

**KSG Agro S.A.**

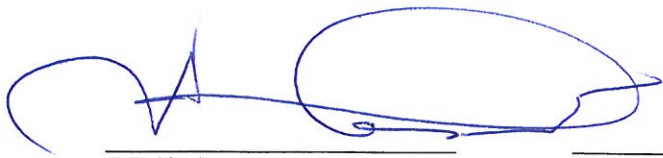
**UNAUDITED**


**Consolidated Statement of financial position and income  
statement**


**31 December 2013**

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In thousands of US dollars</i>	Note	31 December 2013	31 December 2012
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		90,327	76,489
Intangible assets		19,836	27,537
Long-term biological assets		22,772	1,856
Promissory notes receivable		819	352
Term deposits		14,245	3,107
<b>Total non-current assets</b>		<b>147,999</b>	<b>109,341</b>
<b>Current assets</b>			
Current biological assets		32,923	38,882
Inventories and agricultural produce		12,981	20,354
Trade and other accounts receivable		33,180	19,836
VAT receivable		6,206	3,862
Term deposits		5,132	5,747
Cash and cash equivalents		131	711
		<b>90,553</b>	<b>89,392</b>
Non-current assets held for sale		-	5,033
<b>Total current assets</b>		<b>90,553</b>	<b>94,425</b>
<b>TOTAL ASSETS</b>		<b>238,552</b>	<b>203,766</b>
<b>EQUITY</b>			
Share capital		150	149
Share premium		37,366	36,821
Prepayment for future share issue		-	432
Treasury shares		(112)	-
Retained earnings		12,766	42,919
Currency translation reserve		(35)	181
<b>Equity attributable to the owners of the Company</b>		<b>50,135</b>	<b>80,502</b>
<b>Non-controlling interests</b>		<b>28,757</b>	<b>25,618</b>
<b>TOTAL EQUITY</b>		<b>78,892</b>	<b>106,120</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings		41,649	9,914
Promissory notes issued		779	413
Deferred tax liability		2,778	2,778
<b>Total non-current liabilities</b>		<b>45,206</b>	<b>13,105</b>
<b>Current liabilities</b>			
Loans and borrowings		60,943	48,709
Trade and other accounts payable		50,877	34,737
Share purchase warrant		389	389
Promissory notes issued		1,665	424
Income tax payable		580	282
<b>Total current liabilities</b>		<b>114,454</b>	<b>84,541</b>
<b>TOTAL LIABILITIES</b>		<b>159,660</b>	<b>97,646</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>238,552</b>	<b>203,766</b>

  
S.P. Kasianov  
(Chairman of the Board)

  
S.V. Mazin  
(Chief Executive Officer)

  
O.V. Kallnichenko  
(Chief Financial Officer)

# CONSOLIDATED INCOME STATEMENT

<i>In thousands of US dollars</i>	<b>Note</b>	<b>2013</b>	<b>2012</b>
Revenue		57,903	37,222
Gain on initial recognition at fair value and net change in fair value of biological assets less estimated point-of-sale costs		13,299	22,116
Cost of sales		(64,428)	(39,751)
VAT non refundable		(1,356)	-
<b>Gross profit</b>		<b>5,418</b>	<b>19,587</b>
Gain on acquisition/(disposal) of subsidiaries		605	601
Other operating income		80	76
Government grant received		3,807	5,735
Selling, general and administrative expenses		(8,177)	(5,697)
Other operating expenses	1	(16,174)	(2,057)
<b>Operating profit</b>		<b>(14,441)</b>	<b>18,245</b>
Finance income		2,268	1,117
Finance expenses other than those related to share purchase warrant		(14,988)	(7,361)
Loss on share purchase warrant		-	(389)
<b>Profit before tax</b>		<b>(27,161)</b>	<b>11,612</b>
Income tax		(27)	48
<b>Profit for the year</b>		<b>(27,188)</b>	<b>11,660</b>
<b>Profit attributable to:</b>			
Owners of the Company		(30,153)	8,108
Non-controlling interest		2,965	3,552
<b>Profit for the year</b>		<b>(27,188)</b>	<b>11,660</b>
<b>Earnings per share</b>			
Weighted-average number of common shares outstanding		15,020,000	14,925,500
Basic earnings per share, USD		(2.01)	0.54
Diluted earnings per share, USD		(2.01)	0.54

## ***Consolidated Statement of Comprehensive Income***

<i>In thousands of US dollars</i>	<b>2013</b>	<b>2012</b>
<b>Profit for the year</b>	<b>(27,188)</b>	<b>11,660</b>
<b>Other comprehensive income, net of income tax</b>		
Currency translation differences	(234)	277
<b>Total comprehensive income for the year</b>	<b>(27,422)</b>	<b>11,937</b>
<b>Total comprehensive income attributable to</b>		
Owners of the Company	(30,369)	8,385
Non-controlling interests	2,947	3,552
<b>Total comprehensive income for the year</b>	<b>(27,422)</b>	<b>11,937</b>

## Note 1

### Other Operating Expenses

<i>In thousands of US dollars</i>	<b>2013</b>	<b>2012</b>
Loss on associates' disposal	3,930	-
Goodwill impairment	6,281	-
Loss on PPE disposal	650	-
Impairment of VAT receivable	1,094	773
Write-off of damaged and slow-moving goods	1,308	489
Impairment of trade and other receivables (Note 13)	777	443
Goods' write-off to net realizable value	604	-
Other	1,530	352
<b>Total other operating expenses</b>	<b>16,174</b>	<b>2,057</b>