



Report for the period
1 January 2015 – 30 September 2015

14th November 2015

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1. General information about the Company

1.1 Company details

Company name:	Agroliga Group PLC
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www:	www.agroliga.com.ua

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;
- Maiak operating in Ukraine and conducts plant production. It was added to Group in August 2015.

1.3 Management Board

Aleksander Berdnyk - Chairman of the Board of Directors

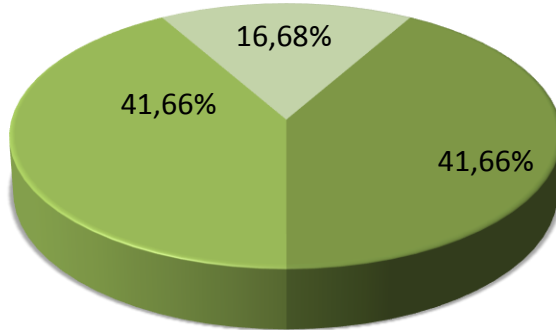
Bizserve Investments Limited – Member of the Board of Directors

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 14/11/2015)

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	640 750	640 750	41,66%	41,66%
Irina Poplavskaya	640 750	640 750	41,66%	41,66%
Free float	256 300	256 300	16,68%	16,68%
ALL	1 537 800	1 537 800	100,00%	100,00%



■ Irina Poplavskaya ■ Alexandr Berdnyk

■ Others

1.5 Persons employed

There are 243 persons employed by Agroliga group as at 14/11/2015 (FTE, including all the Group's companies)

CATEGORY	2015-08-14
ADMINISTRATION	33
PRODUCTION EMPLOYEES	145
SUPPORT	60
TOTAL	238

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 3Q2015 (period ended 30 September 2015).

Table 2.
Condensed profit and loss statement

for the period from 01/01 to 30/09 of 2015 year (with comparative data)

	01/01/2015 30/09/2015	01/01/2014 30/09/2014	01/07/2015 30/09/2015	01/07/2014 30/09/2014
	€000	€000	€000	€000
Continuing operations				
Sales revenue	15 946	10 235	3 096	4 991
Cost of sales	(13 948)	(8 764)	(3 577)	(4 298)
Income (expenses) from change in fair value of biological assets	0	0	0	0
Income from change in fair value of agricultural products	853	1 139	797	1410
Gross profit	2 851	2 609	316	2 103
Selling and distribution costs	(151)	(225)	(67)	(126)
Administrative expenses	(689)	(227)	(116)	(58)
Income from government grants	607	620	144	221
Other operating income/(expenses), net	(86)	174	-200	79
Operating profit	2 531	2 950	77	2 219
Non-operational income/(expenses), net	-	(0)	(0)	(0)
Financial income/(expenses), net	(233)	(254)	(76)	(83)
Exchange rate differences, net	(151)	(160)	19	(94)
Profit before tax from continuing operations	2 148	2 537	20	2 042
Income tax expense	(2)	0	(1)	(0)
Profit for the year from continuing operations	2 146	2 537	19	2 042
			0	0
Profit for the year attributable to				
Equity holders of the parent	2 077	2 494	(13)	2 008
Non-controlling interest	69	43	32	34

Source: Issuer

Table 3

Condensed statement of financial position
as at 30 September 2015 and 31 December 2014 (with comparative data)

	30 September, 2015	31 December, 2014	30 September, 2014	31 December, 2013
Assets	€000	€000	€000	€000
Non-current assets				
Property, plant and equipment	3 153	2 683	2 815	3 909
Non-current biological assets	166	187	117	145
Other non-current assets	536	668	756	1 118
Total non-current assets	3 855	3 538	3 688	5 172
Current assets				
Current biological assets	666	476	224	797
Inventories	3 970	4 562	4 304	5 545
Trade and other receivables	7 930	3 880	4 882	3 394
Cash and cash equivalent	264	505	1 037	109
Total current assets	12 830	9 423	10 448	9 845
Total assets	16 685	12 960	14 136	15 017
Equity and liabilities				
Share capital	114	51	51	51
Additional paid-in capital	953	953	952	952
Retained earnings	16 400	14 418	14 241	11 694
Exchange rate effect	-8 233	-5 783	-4 653	-598
Equity attributable to equity holders of the parent	9 234	9 639	10 591	12 099
Non-controlling interests	301	230	180	193
Total equity	9 535	9 869	10 771	12 292
Non-current liabilities				
Other non-current liabilities	105	117	110	122
Deferred tax liability	76	91	6	0
Total non-current liabilities	182	208	116	122
Current liabilities				

Trade and other payables	6 017	1 564	2 397	470
Interest-bearing loans and borrowings	967	1 264	772	2 133
Provisions	-16	55	80	0
Total current liabilities	6 968	2 883	3 250	2 603
Total liabilities	7 150	3 091	3 365	2 725
Total equity and liabilities	16 685	12 960	14 136	15 017

Source: Issuer

Table 4

Condensed statement for changes in equity
for the period from 01/01 to 30/09 of 2015 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	
Balance at 31 December 2013 /1 January 2014	51	953	- 598	11 692	193	12 291
Net profit for the period	-	-	-	2 726	37	2 763
Issue of share capital	-	-	-	-	-	-
Exchange difference on the translation and consolidation of foreign companies' financial statements	-	-	- 5 185	-	-	- 5 185
Balance at 31 December 2014/1 January 2015	51	953	- 5 783	14 418	230	9 869
Net profit for the period	-	-	-	2 077	69	2 146
Issue of share capital	-	-	-	-	-	-
Exchange difference on the translation and consolidation of foreign companies' financial statements	-	-	-2 450	-30	1	-2 479
Balance at 30 September 2015	51	953	-8 233	16 464	300	9 535

Source: Issuer

Table 5
Condensed statement of cash flows
for the period from 01/01 to 30/09 of 2015 year

€ '000	01/01/2015 - 30/09/2015	01/01/2014 - 31/12/2014
Cash flows from operating activities		
Profit before tax	2 148	2 886
Adjustments for:		
Depreciation of property, plant and equipment	61	144
Exchange difference arising on the translation of assets on foreign currencies	-2450	-3095
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	-5	-5
Interest expense	233	360
Cash flows from operations before working capital changes	-13	290
Increase in inventories and work in progress	592	983
Increase in trade and other receivables	-4 050	60
Decrease/(increase) in biological assets	-190	321
(Decrease)/increase in trade and other payables	4 453	1 094
Cash flows from operations	791	2 748
Tax refunded	0	0
Net cash flows from operating activities	791	2 748
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	-801	-825
Proceeds from disposal of property, plant and equipment	0	0
Loans granted	0	-231
Interest received	2	5
Net cash flows used in investing activities	-799	-1 051
Cash flows from financing activities		
Proceeds from issue of share capital		

Proceeds of borrowings		428
Interest paid	-233	-1367
Suspense account (pending correction of Depreciation, Minority interest and share capital)		-360
Net cash flows (used in)/from financing activities	-233	-1299
Net decrease in cash and cash equivalents	-241	398
Cash and cash equivalents:		
At beginning of the year/period	505	109
At end of the year/period	264	505

Source: Issuer

Statements were prepared according rules of IAS 34. There were no changes in accounting policy of the Group during period 01/01/15-30/09/15. More detailed Group's accounting policy is described in audited annual report of the Group.

Exchange rate effect was noted in Statement of financial position.

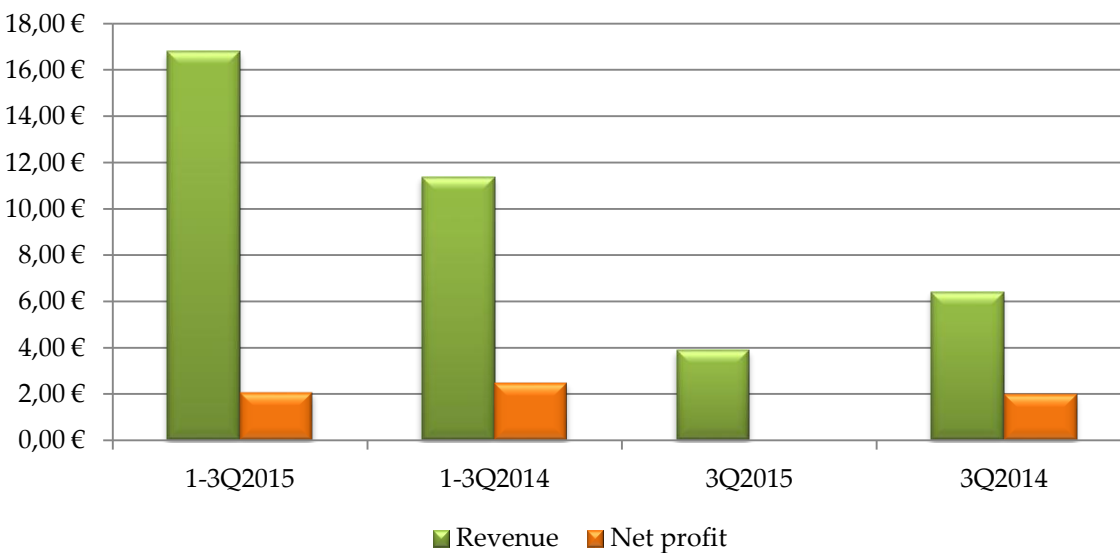
Statements based on annual audited report and comparative data may slightly changes from quarterly reports because of auditor's corrections and reclassifications.

3. The Board of Directors' report.

3.1 Comments to the financial results.

In 3 quarter of 2015 Agroliga noted EUR 16 799 thousand revenues and 2 077 thousand net profit. Compared to the same period of the previous year, revenues increased by EUR 5 425 thousand and net profit decreased by EUR 417 thousand.

Chart 4 Selected financial data for the 3^d quarter of 2015, together with data for 2014 [EUR M]



Source: Issuer

The decreasing of Group's revenue in 3^d quarter 2015 is a result of global crops prices decreasing, and several export deals in progress, as well as increasing of the net profit.

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

Agro season finished.

At this quarter Agroliga finished agricultural season. At the next table shown results of the crops harvest.

Table 6

Harvest of the agricultural season 2014-2015

Year	Crops	Sown, ha	Harvested, tons	Yield, t/ha
2015	Winter wheat	1 985	7 745,80	3,90
2015	Wheat	339	683,20	2,02
2015	Barley	541	1 958,80	3,62
2015	Winter barley	191	682,80	3,57
2015	Maize	112	730,30	6,52
2015	Sunflower	1 983	8 620,80	4,35
2015	Winter rapeseed	485	1 101,80	2,27

Conditions at the second half of the summer and early autumn in Ukraine were not sufficiently favorable for the development of spring and winter crops, that had some negative impact on the gross yield. Nevertheless, thanks to the timely implementing of agro-technical measures, Agroliga managed to get the highest yield. Also should be mentioned a positive experience for the cultivation of high oleic sunflower hybrids. In the current season, the activity of high-oleic sunflower trading is assessed as very high, and despite the relatively lower rate of productivity of 39 t / ha, the analysis of the samples gave an average weight fraction of oleic acid to the total share of fatty acids - 85%, which meets the requirements of standards and consequently the market price of such a sunflower crop above the current season by about 13%.

Also, thanks to the timely conduct of the harvest, by the 20th of September we reported about completing the sowing of winter crops. This year, for winter crops allocated 2800 hectares. To date, the state of winter wheat and other winter crops can be described as satisfactory.

New company acquisition.

Agroliga Group PLC reports completing transaction on the acquisition of corporate rights to one more agro-industrial enterprise. The fourth agricultural producer LLC “Maiak” was added to Agroliga Group.

The enterprise specializes in the cultivation of wheat, barley, corn and sunflower, also winter rape is included in the structure of crop rotation in 2015/2016 marketing year.

LLC “Maiak” is situated in close proximity with the regional centre, city of Kharkiv. The enterprise processes more than 1.8 thousand ha.

3.3 Situation in Ukraine.

In connection with recent changes in Ukraine's political and economic situation, there is a need to comment on their impact on the operations of the Group companies.

Hryvna devaluation.

Despite significant rate shocks caused by political events and significant rising euro rate against hryvna for the last year, National Bank of Ukraine demonstrates the ability of to control the situation.

From 1 January 2015 and up to 30 September 2015, the Ukrainian Hryvnia (the «UAH») depreciated against EURO by approximately 25%. The NBU imposed certain restrictions on purchase of foreign currencies, cross border settlements (including repayment of dividends), and also mandated obligatory conversion of foreign currency proceeds into UAH.

Currently, all the Agroliga’s loans are denominated in local currency, while the price of sales of agricultural products mainly tied to the euro or US dollar. Thus devaluation will reduce the finance and other costs in the cost structure.

Raising capital in the foreign markets.

The group planned to raise additional financing on the WSE in the 1st quarter of 2014, simultaneously with the transition to the upper market. Due to the stock prices instability of Ukrainian companies associated with the dynamic political situation in Ukraine, these plans has been postponed, but not canceled. Once the market calms down, Group will return to this issue.

The initial stage of development program 2013-2015 does not require substantial investments, and the Group is proceeding with his own funds.

Changes in taxation.

According memorandum with IMF, government should bring the agriculture sector fully under the general VAT regime in line with international practice, effective January 2016, but there are any changes in legislation made yet.

Risk of military activity.

Anti-terroristic operation in Donetsk and Lugansk regions paused after peace talks in Minsk under the auspices of the Organization for Security and Co-operation in Europe (OSCE), Ukraine, Russia, the DPR, and the LPR agreed to a ceasefire on 15 February.

In any event all the Group's land plots are located in the Kharkiv region, where there are no proposals for any territorial changes, and no military activity was held or planned at this region.

Decline in living standards and changing markets.

The main market for Agroliga's crops is export. Significant changes in the export market does not happen, the denomination of the hryvna will allow to speak of obtaining additional profits from exchange rate differences. Logistically main point of export for the partners of the group now is either Nikolaev or Odessa, both located in southern Ukraine. Changes in quotas or export rules are not announced by the new government.

The main sales market for crude sunflower oil is the East and Centre of Ukraine - confectioneries, manufacturers of mayonnaise, sauces and refined oil. They mainly produce low-end products, the demand for which varies only slightly with the worsening economic situation, so no significant change in the projected volumes and sales prices. Price and volume of oil going for export, similarly projected grain exports.

Milk is supplied to local dairies for processing. No significant change in the projected volumes of its sales estimated. But we should point, that Russia is a target market for large milk exporters, and with their difficulties milk prices going down. But milk revenue is less than 10% of total Group's revenue, and no significant influence connected with it estimated.

3.4 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 thousand ha and will be actively working for significant increasing of efficiency and yields crops.

As a part of realization of this strategy in August 2015 Group obtained another agricultural company with land plot 1,8 thousand ha.

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.

As a step to realization of this point was opened retail dairy shop during August 2015.

Because of significant changes in Ukraine, the Group is working on adjusting forecasts and Group's development strategy. There are no major changes planned, but terms of realization and details will be reviewed.

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

Because of changes in prices, exchange rates and overall situation in Ukraine Group cannot make any long-term financial forecasts for 2015 year.



Aleksandr Berdnyk
Chairman of the Board of Directors