

KSG Agro S.A.

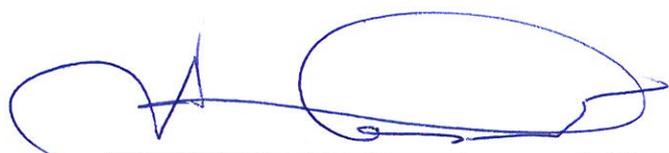
UNAUDITED

**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
ASSETS			
Non-current assets			
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
Total non-current assets		147,999	109,341
Current assets			
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
		90,553	89,392
Non-current assets held for sale		-	5,033
Total current assets		90,553	94,425
TOTAL ASSETS		238,552	203,766
EQUITY			
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
Equity attributable to the owners of the Company		50,135	80,502
Non-controlling interests		28,757	25,618
TOTAL EQUITY		78,892	106,120
LIABILITIES			
Non-current liabilities			
Loans and borrowings		41,649	9,914
Promissory notes issued		779	413
Deferred tax liability		2,778	2,778
Total non-current liabilities		45,206	13,105
Current liabilities			
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
Total current liabilities		114,454	84,541
TOTAL LIABILITIES		159,660	97,646
TOTAL LIABILITIES AND EQUITY		238,552	203,766



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>	Note	2013	2012
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)	-
Gross profit		5,418	19,587
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)
Operating profit		(14,441)	18,245
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)
Profit before tax		(27,161)	11,612
Income tax		(27)	48
Profit for the year		(27,188)	11,660
Profit attributable to:			
Owners of the Company		(30,153)	8,108
Non-controlling interest		2,965	3,552
Profit for the year		(27,188)	11,660
Earnings per share			
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>	2013	2012
Profit for the year	(27,188)	11,660
Other comprehensive income, net of income tax		
Currency translation differences	(234)	277
Total comprehensive income for the year	(27,422)	11,937
Total comprehensive income attributable to		
Owners of the Company	(30,369)	8,385
Non-controlling interests	2,947	3,552
Total comprehensive income for the year	(27,422)	11,937

Note 1

Other Operating Expenses

<i>In thousands of US dollars</i>	2013	2012
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
Total other operating expenses	16,174	2,057