



Report for the period
1st January 2013 – 30 September 2013

14-th November 2013

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1. General information about the Company

1.1 Company details

Company name:	Agroliga Group PLC
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Source: Issuer

1.2 Company profile

Agroliga Group (“Group”) is Ukraine based company conducting food and agricultural business. The Group produces sunflower oil, grain and breeds milk cows. The Group consists of six companies:

- Agroliga Group PLC – the holding company based in Cyprus;
- Agroliga operating in Ukraine. It conducts plant production;
- Mechnikovo operating in Ukraine. It specializes in milk cows breeding and plant production;
- Agrokom Novaj Vodolaga operating in Ukraine. It conducts sunflower oil production;
- PLC Liga A operating in Ukraine. It focuses on sales and trading services for other companies in the Group.
- Group of Companies Agroliga LLC– the holding company based in Ukraine.
- VostokAgroKontrakt operating in Ukraine. It conducts plant production;

1.3 Management Board

Aleksander Berdnyk - Chairman of the Board of Directors

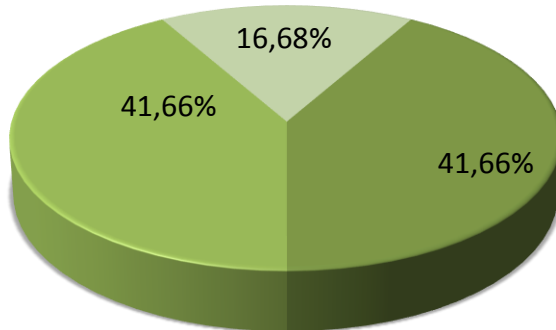
Bizserve Investments Limited – Member of the Board of Directors

Bizserve Management Limited – Member of the Board of Directors

1.4 Shareholder structure

Table 1 - The Shareholding structure of the Issuer, indicating shareholders holding at least 5% of the votes at the date of report (as of 14/11/2013)

Stockholder	Number of shares	Number of votes at the general meeting	Participation in share capital	Participation in the total number of votes at the general meeting
Alexandr Berdnyk	128 150	128 150	41,66%	41,66%
Irina Poplavskaya	128 150	128 150	41,66%	41,66%
Free float	51 260	51 260	16,68%	16,68%
ALL	307 560	307 560	100,00%	100,00%



- Irina Poplavskaya
- Alexandr Berdnyk
- Others

1.5 Persons employed

There are 248 persons employed by Agroliga group as at 30/09/2013 (FTE, including all the Group's companies)

CATEGORY	2013-09-30
ADMINISTRATION	29
PRODUCTION EMPLOYEES	131
SUPPORT	88
TOTAL	248

2. Condensed Financial Statements

Tables below provides data from condensed and unaudited financial statements of Agroliga Group PLC, prepared in accordance with International Accounting Standard 34 for 3Q2013 (period ended 30 September 2013).

Table 2.

**Condensed statement of profit or loss and other comprehensive income
for the period from 01/01 to 30/09 of 2013 year (with comparative data)**

	01/01/2013	01/01/2012	01/07/2013	01/07/2012
	-	-	-	-
	30/09/2013	30/09/2012	30/09/2013	30/09/2012
	€000	€000	€000	€000
Continuing operations				
Sales revenue	11 697	8 862	4 492	5 666
Cost of sales	(10 876)	(10 277)	(3 973)	(5 086)
Income (expenses) from change in fair value of biological assets	0	0	0	0
Income from change in fair value of agricultural products	2 714	4 574	2 600	2 651
Gross profit	3 536	3 159	3 119	3 232
Selling and distribution costs	(25)	(41)	(10)	8
Administrative expenses	(355)	(231)	(129)	(72)
Income from government grants	509	362	154	356
Other operating income/(expenses), net	-11	268	-5	-121
Operating profit	3 653	3 517	3 130	3 403
Non-operational income/(expenses), net	-	(14)	-	14
Financial income/(expenses), net	(209)	(212)	(80)	(74)
Exchange rate differences, net	2	-20	-7	7
Profit before tax from continuing operations	3 446	3 271	3 043	3 350
Income tax expense	(0)	(1)	0	1
Profit for the year from continuing operations	3 446	3 269	3 043	3 350
		0	0	0
Profit for the year attributable to				
Equity holders of the parent	3 390	3 226	2 995	3 296
Non-controlling interest	56	43	48	54

Source: Issuer

Table 3

Condensed statement of financial position
as at 31 December 2012 and 30 September 2013 (with comparative data)

	30 September, 2013	31 December, 2012	30 September, 2012	31 December, 2011
Assets	€000	€000	€000	€000
Non-current assets				
Property, plant and equipment	1 951	1 699	1 509	1 220
Non-current biological assets	196	183	177	171
Other non-current assets	326	300	26	249
Total non-current assets	2 472	2 182	1 712	1 640
Current assets				
Current biological assets	385	669	216	1 076
Inventories	5 805	4 677	4 703	3 477
Trade and other receivables	6 017	3 643	3 403	2 122
Cash and cash equivalent	53	103	148	103
Total current assets	12 260	9 092	8 470	6 778
Total assets	14 732	11 274	10 182	8 418
Equity and liabilities				
Share capital	51	51	32	32
Additional paid-in capital	953	953	1 046	1 046
Retained earnings	11 842	8 452	7 664	4 951
Exchange rate effect	-365	-125	-69	40
Equity attributable to equity holders of the parent	12 480	9 330	8 673	6 069
Non-controlling interests	193	137	138	86
Total equity	12 673	9 467	8 811	6 155
Non-current liabilities				
Other non-current liabilities	134	137	119	198
Deferred tax liability	-31	42	34	73
Total non-current liabilities	103	179	153	271

Current liabilities

Trade and other payables	1 079	1 114	859	1 392
Interest-bearing loans and borrowings	868	505	298	591
Provisions	9	9	62	9
Total current liabilities	1 956	1 628	1 218	1 992
Total liabilities	2 059	1 807	1 371	2 263
Total equity and liabilities	14 732	11 274	10 182	8 418

Source: Issuer

Table 4

Condensed statement for changes in equity

for the period from 01/01 to 30/09 of 2013 year

	Attributable to equity holders of the Company						Total
	Share capital	Share premium	Translation reserve	Retained earnings	Non-controlling interests		
	€000	€000	€000	€000	€000	€000	
Balance at 31 December 2011 /1 January 2012	32	1 046	40	4 952	86	6 156	
Net profit the period	-	-	-	3 110	51	3 161	
Exchange difference on the translation and consolidation of foreign companies' financial statements	-	-	- 166	-	-	- 166	
Result of aggregation with Ukrainian entity LLC Vostokagrokontract	19	-	-	390	-	409	
Share issue cost	-	- 93	-	-	-	- 93	
Balance at 31 December 2012/1 January 2013	51	953	- 126	8 452	137	9 467	
Net profit the period	-	-	-	3 390	56	3 446	
Issue of share capital	-	-	-	-	-	-	
Exchange difference on the translation and consolidation of foreign companies' financial statements	-	-	- 240	-	-	- 240	
Balance at 30 September 2013	51	953	- 366	11 842	193	12 673	

Source: Issuer

Table 5
Condensed statement of cash flows
for the period from 01/01 to 30/09 of 2013 year

€ '000	01/01/2013 - 30/09/2013	01/01/2012 - 31/12/2012
Cash flows from operating activities		
Profit before tax	3 446	3,103
Adjustments for:		
Depreciation of property, plant and equipment	103	61
Exchange difference arising on the translation of non- current assets on foreign currencies	0	-22
Excess of Group's interest in the net fair value of the subsidiaries' assets and liabilities over cost on acquisition	0	0
Impairment charge of property, plant and equipment	0	0
Interest income	-4	-21
Interest expense	214	228
Cash flows from operations before working capital changes	3 759	3349
Increase in inventories and work in progress	-1 128	-1200
Increase in trade and other receivables	-2 374	-1521
Decrease/(increase) in biological assets	284	419
(Decrease)/increase in trade and other payables	-35	-278
Cash flows from operations	505	769
Tax refunded	0	58
Net cash flows from operating activities	505	827
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	-290	-578
Acquisition of subsidiaries, net cash outflow on acquisition	0	0
Loans granted	0	0
Interest received	0	21
Net cash flows used in investing activities	-290	-557
Cash flows from financing activities		
Proceeds from issue of share capital		0
Repayments of borrowings	-266	-147
Interest paid		-228

Suspense account (pending correction of Depreciation, Minority interest and share capital)		104
Net cash flows (used in)/from financing activities	-266	-271
Net decrease in cash and cash equivalents	-50	-1
Cash and cash equivalents:		0
At beginning of the year/period	103	104
At end of the year/period	53	103

Source: Issuer

There are no comparative data for the period 3Q2012 for changes in equity and cash flows because of preparation in this period condensed statements of comprehensive income and financial positions only.

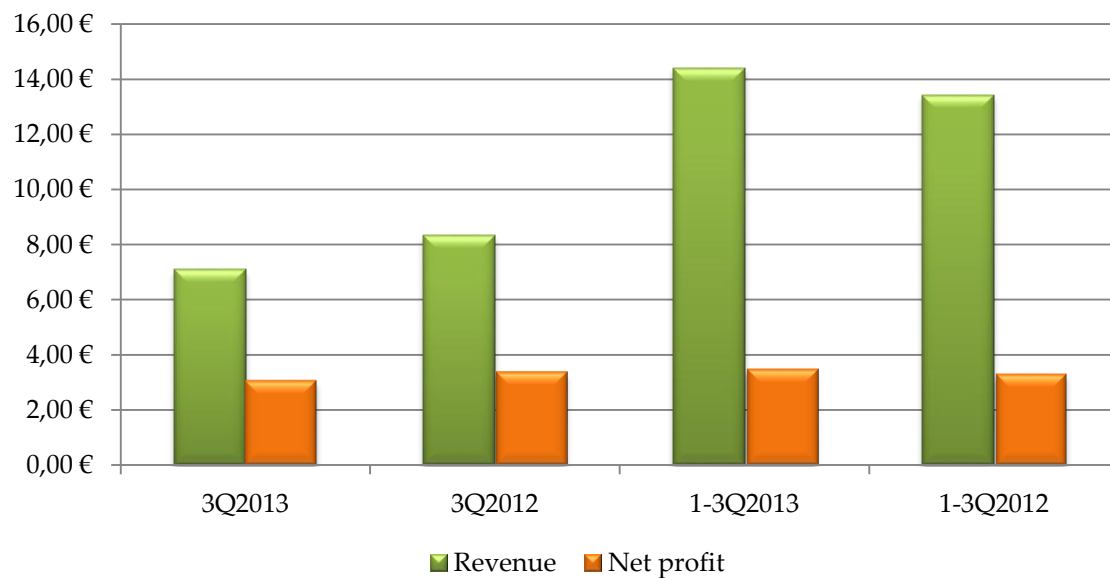
Statements were prepared according rules of IAS 34. There were no changes in accounting policy of the Group during period 01/01/13-30/09/13. More detailed Group's accounting policy is described in audited annual report of the Group.

3. The Board of Directors' report.

3.1 Comments to the financial results.

In the third quarter of 2013 Agroliga noted EUR 7 092 ths revenues and 3 043 ths net profit. Compared to the same period of the previous year, revenues decreased by EUR 1 225 ths and net profit decreased by EUR 307 ths.

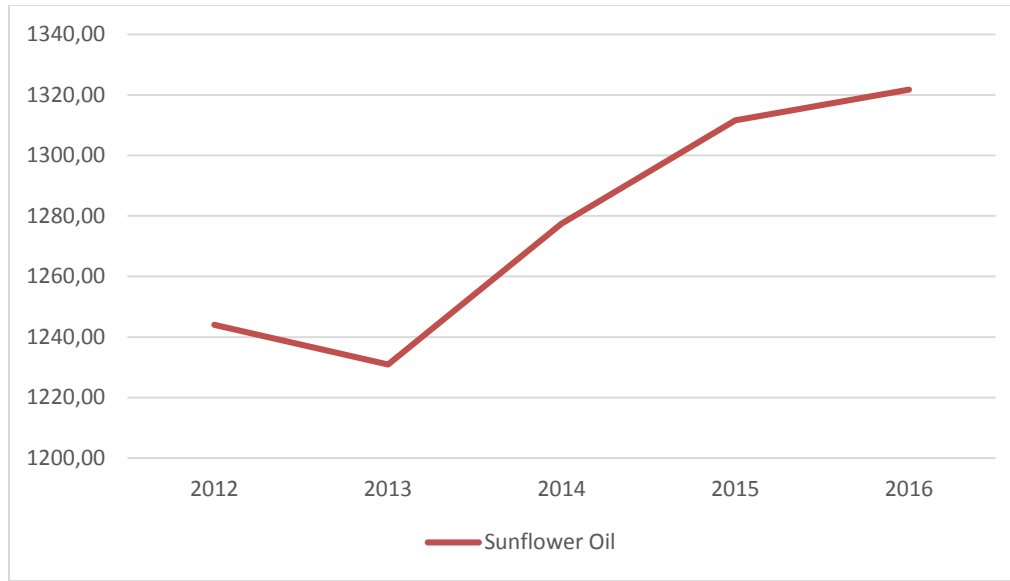
Chart 4 Selected financial data for the 3^d quarter of 2013 and on a cumulative basis, together with data for 2012 [EUR M]



Source: Issuer

The decreasing of Group's results for 3-d quarter is inflicted by overall decreasing of prices for agriculture production this year, not only in Ukraine, but worldwide. This decreasing was included in financial guidelines of Agroliga. According FAPRI (Food and Agricultural Policy Research Institute) prognoses, this year's prices is lowest for 2012-2016 years. But from the next season it forecasted to raise again, especially prices of sunflower oil.

Chart 5. FAPRI prognoses of sunflower oil prices



Source: Food and Agricultural Policy Research Institute

Despite of low prices, overall revenue of 1-3 quarters 2013 is better than 2012 for 976 thousands euro, and net profit is 117 thousand euro higher as well.

It was resulted in diversification of Group's activities and successful work of oil refinery and dairy farm.

3.2 Description of the most important events of the 3-d quarter.

29 July 2013 agricultural companies of Agroliga Group completed the harvest of early crops.

The harvest of wheat, collected from 1,790 hectares, is 7 983.40 tons. Barley was sown on 910 hectares, the harvest is 1 956.50 tons. Rapeseed was sown on 460 ha, harvested 1 048.80 tons.

Crop yields were as follows:

Wheat – 4,46 t / ha;

Barley – 2,15 t / ha;

Rape – 2,28 t / ha.

Despite the unfavorable spring weather conditions in our region, this year was one of the best in terms of yields of our crops. However, barley, which one of the main crop rotation, this year not show a high yield. To minimize the risks associated with the effect of weather conditions on the yield of barley in 2013 we start a trial crop of winter barley on the area of 200-300 hectares.

August 8 was held annual general meeting of shareholders. Meeting will consider current issues, as well as the transition to the main market of the Warsaw Stock Exchange, and related procedures.

During August of 2013 at the oil refining factory of Agroliga group was carried summer routine maintenance and preparation for the new season. As usual, apart from current tasks, was held modernization of some systems of the plant. This year, improvements were carried out in the areas of seed preparation, finished goods storing and production heating.

Storages of finished goods was mechanized, resulting in a loading rate increase by 8 times, and the volume of finished goods storage for 120 tons. The modernization is required because of significant increase in production of oil refining factory. At, for the first nine months of 2013 have already been processed 20,685 tons of sunflower, whereas for the whole of last year - 17,600 tons. In addition, increase in production volumes required to install additional equipment for the preparation of raw materials. During the August were added additional rollers, some elements of the transport system and replaced gas-liquid separation equipment for more powerful.

Yet another focus of our attention - a new steam boiler station. It has already been built and equipped, and was only connected to the production lines. Starting the boiler made possible to switch heat quickly between end-users to increase the heat efficiency of the heating equipment by 10-12 %.

Modernization and maintenance completed September 15th, with starting new sunflower harvest season.

September 9-11 delegation of Polish analysts visited Agroliga's fields and facilities.

Polish investments analytics and fund representatives come to see by own eyes preparations to sunflower harvest and to get to know better management and workers of the Group.

Delegation visited oil refinery, fields with sunflower ready to harvest and winter soybean sprouts, new milk house, machine station.

Polish managers highly appreciated potential of the Group.

September 20 PAT Megabank expanded overall credit limit for Agroliga Group to 3,2 million euros. The funding for this line can be used as for investment in fixed assets, as for working capital. Funds may be held in local currency, U.S. dollars or euros, floating interest rate depends from the currency. The contract is signed for 3 years.

At the end of 2012 the total credit portfolio of the group amounted to 1.06 million euros, and in 2013 the credit limit has been increased to 2.14 million euros. To date, the Agroliga's account maintained by PJSC "Megabank" that is well known for decision-making speed and quality of customer service.

At the end of the quarter sunflower harvest was still in progress, and its' results will be published in the forthcoming news. September was rainy, and there were some delay in harvest, but right now Group's have a preliminary results that allows to declare yield more than 4,1 tons per hectare.

3.3 Developing of the strategy.

Strategy of the Group for 2013-2015 years was published 12/06/13 and is conducting conduct in three areas:

- 1) One of the main part of this strategy is developing oil refinery and significant increasing this segment in result of company. Agroliga Group will be conduct this task by increasing capacity from 55 000 tons to 70 000 tons in 2015 and - up to 100 000 tons until 2017 accordingly. Agroliga plans to be produce more profitable products through implementation of new technology of oil extraction and in the long term perspective starting of bottling oil.

2) Agroliga Group plans to be mostly use own sunflower seeds for production what allow to better control prices of raw material and finally to achieve a better margin. For this Company will be expand land bank to 12,3 ths ha and will be actively working for significant increasing of efficiency and yields crops.

3) Company will be also develop dairy farm. Besides significant increasing of cowherd to 1400 cows Agroliga will be establish production of processing products. In plan of company is a starting dry milk and soft cheese.

At the 3-d quarter of 2013 as implementing of point 2 was August 19, 2013 signed a preliminary agreement with a Ukrainian company to buy 1,600 hectares of land on the Pervomayski district of Kharkiv region. The deal amounted to 960,000 euros and will be financed from the profits of the Group.

The transaction is scheduled for January 2014, after the land documents audit and obtaining approval of the Antimonopoly Committee of Ukraine.

Because of the completion of this transaction, land bank of the Group reaches 9,000 hectares. In the last two years, Agroliga's land bank has increased by half, and by 2015 it is planned to further increase up to 12,7 thousands hectares.

3.4 The Board's opinion about the achieved results and the forecasts.

In the Group development forecast dated on 24 June 2013, the Company published its financial prognoses, which assumed the achievement in 2013:

- 17 555 000 EUR revenue from sales
- and 3 601 000 EUR net profit.

Results of the 1-3Q of 2013 are consistent with these forecasts, as for revenue as for net profit.

<i>EURO</i>	Forecast published in the Group forecasts	Achieved results for 1H2013	Level of implementation of the new forecast (%)
Revenue from sale	17 505 000	14 411 783	82%
Net profit	3 601 000	3 445 982	96%

During 1-3Q 2013 year, the Issuer achieved 14 442 ths EUR of revenue and 3 446 ths EUR net profit. These results represent the implementation of the forecasts, respectively in 82 and 96 percent. This level of implementation gives the Group assurance to achieve forecasted results.



Aleksandr Berdnyk
Chairman of the Board of Directors