	138	139	129
Wheat 3rd class FOB Ukraine	262	190	194	180	170
Wheat CBOT	229	207	173	165	152
Corn EXW Ukraine	135	114	121	156	161
Corn FOB Ukraine	190	174	167	209	198
Corn CBOT	155	148	140	146	121
Soybeans EXW Ukraine	370	307	319	368	382
Soybeans FOB Ukraine	415	365	355	425	405
Soybeans CBOT	376	367	324	403	367
Sunflower EXW Ukraine	365	366	352	375	376
Sunflower FOB Ukraine	435	410	440	440	440

Source: Bloomberg, APK-Inform

THE SHARE

Share information

Official listing: 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

Dividends

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

As at June 30, 2016 Trigon Agri had approximately 1,538 shareholders.

Major nominee shareholders as at 30.06.2016

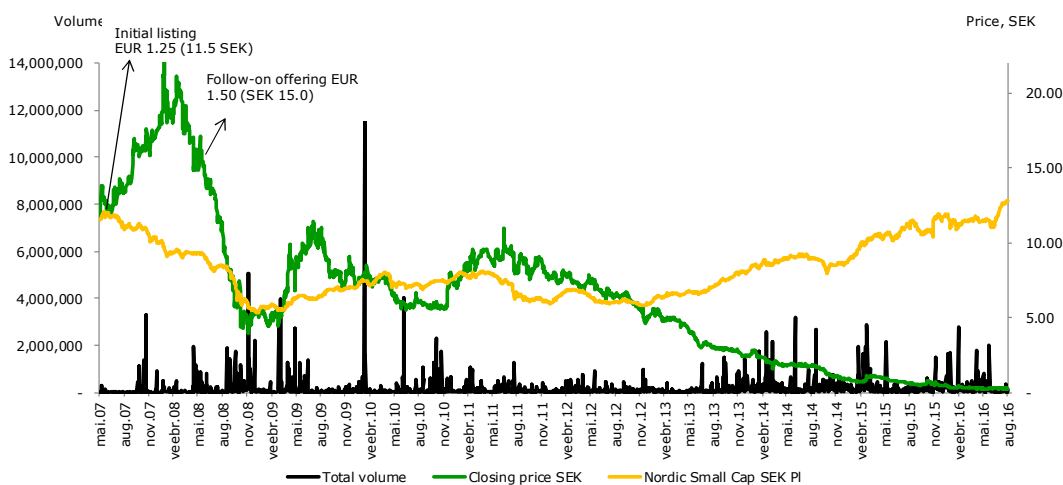
JPM CHASE NA
 UB SECURITIES AB
 SWEDBANK AS (ESTONIA)
 LIND VALUE APS
 GOLDMAN SACHS INTERNATIONAL LTD, W8IMY
 CBLDN-POHJOLA BANK PLC CLIENT A/C
 UBS SWITZERLAND AG CLIENTS ACCOUNT
 SWEDBANK AS
 FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION
 NORDEA BANK FINLAND ABP
 OTHER
TOTAL

Country	No of shares	Holdings in %
Great Britain	12,310,471	7.7%
Finland	10,102,048	9.5%
Estonia	10,000,000	7.8%
Denmark	9,995,030	7.7%
Great Britain	8,840,417	6.8%
Great Britain	5,246,107	4.0%
Switzerland	5,162,500	4.0%
Estonia	4,949,752	3.8%
Sweden	4,781,365	3.7%
Finland	3,663,178	2.8%
	58,239,789	45.0%
	129,627,479	100.0%

Trigon Agri Share trade data

MCap (period end), SEK
 Average no of trades per day
 Average volume per trade
 Average number of traded shares per day
 Average turnover per day, SEK
 Average turnover per trade, SEK

	2014	2015	01.01.2016-17.08.2016
MCap (period end), SEK	108,887,082	66,110,014	33,703,145
Average no of trades per day	44	38	24
Average volume per trade	5,397	6,046	8,843
Average number of traded shares per day	237,264	228,440	209,573
Average turnover per day, SEK	411,785	172,846	66,373
Average turnover per trade, SEK	9,367	4,574	2,800



BONDS

Bonds information

Official listing:	Nasdaq First North
Exchange ISIN:	SE0004019008
Short name:	TAGR 001 O2
Currency:	SEK
Annual interest rate:	11%
Expiry date:	31.08.2017
Next coupon date:	31.08.2016

FINANCIAL CALENDAR

Interim Report 1H 2016
Interim Report 9m 2016
Interim Report 4Q 2016
Annual Report 2016
Interim Report 1Q 2017

August 31, 2016
November 30, 2016
February 28, 2017
June 30, 2017
May 31, 2017

1H 2016 RESULTS PRESENTATION

A telephone conference for presentation of the 1H 2016 results will be held on August 31, 2016 at 10.00 CEST.

Program:

Simon Boughton, CEO and Konstantin Kotivnenko, Executive Board member, will present and comment upon the results. There will also be an opportunity to ask questions.

To participate in the telephone conference, please call one of the following numbers:

DK: +453 544 5575
FI: +358 981 710 491
UK: +442 030 089 806
NO: +472 350 0254
SE: +468 566 42662

The presentation material will be available on www.trigonagri.com before the telephone conference starts. A recording of the telephone conference will be available afterwards on www.trigonagri.com.

For further information, please contact:

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Tel: +372 61 91 500
E-mail: mail@trigonagri.com

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Phone: +372 61 91 500
E-mail: mail@trigonagri.com
Home page: www.trigonagri.com

CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION

in EUR thousand	Note	30.06.2016	31.12.2015
ASSETS			
Current assets			
Cash and cash equivalents		6,518	1,901
Trade and other receivables	3	4,637	11,462
Inventories	4	1,675	8,447
Biological assets	5	24,222	2,249
Assets of disposal group classified as held for sale	16	-	8,000
Assets held for sale		23	23
		37,075	32,082
Non-current assets			
Prepaid land rents and land usage rights		1,133	1,245
Other non-current prepayments and receivables	3	83	153
Biological assets	5	1,882	1,662
Deferred tax assets		1	2
Intangible assets		33	43
Property, plant and equipment	6	22,734	22,787
Investments in associates		6,927	9,874
		32,793	35,766
Total assets		69,868	67,848
LIABILITIES			
Current liabilities			
Trade and other payables	7	9,816	4,101
Liabilities directly associated with assets classified as held for sale	8,16	-	7,893
Borrowings	8	16,184	15,628
		26,000	27,622
Non-current liabilities			
Trade and other payables	7	3	28
Borrowings	8	38,086	38,803
Deferred tax liabilities		791	854
		38,880	39,685
Total liabilities		64,880	67,307
EQUITY			
Capital and reserves attributable to equity holders of the Group			
Ordinary shares	9	1,296	64,814
Share premium	9	99,941	99,941
Other reserves		-45,454	-64,836
Accumulated deficit		-51,082	-99,696
		4,701	223
Non-controlling interest in equity		287	318
Total equity		4,988	541
Total equity and liabilities		69,868	67,848

The notes on pages 22 to 35 are an integral part of this consolidated condensed interim financial information.

CONSOLIDATED CONDENSED INCOME STATEMENT

in EUR thousand	Note	2Q 2016	2Q 2015	1H 2016	1H 2015
Continuing operations:					
Revenue		3,332	4,491	7,748	12,026
Other income		169	274	217	393
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets	5	20,620	22,599	21,981	22,296
Total revenue, other income and fair value adjustments		24,121	27,364	29,946	34,715
Net changes in inventories of agricultural produce and work in process					
Cost of purchased goods for trading purposes		-488	-305	-640	-1,258
Raw materials and consumables used for production purposes	10	-4,855	-6,372	-7,662	-11,590
Employee benefits expense		-871	-1,385	-1,884	-2,663
Depreciation and amortization		-371	-679	-742	-1,339
Other administrative expenses		-637	-1,702	-1,244	-2,402
Other (losses)/gains - net	11	68	-1,340	-426	-551
		13,719	11,914	11,566	8,319
Gains/losses from exchange rate differences		1,353	1,155	421	-3,601
Interest income		11	24	39	15
Finance costs		-1,693	-1,993	-3,385	-2,805
Share of profit of investments accounted for using the equity method		-458	-317	-1,443	-317
Loss before income tax		12,932	10,783	7,198	1,611
Corporate income tax		-19	-2	-21	11
Loss for the period from continuing operations		12,913	10,781	7,177	1,622
Discontinued operations					
Profit/Loss for the period from discontinued operations (attributable to equity holders of the company)	16	-18,874	1,309	-22,111	846
Profit/Loss for the period		-5,961	10,781	-14,934	2,468
Attributable to:					
Equity holders of the Company		-5,943	10,800	-14,903	2,824
Non-controlling interest		-18	-19	-31	-356
		-5,961	10,781	-14,934	2,468
Profit/Loss per share for loss attributable to the equity holders of the Company during the period, both basic and diluted (expressed in Euros per share)					
From continuing operations		0.10	0.00	0.06	0.01
From discontinued operations	16	-0.14	0.08	-0.17	0.01
Profit/Loss per share for loss attributable to the equity holders of the Company during the period, both basic and diluted (expressed in Euros per share)	12	-0.04	0.08	-0.11	0.02

The notes on pages 22 to 35 are an integral part of this consolidated condensed interim financial information.

CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

in EUR thousand		2Q 2016	2Q 2015	1H 2016	1H 2015
Loss/profit for the period		-5,961	10,781	-14,934	2,468
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
	Gain/loss on revaluation of land of continuing operations	2	182	-5,194	329
	Gain/loss on revaluation of land of discontinued operations	2,16	-	5	-
Items that may be subsequently reclassified to profit or loss					
	Currency translation differences from continuing operations		2,380	6,299	149
	Currency translation differences from discontinued operations	16	17,557	-5,630	18,904
Other comprehensive income/expense for the period; net of tax		20,119	1,105	19,382	2,133
Total comprehensive expense for the period		14,158	11,886	4,448	4,601
Attributable to:					
	Equity holders of the Company	14,176	6,280	4,479	4,957
	Non-controlling interest	-18	-19	-31	-356
Total comprehensive expense for the period		14,158	6,261	4,448	4,601
Total comprehensive expense for the period attributable to owners of the Company arises from					
	Continuing operations	16	15,493	5,249	7,686
	Discontinued operations		-1,317	1,031	-3,207
			14,176	6,280	4,479
				4,479	4,957

The notes on pages 22 to 35 are an integral part of this consolidated condensed interim financial information.

CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY

in EUR thousand	Attributable to equity holders of the Company						
	Share capital	Share premium	Other reserves	Accumulated deficit	Total	Non-controlling interest	Total Equity
Balance at 31.12.2014	64,814	99,941	-64,446	-47,073	53,236	8,670	61,906
Profit/loss for the period	-	-	-	2,824	2,824	-356	2,468
Other comprehensive income	-	-	7,332	-	7,332	-	7,332
Transfer to retained earnings due to loss of control over the subsidiary	-	-	-5,199	5,199	-	-	-
Total comprehensive income	-	-	2,133	8,023	10,156	-356	9,800
Decrease due to loss of control in a subsidiary	-	-	-	-5,199	-5,199	-8,020	13,219
Total transactions with owners, recognised directly in equity	-	-	-	-5,199	-5,199	-8,020	13,219
Balance at 30.06.2015	64,814	99,941	-62,313	-44,249	58,193	294	58,487
Balance at 31.12.2015	64,814	99,941	-64,836	-99,696	223	318	541
Profit/loss for the period	-	-	-	-14,903	14,903	-31	14,934
Other comprehensive income	-	-	19,382	-	19,382	-	19,382
Total comprehensive income	-	-	19,382	-14,903	4,479	-31	4,448
Reduction in share capital	-63,517	-	-	63,517	-	-	-
Total contributions by and distributions to owners of the parent, recognised directly in equity	-63,517	-	-	63,517	-	-	-
Balance at 30.06.2016	1,296	99,941	-45,454	-51,082	4,701	287	4,988

The notes on pages 22 to 35 are an integral part of this consolidated condensed interim financial information.

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

in EUR thousands	Note	1H 2016	1H 2015
Cash flows from operating activities			
Continuing operations			
Cash receipts from customers		10,851	15,451
Cash paid to suppliers and employees		-10,032	-14,701
Income tax paid		-26	-83
Subsidies received		86	615
Interest received		12	9
Net cash outflow from discontinued operations	16	-728	-871
Net cash generated from operating activities		163	420
Cash flows from investing activities			
Continuing operations:			
Payment for acquisition of subsidiary		-13	-
Cash outflow from loss of control over subsidiary		-	-2,564
Proceeds from sales of shares in associate		1,504	-
Proceeds from issuance of subsidiary's shares to non-controlling interest		-	2,000
Purchase of property, plant and equipment	6	-378	-433
Proceeds from sales of property, plant and equipment	6	54	80
Net cash inflow from discontinued operations	16	10,505	231
Net cash generated from/used in investing activities		11,672	-686
Cash flows from financing activities			
Continuing operations:			
Proceeds from borrowings	8	1,143	1,732
Repayments of borrowings	8	-2,531	-1,585
Repayments of finance lease liabilities	8	-56	-128
Short-term loans received from related parties	15	900	-
Short-term loans repaid to related parties	15	-400	-
Interest paid		-889	-1,030
Net cash outflow from discontinued operations	16	-5,267	-1,245
Net cash used in financing activities		-7,100	-2,256
Net increase/decrease in cash and cash equivalents		4,735	-2,522
Effects of exchange rate changes on cash and cash equivalents		-118	-351
Cash and cash equivalents at beginning of period		1,901	4,125
Cash and cash equivalents at end of period		6,518	1,252

The notes on pages 22 to 35 are an integral part of this consolidated condensed interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

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, Sweden and Switzerland (together hereinafter referred to as "the Group").

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 have been traded on the main market Small Cap segment on NASDAQ 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 August 31, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

This condensed consolidated interim financial information of Trigon Agri A/S for the six months ended June 30, 2016 has been prepared in accordance with IAS 34, 'Interim financial reporting' as adopted by the European Union, and additional Danish disclosure requirements for listed companies. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2015, which have been prepared in accordance with IFRS as adopted by the European Union and additional Danish disclosure requirements for listed companies.

The accounting policies applied are consistent with those of the annual financial statements for the year ended December 31, 2015, as described in those annual financial statements.

DISCONTINUED OPERATIONS AND CHANGES TO COMPARITIVES

On November 3, 2015 the Group signed a framework agreement for the divestment of its Rostov cluster (Russian cereals production) and completed the divestment on June 2, 2016. Consequently, the Group reports the operations in Russian cereals production unit in this interim report as discontinued operations, providing the results in Note 16. Certain changes have been made to 1H 2015 comparative figures in relation to separating continuing operations from discontinued operations (Note 16).

NOTE ON UKRAINE

Ukraine

The recent political and economic instability in Ukraine has continued in 2016 and has led to a deterioration of State finances, volatility of financial markets, illiquidity on capital markets, higher inflation and a depreciation of the national currency against major foreign currencies.

In March 2014 various events in Crimea led to the accession of the Republic of Crimea to the Russian Federation. Further, in 2014 armed separatist forces obtained control over parts of the Donetsk and Lugansk regions in eastern Ukraine. The Group has

no business in Crimea/Donetsk/Lugansk regions. The relationships between Ukraine and the Russian Federation worsened and remained strained. 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.

At June 30, 2016 the official NBU exchange rate of Hryvna against US dollar reached UAH 24.85 per USD 1 compared to 24.00 per USD 1 as at 31 December 2015.

For further information, please refer to Note 4.3 in the 2015 Annual report.

3. TRADE AND OTHER RECEIVABLES

in EUR thousand

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

30.06.2016	31.12.2015
277	554
1,438	7,435
3,005	3,626
4,720	11,615
-77	-146
-6	-7
83	153
4,637	11,462

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 property, plant and equipment.

At June 30, 2016, Other receivables include EUR 130 thousand from related parties (EUR 284 thousand as at December 31, 2015) (Note 15). As at December 31, 2015 EUR 6,500 thousand was related to the receivable for the sale of assets of disposal group.

4. INVENTORIES

Inventory breakdown, EUR thousand

Grain for sale
Raw materials, supplies
Fieldworks in process
Total

30.06.2016	31.12.2015
102	5,954
1,569	1,669
4	824
1,675	8,447

Own produced inventories are measured at net realizable value. Grain for sale is revalued by the Group on each balance sheet date for revaluations as

at June 30, the Group used the market prices from APK-Inform as at the end of June.

**Breakdown of the grain for sale,
agricultural produce inventory,
30.06.2016**

	Grain for sale, agricultural produce, EUR thousand	Tonnes	Average price used, EUR/t
Wheat	13	106	125
Barley	69	602	115
Sunflower	3	9	339
Corn	4	28	141
Rapeseed	7	24	303
Soya	2	5	333
Other	4	63	60
Total	102	837	122

**Breakdown of the grain for sale,
agricultural produce inventory,
31.12.2015**

	Grain for sale, agricultural produce, EUR thousand	Tonnes	Average price used, EUR/t
Wheat	35	288	123
Barley	9	79	116
Sunflower	5,427	16,916	321
Corn	461	3,524	131
Rapeseed	1	5	292
Soya	-	1	286
Other	21	356	55
Total	5,954	21,169	281

5. BIOLOGICAL ASSETS

in EUR thousand

Carrying amount at 31.12.2015

Non-current biological assets

Current biological assets

1H 2016

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 (Note 4)*

- *Decreases due to written-off biol.assets*

Remeasurement of biological assets to fair value less cost to sell
(Note 16)*

- *Other changes in fair value*

Currency translation differences

Carrying amount at 30.06.2016

Non-current biological assets

Current biological assets

	Plant cultivation	Animal husbandry	Total
Carrying amount at 31.12.2015	2,367	1,544	3,911
Non-current biological assets	118	1,544	1,662
Current biological assets	2,249	-	2,249
1H 2016			
Increases due to purchases	373	-	373
Decrease due to sales	-373	-	-373
Gain/loss arising from changes in fair value less estimated point of sale costs of biological assets:	21,256	6	21,262
- <i>Increases due to new plantations/birth</i>	24,494	74	24,568
- <i>Harvest (Note 4)</i>	-2,471	-	-2,471
- <i>Decreases due to written-off biol.assets</i>	-48	-171	-219
Remeasurement of biological assets to fair value less cost to sell (Note 16)*	-719	-	-719
- <i>Other changes in fair value</i>	-	103	103
Currency translation differences	733	198	931
Carrying amount at 30.06.2016	24,356	1,748	26,104
Non-current biological assets	134	1,748	1,882
Current biological assets	24,222	-	24,222

in EUR thousand	Plant cultivation	Animal husbandry	Total
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
1H 2015			
Decrease due to loss of control over subsidiary (Note 29)	-879	-6,646	-7,525
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>	25,105	59	25,164
- <i>Harvest (Note 4)</i>	27,163	426	27,589
- <i>Decreases due to written-off biol.assets</i>	-2,051	-483	-2,534
- <i>Other changes in fair value</i>	-7	-90	-97
Currency translation differences	-	206	206
	67	278	345
Carrying amount at 30.06.2015	28,425	2,000	30,425
Non-current biological assets	137	2,000	2,137
Current biological assets	28,288	-	28,288

*Biological assets of the Disposal group were remeasured to fair value less cost to sell and classified as Assets held for sale

Gain/ loss arising from changes in fair value less estimated point of sale costs of biological assets for 1H 2016 include a loss of EUR 719 thousand from discontinued operations (gain of EUR 2,868 thousand in 1H 2015).

As at the balance sheet date, Current biological assets in plant cultivation consist of crops seeded in autumn 2015 and spring 2016.

Non-current biological assets in plant cultivation include grasslands, which are used for harvesting animal feed, and non-current assets in animal husbandry include dairy herd, both mature and immature.

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. As the main growth period for the crops is April to July, the change in the fair value is

always highest during the second quarter of the year. The biological assets have been revalued using the latest information about the yields, prices and harvest related cash outflows.

Cereal prices used for revaluation of biological assets

EUR per tonne	1H 2015	1H 2016
Wheat	111	121
Sunflower	336	290
Rapeseed	240	290
Corn	119	131
Barley	-	110
Soya	297	330

6. PROPERTY, PLANT AND EQUIPMENT

Depreciation charge during 1H 2016 in amount of EUR 81 thousand was transferred to discontinued operations (Note 16) (EUR 369 thousand in 1H

2015). The Group's acquisitions of property, plant and equipment during the period amounted to EUR 368 thousand (EUR 3,282 thousand in 1H 2015).

in EUR thousand	Land	Buildings	Vehicles & machinery	Furniture, fittings & equipment	Construction in process	Total
31.12.2015						
Cost	8,460	11,158	18,779	807	1,363	40,567
Accumulated depreciation	-	-2,669	-14,363	-748	-	-17,780
Net book amount	8,460	8,489	4,416	59	1,363	22,787
1H 2016						
Additions	-	18	291	4	55	368
Changes due to revaluation through Other Comprehensive Income	329	-	-	-	-	329
Remeasurement to fair value less cost to sell (Note 16)	-	-	-935	-5	-7	-947
Disposals	-3	-14	-28	-	-103	-148
Reclassification balance sheet items/between groups	-	-	-	2	-2	-
Depreciation charge	-	-213	-521	-13	-	-747
Currency translation differences	753	202	15	-2	124	1,092
Closing net book amount	9,539	8,482	3,238	45	1,430	22,734
30.06.2016						
Cost	9,539	11,377	15,386	794	1,430	38,526
Accumulated depreciation	-	-2,895	-12,148	-749	-	-15,792
Net book amount	9,539	8,482	3,238	45	1,430	22,734

in EUR thousand	Land	Buildings	Vehicles & machinery	Furniture, fittings & equipment	Construction in process	Total
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
1H 2015						
Additions	3,139	31	46	6	60	3,282
Revaluation surplus through Other Comprehensive Income	1,789	-	-	-	-	1,789
Decrease due to disposal of subsidiary	-12,358	-13,993	-4,344	-22	-	-30,717
Disposals	-	-9	-166	-	-	-175
Reclassification balance sheet items/between groups	-	22	5	-5	-22	-
Depreciation charge	-	-468	-1,119	-30	-	-1,617
Currency translation differences	7,682	-485	-285	-14	239	7,137
Closing net book amount	65,727	11,340	5,467	120	1,483	84,137
30.06.2015						
Cost	65,727	15,930	16,213	497	1,483	99,850
Accumulated depreciation	-	-4,590	-10,746	-377	-	-15,713
Net book amount	65,727	11,340	5,467	120	1,483	84,137

7. TRADE AND OTHER PAYABLES

in EUR thousand	30.06.2016	31.12.2015
Trade payables	3,427	854
Prepayments from clients	2,084	688
Social security and other taxes	1,048	758
Accrued expenses	1,863	1,139
Amounts due to related parties (Note 15)	510	75
Other payables	887	615
	9,819	4,129
Less: non-current portion	-3	-28
	9,816	4,101

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

8. BORROWINGS

The total borrowings of the Group as at June 30, 2016 amounted to EUR 54,270 thousand (EUR 54,431 thousand as at December 31, 2015). At June 2, 2016 the divestment of the Rostov business was finalized and therefore as at June 30, 2016 there are no Liabilities directly associated with assets classified as held for sale (EUR 7,893 thousand as at December 31, 2015) (Note 16). In 1H 2016 the Group received new loans in amount of UAH 10 million and RUB 20 million with maturity dates in 2016, overdraft amounting to RUB 341 thousand with a maturity date in 2016 and new leasing in Milk production in Russia with maturity date in 2018.

The value of SEK-nominated bond (including accrued interest) increased mainly due to accrued interest.

Additionally, the EUR value of the SEK-nominated bond depends on the exchange rate.

Details of the borrowings' currencies, interest rates and maturities are shown in the included tables. Total finance costs for continuing operations in 1H 2016 amounted to EUR 3,385 thousand (EUR 2,805 thousand in 1H 2015). 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).

30.06.2016, in EUR thousand

SEK-nominated (bonds incl accrued interest)	41,474	2017	11%
RUB-nominated	377	2016-2018	13.5%-25.5%
RUB-nominated	703	2017	CBR base rate+3%
USD-nominated	6,753	2016	11%
USD-nominated	3,857	2016	LIBOR+11%
UAH-nominated	1,104	2016	21.5%-23%
UAH-nominated	2	2016-2017	no interest

30.06.2016	Maturity	Interest rate
41,474	2017	11%
377	2016-2018	13.5%-25.5%
703	2017	CBR base rate+3%
6,753	2016	11%
3,857	2016	LIBOR+11%
1,104	2016	21.5%-23%
2	2016-2017	no interest
54,270		
Less: non-current portion		
38,086		
16,184		

31.12.2015, in EUR thousand

SEK-nominated (bonds incl accrued interest)	39,933	2017	11%
RUB-nominated	134	2016-2017	2-15%
RUB-nominated	608	2017	CBR base rate+3%
USD-nominated	9,083	2016	10.5-11%
USD-nominated	3,918	2016	LIBOR+11%
USD-nominated	96	2017	no interest
EUR-nominated	39	2016	3m EURIBOR+0.0%
EUR-nominated	12	2016	no interest
UAH-nominated	604	2016	25%
UAH-nominated	4	2016-2017	no interest

31.12.2015	Maturity	Interest rate
39,933	2017	11%
134	2016-2017	2-15%
608	2017	CBR base rate+3%
9,083	2016	10.5-11%
3,918	2016	LIBOR+11%
96	2017	no interest
39	2016	3m EURIBOR+0.0%
12	2016	no interest
604	2016	25%
4	2016-2017	no interest
54,431		
Less: non-current portion		
38,803		
15,628		

9. SHARE CAPITAL

in EUR thousand	Number of shares	Incl. ordinary shares	Share capital	Share premium	Total
31.12.2014	129,627,479	129,627,479	64,814	99,941	164,755
30.06.2015	129,627,479	129,627,479	64,814	99,941	164,755
31.12.2015	129,627,479	129,627,479	64,814	99,941	164,755
Reduction in share capital	129,627,479	129,627,479	-63,517	-	-63,517
30.06.2016	129,627,479	129,627,479	1,296	99,941	101,237

The total authorized number of ordinary shares is 129,627,479 shares (as of December 31, 2015: 129,627,479 shares) with a par value of 0.01 EUR per share (0.5 EUR per share as at December 31, 2015). All shares have been fully paid.

In 1Q 2016 the share capital was reduced by nominally EUR 63,517,464.71 from nominally EUR 64,813,739.50 to nominally EUR 1,296,274.79 to cover losses, by way of decreasing the nominal value of each share from EUR 0.5 to EUR 0.01.

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

10. RAW MATERIALS AND CONSUMABLES USED FOR PRODUCTION PURPOSES

in EUR thousand	1H 2016	1H 2015
Seeds, fertilizers, chemicals	4,272	5,749
Animal feed	585	1,914
Repairs	754	893
Fuel, gas, electricity	470	764
Land tax and land rental	1,240	1,203
Other services and materials	341	1,067
	7,662	11,590

Reduction in costs for 1H 2016 resulted from deconsolidation of Milk production segment in Estonia and lower application of fertilizers in Ukraine.

11. OTHER (LOSSES)/GAINS-NET

in EUR thousand

VAT in Ukraine	
Write down of doubtful receivables and prepayments (Note 3)	
Foreign exchange losses/gains net	
Loss of control over subsidiary	
Other losses / gains net	

	1H 2016	1H 2015
	-29	585
	-188	-292
	443	328
	-	-1,116
	-652	-56
	-426	-551

As of 2016 the government of Ukraine changed the policy of special VAT treatment for agricultural companies under which the Group can record only 15% of the positive balance between VAT payable and receivable under Other (losses)/gains-net and 85% must be paid back to the State Budget of

Ukraine. Therefore, the VAT amount recorded in 1H 2016 decreased compared to 1H 2015, when 100% of the VAT was recorded on the Income Statement. Loss of control over subsidiary in 1H 2015 was related to the loss of disposing Milk production in Estonia.

12. EARNINGS/LOSS PER SHARE

Basic earnings/loss per share is calculated by dividing the profit attributable to the equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

in EUR thousand

Loss attributable to equity holders of the parent (EUR thousand)	
Weighted average number of ordinary shares outstanding (thousands)	
Basic loss per share (EUR per share)	
From continuing operations	
From discontinued operations (Note 16)	

	1H 2016	1H 2015
	-14,903	2,824
	129,627	129,627
	-0.11	0.02
	0.06	0.01
	-0.17	0.01

13. SEGMENT REPORTING

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 following changes have been made regarding segment reporting. Starting from September 30,

2015 the management considers two continuing business segments (Ukraine and Milk production) and cereals production cluster in Russia is considered as discontinued operation (Note 16). As of April 1, 2015 the Group uses the equity method to record the accounts of the Milk production segment in Estonia as the profit/loss on the Income Statement is shown under the line Share of profit of investments accounted for using the equity method. Consequently, Milk production segment Revenue,

OPEX and EBITDA for the 1H 2015 comprises of the results of the Milk production segment in Russia and Estonia, while the profit of Milk production in Estonia for 1H 2016 is recorded under the line Share of profit of investments accounted for using the equity method. See page 11 for further information on the Milk production segment. Ukraine segment includes cereals production, storage and trading operations.

Cereals are produced for sale only in cereal production segment located in the Black Earth regions in Ukraine. In the Milk production segment, cereals are produced only in crop rotation order and used mainly as animal feed. In this segment, cereals are considered to be side production.

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 recognized 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.

The income from milk sales has the least seasonal nature.

1H 2016, in EUR thousand

Revenue between segments
Revenue from external customers
Total segment revenue

Subsidies
Other income
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets

Total revenue, other income and fair value adjustments

Net changes in inventories of agricultural produce and work in process
Cost of purchased goods
OPEX
Other (losses)/gains - net

EBITDA

Depreciation and amortization
Finance income/costs
Share of profit of investments accounted for using the equity method

Profit/loss before income tax

Additions of Property, plant and equipment

	Ukraine	Milk production	Total
	-	-	-
	6,522	1,226	7,748
	6,522	1,226	7,748
	-	97	97
	119	1	120
	21,875	106	21,981
	28,516	1,430	29,946
	-5,855	73	-5,782
	-636	-4	-640
	-9,427	-1,363	-10,790
	-385	-41	-426
	12,213	95	12,308
			-742
			-2,925
		-1,443	-1,443
			7,198
	135	233	368

1H 2015, in EUR thousand	Milk		Total
	Ukraine	production	
Revenue between segments	-	-	-
Revenue from external customers	8,648	3,378	12,026
Total segment revenue	8,648	3,378	12,026
Subsidies	-	292	292
Other income	60	41	101
Gain/loss arising from changes in fair value less estimated point-of-sale costs of biological assets	22,155	141	22,296
Total revenue, other income and fair value adjustments	30,863	3,852	34,715
Net changes in inventories of agricultural produce and work in process	-6,758	165	-6,593
Cost of purchased goods	-1,255	-3	-1,258
OPEX	-12,539	-4,116	-16,655
Other (losses)/gains - net	547	-1,098	-551
EBITDA	10,858	-1,200	9,658
Depreciation and amortization			-1,339
Finance income/costs			-6,391
Share of profit of investments accounted for using the equity method			-317
Profit/loss before income tax			1,611
Additions of Property, plant and equipment	110	3,172	3,282

14. 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), TBHV Holding AB (publ). (Sweden).

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 Russia and a 39.24% stake in AS Trigon Dairy Farming Estonia (a holding company for milk production operations in Estonia).

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. However, 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. Currently there are currency controls in place in Ukraine.

15. RELATED PARTY TRANSACTIONS

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

AS Trigon Capital, which owns 7.81% of the total voting shares (7.81% at December 31, 2015) provided management services to the Group up until the end of 2015.

AS Trigon Dairy Farming Estonia (a holding company for milk production operations in Estonia where the Group has a 39.24% stake) is considered a related party.

in EUR thousand

Sales and purchases

Interest to related parties	-8	-
Interests from related parties	-	6
Purchase of management services from Trigon Agri Advisors	-	-1,206
Purchase of goods and services from related parties	-100	-74

1H 2016	1H 2015
-8	-
-	6
-	-1,206
-100	-74

Balances from sales/purchases of goods/services

Payable to related parties (Note 7)

30.06.2016	31.12.2015
4	75

Loans from related parties (Note 7)

in EUR thousand

Beginning of the year	-	-
Loans advanced	900	-
Loan repayments made	-400	-
Interest charged	8	-
Interest paid	-2	-
End of the period	506	-

2016	2015
-	-
900	-
-400	-
8	-
-2	-
506	-

Other balances with related parties

Receivable from related parties (Note 3)

30.06.2016	31.12.2015
130	284

16. DISCONTINUED OPERATIONS AND DISPOSAL GROUP

On 3 November 2015, the Group announced that a framework agreement for the divestment of its Rostov cluster was signed (Russian cereals production) and land (including prepayment for land), buildings and liabilities related to the operations in Russia cereals production were classified to held for sale. On 2 June, 2016 the Rostov cluster was divested, for the price of EUR 13,300 thousand. As a result of the divestment there

are no liabilities related to the disposal group as of June 30, 2016 (EUR 7,893 thousand as at December 31, 2015). The net proceeds from the sale of the Rostov cluster constituting EUR 5,052 thousand have been deposited to the Pledged Account in accordance with the Waiver of the Holders' Committee and shall be used to pay the annual interest rate of the Bonds (SEK 38,500 thousand) on 31 August 2016 and to finance working capital needs of the Group.

The loss from the Rostov divestment amounted to EUR 22,111 thousand, out of which Currency translation differences in amount of EUR 19,863 thousand were recycled from Other comprehensive income to the Income Statement. The remaining loss includes one-off re-measurement in amount of EUR 3,303 thousand and a profit of EUR 1,055 thousand mainly related to the gain from exchange rate differences.

The results of operations related to Russian cereals production are distinguished from continuing operations and shown as discontinued operations. Financial information related to the Rostov cluster is set out below, comparative figures have been reclassified for the Income statement and Cash flow.

Disposal group

In EUR thousand

Assets classified as held for sale

Property, plant and equipment

Total assets of disposal group held for sale

Liabilities directly associated with assets classified as held for sale

Borrowings

Total liabilities of the disposal group held for sale

Total net assets of the disposal group

	30.06.2016	31.12.2015
Property, plant and equipment	-	8,000
Total assets of disposal group held for sale	-	8,000
Borrowings	-	7,893
Total liabilities of the disposal group held for sale	-	7,893
Total net assets of the disposal group	-	107

Income statement information

In EUR thousand

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

Expenses

Gain/losses from exchange rate differences*

Profit before income tax from discontinued operations

Income tax

Profit after income tax from discontinued operations

Remeasurement to fair value less cost to sell (Note 3)

Currency translation differences recycled from Other comprehensive income to Income statement

Loss from discontinued operations

	30.06.2016	30.06.2015
Total revenue, other income and fair value adjustments and net changes in inventories	3,107	3,686
Expenses	-2,725	-3,494
Gain/losses from exchange rate differences*	690	665
Profit before income tax from discontinued operations	1,072	857
Income tax	-17	-11
Profit after income tax from discontinued operations	1,055	846
Remeasurement to fair value less cost to sell (Note 3)	-3,303	-
Currency translation differences recycled from Other comprehensive income to Income statement	-19,863	-
Loss from discontinued operations	-22,111	846

* The EUR 690 thousand gain from exchange rate differences in 1H 2016 (gain of EUR 665 thousand in 1H 2015) is a non-cash item and is due to the accounting treatment of the EUR loan which in Rouble terms creates a currency translation gains/loss in the local balance sheet of the Russian operations.

**Comprehensive income information
in EUR thousand**

Profit/Loss for the period from discontinued operations

Other comprehensive income:

Items that will not be reclassified to profit or loss

Gain/loss on revaluation of land from discontinued operations

Items that may be subsequently reclassified to profit or loss

Currency translation differences from discontinued operations

Currency translation differences recycled from Other comprehensive income to Income statement

Other comprehensive income/expense for the period; net of tax from discontinued operations

Total comprehensive income/expense for the period from discontinued operations

30.06.2016	30.06.2015
-22,111	846
-	510
-959	5,446
19,863	-
18,904	5,956
-3,207	6,802

17. EVENTS AFTER THE BALANCE SHEET DATE

Trigon Agri finished its early crop harvest by August 10, 2016 with 53% of the total area now being harvested. Although the weather conditions were unfavorable during germination of the winter crops, the harvest result was above expectations. As of the date of this report the late crops are in good

condition, with corn, sunflower and soya expected to be harvested with yields above previous year. The Company started winter crops sowing in July with enough moisture for the good germination of the crops.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board have reviewed and approved the Interim Report of the Trigon Agri Group.

The Interim Report, which has not been audited or reviewed by the Group's auditor, has been prepared in accordance with IAS 34 and additional Danish disclosure requirements for listed companies.

In our opinion, the Interim Report provides a true and fair view of the Group's assets, liabilities, financial position, results of operations and cash flows. Furthermore, in our opinion, the Interim Report provides a fair review of the developments in the Group's activities and financial position, and describes the significant risks and uncertainties that may affect the Group.

August 31, 2016

Johannes Bertorp

Chairman of the
Board of Directors

David Mathew

Member of the
Board of Directors

Simon Boughton

Chairman of the
Executive Board

Jens Bruno

Member of the
Board of Directors

Konstantin Kotivnenko

Member of the
Executive Board

Peter Gæmelke

Member of the
Board of Directors

DEFINITIONS

Acid test	<i>(Total current assets – Inventories (inventories including biological assets)- Assets held for sale (including Assets of disposal group classified as held for sale))/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 (in accordance with IAS 33).</i> 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 (including Liabilities directly associated with assets classified as held for sale -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.
Book value per share	<i>Total Stockholders' equity/ weighted average number of common shares outstanding during the period (in accordance with IAS 33).</i> The book value per share measures the per share value of a company based on its equity available to shareholders.