



30 May 2012, Moscow

Ros Agro 3 months financial results for the year 2012

Moscow, May 30, 2012 – Today ROS AGRO PLC, Holding Company of Rusagro Group, a leading Russian diversified food producer with vertically integrated operations, has announced the financial results for the period ended 31 March 2012.

3 month of the year 2012 Highlights

- Sales amounted to 6,302 mln rubles (210 mln USD), an increase of 241 mln rubles compared to 3 months of the year 2011;
- Adjusted EBITDA (*) amounted to 1,487 mln rubles (50 mln USD), an increase of 1,223 mln rubles compared to 3 months of the year 2011;
- Adjusted EBITDA margin achieved is 24 %;
- Net profit for the period of 558 mln rubles (19 mln USD), an increase of 586 mln rubles compared to 3 months of the year 2011;
- Net debt position (**) on 31 March 2012 of 11,756 mln rubles (401 mln USD);
- Net Debt/ Adjusted EBITDA (LTM) (***) on 31 March 2012 1.8x.

Commenting on the results, Maxim Basov, a member of the Board of Directors of ROS AGRO PLC and CEO of the Group said:

We are pleased to introduce the operating results of the business activity for the 1st quarter 2012. With satisfaction we would like to note, that in all business segments we achieved the growth of EBITDA in comparison with the same period of the last year, and increased the total EBITDA more than five times.

We are pleased to point out, that our decision about the sugar sales limitation in the 4th quarter of 2011 and the transfer of significant part of sales to the 1st half of 2012 proved to be correct, and in the 1st quarter 2012 we observe gradual recovery of profitability in Sugar segment. We are delighted with the results of the Meat division, where positive price situation together with the costs decline, stipulated by the effect from optimization initiatives, as well as by the reduction of the cereals costs, enabled us to achieve the double growth of EBITDA and considerable growth of EBITDA margin. As the result, the quarterly Meat division EBITDA margin reached 45.4%. In the Agricultural segment partially deferred crop and sugar beet sale to the 1st quarter 2012 and implemented cost optimization measures in spite of the seasonal cost base accumulation enabled us to show the positive result from operational activity.

Partial recovery of the Oil and fats segment profitability due to raw oil prices decrease together with the nonorganic positive effect of the new acquired Oil extraction plant allowed us to reach the segment's EBITDA at the comparable with the Sugar division level, which was significantly better than we had in the 1st quarter 2011, when Oil and fat segment showed the negative EBITDA.

Despite the huge CAPEX program which was initiated in 2011 and in the 1st quarter 2012, we continue to stick to the conservative principles in the net debts management. Our net debt is well-balanced in terms of maturity and remains on the comfortable level for investors.

We keep focus on our investment and operational development and are looking to the future with optimism.

Consolidated Income statement, key indicators

in mln Rubles	Three months ended 31 March 2012	Three months ended 31 March 2011	% change
Sales	6,302	6,060	4%
Gross profit	2,163	884	145%
<i>Gross margin, %</i>	34%	15%	-
Adjusted EBITDA	1,487	264	464%
<i>Adjusted EBITDA margin, %</i>	24%	4%	-
Net profit for the period	558	(29)	2032%
<i>Net profit margin %</i>	9%	-	-

Key financial indicators as per divisions

in mln Rubles	Three months ended 31 March 2012	% of segment in consolidated results	Three months ended 31 March 2011	% of segment in consolidated results	% change
Sales, incl.	6,302	100%	6,060	100%	4%
<i>Sugar</i>	2,818	45%	3,844	63%	-27%
<i>Meat</i>	1,223	19%	1,106	18%	11%
<i>Agricultural</i>	799	13%	75	1%	964%
<i>Oil & Fats</i>	1,823	29%	1,050	17%	74%
<i>Other</i>	89	1%	58	1%	53%
<i>Eliminations</i>	(450)	-7%	(73)	-1%	-519%
Gross profit, incl.	2,163	100%	884	100%	145%
<i>Sugar</i>	732	34%	440	50%	66%
<i>Meat</i>	556	26%	293	33%	90%
<i>Agricultural</i>	192	9%	7	1%	2641%
<i>Oil & Fats</i>	627	29%	113	13%	457%
<i>Other</i>	89	4%	58	7%	53%
<i>Eliminations</i>	(33)	-2%	(27)	-3%	-24%
Adjusted EBITDA, incl.	1,487	100%	264	100%	464%
<i>Sugar</i>	358	24%	234	89%	53%
<i>Meat</i>	556	37%	354	134%	57%
<i>Agricultural</i>	133	9%	(147)	-56%	190%
<i>Oil & Fats</i>	392	26%	(81)	-31%	583%
<i>Other</i>	(46)	-3%	(86)	-33%	47%
<i>Eliminations</i>	93	6%	(10)	-4%	1068%
Adjusted EBITDA margin, %	24%		4%		
<i>Sugar</i>	13%		6%		
<i>Meat</i>	45%		32%		
<i>Agricultural</i>	17%		-195%		
<i>Oil & Fats</i>	22%		-8%		
<i>Other</i>	-52%		-149%		
<i>Eliminations</i>	-21%		13%		

SUGAR SEGMENT

During the reported period our sugar processing plants have produced 62 thousand tons of beet sugar, there was no beet sugar production on Company's plants in 3M 2011. For 3M 2012 sales volume was 112 thousand tons (7% less than in 3M 2011). Sales volume for 3M 2012 included only beet sugar, whereas 3M 2011 sales volume included 57 thousand tons of beet sugar and 63 thousand tons of cane sugar.

Sales of Sugar division during the reported period has decreased by 27% to 2,818 mln rubles (94 mln USD), average sale price was 24.15 rubles per kilogram excl. VAT (31.89 rubles per kilogram excl. VAT for 3M 2011). While performing the B2C expansion strategy, the Group continued to increase the refined packed cube sugar market share.

SG&A(***) expenses in Sugar segment increased by 50% from 309 million rubles in 3M 2011 to 462 million rubles in 3M 2012. Basically this increase is explained by an increase in transportation and loading services, mainly due to the development of B2C segment.

Division EBITDA was 358 mln rubles (12 mln USD), 53% more than in 3M 2011 primarily due to the lack in the 3M 2012 of raw sugar in the sales structure, lower sale prices, partially compensated by the lower cost of the beet sugar sold. Adjusted EBITDA margin amounted to 13% in 3M 2012 and 6% in 3M 2011.

MEAT SEGMENT

During 3M 2012 Meat segment sales have increased by 11% from 1,106 million rubles in 3M 2011 to 1,223 million rubles in 3M 2012 primarily due to attractive prices. The meat sales volume during the reported period was 13.7 thousand tons, which was 2% more than in comparable period of the previous year. At the same time mixed fodder sales volume have decreased by 9% to 11.7 thousand tons. The average pork sale prices increased from 71.48 rubles per kilogram excl. VAT in 3M 2011 to 80.24 rubles per kilogram excl. VAT in 3M 2012, average fodder sale prices decreased from 11.19 rubles per tonne excl. VAT in 3M 2011 to 10.35 rubles per tonne excl. VAT in 3M 2012.

Most key production efficiency figures were better than in 3M of the previous year.

EBITDA has increased by 57% to 556 mln rubles (19 mln USD) with EBITDA margin of 45% primarily due to attractive prices and decrease in cost of sales (net of revaluation of biological assets).

The Group's major capital expenditure projects in Tambov and Belgorod region were progressing in accordance with plan.

AGRICULTURAL SEGMENT

The Group increased the area of controlled land to 440 thousand hectares. Sales have increased by 964% to 799 mln rubles (27 mln USD). The sales volume of grains amounted to 71 thousand tons, sunflower seeds to 4 thousand tons, sugar beets to 163 thousand tons in the 3M 2012. Connecting with sales volume growth in 3M 2012 SG&A expenses in Agricultural segment increased by 45% to 265 million rubles. The average sale prices per tonne (excl. VAT) in 3M 2012 were as follows: 4.55 thousand rubles for wheat, 4.7 thousand rubles for barley, 9.03 thousand rubles for sunflower seeds, 6.46 thousand rubles for peas, 4.76 thousand rubles for corn.

EBITDA has increased to 133 mln rubles (4 mln USD) with EBITDA margin of 17%.

OIL&FAT SEGMENT

Division Sales increased by 74% to 1,823 mln rubles (61 mln USD), with average margarine sale price of 49.5 rubles per kilogram excl. VAT (+9%) for 3M 2012 (45.5 rubles per kilogram for 3M 2011), mayonnaise sale price of 54.1 rubles per kilogram excl. VAT (+4%) for 3M 2012 (51.9 rubles per kilogram for 3M 2011) and selling raw oil prices 31.0 rubles per kilogram excl. VAT (-21%) for 3M 2012 (39.5 rubles per kilogram for 3M 2011). The acquisition of the Oil

extraction plant Samaraagroprompererabotka did not have an impact on 3M 2011 results as the plant has been acquired in March 2011.

The expansion of business through acquisition of oil extraction plant was also the main reason for 28% increase in SG&A expenses, from 234 million rubles in 3M 2011 to 300 million rubles in 3M 2012.

Division EBITDA increased to 392 mln rubles (13 mln USD), comparing the negative result in the amount of 81 mln rubles in 3M 2011. Adjusted EBITDA margin in 3M 2012 amounted to 22%.

Consolidated Statement of cash flow – key indicators

in mln Rubles	Three month ended 31 March 2012	Three month ended 31 March 2011	% change
Net cash from / (used in) operating activities, incl.	1,611	(1,163)	238%
<i>Operating cash flow before working capital changes</i>	1,468	200	634%
<i>Working capital changes</i>	240	(1,356)	118%
Net cash from / (used in) investing activities, incl.	999	(1,264)	179%
<i>Purchases of property, plant and equipment</i>	(985)	(2,174)	55%
Net cash used in financing activities	(6,242)	(623)	-902%
Net decrease in cash and cash equivalents	(3,640)	(3,047)	-19%

Net cash from operating activities in 3M 2012 totaled 1,611 million rubles comparing to net cash used in operating activities in 3M 2011 totaled 1,163 million rubles as result of positive changes in operating profit and favorable changes in working capital.

CAPEX investments in 3M 2012 totaled 985 million rubles, 55% lower than in the 3M 2011. The main investments in 3M 2012 were made in Meat division in the amount of 726 million rubles in connection with construction of new pig-breeding complex in Tambov region and expansion of pig-breeding facilities in Belgorod region. Major investments in 3M 2011 were made in Agricultural division in the amount of 1,897 million rubles due to purchases of land and machinery and equipment.

For the capital expenditure financing purposes the Group uses both its own resources and long-term loans (typically with maturities of seven years) with the partial rebates of the interest expenses incurred provided by the State.

Debt position and liquidity management

in mln Rubles	31 March 2012	31 December 2011	% change
Gross debt	26,378	31,972	-17%
<i>Short term borrowings</i>	10,792	17,129	-37%
<i>Long term borrowings</i>	15,586	14,843	5%
Net debt	11,756	11,877	-1%
<i>Short term borrowings, net</i>	(2,971)	(2,563)	-16%
<i>Long term borrowings, net</i>	14,727	14,440	2%
Adjusted EBITDA (LTM)	6,377	5,154	24%
Net debt/ Adjusted EBITDA (LTM)	1.8	2.3	

Net finance expense:

in mln Rubles	Three month ended 31 March 2012	Three month ended 31 March 2011	% change
Net interest expense	(338)	(168)	-102%
<i>Gross interest expense</i>	(523)	(410)	-27%
<i>Reimbursement of interest expense</i>	185	243	-24%
Interest income	268	137	95%
Other financial expenses, net	(133)	(25)	-432%
Total net finance expense	(204)	(56)	-267%

The Group Net Debt position remains on the same level as at the beginning of the year. Leverage ratio with Net Debt / Adjusted EBITDA (LTM) was held on comfortable level about 1,8x in spite of huge CAPEX program 2011 and 2012.

Net debt is well balanced by maturity and demonstrates the stable financial position of the Group. Group Treasury aims to maintain low currency risk in deposit and credit portfolio thereby all our borrowings and basically all our bank deposits are nominated in Russian Rubles.

On 31 March 2012 the Group has kept committed credit lines available in the amount over 29 billion rubles. As an agricultural producer Rusagro benefits from government support in the form of government grants for repayment of interest paid. All gross debt excluding trade financing as at 31 March 2012 can be subsidized.

(Adjusted EBITDA is defined as operating profit before taking into account (i) depreciation, (ii) other operating income, net (other than reimbursement of fuel and fertilisers and feed costs (government grants)), (iii) the difference between gain on revaluation of biological assets and agriculture produce recognised in the year and the gain on initial recognition of agricultural produce attributable to realized agricultural produce for the year and revaluation of biological assets attributable to realised biological assets and included in cost of sales (iv) provision/(reversal) for net realisable value, (v) share-based remuneration. Adjusted EBITDA is not a measure of financial performance under IFRS. You should not consider it an alternative to profit for the year as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Our calculation of Adjusted EBITDA may be different from the calculation used by other companies and therefore comparability may be limited. We believe that Adjusted EBITDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions of subsidiaries and other investments and our ability to incur and service debt.*

*(**) The Group determines the net debt of the Group as short-term borrowings and long-term borrowings less cash and cash equivalents, bank deposits and bank promissory notes within short-term and long-term investments.*

*(***) LTM – The abbreviation for the “Last twelve months”.*

*(****) SG&A – Distribution and Selling, General and administrative expenses.*

Note:

ROS AGRO PLC (LSE: AGRO) – Holding Company of Rusagro Group, a leading Russian diversified food producer with vertically integrated operations in the following branches:

Sugar:

We are a leading Russian sugar producer, producing sugar on seven production sites from both sugar beets and raw cane sugar. We produce white cube sugar and white packaged sugar branded under the brands Chaikofsky, Russkii Sakhar, Brauni. Our Sugar division is vertically integrated with the sugar beet cultivation in our Agriculture division, through which we strive to ensure a consistent supply of sugar beets.

Meat:

Our pig breeding project was launched in 2006 and, according to the National Union of Pig Breeders, is currently the fifth largest pig breeding complex in Russia. We have implemented the best practices regarding biosecurity at our pig farms.

Agricultural:

The Group currently controls what it believes to be one of the largest land banks among Russian agriculture producers, with approximately 440 thousand hectares of land currently under our control located in the highly fertile Black Earth region of Russia, in the Belgorod, Tambov and Voronezh regions. Land and production sites are strategically located within the same regions to optimize efficiency and minimize logistical costs. We believe we are a leading Russian sugar beet producer, and our agricultural division also produces winter wheat and barley, sunflower products and soybeans. These products are partially consumed by the meat division, supporting and developing the synergic effect and lowering the price change risk.

Oil&Fat:

We are a leading producer of mayonnaise and consumer margarine in Russia, such as Provansal EZhK and Schedroe Leto. In addition, in March 2011, we acquired control of an oil extraction plant located in Samara, through which we expect to be able to control the source of 100% of the vegetable oil required by our oil and fats production plant.

Our sales in 2011 amounted to 39,715 mln. rubles (1,351 mln. USD), adjusted EBITDA amounted to 5,154 mln rubles, (175 mln USD), Net profit amounted to 2,420 mln rubles (82 mln USD). An average growth rate on Sales shows more than 30 % for the last four years and more than 25 % on Adjusted EBITDA.

Forward-looking statements

This announcement includes statements that are, or may be deemed to be forward-looking statements. These forward-looking statements can be identified, that they do not relate to the historical or current events, or relate to any future financial or operational activity of the Group. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond the Rusagro Group's control. As the result, actual future results may differ materially from the plans and expectations set out in these forward-looking statements.

The Group undertakes no obligation policy to release the results of any revisions to any forward-looking statements that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.

Rusagro management organizes the presentation on conference call for investors and analytics

Details of call:

Date	30 May 2012
Time	6:00 PM (Moscow) / 3:00 PM (London) / 10:00 AM (New-York) at the same day
Subject	ROS AGRO PLC 1 st Quarter
UK Toll Free	0800-358-5263
UK Local Line	44-20-7190-1595
USA Toll Free	1-877-941-6013
USA Local Line	1-480-629-9822
Russia Toll Free	810-8002-198-4011
Conference ID	4540026

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Appendix 1. Unaudited consolidated statement of comprehensive income for the three months ended 31 March 2012 (in thousand rubles)

	Three months ended 31 March 2012	Three months ended 31 March 2011
Sales	6,301,535	6,060,114
Gain on revaluation of biological assets and agriculture produce	496,288	252,525
Cost of sales	(4,635,479)	(5,462,054)
Gains less losses from trading sugar derivatives	157	33,062
Gross profit	2,162,501	883,647
Distribution and selling expenses	(553,467)	(358,641)
General and administrative expenses	(636,932)	(618,748)
Share-based remuneration	(129,195)	(131,193)
Other operating expenses, net	(4,456)	(4,700)
Operating profit/ (loss)	838,451	(229,635)
Interest expense	(338,326)	(167,589)
Interest income	267,545	137,048
Other financial expenses, net	(133,134)	(25,022)
Unrealised gains less losses from trading sugar derivatives	-	238,846
Profit/ (loss) before taxation	634,536	(46,352)
Income tax expense	(76,902)	17,490
Profit/ (loss) for the period	557,634	(28,862)
Total comprehensive income/ (loss) for the period	557,634	(28,862)
Profit/ (loss) is attributable to:		
Owners of ROS AGRO PLC	520,226	(24,944)
Non-controlling interest	37,408	(3,918)
Profit/ (loss) for the period	557,634	(28,862)
Total comprehensive income/ (loss) is attributable to:		
Owners of ROS AGRO PLC	520,226	(24,944)
Non-controlling interest	37,408	(3,918)
Total comprehensive income/ (loss) for the period	557,634	(28,862)
Earnings per ordinary share for profit/ (loss) attributable to the equity holders of ROS AGRO PLC, basic and diluted (in RR per share)	21.91	(1.25)

Appendix 2. Unaudited segment information for the three months ended 31 March 2012 (in thousand rubles)

Three months ended 31 March 2012	Sugar	Meat	Other agriculture	Oil	Other	Eliminations	Total
Sales	2,818,339	1,223,120	798,595	1,823,324	88,604	(450,449)	6,301,535
Gain on revaluation of biological assets and agriculture produce	-	496,288	-	-	-	-	496,288
Cost of sales <i>incl. Depreciation</i>	(2,086,272) (160,179)	(1,163,261) (121,476)	(607,050) (57,740)	(1,196,104) (55,184)	-	417,208	(4,635,479) (394,578)
Gains less losses from trading sugar derivatives	157	-	-	-	-	-	157
Gross profit	732,225	556,147	191,545	627,220	88,604	(33,241)	2,162,501
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(461,866) (14,520)	(95,473) (4,742)	(264,724) (9,187)	(300,036) (9,972)	(136,489) (2,087)	68,188	(1,190,400) (40,508)
Share-based remuneration	-	-	-	-	(129,195)	-	(129,195)
Other operating income/ (expenses), net	9,868	20,962	(13,892)	(9,010)	3,275	(15,657)	(4,454)
Operating profit/ (loss)	280,226	481,636	(87,070)	318,174	(173,805)	19,291	838,452
Adjustments:							
Depreciation included in Operating Profit	174,698	126,218	66,927	65,156	2,087	-	435,086
Other operating (income)/expenses, net	(9,868)	(20,962)	13,892	9,010	(3,275)	15,657	4,454
Share-based remuneration	-	-	-	-	129,195	-	129,195
Gain on revaluation of biological assets and agriculture produce	-	(496,288)	-	-	-	-	(496,288)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	-	-	138,855	-	-	58,399	197,254
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	471,765	-	-	-	-	471,765
Provision/ (Reversal) for net realizable value	(86,641)	(6,743)	-	-	-	-	(93,384)
Adjusted EBITDA	358,416	555,626	132,603	392,340	(45,798)	93,347	1,486,534

Appendix 2 (continued). Unaudited segment information for the three months ended 31 March 2011 (in thousand rubles)

Three months ended 31 March 2011	Sugar	Meat	Other agriculture	Oil	Other	Eliminations	Total
Sales	3,844,326	1,105,718	75,053	1,050,066	57,775	(72,824)	6,060,114
Gain on revaluation of biological assets and agriculture produce	-	252,525	-	-	-	-	252,525
Cost of sales <i>incl. Depreciation</i>	(3,437,150) (90,394)	(1,065,378) (117,160)	(68,066) (19,882)	(937,517) (33,612)	-	46,057	(5,462,054) (261,048)
Gains less losses from trading sugar derivatives	33,062	-	-	-	-	-	33,062
Gross profit	440,238	292,866	6,987	112,549	57,775	(26,767)	883,647
Distribution and Selling, General and administrative expenses <i>incl. Depreciation</i>	(308,971) (11,841)	(123,874) (4,881)	(182,696) (12,812)	(234,135) (6,745)	(144,839) (806)	17,127	(977,389) (37,085)
Share-based remuneration	-	-	-	-	(131,193)	-	(131,193)
Other operating income/ (expenses), net	28,665	13,243	(12,352)	(544)	1,038,407	(1,072,120)	(4,700)
Operating profit/ (loss)	159,933	182,234	(188,061)	(122,130)	820,150	(1,081,761)	(229,635)
Adjustments:							
Depreciation included in Operating Profit	102,235	122,041	32,695	40,356	806	-	298,133
Other operating (income)/expenses, net	(28,665)	(13,243)	12,352	544	(1,038,407)	1,072,120	4,700
Share-based remuneration	-	-	-	-	131,193	-	131,193
Gain on revaluation of biological assets and agriculture produce	-	(252,525)	-	-	-	-	(252,525)
Revaluation of biological assets attributable to realised biological assets and included in cost of sales	-	315,394	(3,566)	-	-	-	311,829
Adjusted EBITDA	233,503	353,901	(146,580)	(81,230)	(86,259)	(9,641)	263,694

**Appendix 3. Unaudited consolidated statements of financial positions as at 31 March 2012
(in thousand rubles)**

	31 March 2012	31 December 2011
ASSETS		
Current assets		
Cash and cash equivalents	1,817,817	5,457,567
Restricted cash	13	29,618
Short-term investments	12,459,569	14,670,667
Trade and other receivables	2,062,791	2,315,475
Prepayments	712,756	507,009
Current income tax receivable	25,691	32,161
Other taxes receivable	1,568,144	1,480,439
Inventories	10,764,918	10,402,449
Short-term biological assets	1,282,656	1,145,562
Total current assets	30,694,355	36,040,947
Non-current assets		
Property, plant and equipment	22,293,445	21,537,127
Goodwill	1,175,578	1,175,578
Advances paid for property, plant and equipment	1,395,454	1,762,301
Long-term biological assets	1,064,463	880,048
Long-term investments	966,178	487,681
Deferred income tax assets	300,467	474,577
Other intangible assets	55,239	49,640
Restricted cash	70,954	101,432
Total non-current assets	27,321,778	26,468,384
Total assets	58,016,133	62,509,331
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings	10,791,931	17,129,130
Trade and other payables	2,948,889	1,889,143
Current income tax payable	19,166	80,049
Other taxes payable	275,890	499,915
Total current liabilities	14,035,876	19,598,237
Non-current liabilities		
Long-term borrowings	15,585,610	14,842,960
Government grants	490,054	512,998
Deferred income tax liability	236,581	376,451
Other non-current liabilities	48,078	46,659
Total non-current liabilities	16,360,323	15,779,068
Total liabilities	30,396,199	35,377,305
Equity		
Share capital	9,734	9,734
Treasury shares	(303,750)	(303,750)
Share premium	10,557,573	10,557,573
Share-based payment reserve	801,442	672,247
Retained earnings	16,591,748	15,851,492
Equity attributable to owners of ROS AGRO PLC	27,656,747	26,787,296
Non-controlling interest	(36,813)	344,730
Total equity	27,619,934	27,132,026
Total liabilities and equity	58,016,133	62,509,331

Appendix 4. Unaudited consolidated statements of cash flows for the year ended 31 March 2012 (in thousand rubles)

	Three months ended 31 March 2012	Three months ended 31 March 2011
Cash flows from operating activities		
Profit/ (loss) before taxation	634,536	(46,352)
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	435,086	298,133
Interest expense	522,900	410,257
Government grants	(215,822)	(266,304)
Interest income	(267,545)	(137,048)
Loss/ (gain) on disposal of property, plant and equipment	28,393	(1,918)
Unrealised gains less losses from trading sugar derivatives	-	(238,846)
Non-cash gains less losses from trading sugar derivatives	-	(23,764)
Gain on initial recognition of agricultural produce attributable to realised agricultural produce	197,254	-
Change in provision for net realisable value of inventory	(93,384)	-
Revaluation of biological assets, net	(24,523)	59,303
Change in provision for impairment of receivables and prepayments	33,600	12,620
Unrealised foreign exchange losses	100,326	3,611
Share based remuneration	129,195	131,193
Change in provision for impairment of advances paid for property, plant and equipment	(13,899)	6,069
Other non-cash and non-operating expenses, net	1,891	(6,936)
Operating cash flow before working capital changes	1,468,008	200,018
Change in trade and other receivables and prepayments	42,058	(346,784)
Change in other taxes receivable	(87,705)	(315,042)
Change in inventories	(245,932)	(708,647)
Change in biological assets	(294,336)	(192,974)
Change in trade and other payables	1,049,636	91,734
Change in other taxes payable	(224,025)	115,550
Cash generated from / (used in) operations	1,707,704	(1,156,145)
Income tax paid	(97,074)	(55,042)
Cash flow from trading sugar derivatives related to unrealised positions	-	47,764
Net cash from / (used in) operating activities	1,610,630	(1,163,423)
Cash flows from investing activities		
Purchases of property, plant and equipment	(984,595)	(2,173,862)
Purchases of other intangible assets	(1,957)	(5,343)
Proceeds from sales of property, plant and equipment	5,452	4,429
Investments in subsidiaries, net of cash acquired	-	1,936
Change in promissory notes	(490,793)	-
Change in cash on bank deposits	2,243,942	2,213,350
Loans given	(14,049)	(1,291,590)
Loans repaid	2,277	217,256
Interest received	182,740	213,658
Movement in restricted cash	56,468	(443,563)
Net cash from / (used in) investing activities	999,485	(1,263,729)
Cash flows from financing activities		
Proceeds from borrowings	4,424,368	5,229,896
Repayment of borrowings	(9,972,585)	(5,561,171)
Interest paid	(658,604)	(428,087)
Purchases of non-controlling interest	(182,617)	(97,301)
Sale of non-controlling interest	-	170
Proceeds from government grants	146,945	242,566
Proceeds from issue of own shares, net of transaction cost	-	1,040
Lease payments	-	(10,037)
Net cash used in financing activities	(6,242,493)	(622,924)
Net effect of exchange rate changes on cash and cash equivalents	(7,372)	2,901
Net decrease in cash and cash equivalents	(3,639,750)	(3,047,175)
Cash and cash equivalents at the beginning of the period	5,457,567	5,120,208
Cash and cash equivalents at the end of the period	1,817,817	2,073,033