

Agromino to acquire Resilient a.s. against issuance of new shares

Agromino A/S ("Agromino" or the "Company") has today entered into an agreement with the owner of Resilient a.s. ("Resilient"), who is also the major shareholder of Agromino, Mabon investiční fond s proměnným základním kapitálem a.s. ("Mabon"), to acquire 100 per cent of the shares in Resilient for a consideration of newly issued shares in Agromino equivalent to a value of approximately EUR 12.9 million (the "Transaction"). Mabon is controlled by Mr. Petr Krogman, who is also the Chairman of the Agromino's Board of Directors. Following the Transaction, Mabon will control approximately 74.2 per cent of the outstanding shares and votes in Agromino. The Transaction is conditional upon, *inter alia*, the approvals by the general meetings of Agromino and Mabon and no significant change to the preliminary valuation of both Agromino and Resilient in the period prior to completion of the Transaction.

The Transaction in brief:

- Upon completion of the Transaction, the Company will acquire 100 percent of the shares in Resilient. Resilient owns a total of 18 wholly owned subsidiaries out of which 1 is incorporated in the Czech Republic and 17 are incorporated in Ukraine.
- The consideration will consist of newly issued ordinary shares in Agromino to be subscribed for by Mabon at subscription price of SEK 18.6 per share. The number of newly issued shares is expected to be approximately 7.4 million based on preliminary acquisition value of EUR 12.9 million. The preliminary valuation made by the Company's financial adviser, BDO, confirmed that the fair market value of Resilient corresponds to EUR 13.5 million. The final valuation of Resilient will be made in connection with the completion of the Transaction.
- The subscription price for the newly issued shares will not be adjusted as a result of changes in the listing price of the Company's shares.

Background and reason

- Resilient is engaged in the agricultural sector producing grains, oilseeds, pulses and milk on its farms in black-earth regions of western Ukraine.
 - The Transaction will help the Company to increase its landbank and cattle numbers and will complement its current business model and strategy. Additionally, the Transaction will improve its regional diversification within Ukraine and will partially mitigate the risks related to weather conditions as well as the geopolitical risks.
 - The Transaction will enable to share / rotate the best managers and experts from both companies to improve Agromino group and may lead to economies of scale.

Financial information

Consolidated 2018 results of Resilient:

- total turnover of almost EUR 14 million compared to the total turnover of Agromino of almost EUR 26 million
- EBITDA of EUR 2.3 million compared to negative EBITDA of EUR -8,4 million in Agromino
- total liabilities of EUR 19.5 million (including land lease liabilities of EUR 3.3 million) compared to Agromino's total liabilities of EUR 14.6 million (not taking into account land lease liabilities)

Purchase price and issue of Consideration Shares

The total consideration for 100 per cent of the shares in Resilient is estimated to consist of approximately 7.4 million of newly issued Agromino shares (the "**Consideration Shares**") subscribed for at a price of SEK 18.6 per new share. The estimated number of newly issued shares is calculated based on the preliminary acquisition value of Resilient of EUR 12.9 million.

Agromino's Board of Directors will convene an extraordinary general meeting in order to resolve on, *inter alia*, approval of the Transaction and an authorization to the Board of Directors to resolve on the completion of the proposed acquisition of Resilient and the related issuance of the Consideration Shares. The issuance of the Consideration Shares will be carried out as a directed issue in favour of Mabon by way of a contribution in kind of the shares in Resilient.

Based on the preliminary calculation of the Consideration Shares set out above, the Consideration Shares will represent 29.8 per cent of the total number of outstanding shares and votes in Agromino post-Transaction. Accordingly, the issue of the Consideration Shares will entail a dilution of approximately 29.8 per cent of the total number of shares and votes in the Company calculated after the Transaction. Together with the approximately 63,3 per cent of shares already held, Mabon will control approximately 74.2 per cent of the outstanding shares and votes in Agromino after the completion of the Transaction.

Prospectus

For the purpose of the Consideration Shares to be admitted to trading on Nasdaq Stockholm, Agromino will, prior to completion of the Transaction, make public a prospectus, which is expected to be registered in October.

Timetable

The timetable below is preliminary and may be subject to changes.

September, 2nd	General meeting in Agromino A/S
October, 2019	Prospectus is published
October, 2019	Closing of the Transaction

Conditions to completion of the Transaction

The completion of the Transaction is conditional upon the satisfaction of certain conditions, *inter alia*, the approvals of the Transaction by the general meetings of Agromino and Mabon and no significant change to the preliminary valuation of both Agromino and Resilient in the period prior to completion of the Transaction.

Transaction costs

Agromino's total costs for the Transaction are estimated to amount to approximately EUR 200,000.

Advisors

BDO is acting as financial advisor and Poul Schmith (as to Danish law), Hamilton (as to Swedish law) Rowan Legal (as to Czech law), and WinnerLex (as to Ukrainian law) are acting as legal advisors to Agromino in the Transaction.

For further information, please contact

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This information is information that Agromino A/S is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 22:00 CET on July 31st 2019 .