



Agromino announces disposal of a non-core part of its elevator business

Agromino A/S (also the "Company") announces that a share purchase agreement for the sale of its Ukrainian subsidiary – PrJSC "Novomirgorodskiy Elevator" (also the "Elevator") for a price of USD 2.6 million has been signed. The Elevator, located in Kirovograd region, Ukraine, has a total usable storage capacity of 107,700 tonnes, out of which concrete bins hold 72 thousand tonnes of grains.

By the date of this press release the Company has already received prepayment in the amount of USD 450 thousand, and the remaining part of the purchase price will be received by the Company not later than by 28 February 2018. The total cash consideration will be further adjusted by transactional expenses and any remaining account balances such as receivables, payables, cash on account, etc. upon completion of the transaction.

With this transaction the Company has finalised the divestment of the Kirovograd cluster grain storage operations, this being part of the strategic plan to focus on core assets. The Elevator, built during the Soviet times, had underperformed for years, partly due to its unfavorable location, and also due to the increased competition from new modern facilities in the area. The cash proceeds from this disposal will enable the Company to reduce its bank borrowings by USD 2.3 million, thus strengthening the balance sheet and lowering the interest costs for the Company.

As of 31 December 2017, the net assets of the Elevator stood at EUR 1.6 million and thus, the preliminarily estimated effect from the transaction is a profit of EUR 0.5 million (subject to future FX differences) to be accounted for in 1Q 2018 financial interim report.

In accordance with the accounting standards (IFRS) applied by the Company the accumulated currency translation difference arising out of the disposal of the Kirovograd cluster grain storage operations constituting since the date of purchase of the Kirovograd cluster grain storage operations a total of EUR -8.3 million (subject to future exchange rate differences) has to be transferred from the balance sheet to the income statement in the 1Q 2018 report. It has to be noted, that the accumulated currency translation difference is, as such, a non-cash item and has no effect either on the total equity or liquidity of the Company. In the 4Q 2017 report the Company will provide more detailed explanation of the allocation of currency translation differences for all foreign operations in Ukraine and Russia.

Simon Boughton, CEO, Agromino A/S

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About Agromino

We are farmers and agribusiness managers, with operations in Ukraine, Russia and Estonia. Agromino A/S shares are traded on the main market of Nasdaq Stockholm.

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This information is information that Agromino A/S is obliged to make public pursuant to the Danish Securities Trading Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 29 January 2018.