ANNUAL REPORT 2014

AMATHEON AGRI

Growing value.

2014

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01

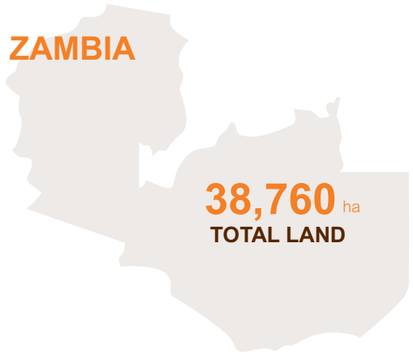
CEO'S MESSAGE

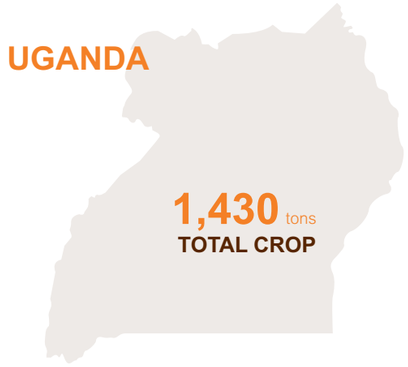
“ 2014 was a year of exciting progress providing us with excellent opportunities.

27th May 2015

Carl Heinrich Bruhn
CEO

CEO'S MESSAGE





I am pleased to confirm that 2014 was a year of rapid expansion. In line with our stated strategy, we aggressively deployed our financial resources to grow and geographically diversify our business.

In Zambia, we now own 38,760 hectares (ha) of titled leasehold land, and most importantly have laid the foundations for a significant expansion of the cropping area. A minor delay in receiving environmental approvals led to a small set-back for 2014, however, we remain solidly on track for realizing a tripling of the cultivated area by the end of 2015. Our ranching operation, which we kick-started in 2014 and which now counts around 1,000 ha, has not yet delivered the profitability we want. However, we are very pleased by the progress made so far. We ended the year with the confidence that this is an area we want to expand even further.

We opened up Amatheon Agri Uganda Ltd. (AAU) at the end of 2013, and towards the end of 2014, we already succeeded in cropping 1,430 ha. Whilst maize crop yields were not yet where we wanted them to be, we saw the commercial opportunity for rainfed double cropping confirmed and will thus continue our expansion.

We also entered Zimbabwe, where we planted 900 ha. We obviously recognize the specific risks the country poses, but we also recognize the enormous potential of an agricultural revival. Our entry mode is a contract farming concept, and this gives us both strong local partnerships as well as lowers the investment risk.

Towards the end of the year, we secured three strategic acquisitions in the Zambia meat processing area. Due to the Zambia Competition Committee approval process, the deal completion only took place in 2015. This unique opportunity to consolidate three companies into one will create an Amatheon meat operation that has a very strong "number 2" market position, and straddles the whole value chain from ranching through to Real Meat Company branded sausages, as well as an extensive shop-in-butchery network.

We entered the year with solid financial resources, while we further strengthened our balance sheet by the replacement of our short term EUR 100 million bond with a EUR 125 million three-year bond. We continued to strengthen our organisation. The Berlin office has established itself as a functional centre of expertise from where we rapidly deploy in-country support. More importantly though, we succeeded in building stronger in-country teams and, through the Zambia acquisitions, secured a very competent leadership team for our Zambia Meat operations. We do, however, recognize that more work is to be done, as organizational efficiency and talent retention are no doubt the critical success factors for being successful in Africa.

Amatheon's commitment to sustainable development reaped considerable dividends, with internal and external stakeholders offering solid support for our expansion. We are also pleased to note that the positive reputation we have established facilitates our entry into new countries as well as the creation of on-the-ground partnerships.

Overall, 2014 was a solid year and a strong base for step-change top line delivery and bottom line improvement in 2015. We believe more than ever in the potential of Africa, and its agriculture and food industries in particular. Our commitment to rapid expansion will deliver the scale, synergies and risk diversification our strategy is built on. Our increasingly seasoned management and operating teams and our willingness and capacity to build effective partnerships, is delivering the execution capability required.

I thank all stakeholders for their on-going support to Amatheon Agri. It is your passion and belief in both the Company and in Africa that makes me confident we are on the right track.

27th May 2015

Carl Heinrich Bruhn

02

REPORT OF THE SUPERVISORY BOARD

REPORT OF THE SUPERVISORY BOARD

It is with pleasure that I present the inaugural Report of the Amatheon Agri Holding N.V. Supervisory Board. My colleagues, H.S.H. Prince Max von und zu Liechtenstein, Ms Yukiko Omura and Mr Gregoire Dusausoy, and I were appointed to the Supervisory Board in December 2014.

The Supervisory Board is responsible for supervising the management of the Management Board and the general course of affairs of the Company. It will also approve important corporate and strategic decisions and concern itself with the achievement of the Company's objectives, risk management and legislative compliance, amongst others.

Given the Board's short appointment in 2014, there were no meetings held in 2014 and no committees established. As there are only four members on the Supervisory Board, it is deemed unnecessary to form specific committees at this stage, but this will be reviewed as and when necessary, as the business expands and the number of board members increases in the future.

PricewaterhouseCoopers Accountants N.V. audited the annual financial statements of Amatheon Agri Holding N.V. for the year ending 31st of December 2014 and these were prepared in accordance with the International Financial Reporting Standards. The auditors have confirmed that the Group Financial Statements and the Directors' Report meet the requirements as set out by the Dutch Civil Code Part 9 Book 2, and have issued unqualified opinions on the annual financial statements.

The documents relating to the annual financial statements and the audit reports were issued to all the members of the Supervisory Board in good time and were subject to deliberations and the approval of the Supervisory Board on the 27th of May 2015. We recommend that the shareholders adopt the annual financial statements as presented.

27th May 2015

For the Amatheon Agri Holding N.V.
Supervisory Board

Edwin Eichler
Chair

03

DIRECTOR'S REPORT

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A YEAR OF RAPID EXPANSION OF OUR FARMING DIVISION

The year 2014 has seen rapid expansion of our farming division. After our start in Zambia in 2012, we now also have cropping operations in Uganda and Zimbabwe. Whilst cropping remains the cornerstone, we also initiated ranching operations in Zambia in 2014. The Group's accumulated experience and organizational expertise has started to pay off in lower operational and start-up costs. In addition, as evidenced by our most recent entry into Zimbabwe, the experience of our divisional organization and the opportunity to share resources and know-how across countries allows us to deploy our in-house knowledge faster and with less risk.

ZAMBIA

In Zambia, where the Group owns a total of 38,760 ha, our cropping operations delivered a solid performance. With the exception of our wheat crop where average yield suffered from a delay in the irrigation infrastructure set-up of one pivot, our production yields met our expectations. Margins were affected by a decrease in maize prices following the release of strategic grain reserves by the Zambian government.

Critical for a step-change in the operational scale, we obtained regulatory approval for a further expansion with 4,000 ha and the construction of two dams that will allow us to increase the total area under irrigation to 2,000 ha. This will deliver a significant increase in crop production as of the second harvest in 2015.

Our cropping remains focused on maize, wheat and soya. Experiments to diversify into rice and forestry have not produced the required results yet. However, we will continue to evaluate the potential of such higher value crops.

Our small scale farmer network consists of more than 1,000 farmers and contributes significantly to the scale of our cropping operations. Already in 2014, we purchased 2,742 tons of grain from the small holders located in the vicinity of our farm. On behalf of these farmers, we negotiated an input financing scheme with Zanaco Bank which enables the farmers to steadily grow their business.

Our ranching operations, which started at the end of 2013, achieved full critical mass. We now own 992 heads of cattle. While its profitability suffered from start-up costs and losses resulting from the imported herd having to adapt to the new environment, the commercial viability of both a breeding herd and our feedlotting operations was confirmed.

UGANDA

In Uganda, the Company's operations started in earnest in 2014 and, following the recruitment of a senior management team, we established a full farming set-up.

Our farming operations consist of 3 clusters, which are in the same area but not directly connected - something which we aim to address in the coming years through additional land acquisitions and investment in road infrastructure.

We confirmed the potential of non-irrigated double cropping and increased the planted area substantially. Further rapid expansion will be feasible as we have 6,030 ha under lease or longer term sublease.

With 2014 being a first cropping year in a new set-up, yields were low, although they are expected to increase sharply in the coming cycles as soil conditions improve, the best seed varieties are identified and fertilizing practices become optimized.

Our main focus was on maize, but we also experimented with other crops such as sunflower, sorghum, soya and rice. In particular, the potential of non-paddy rice production was confirmed and we will expand this crop in future plantings.

In addition, we initiated a smallholder training scheme. However, it was not operational in 2014 and will only contribute in the following year. The purchase of crops from these farmers is planned for 2015/2016.

We also believe that cattle ranching in Uganda offers great potential, although in 2014 our focus has remained on cropping.

ZIMBABWE

In 2014, we established Amatheon Agri Zimbabwe (AAZim) to tap into the abundant agricultural potential of the country. Its history of being the bread basket of southern Africa has left it with ample infrastructure and ready agricultural land, with this potential only held back by the lack of financing and political risks.

AAZim's operating mode is one of contract farming. We have established partnerships with 5 farmers, which allowed us to plant 900 ha, which will be harvested in 2015. All land is well located, in the proximity of the capital city Harare, and requires minimum investment in land preparation. Our partners are carefully vetted.

The terms of the partnership are straightforward and equitable. The Company invests in equipment, working capital and runs in full the farming operations. The land owners then receive a percentage of the revenue.

Whilst we keep our neutral position in terms of politics, we have nurtured good relationships and received a strong endorsement of our concept from the government as well as the local community. Our presence in Zimbabwe has given us the necessary operational credibility and we have a local team that is very much connected with the local communities.

SUCCESSFUL EXPANSION INTO THE FOOD INDUSTRY

Agricultural and food value chains in Africa often suffer from a lack of scale, as well as operational bottlenecks. To overcome these barriers, part of Amatheon's strategy is to connect and integrate different stages of the value chain.

From the start, building a Foods Division has been a key cornerstone of Amatheon's strategy. Following a period of extensive scouting, we were able to secure a first major foothold in Zambia. Towards the end of 2014, we signed agreements to acquire the Real Meat Company Ltd., as well as More Beef Ltd. including its subsidiary Buccamore Foods Ltd. These acquisitions required approval from the Competition and Consumer Protection Commission (CCPC), which we obtained in December 2014, with the actual transaction being executed in January 2015. In that month, we also reached an agreement on the acquisition of Best Beef/Best Pork Ltd., which has also received approval by the CCPC.

With these acquisitions, Amatheon has been propelled to the position of being the second largest meat company in Zambia, processing a total of 11,000 heads of cattle per year and 30,000 heads of pigs per year.

All three companies operate in the meat processing sector. Through the Real Meat Company Ltd., we were able to acquire a strong consumer brand, a competitive production platform, as well as a seasoned management team. More Beef Ltd., which operates the Pick and Pay in-store butcheries, ensures the strategic market access to the fast growing retailer sector. Best Beef/Best Pork Ltd. is set to present us with a strong position in the wholesale sector. It offers a further link to the retail channel and also comes with ideally located facilities that allow large scale expansion in slaughtering and processing. Combining the companies under the Real Meat Company Group umbrella will offer significant savings from back office and logistics integration but also accelerate the growth potential through economies of scale and skills in sales and marketing. Our meat business will also provide synergies with our Zambia ranching operations as it provides a strategic and reliable sales channel for its cattle.

AMATHEON AGRI

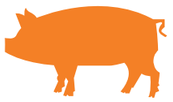
2ND LARGEST MEAT COMPANY IN ZAMBIA

Real Meat Company Ltd

More Beef Ltd.

Buccamore Foods Ltd.

11,000 HEADS OF CATTLE



30,000 HEADS OF PIGS

PER YEAR


AMATHEON AGRI

WE CONTINUE TO STRENGHTEN OUR OPERATIONAL CAPABILITIES

In support of our rapid expansion, we continued to strengthen our organisation. At a corporate level, we reinforced the Finance and Human Resource functions with the recruitment of experienced senior managers. In Zambia, a new contingent of experienced senior managers were brought on board towards the end of the year, while Uganda and Zimbabwe benefitted from the in-house learning and best practice skills transfers.

A great deal of effort was invested in aligning financial and human resource processes and procedures, as we are committed to capturing the full benefits of being a multi-country yet integrated operation. These benefits are evident in our capability to enter new countries, integrate acquisitions faster, achieve lower country operating costs and lower levels of financial and reputational risks. The latter has also been pursued through an increased focus on health and safety standards and the continuous reinforcement of our code of conduct.

We also initiated the roll out of a new ERP system across all entities which, amongst other benefits, will allow for live tracking of relevant activities, seamless integration of all information systems and will streamline financial reporting and consolidation processes. Whilst the system has already gone live in some entities, the final implementation across the Group is scheduled for the Q3 2015.

SUSTAINABLE DEVELOPMENT AS A BUSINESS FUNCTION

FOR US, A SUSTAINABLE BUSINESS APPROACH ENCOMPASSES:

1. Directing our business with high standards of integrity
2. Commitment to our employees
3. Conducting thorough stakeholder engagement
4. Conserving a healthy environment

The approach of sustainable development is also closely linked to risk management and mitigation, and with that, is mainstreamed throughout our operations. Apart from choosing staff carefully to suit our ethical criteria, tight monitoring systems and policies furthermore ensure compliance. In addition, with every country we enter into, we integrate new areas of focus. While the same base of policies is used for each country, we assess the culture and settings of every operation and adjust certain guidelines according to the region we are active in. This ensures the highest standards of cultural integration of our operations.

OUR COMMITMENT TO STAKEHOLDERS

From the onset of any operation, we engage with all stakeholders impacted directly and indirectly by our operations. We ensure transparency and honesty in all our dealings. This in turn generally nurtures strong bonds between Amatheon, its employees and the community that we operate in.

We believe in engaging in the preservation of heritage and tradition by supporting the celebration of cultural ceremonies and we give back to the societies in which we operate through various initiatives.

In Uganda, Amatheon gathered local councillors, leaders, the surrounding communities, as well as district stakeholders to choose priority projects where it was felt that our support for the community would make the greatest difference. We concluded that in 2015, we would support Village Health Teams catering to the rural population's health needs which are otherwise not provided for in any close vicinity.

We will furthermore provide seating facilities and desks for 300 children at a nearby school where pupils are currently sitting on the floor during studying time. As we believe that the productivity of communities also depends on the security provided to them, Amatheon Agri Uganda Ltd. (AAU) also supported the local police by setting up three units to house police personnel.

In Zambia, amongst other projects, we continue to support the Kafwikamo Community School, where we constructed various buildings as well as a vegetable garden. In Zimbabwe, we have rural communities bordering the farms where we work. For the next phase, it is planned that AAZim will conduct a community needs assessment and feasibility study to identify cooperation opportunities.

HIV/AIDS remains a burden on rural populations across Sub-Saharan Africa, with the prime challenges being access to and uptake of testing, counselling and treatment. Amatheon stays involved in this topic by raising awareness amongst employees and teaming up with local non-profit organisations to provide counselling and testing for the workforce and increasingly also for the surrounding community.

While we screen social projects according to a set of criteria and implement those that we find sensible, we are increasingly moving these activities to the Amatheon Foundation, which has a heavy focus on training local communities in subjects ranging from agriculture to project development and nutritional education. We believe that by shifting this aspect into an entity much more focused on community development, the impact for the communities will increase immensely.

THE AMATHEON FOUNDATION

In 2014, we finalised the outline of the overall strategy, mission and vision of the Amatheon Foundation, which was founded in late 2013. As social and economic development rank high on our agenda, the Foundation supports people in Sub-Saharan Africa to achieve their true potential through access to knowledge, business education and capital. Furthermore, the Foundation has also made it a goal to raise awareness about Africa and its potential. We feel that Africa is all too often characterised as being the continent of starvation and poverty, insecurity, corruption as well as being economically challenged and confronted by many more insurmountable obstacles. Alongside directly supporting communities, the Amatheon Foundation therefore also aims to help correct this misunderstanding by raising awareness about the African reality in the western world.

The Foundation supports local NGOs and organisations surrounding Amatheon's business operations to tackle key issues that act as bottlenecks for growth in those areas. In collaboration with our local partners, we focus on realizing commercial and social opportunities presented by the food value chain, which dominates rural economic activity in Sub-Saharan Africa.

www.amatheon-foundation.org

CONSERVATION FARMING

The current food security outlook necessitates an intensive but sustainable approach to farming, and the use of resources needs to be planned carefully. The Amatheon Foundation aims to increase rural farmers' productivity through the promotion of effective and lasting agronomic practices. Conservation Farming is a minimum tillage system that incorporates other key practices such as early planting, mulching, crop rotation and stringent weed control which have been proven to increase yields, counter climate change and lower environmental impacts such as soil erosion and more.

Benefits of this practice have been documented by reputable institutions and adopted by hundreds of thousands of farmers across Sub-Saharan Africa.

FARMING AS A BUSINESS

In rural areas, a proper understanding of agribusiness is often lacking. It is therefore not uncommon that a farmer sells products at the best price that can be obtained on a particular day, without having a clear understanding whether he or she is actually making a profit or a loss.

We aim to ensure that farmers earn more from what they are producing by fostering a change in mentality through a shift from subsistence agriculture to farming for a profit. By enabling a level of business-minded farmers, we believe that we can make our mark in leading communities out of poverty for the long term.

ACCESS TO CAPITAL

It is estimated that about two-thirds of the world do not have access to credit facilities. Access to capital, as well as its intelligent use, is in many cases vital for a successful transition from subsistence farming to an increased income status.

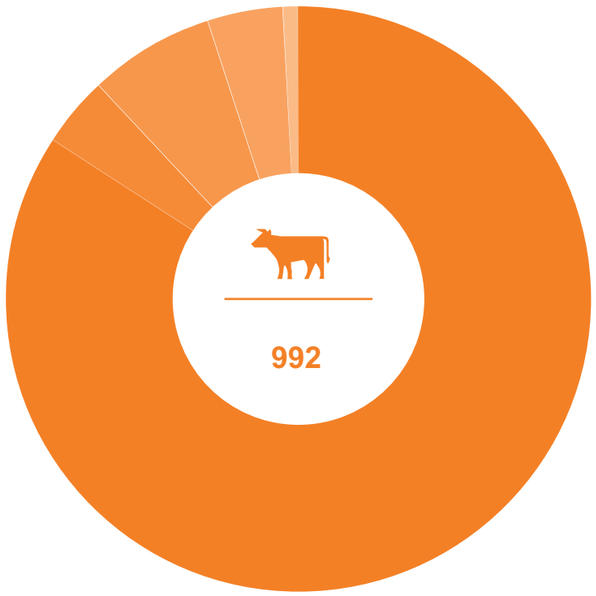
The Amatheon Foundation supports the facilitation of input credits for farmers as well as credits for future mechanised service providers. It furthermore helps to establish financial training.

ACCESS TO MARKET

We believe that agricultural production should be market driven. Access to viable in- and output markets is therefore essential. Therefore, the Amatheon Foundation facilitates market linkages to make increased productivity profitable. As strong partners, the Amatheon Foundation leverages on Amatheon's potential to act as a solid off-taker for the surrounding communities' crops.

FINANCIAL RESULTS

Amatheon's investment and expansion during 2014 can be observed in the following charts:



Bulls	Cows	Heifers	Calves	Steers
1%	84%	4%	7%	4%

AAZ CATTLE HERD COMPOSITION BY CATEGORY

Total amounts and percentage

Amatheon Agri Zambia (AAZ) has, a herd as of December 2014 of 992 animals (2013: 1,053 animals), and there are currently two schemes being carried out: breeding and feedlotting. The intention is to increase the size of the herd by incorporating better breeds to guarantee high quality cattle and meat revenues. There were no animals held in the other countries in 2014.

Amatheon Group Crop Production	**1st** Crop Season	**2nd** Crop Season	**Total** Crop
IRRIGATED			**676 HA**
Soybeans	-	115 ha	115 ha
Wheat	339 ha	-	339 ha
Maize	-	222 ha	222 ha
RAINFED			**2,829 HA**
Maize	47 ha	2,304 ha	2,351 ha
Rice	-	76 ha	76 ha
Soya	-	147 ha	147 ha
Sunflower	4 ha	247 ha	251 ha
Sorghum	4 ha	-	4 ha
TOTAL	**541 HA**	**2,964 HA**	**3,505 HA**

AMATHEON GROUP CROP PRODUCTION

The Group has gained a considerable understanding of agriculture in Zambian, Ugandan and Zimbabwean environments since 2013, as demonstrated by the successful implementation of this experience in the latest 2014 cropping. The results of the two seasons were consistent with our expectations, taking into account the establishment of operations from the beginning. The Group cultivated a total of 3,505 ha in 2014. For the second semester, the production scheme developed 337 ha under pivot irrigation, and 2,627 ha under a rainfed scheme for crop production.

INCOME STATEMENT

Amatheon´s revenue grew to EUR 2,714,284 in the 2014 fiscal year (2013: EUR 336,060). This was due to the sales generated from the AAZ and AAU farm segment, mainly relating to crop trading. Higher losses in gross results were also reported, reaching EUR -539,630 in the 2014 fiscal year (2013: EUR -417,706). The negative development can largely be explained by the downwards valuation of biological assets compared to a positive restatement in 2013.

Employee benefits expenses increased to EUR 3,460,092 (2013: EUR 2,315,858), which represents an increase of 49% compared with the previous year. In 2014, the Group employed an average of 277 fulltime employees (2013: 180 FTE).

Other expenses amounted to EUR 548,895 (2013: EUR 211,749). Operating losses were at EUR10,563,488, or 85% higher than the previous year (2013 EUR 5,716,287), mainly driven by increases in legal and consulting costs as well as personnel expenses.

Net finance costs had a year-on-year increase, coming in at EUR 3,157,648 (2013: EUR 1,346,640). The increase in financing costs reflects further funding which was required for the expansion of the Group's activities investing in the growth of the business. Net finance costs include non-recurring gains of EUR 7,996,113 from the favourable repurchase of bonds from a shareholder. On the other hand, a premium of EUR 3,088,000 was paid for early bond repurchases. This is reflected in the total consolidated Group loss, in the fiscal year 2014, of EUR 13,721,136, compared to EUR 7,062,927 in the previous year.

ASSETS

Total assets decreased from EUR 115,936,941 as of the 31st of December 2013 to EUR 109,534,122 as of the reporting balance sheet date.

Working capital has increased year-on-year to reflect our expanding operations in Uganda and Zimbabwe. Cash and cash equivalents have been used to finance the growth, which resulted in a lower total current asset position in 2014, being EUR 82,754,904 (2013: EUR 102,103,672). As for the non-current assets, the major asset is property, plant and equipment, accounting for EUR 26,379,464 (2013: EUR 13,275,917), largely explained by the level of investment in activities related to land and land development in 2014.

From 2013 to 2014, Amatheon increased its property, plant and equipment net book value by 99%, mainly by acquiring land and developing it into farmland. In 2014, the Group increased its investment in "Land and Building", which came to a net book value of EUR 12,395,222, and invested substantially in technical equipment and machines. "Construction in Progress" during 2013 was concluded, and these assets were included under "Land and Building".

CASH FLOW

The cash outflow from operating activities was EUR 18,313,590 (2013: EUR 3,548,777). Net cash flow from investing activities amounted to EUR 17,167,868 in 2014 (2013: EUR 8,540,151). Cash flow from financing activities amounted to EUR 9,530,709, compared with EUR 108,490,441in 2013.

The net decrease in cash and cash equivalents was EUR 25,950,749, which was used to finance the operational cash outflow.

EQUITY AND LIABILITY

On the 31st of July 2014, AFin issued the first tranche of an up to EUR 125 million 8.25% bond on the open market of the Frankfurt Stock Exchange. The purpose of the bonds issue was to repurchase EUR 100,000,000 of the outstanding 8.5% bonds due in 2014 (ISIN XS0990660911), repurchase EUR 10,000,000 of the outstanding 8.5% bonds due in 2018 (ISIN NL0010418794) on the open market, finance further investments in Sub-Saharan Africa and fund general corporate purposes of the Group.

On the 9th of October 2014, the final tranche of the 2017 bond was issued, totalling EUR 125 million. Between the 31stof July 2014 and the 9th of October 2014, the EUR 100 million 8.5% bond due in November 2014 was fully repurchased and then cancelled along with EUR 8.9 million of the EUR 10 million 8.5% bond due in 2018. The EUR 100 million bond was repurchased at an average price of 102.75%, being less than the early redemption price of 103%.

On the 31st of December 2014, Amatheon Agri Holding purchased from Sapinda Asia Ltd. EUR 10 million of Amatheon Financing's EUR 125 million 8.25% bond due in 2017 for consideration of EUR 2 million, thereby creating a EUR 8 million profit in Amatheon Agri Holding.

Further, on the 31st of December 2014, Sapinda Asia Ltd. made a contribution towards the capital reserves of Amatheon Agri Holding in the form of EUR 26.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. The contribution by Sapinda Asia Ltd was made unconditionally and irrevocably, with all rights to the bonds transferring to Amatheon Agri Holding.

At the end of 2014, Amatheon Agri Holding held EUR 36.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing.

BUSINESS OUTLOOK

The year 2014 confirmed the exceptional investment opportunities that exist in Sub-Saharan Africa. Despite the economic turmoil evident in other parts of the world, African economies continue to thrive, with growth rates well ahead of developed markets. Economic and population growth, improved macro-economic policies and better governance practices lead us to be very upbeat about current macro-economic and political developments. Furthermore, an ever stronger commitment by politicians and investors to improve the continent's infrastructure additionally increases our confidence that the continent's agricultural potential can be tapped.

The decline in oil prices is a concern to some, and obviously for the major oil producers. For our operations however, we expect the development to further boost our prospects by reducing input costs. Additionally, government budgets will get some relief from lower fuel subsidies, while consumer spending power should significantly increase due to lower utility and transport costs.

Not surprisingly, the agricultural sector is attracting an ever increasing interest from foreign investors, in particular from those who can see the logic of our diversified strategy. With currently often low yields in Africa, the introduction of improved farming techniques and double cropping systems permits the substitution of expensive grain imports with local products and hence offers an enormous upside for local farming.

The food sector in general should equally benefit from the above macro-economic trends. Additionally, we see significant opportunities for growth through product innovation, brand development, cost optimization through technology transfer and industry consolidation.

Whilst we already cover three Sub-Saharan African countries, we will not only seek to accelerate the growth of existing operations but also further drive geographic and sector diversification. This will not only expand the opportunities for growth, but will also minimize over-exposure to a single country or currency.

In summary, our vision remains unchanged: We aim to be a leading agribusiness and foods company in Sub-Saharan Africa. With our Company's combination of entrepreneurial zeal, a growing cadre of seasoned executives and access to financing, we are in an excellent position to achieve this goal.

> “ OUR VISION REMAINS UNCHANGED: WE AIM TO BE A LEADING AGRIBUSINESS AND FOODS COMPANY IN SUB-SAHARAN AFRICA. ”

MANAGEMENT BOARD AND SUPERVISORY BOARD

Amatheon Agri Holding N.V. is a publicly listed company on the Euronext Paris Marché Libre. The Company was incorporated in The Netherlands and has its registered address in Berlin, Germany. The Company operates a two-tiered board system. The Management Board comprises solely Mr. Carl Heinrich Bruhn. Mr. Bruhn was re-appointed to the Management Board by the shareholders on the 8th of December 2014 for a further term of three years.

Furthermore, the Company's inaugural Supervisory Board was appointed by shareholders on the 8th of December 2014. During the start-up phase of the Company, no Supervisory Board had been appointed. The Supervisory Board's role is to supervise the management of the Company and to oversee the Company meeting its objectives while concerning itself with matters such as risk management and legislative compliance. Four members were appointed to the Supervisory Board. Members' remuneration is determined by the shareholders.

During the start-up phase of the Company, an informal Advisory Board was established to provide ad hoc advice to the Company's Management. After the appointment of the Supervisory Board, the Advisory Board has since been dissolved.

The Company strives for diversity and equality throughout the business and in its management. In accordance with Dutch legislation requiring companies to pursue a policy of at least 30% of Management and Supervisory Board seats being held by women, we can report that 25%of seats on the Supervisory Board are held by women. Since the Management Board is only composed of one member, we are unable to report any percentage of seats being held by women.

In the short term, gender targets have not been met on the basis of relevant selection criteria and the availability of suitable candidates. As the Company continues to grow, and greater and more varied expertise is sought, we will continue to pursue a diverse and balanced composition of our boards.

CEO

Mr. Carl Heinrich Bruhn

SUPERVISORY BOARD

Mr. Edwin Eichler (Chair)

Mr. H.S.H. Prince Max von und zu Liechtenstein

Ms. Yukiko Omura

Mr. Gregoire Dusausoy.

MANAGEMENT BOARD REMUNERATION

Under the Company's Articles of Association, shareholders will agree a remuneration policy for the Management Board. This remuneration policy is expected to be agreed during 2015. The Supervisory Board is tasked with determining the remuneration for each Management Board member in line with the remuneration policy.

In the absence of a Supervisory Board, Mr. Bruhn's remuneration package was approved by shareholders at their Annual General Meeting of Shareholders on the 27th of June 2013. Mr. Bruhn's remuneration in 2014 consisted of a fixed salary and discretionary bonus payment.

List of companies and branches in the Amatheon Group with country of incorporation and abbreviation

Company	Location
Amatheon Agri Holding N.V.	The Netherlands (AAH)
Amatheon Agri Holding N.V.	registered branch in Germany (AAH)
Amatheon Financing B.V.	The Netherlands (AFin)
Amatheon Foundation gGmbH	Germany (AFn)
Amatheon Farming GmbH	Germany (AFa)
Amatheon Food GmbH	Germany (AFo)
Amatheon Trading GmbH	Germany (AT)
Amatheon Agri Zambia Ltd.	Zambia (AAZ)
Amatheon Agri Uganda Ltd.	Uganda (AAU)
Amatheon Agri Zimbabwe (Pvt) Ltd.	Zimbabwe (AAZim)

In addition from January 2015:

The Real Meat Company Ltd.	Zambia
More Beef Ltd.	Zambia
Buccamore Foods Ltd.	Zambia

RISK MANAGEMENT

PRICING OF COMMODITIES

The pricing of the various commodities produced – maize, soya, wheat and rice – is a key variable for the profitability of our business. In each of the countries where we operate, the pricing is impacted by world market trends, local weather conditions and government interference through import/export bans.

In the coming years, the Amatheon Group intends to achieve a higher integration with local markets and a more diversified product portfolio to mitigate this risk.

FOREIGN EXCHANGE EXPOSURE

All our operations have costs and financing denominated in a mixture of US dollars and local currency. Fluctuations between the currencies can have a material impact on the Group's results. Whilst most of the cropping business is US dollar linked, the expansion of the Group's activities into foods, with its dependence on local currency denominated demand, will increase our economic foreign exchange exposure. We will aim to mitigate this risk by maximizing the local cost component. Our geographic diversification will also further reduce our economic foreign exchange exposure.

The Group's debt financing is Euro denominated, with only a small proportion in local currency. We have decided not to hedge this exposure as the cost is considered to be prohibitive.

IT SYSTEMS FAILURE

Amatheon's Information Technology (IT) infrastructure is currently fragmented and run in challenging circumstances. The risk of failing accounting systems as a result of human error or infrastructural weaknesses is present. In the course of 2015, our IT structure will be heavily improved and harmonized to mitigate this risk.

LOSS OF KEY TALENT

We are located in remote locations where attracting and retaining talent – in particular in the area of Finance – is a constant challenge. The loss of key operators can expose the Group to financial control risks.

We mitigate this risk by ensuring a favourable working environment, clear career objectives, regular salary benchmarking as well as on the job training.

POLITICAL STABILITY IN EMERGING ECONOMIES

Our strategy recognizes the above average risks involved and as such seeks to mitigate threats through geographic and sector diversification. In addition, our approach to execution minimizes our exposure through short reporting lines and strong operational involvement from the corporate centre.

The economic risk is mainly driven by crop price volatility and currency movements. The former is monitored closely, and in the future, we will increasingly rely on in-house trading expertise to manage sales as well as drive our cropping strategy.

We enter a country after careful consideration of the country risks. However, we cannot fully exclude the risk of political instability or government interference having an impact on the business. Reputational and political risks are recognized in the choices we make. Country entries and partnerships are carefully vetted to avoid political or reputational exposure.

We place a high value on stakeholder engagement, our sustainable approach to business and our Code of Business Conduct, which is hence heavily embedded in our operations – not least to safeguard our reputation within and outside the operating countries. We also have improved Health and Safety policies as a way to protect our employees and the Amatheon brand.

We have furthermore strengthened our governance infrastructure with the installation of a Supervisory Board that will help to oversee our risk management through the quarterly review of our risk matrix.

CREDIT

Credit risk is the risk that any counterparty will default on its contractual obligations resulting in a financial loss to the Group. Therefore, Amatheon implements the policy to only engage in activities with reputable, well-established banks and financial institutions. In addition, the credit quality of the customer is assessed, taking into account its financial position, past experience and other factors. In our trading operations, credit risk is minimal as virtually all sales are cash on delivery.

As of the 31st of December 2014, there was a concentration of credit risk because EUR 68 million of cash holdings are held with one financial institution. The Group intends to diversify its cash holdings to mitigate this risk in future.

LIQUIDITY AND CASH FLOW

Prudent liquidity risk management includes maintaining sufficient cash balances and the availability of funding sources to cover liabilities, which included the repayment of a short term bond that matured in November 2014. Amatheon secured a new long term bond due in 2017 and with its proceeds has repurchased the full amount of the short term bond. As such, we have secured sufficient near term liquidity. We have also strengthened our cash planning and forecasting capability to ensure that, at all times, we balance the risk of rapid expansion with the corporate capability to fund.

AGRICULTURAL

Agricultural operations use a great deal of natural resources, and they have a strong link with rural societies and the environment. Exposure to adverse effects and impacts such as those emerging from climate change could present great challenges to countries' food security and the Company's profit outcome. Amatheon continuously works hard in this field to improve distribution and efficiency in the local communities, enhance the crop production schemes through efficient resource usage, achieve increases in yields, and reduce crop losses. The Group has adopted the latest policies and procedures to comply with global environmental laws, and furthermore, it has incorporated crop insurance in its production scheme. Moreover, hedging is planned for the coming years.

2014

THE YEAR 2014 IN PICTURES


AMATHEON AGRI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04

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December	
in EUR	**Note**	**2014**	**2013**
Revenue	7	2,714,284	336,060
Change in biological assets due to fair value measurement	8	(539,038)	53,680
Cost of sales *	11.1	(2,714,876)	(807,446)
Gross result *		(539,630)	(417,706)
Distribution costs *	11.2	(12,381)	0
Administrative expenses *	11.3	(9,800,656)	(5,118,310)
Other income *	9	338,074	31,478
Other expenses *	10	(548,895)	(211,749)
Operating loss		**(10,563,488)**	**(5,716,287)**
Finance income	13	11,272,829	893,478
Finance costs	13	(14,430,476)	(2,240,118)
Finance costs – net	**13**	**(3,157,648)**	**(1,346,640)**
Loss for the period		**(13,721,136)**	**(7,062,927)**
Attributable to:			
Owners of the parent		(13,334,770)	(6,877,358)
Non-controlling interests		(386,367)	(185,569)
Loss for the Period		(13,721,136)	(7,062,927)
Items than may be subsequently reclassified to profit and loss			
Currency translation differences		273,230	(1,122,380)
Other comprehensive income for the period		**273,230**	**(1,122,380)**
Total comprehensive income for the period		**(13,447,907)**	**(8,185,307)**
Attributable to:			
Owners of the parent		(13,016,249)	(7,947,799)
Non-controlling interests		(431,658)	(237,508)
Basic and diluted earnings per share from operations attributable to owners of the parent during the year	15	(0.18)	(0.10)

* The presentation of the consolidated statement of comprehensive income was changed. Further details can be found in Note 2.3

Notes 1 to 33 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

		As at 31 December	
in EUR	**Note**	**2014**	**2013**
Assets			
Non-current assets			
Property, plant and equipment	17	26,379,464	13,275,917
Intangible assets	18	36,159	5,818
Biological assets	8	363,596	551,535
Total non-current assets		**26,779,219**	**13,833,269**
Current assets			
Inventories	20	2,053,434	1,044,960
Biological assets	8	2,089,220	766,774
Tax receivables	21	641,519	430,456
Trade and other receivables	22	4,400,668	216,117
Cash and cash equivalents	23	73,570,062	99,645,366
Total current assets		**82,754,904**	**102,103,672**
Total assets		**109,534,122**	**115,936,941**
Equity and liabilities			
Equity			
Equity attributable to owners of the parent	**25**		
Ordinary shares	25.1	7,232,143	7,232,143
Share premium	25.1	32,374,916	6,123,545
Other reserves	25.2	(668,321)	(986,836)
Losses carried forward		**(10,296,383)**	**(3,520,672)**
Loss for the period		**(13,334,770)**	**(6,877,358)**
Total equity attributable to owners of the parent		**15,307,585**	**1,970,822**
Non-controlling interests	**25.3**	**326,756**	**317,244**
Total equity		**15,634,341**	**2,288,066**
Liabilities			
Non-current liabilities			
Borrowings	30	88,461,597	9,617,075
Provisions for share-based payments	27	209,334	198,492
Total non-current liabilities		**88,670,931**	**9,815,567**
Current liabilities			
Trade and other payables	29	5,130,056	4,334,258
Borrowings	30	45	99,499,050
Other provisions	26	98,749	0
Total current liabilities		**5,228,850**	**103,833,308**
Total liabilities		**93,899,781**	**113,648,875**
Total equity and liabilities		**109,534,122**	**115,936,941**

Notes 1 to 33 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2014 in EUR	Note	Attributable to owners of the parent						Non-controlling interests	Total equity
		Ordinary shares	Share premium	Currency translation	Losses carried forward	Total			
1 January 2014		**7,232,143**	**6,123,545**	**(986,836)**	**(10,398,030)**	**1,970,822**		**317,244**	**2,288,066**
Loss for the period		0	0	0	(13,334,770)	(13,334,770)		(386,367)	(13,721,136)
Other comprehensive income for the period, net of tax		0	0	318,515	0	318,515		(45,285)	273,230
Total comprehensive income for the period		**0**	**0**	**318,515**	**(13,334,770)**	**(13,016,255)**		**(431,652)**	**(13,447,907)**
Capital increase of parent	25.1	0	26,789,637	0		26,789,637			26,789,637
Capital increase of subsidiaries	25.3	0	(538,266)	0	101,646	(436,620)		441,164	4,544
Total contributions by and distribution to owners of the parent		**0**	**26,251,371**	**0**	**101,646**	**26,353,017**		**441,164**	**26,794,181**
31 December 2014		**7,232,143**	**32,374,916**	**(668,321)**	**(23,631,154)**	**15,307,584**		**326,756**	**15,634,341**

2014 in EUR	Note	Attributable to owners of the parent						Non-controlling interests	Total equity
		Ordinary shares	Share premium	Currency translation	Equity component convertible bonds	Losses carried forward	Total		
1 January 2013		**5,000,000**	**0**	**83,605**	**592,270**	**(3,579,244)**	**2,096,631**	**1**	**2,096,632**
Loss for the period		0	0	0	0	(6,877,358)	(6,877,358)	(185,569)	(7,062,927)
Other comprehensive income for the period, net of tax		0	0	(1,070,441)	0	0	(1,070,441)	(51,939)	(1,122,380)
Total comprehensive income for the period		**0**	**0**	**(1,070,441)**	**0**	**(6,877,358)**	**(7,947,799)**	**(237,508)**	**(8,185,307)**
Conversion of bond	25.1	2,232,143	6,736,780	0	(592,270)	0	8,376,653		8,376,653
Capital increase of subsidiaries	25.3	0	(613,235)	0	0	58,571	(554,664)	554,751	88
Total contributions by and distribution to owners of the parent		**2,232,143**	**6,123,545**	**0**	**(592,270)**	**58,571**	**7,821,990**	**554,751**	**8,376,740**
31 December 2013		**7,232,143**	**6,123,545**	**(986,836)**	**0**	**(10,398,030)**	**1,970,822**	**317,244**	**2,288,066**

Notes 1 to 33 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 December	
in EUR	**Note**	**2014**	**2013**
Cash flow statement			
Cash flow from operating activities			
Loss before income tax		(13,721,136)	(7,062,927)
Adjustments for:			
Depreciation	17	545,364	361,409
Amortisation	18	9,823	3,461
Impairment of fixed assets	17	215,086	367,549
Foreign exchange losses/gains		341,600	(579,864)
Finance costs - net	13	3,157,648	1,146,640
Impairment of financial assets	13	0	200,000
Change in fair value of biological assets	8	544,529	(53,680)
Income from the disposal of fixed assets	17	(18,429)	146
Change of provisions	26, 27	109,591	10,129
Changes in working capital:			
Change of trade and other receivables	22	(2,737,928)	379,764
Change of trade and other payables	29	2,512,485	2,215,127
Change of inventories	20	(1,008,475)	(533,406)
Cash used in operations		**(10,049,842)**	**(3,545,651)**
Interest received		3,252,183	559,122
Interest paid		(11,515,930)	(562,018)
Taxes paid		0	(229)
Net cash used in operating activities		**(18,313,590)**	**(3,548,777)**
Cash flow from investing activities			
Investments in tangible assets	17	(14,360,149)	(7,325,932)
Investments in intangible assets	18	(40,162)	(1,390)
Disposal of fixed assets	17	87,719	11,882
Purchase/growing cost of biological assets	8	(1,207,956)	(1,024,712)
Loans granted to related parties		(1,647,320)	(200,000)
Net cash used in investing activities		**(17,167,868)**	**(8,540,151)**
Cash flow from financing activities			
Proceeds from equity instruments non-controlling interest		4,543	0
Redemption of borrowings		0	(429,411)
Proceeds from non-convertible bond	30	125,357,609	110,000,000
Redemption of non-convertible bond	30	(108,900,000)	0
Repurchase of non-convertible bond	30	(2,000,000)	0
Transaction costs from conversion of convertible bond		0	(82,513)
Transaction costs from issuance of bond	30	(1,283,000)	0
Transaction costs from redemption of non-convertible bond		(3,648,443)	(997,635)
Net cash generated from financing activities		9,530,709	108,490,441
Net decrease/increase in cash and cash equivalents		**(25,950,749)**	**96,398,897**
Cash and cash equivalents at the beginning of the period		**99,645,366**	**3,444,201**
Foreign exchange losses on cash and cash equivalents		**(124,555)**	**(197,732)**
Cash and cash equivalents at the end of the period		**73,570,062**	**99,645,366**

Notes 1 to 33 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements and company financial statements for Amatheon Agri Holding N.V. were authorised for issue by Carl Heinrich Bruhn on the 27th of May 2015 and were signed on his behalf.

1. GENERAL INFORMATION

Amatheon Agri Holding N.V. ("the Parent" or "the Company" or "AAH") and its subsidiaries (together the "Group" or "Amatheon") is a farming, trading and food group developing sustainable projects in Sub-Saharan Africa. The Group operates in Europe and Africa.

The Company was incorporated on the 19th of December 2011 as a public limited company under Dutch law (naamloze vennootschap). The Company has its official seat in Amsterdam, The Netherlands; its office address is Friedrichstraße 95, 10117 Berlin, Germany and it is registered in the Commercial Register (Kamer van Koophandel in Amsterdam under number 54152038). The Company conducted a Qualified Public Offering (QPO) and was listed on the Marché Libre of NYSE Euronext Paris on the 4th of February 2013.

In 2014, the Company founded the following subsidiaries: Amatheon Financing B.V. (AFin) and Amatheon Agri Zimbabwe (Private) Ltd (AAZim). The list of all companies belonging to the Group is disclosed in Note 5.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set forth below. These policies have been consistently applied to all of the periods presented, unless otherwise stated.

2.1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of the IFRS Interpretations Committee / IFRS IC as adopted by the European Union as well as applicable by Dutch law. The measurement basis applied is the historical cost basis, except for biological assets, which have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2.2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New and amended standards and interpretations adopted by the Group

(i) List of the standards and amendments that first came into effect on 1st January 2014 is presented below. There are no new or amended standards or interpretations that would be expected to have a material impact on the Group.

Topic	Key requirements	Effective for periods beginning on or after	Impact on the group
IAS 27 (revised 2011): 'Separate financial statements'	IAS 27 (revised 2011) includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.	1 January 2014	No
IAS 28 (revised 2011): 'Associates and joint ventures'	IAS 28 (revised 2011) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.	1 January 2014	No
Amendment to IAS 32: 'Financial instruments: Presentation', on asset and liability	These amendments are to the application guidance in IAS 32, 'Financial instruments: Presentation', and to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.	1 January 2014	No
IAS 36: Recoverable Amount Disclosures for Non-Financial Assets	The amendment published by the IASB contains adjustments to IAS 36 Impairment of Assets, where-by: • disclosure guidelines in IAS 36 have been corrected in the course of the new IFRS 13, Fair Value Measurements, and • small adjustments have been made to disclosure requirements regarding impairment losses or reversals when the recoverable amount is based on the fair value less costs.	1 January 2014	No
IAS 39: Novation of over-the-counter derivatives and the continuation of the existing	This amendment aims at changing recognition and measurement, and IFRS 9 Financial Instruments to novate an over-the-counter derivative designated as a hedging instrument without interrupting the continuation of the existing hedging instrument when the hedging instrument would otherwise remain unchanged and when the novation has become necessary due to statutes or regulations.	1 January 2014	No
IFRS 10: 'Consolidated financial statements'	The objective of IFRS 10 is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities to present consolidated financial statements. It defines the principle of control, and establishes controls as the basis for consolidation. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements.	1 January 2014	Yes
IFRS 11: 'Joint arrangements'	IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and therefore accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and therefore equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.	1 January 2014	No
IFRS 12: 'Disclosures of interests in other entities'	IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.	1 January 2014	Yes
Amendment to IFRSs 10, 11 and 12: Transition guidance	These amendments provide additional transition relief to IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.	1 January 2014	No
Amendments to IFRS 10, 12 and IAS 27: Consolidation for investment entities	These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an 'investment entity' definition and which display particular characteristics. Changes have also been made to IFRS 12 to introduce disclosures that an investment entity needs to make.	1 January 2014	No

(ii) New standards and interpretations that have not yet taken effect and have not been adopted by the Group

The table below lists new standards, amendments and interpretations that will take effect for annual periods beginning on or after 1st January 2015. These have not been applied by the Group. None of these are expected to have a significant effect on the financial statements of the Group.

Topic	Key requirements	Effective for periods beginning on or after	EU endorsement
Amendments to IAS 1: Disclosure Initiative	The amendment makes the following changes: • Materiality: Clarification that information should not be obscured by aggregating or by providing immaterial information. Materiality considerations apply to all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply. • Statement of financial position and statement of profit or loss and other comprehensive income: Clarification introduced that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss. • Notes: Additional examples of possible ways of ordering the notes to clarify interpretation and comparability.	1 January 2016	No
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate, because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. It has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The presumption may only be rebutted in certain limited circumstances. These are where the intangible asset is expressed as a measure of revenue; or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.	1 January 2016	No
Amendments to IAS 16 and IAS 41: Bearer Plants	These amendments change the reporting for bearer plants, such as grape vines, rubber trees and oil palms. Bearer plants should be accounted for in the same way as property, plant and equipment, because their operation is similar to that of manufacturing. The amendments include them in the scope of IAS 16 rather than IAS 41. The produce on bearer plants will remain in the scope of IAS 41.	1 January 2016	No

Topic	Key requirements	Effective for periods beginning on or after	EU endorsement
Amendment to IAS 19: 'Employee benefits' regarding employee or third party contributions to defined benefit plans	The narrow scope amendment to IAS 19 revised concerns contributions from employees or third parties linked to defined benefit plans. The objective of the amendment is to simplify the accounting of benefits that are not related to the period in which employee services were rendered, or of employee contributions calculated as a fixed component of a salary. The amendments were initiated by two queries issued to the IFRS Interpretations Committee that contained recommendations for extending the standard.	1 January 2016	Yes
Amendments to IAS 27: Equity Method in Separate Financial Statements	The amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 January 2016	No
IFRS 9: Financial Instruments	The complete version of IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss, with the irrevocable option at inception to present changes in fair value in OCI. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value, through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.	1 January 2018 Earlier application is permitted. If an entity elects to early apply, it must apply all of the requirements at the same time with the following exception: Entities with a date of initial application before 1 February 2015 continue to have the option to apply the standard in phases.	No

Topic	Key requirements	Effective for periods beginning on or after	EU endorsement
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	These amendments address an inconsistency between IFRS 10 and IAS 28 in the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.	1 January 2016 (to be amended)	No
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception	The amendments make changes aimed at clarifying the following aspects: Exemption from preparing consolidated financial statements, a subsidiary providing services that relate to the parent's investment activities, application of the equity method by a non-investment entity investor to an investment entity investee and disclosure required.	1 January 2016	No
Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	IFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.	1 January 2016	No
IFRS 14: Regulatory Deferral Accounts	The new standard permits entities, with some limited changes, to continue applying their previous GAAP accounting policies regarding regulatory deferral accounts which arise when the entity delivers goods and provides services at prices subject to price regulations. IFRS 14 is only applicable to first-time adopters of IFRS in their first and subsequent IFRS financial statements.	1 January 2016	No

Topic	Key requirements	Effective for periods beginning on or after	EU endorsement
IFRS 15: Revenue from Contracts with Customers	This is the converged standard on revenue recognition. It replaces IAS 11, 'Construction contracts', IAS 18,'Revenue' and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps: • Step 1: Identify the contract(s) with a customer • Step 2: Identify the performance obligations in the contract • Step 3: Determine the transaction price • Step 4: Allocate the transaction price to the performance obligations in the contract • Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation IFRS 15 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.	1 January 2017	No
Annual improvements 2010-2012 cycle	Annual Improvement Process 2010-2012: Changes concerning IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, and IAS 38	1 February 2015	Yes
Annual improvements 2011-2013 cycle	Annual Improvement Process 2011-2013: Changes concerning IFRS 1, IFRS 3, , IFRS 13, and IAS 40	1 January 2015	Yes
Annual Improvements to IFRSs 2012–2014 Cycle	Annual Improvement Process 2010-2012: Changes concerning IFRS 5, IFSR 7, IAS 19, and IAS 34	1 January 2016	No
IFRIC 21, 'Levies'	This is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation addresses what the obligating event is that gives rise to the payment of a levy and when a liability should be recognised.	17 July 2014	Yes

2.3. CHANGE IN PRESENTATION

To improve transparency and accountability, the presentation of the consolidated statement of comprehensive income was changed from the nature of expenses method to the cost of sales method (function of expenses method). The consolidated statements of comprehensive income for financial year 2013 as well as corresponding figures in the notes have been adjusted accordingly. The impact on the consolidated statement of comprehensive income statement is that employee benefit as well as depreciation and amortisation expenses are assigned to cost of sales, distribution costs and administrative expenses. However, the total net profit remains unchanged.The prior year's figures have been adjusted for comparability, and for the uniformity of the presentation rules among all AmatheonAgri companies.

The reclassification is presented in the table aside.

	Year ended 31 December		
in EUR	**2013**	**Adjustments**	**2013 adjusted**
Revenue	**336,060**	**0**	**336,060**
Change in biological assets due to fair value measurement	**53,680**	**0**	**53,680**
Increase in biological asses due to work performed or disposal **	1,104,231	-1,104,231	0
Work performed by the entity and capitalized **	488,067	-488,067	0
Increase in inventories of finished goods and work in progress **	434,874	-434,874	0
Raw materials and supplies	-1,798,740	1,306,179	-492,561
Cost of services	-182,008	-132,877	-314,885
Raw materials and consumables used **	-1,980,748	1,173,302	-807,446
Cost of sales *			**-807,446**
Gross result	**436,164**	**-853,870**	**-417,706**
Distribution costs *			**0**
Wages and salaries	-2,079,405	562,995	-1,516,410
Social security and other employee benefit expenses	-168,467	-21,985	-190,452
Share based payments	-67,986	0	-67,986
Personnel expenses **	-2,315,858	541,010	-1,774,848
Depreciation / Amortisation **	-732,419	202,633	-529,786
Legal and consulting costs	-1,094,718	121,736	-972,982
Vehicle and machinery costs	-276,637	32,837	-243,800
Outsourced jobs expenses	-63,200	19,601	-43,599
Travel expenses	-381,268	0	-381,268
Rent, energy, office costs	-243,249	-13,850	-257,099
Tools and minor equipment, EDV	-89,770	0	-89,770
Incidental monetary transaction costs	-35,624	0	-35,624
Marketing and advertising	-92,995	-42,862	-135,857
Insurance premiums, contributions and other expenses	-73,138	0	-73,138
Repairs and maintenance *	0	-617	-617
Operating and maintenance costs *	0	-39,748	-39,748
Land purchase expenses/development expenses *	0	-111,892	-111,892
Other administrative expenses *	0	-428,283	-428,283
Expenses from currency translation	-211,604	211,604	0
Administrative expenses	-195,734	195,734	0
Other operating expenses	-379,051	379,051	0
Other expenses **	-3,136,988	3,136,988	0
Administrative expenses *			**-5,118,311**
Other income	**32,812**	**-1,334**	**31,478**
Expenses from currency translation	-211,604	0	-211,604
Loss of disposal of assets *	0	-146	-146
Other expenses ***	**-3,136,988**	**2,925,238**	**-211,750**
Operating loss	**-5,716,287**	**0**	**-5,716,287**
Finance income	**893,478**	**0**	**893,478**
Finance costs	**-2,240,118**	**0**	**-2,240,118**
Finance costs - net	**-1,346,640**	**0**	**-1,346,640**
Loss for the period	**-7,062,927**	**0**	**-7,062,927**

* newly defined position
** positions in p.y. financial statements
*** for p.y. as part of administrative expenses

The effects of the change in presentation on prior year's figures are also disclosed in Notes 9, 10, 11, and 12.

2.4. CONSOLIDATION

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary are the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

2.5. SEGMENT REPORTING

Operational segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The CEO has been identified as the chief operating decision-maker who is responsible for the allocation of resources and the assessment of the performance of the operational segments. In 2014, the Group disclosed segment information for the reportable segment "Farming". More information on segment reporting is disclosed in Note 6.

2.6. FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). AAH, AFa, AT, AFo, AFin and AFn use the Euro (EUR) as their functional currency, while AAZ uses the Zambian Kwacha (ZMW), AAU uses the Ugandan Shilling (UGX) and AAZim uses the US Dollar (USD) as their functional currency respectively. The consolidated financial statements are presented in Euro, which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation where items were recalculated. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the consolidated statement of comprehensive income within other expenses. Differences resulting from the translation of financial assets and liabilities on the balance sheet date are included in other comprehensive income, if settlement is neither planned nor likely to occur in the foreseeable future.

(c) Group companies

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

I. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

II. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

III. All resulting exchange differences are recognised as a reserve in equity.

2.7. PROPERTY, PLANT AND EQUIPMENT

Land and buildings are shown at historical cost less depreciation if applicable. Historical cost includes expenditures that are directly attributable to the acquisition of the land and buildings. In future periods, it is planned to value buildings and land at fair value, based on periodic valuations by external independent appraisers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation will be eliminated then against the gross carrying amount of the asset and the net amount restated to the re-valued amount of the asset.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they incurred.

Land which is fully owned is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or re-valued amounts to their residual values over their estimated useful lives, as follows:

Buildings	25 – 50 years
Technical equipment and machines	5 – 15 years
Furniture, fixtures and other equipment	3 – 13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are assessed for possible reversal of the impairment on each reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, and are recognised within 'Other expenses' in the consolidated statement of comprehensive income.

2.8. INTANGIBLE ASSETS

Intangible assets comprise purchased computer software, which is valued at historical cost less amortisation.

Intangible assets have finite useful lives. Amortisation of intangible assets is calculated using the straight line method to allocate its cost or re-value amounts to their residual values over their estimated useful lives of 3 years. Amortisation is assigned in the income statement to administrative expenses.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.9. BIOLOGICAL ASSETS

Biological assets comprise growing crops, eucalyptus and livestock (Note 8). Biological transformation comprises the processes of growth, degeneration, production, and procreation. These processes cause qualitative or quantitative changes in biological assets.

Livestock is measured at fair value less estimated cost to sell, based on market prices of animals of similar age, breed and genetic merit with adjustments, where necessary, to reflect the differences. Livestock is not depreciable. Costs to sell include the incremental selling costs, including auctioneers' fees and commissions paid to brokers and dealers. All changes in biological assets are recognised in the consolidated statement of comprehensive income in the year in which they arise.

The crops, eucalyptus as well as livestock were recorded at fair value less cost to sell. Immature plants at the early stage of their development are recorded at cost which is approximately comparable to the fair value. Growing crops are not depreciated. Because of the early stage in the life of growing crops and eucalyptus, little biological transformation has taken place since the initial cost was incurred.

All costs of breeding, planting, upkeep and maintenance of biological assets are recognised in profit or loss within 'Cost of Sales' in the period in which they were sold.

2.10. CURRENT AND DEFERRED INCOME TAXES

The tax income and expenses for the period include current and deferred taxes. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income, or directly in equity.

Current income tax charge is calculated on the basis of the tax laws enacted, or substantively enacted on the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the consolidated financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date, and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group, and it is probable that the temporary difference will not be reversed in the foreseeable future.

2.11. INVENTORIES

Inventories are stated at the lower of the cost or net realisable values. Cost is determined by using the weighted average cost method (WAC) less a provision for write-offs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. The cost of crops transferred from biological assets to inventory is at fair value, less the cost to sell at the date of harvest.

2.12. FINANCIAL ASSETS

Financial assets and liabilities are recognised on the Group's consolidated balance sheet when the Group becomes a party to the contractual provision of the instrument.

2.12.1. CLASSIFICATION

The Group classifies all of its financial assets in the category 'loans and receivables'. This classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's financial assets comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

2.12.2. RECOGNITION AND MEASUREMENT

Regular purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, and the group has transferred substantially all risks and rewards of ownership. Loans and receivables are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

2.12.2.1. TRADE AND OTHER RECEIVABLES

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities longer than 12 months after the end of the reporting period, which are classified as non-current assets.

2.12.2.2. CASH AND CASH EQUIVALENTS

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held on call with banks and financial institutions as well as short term bank deposits.

2.12.3. OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset, and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12.4. IMPAIRMENT

The Company assesses, at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired, and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors, are experiencing significant financial difficulties, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.13. FINANCIAL LIABILITIES

The Group classifies all of its financial liabilities in the category 'trade and other payables and borrowings'. Liabilities are classified as current if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

2.13.1. TRADE AND OTHER PAYABLES

Trade and other payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business.

Trade and other payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

2.13.2. BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

2.14. EQUITY

Issued shares are classified as 'ordinary shares' in equity.

Share premium shows the difference between the nominal value and market value of ordinary shares as well as other contributions by shareholders, for which no additional shares are issued. Incremental costs directly attributable to the issue of new ordinary shares or options are shown under share premium as a deduction, net of tax, from the proceeds.

Other reserves include the reserve for currency translation.

2.15. EMPLOYEE BENEFITS

2.15.1. RETIREMENT BENEFIT OBLIGATIONS

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

2.15.2. PROFIT-SHARING AND BONUS PLANS

The Group recognises liabilities and expenses for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged.

2.15.3. SHARE-BASED PAYMENTS

AAZ operates cash-settled, share-based compensation plans, under which the entity receives services from directors, employees and consultants.

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee for the entirety of a specified time period);
- including the probability that the options will vest; and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

In addition, in some circumstances, employees may provide services in advance of the grant date, and therefore the fair value at the end of the reporting year is estimated for the purposes of recognising the expense during the period between the service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. Further, options are re-evaluated. The impact is recognised under profit and loss.

2.16. PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required the settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow, with respect to any one item included in the same class of obligations, may be small.

2.17. REVENUE

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and value added tax, during the year.

The Group recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the Company, and when specific criteria have been met for each of the Company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction, and the specifics of each arrangement.

Sales of goods are recognised in the period in which the Company has delivered products to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery does not occur until the products have been accepted by the customer.

2.18. PRESENTATION OF CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The consolidated statement of comprehensive income is prepared according to the 'cost of sales' method (function of expenses method). This method indicates expenses according to functional areas (manufacture, administration, distribution). In addition, revenues are matched solely against those production costs, which were causal to the particular revenue.

2.19. INTEREST INCOME AND INTEREST COST

Interest expense and income are recognised using the effective interest method.

2.20. LEASING

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. All lease agreements are classified as operating leases in the Group. Costs are charged to the consolidated statement of comprehensive income.

3. FINANCIAL RISK MANAGEMENT

3.1. FINANCIAL RISK FACTORS

The Group's activities expose it to a variety of financial risks through its financial assets and financial liabilities. The most important risks include price risk, foreign exchange exposure, credit risk as well as liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group did not use any derivative financial instruments during fiscal years 2013 or 2014.

Financial risk management is performed under policies approved by the Board of Directors. Management judgement and estimates are based on historical experience and other assumptions which are considered to be reasonable being under constant review.

3.1.1. MARKET RISK

The Group is focused on operations in Sub-Saharan Africa. These markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Emerging economies such as Zambia, Uganda and Zimbabwe are subject to rapid changes.

(a) Foreign exchange risk

The Group operates internationally, and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Zambian Kwacha (ZMW), Uganda Shilling (UGX), and the US Dollar (USD). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations. The Group is reducing its exposure to this risk, at least in the short term, by diversifying its currency portfolio among the different countries in which it operates. Management's policy in managing foreign exchange risk is to hold foreign currency bank accounts, which act as a natural hedge for purchases of imported raw materials.

As at the 31st of December 2014, the Group carried some loans in US Dollar. However, all future financing activities are planned to be denominated in Euro.

In 2014, a loan facility amounting to USD 1,000,000 and a loan on USD 500,000 was provided by AFin to AAZim. On the 23rd of October 2014, a loan agreement of USD 2,000,000 was granted by AFo to More Beef Company Ltd – the loan within this agreement was paid out to the borrower in the same year in which the agreement was signed (see Note 33 for further information).

The major part of intercompany financing is organised in Euro, hence local companies have to record exchange gains/losses based on foreign currency differences when applicable. The gains/losses on the currency exchange gains/losses (EUR/ZMW, USD/UGX and EUR/USD) are included in the consolidated statement of comprehensive income (see Note 16 for further information). The Group reduces this financial risk by increasing the proportion of equity financing.

As at the 31st of December 2014, if the ZMW currency had weakened/strengthened by 5% against the Euro with all other variables held constant, post-tax profit for the year and equity would have been EUR 667,276 (2013: EUR 494,807) lower/higher, mainly as a result of Euro denominated borrowings.

As at the 31st of December 2014, if the UGX currency had weakened/strengthened by 5% against the US Dollar with all other variables held constant, post-tax profit for the year and equity would have been EUR 550,411 (2013 EUR 741) lower/higher, mainly as a result of US dollar denominated borrowings and bank balances.

As at the 31st of December 2014, if the USD currency had weakened/strengthened by 5% against the Euro with all other variables held constant, post-tax profit for the year and equity would have been EUR 143.414 lower/higher, mainly as a result of Euro denominated borrowings.

(b) Price Risk

The pricing of the various commodities produced – maize, soya, wheat and rice – is a key variable for the profitability of the Group's business. In each of the countries where Amatheon is operating, the pricing is impacted by world market trends, local weather conditions and government interference through import/export bans.

In the coming years, the Amatheon Group intends to achieve a higher integration with local markets and a more diversified product portfolio to mitigate this risk.

(c) Cash flow and fair value interest rate risk

The Group faces no interest rate risk from borrowings because the interest rates are fixed. Therefore, interest rate risk is currently negligible. The Group regularly monitors available financing options to ensure optimum interest rates are obtained.

As from the 31st of December 2013, the Group did not have any loans with variable interest rates. Future financing activities are planned to have fixed interest rates.

3.1.2. CREDIT RISK

Credit risk is the risk that any counterparty will default on its contractual obligations resulting in financial loss to the Group. A policy implemented by the Group is to only engage in activities with reputable, well established banks and financial institutions. In addition, the credit quality of the customer is assessed, taking into account its financial position, past experience and other factors. In our trading operations, credit risk is minimal as virtually all sales are credit on delivery.

As of the 31st of December 2014, there was a concentration of credit risk because EUR 68 million (2013: EUR 93 million) of cash holdings are held with one financial institution. The Group intends to diversify its cash holdings to mitigate this risk in future.

3.1.3. LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate number of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains funding flexibility by maintaining availability under committed credit lines.

Management performs cash flow forecasting and monitors the rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet its operational needs, while at all times maintaining sufficient capacity in its undrawn committed borrowing facilities (Note 30) so that the Group does not exceed the borrowing limits on any of its facilities.

The Group's approach when managing liquidity is to ensure that it will always have sufficient liquidity to meet its obligations when due, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group had a short term bond of EUR 100 million with a maturity of November 2014. This bond was fully repurchased through a new long term bond issued between July and October 2014. For more information see Note 30.

in EUR	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 years
At 31 December 2014			
Trade and other payables	5,130,056	0	0
Borrowings	45	0	88,461,597
At 31 December 2013			
Trade and other payables	4,334,258	0	0
Borrowings	0	99,499,050	9,617,075

3.1.4. AGRICULTURAL RISK

The Group is exposed to risks arising from environmental and climate change. The Group has strong environmental policies and procedures in place to comply with environmental and other laws.

Furthermore, the Group is exposed to potential insect, fungal and weed infestations that could result in crop failure and reduced yields; conflicts between wild and domestic animals; crop raiding; and livestock disease outbreaks.

Due to limited operational activities in 2013 and 2014, no financial risk management strategy related to agricultural activity was set. In the future, further crop insurance as well as hedging is planned.

3.2. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may limit the amount of the dividends paid to shareholders, issue new bonds, or sell assets to reduce debt. There are no externally imposed capital requirements.

The Group monitors capital on the basis of the debt ratio. This ratio is calculated as total debt divided by total equity and liabilities.

The debt ratio on the 31st of December was as follows:

	As at 31 December	
in EUR	2014	2013
Total debt	93,899,781	113,648,875
Total equity and liabilities	109,534,122	115,936,941
Debt ratio	86%	98%

The debt to equity ratio improved from 98% in 2013 to 86% in 2014 due to the repurchase of bonds amounting to net EUR 36.8 million (see Note 24).

3.3. FAIR VALUE ESTIMATION

The fair value measurement is based on the fair value hierarchy, which results in a market-based, rather than entity-specific, measurement. The different levels of fair value disclosures are defined as follows:

Level 1: Quoted price (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The fair values of the Group's biological assets are shown in Note 8. The fair values of the Groups borrowings are disclosed in Note 30.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are addressed below.

4.1. BIOLOGICAL ASSETS

In measuring the fair value of biological assets, Management's estimates and judgements are required in order to determine the fair values. These estimates and judgements relate to market prices, average weight, the quality of the animals, and mortality rates.

(a) Livestock

The market price of livestock is obtained from the Zambia National Farmers Union website. The quality of livestock sold at the local market is considered to approximate the Group's breeding livestock.

Livestock grows at different rates. This can lead to a considerable spread in the quality and weight of animals, which affects the price achieved. An average weight is assumed for animals that are not yet at marketable weight.

(b) Crops and eucalyptus

The crops, eucalyptus as well as livestock were recorded at fair value less cost to sell. Immature plants at the early stages of their development are recorded at cost, which is approximately comparable to the fair value. The cost of growing crops includes raw materials, labour, machinery, energy costs as well as allocated direct depreciation. The fair value of livestock is measured at fair value less cost to sell, based on market prices at auctions of livestock of a similar age, breed and genetic merit with adjustments, where necessary, to reflect the differences.

The carrying amounts of biological assets and key assumptions made in estimating these amounts are set out in Note 8.

4.2. USEFUL LIVES OF PLANT AND EQUIPMENT

The Group's Management determines the estimated useful life and related depreciation charges for its plant and equipment. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful life is less than previously estimated life, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

The Directors reviewed the residual values, useful life, and carrying amounts of its equipment and other moveable assets to control the appropriate level of depreciation and to review whether there is any indication that those assets have suffered an impairment loss. In 2013, property, plant and equipment were subject to impairment. Further details can be found in Note 17.

The Directors determined a residual value of zero, since equipment and other moveable assets are not held for trading and are normally scrapped at the end of their useful life.

The carrying amounts of property, plant and equipment as well as key assumptions made in estimating these amounts, are set out in Note 17.

4.3. LAND

The Group accounts for land at historical cost. The land is estimated to have a fair value above its historical cost and is therefore not subject to overvaluation. In the event that the value of the land changes due to any unforeseen events, Management will write-down the land.

The carrying amounts of land and key assumptions made in estimating these amounts are set out in Note 17.

4.4. USEFUL LIVES OF INTANGIBLE ASSETS

The Group's Management determines the estimated useful lives and related amortisation charges for its intangible assets. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the amortisation charge where useful lives are less than previously estimated, or it will write-down technically obsolete or non-strategic assets that have been abandoned or sold.

4.5. COMPOUND FINANCIAL INSTRUMENTS

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option.

4.6. TRANSACTIONS WITH RELATED PARTIES

The Management Board strives for full transparency of all transactions with related parties. For the repurchase of EUR 10 million nominal of the 8.25% bond due in 2017 for consideration of EUR 2 million, it was optional to recognise the resulting EUR 8 million benefit into financial income or to recognise it as a share premium contribution. As the repurchase of the EUR 10 million was based on a purchase transaction under related parties, the board considers the recognition of the benefit of EUR 8 million profit into financial income as the best presentation.

4.7. INCOME TAX

The Group is subject to income taxes in various jurisdictions. Significant skill is required in determining the worldwide liabilities for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the differences will impact the current and deferred income tax assets in the period in which the determination was made.

The carrying amounts for income tax liabilities and key assumptions made in estimating these amounts are found in Note 14.

5. SUBSIDIARIES

5.1. OVERVIEW

The Amatheon Group had the following subsidiaries as at the 31st of December 2014:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares directly held by parent %	Proportion of ordinary shares held by the Group %	Proportion of ordinary shares held by non-controlling interests
Amatheon Farming GmbH (AFa)	Germany/ Germany	Formation of and participation in companies in the agricultural industry, including production and processing of agricultural products, raw products and plant foods, and associated supervision and administration	100	100	0
Amatheon Food GmbH (AFo)	Germany/ Germany	Formation of and participation in companies in the industry of production and processing of plant and animal-derived foods and raw products as well as associated supervision and administration	100	100	0
Amatheon Trading GmbH (AT)	Germany/ Germany	Formation of and participation in companies in the industry of trading and distribution of plant and animal-derived foods, raw products and agricultural products as well as associated supervision and administration	100	100	0
Amatheon Foundation gGmbH (AFn)	Germany/ Germany	Planning and execution of charitable and cultural activities, distribution of scholarships, support of small-holders etc.	100	100	0
Amatheon Agri Zambia Ltd. (AAZ)	Zambia/ Zambia	Farming and marketing, business of commercial agriculture, agro-processing and mechanized agriculture, importing and selling agricultural equipment, machinery for use by commercial farmers	0	92.75	7.25
Amatheon Agri Uganda Ltd. (AAU)	Uganda/ Uganda	Farming and marketing, business of commercial agriculture, agro processing and mechanized agriculture, importing and selling agricultural equipment, machinery for use by commercial farmers	0,004	100	0
Amatheon Agri Zimbabwe PVT LTD (AAZim)	Zimbabwe/ Zimbabwe	Farming and marketing, business of commercial agriculture, agro processing and mechanized agriculture, importing and selling agricultural equipment, machinery for use by commercial farmers	0	66.67	33.33
Amatheon Financing BV (AFin)	The Netherlands/ The Netherlands	Borrowing, lending and raising funds, including but not limited to the issue and/ or acquiring of bonds, on behalf of or to companies of the Amatheon Group	100	100	0

All subsidiary activities are included in the consolidation. The proportion of voting rights in the subsidiary that are held directly by the parent company does not differ from the proportion of ordinary shares held.

5.2. SIGNIFICANT RESTRICTIONS

The cash of Amatheon Foundation gGmbH as at the 31st of December 2014 of EUR 59,083 (2013: EUR 0), is restricted as it is a non-profit organisation which is governed by rules for charities, which include certain conditions limiting expenditures (Note 23).

5.3. SUMMARISED FINANCIAL INFORMATION ON SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Below is the summarised financial information for AAZim that has non-controlling interests that are material to the Group. There are no figures disclosed for 2013, because the company was founded in 2014.

The information below is before inter-company eliminations.

	As at 31 December
Summarised balance sheet in EUR	**AAZim 2014**
Non-current	
Assets	708,902
Liabilities	0
Total non-current net assets	**708,902**
Current	
Assets	912,433
Liabilities	(1,861,547)
Total current net assets	**(949,114)**
Net assets	**(240,213)**

	Year ended 31 December
Summarised income statement in EUR	**AAZim 2014**
Revenue	0
Loss before income tax	(252,671)
Income tax expense/income	0
Other comprehensive income	12,456
Total comprehensive income	**(240,215)**
Total comprehensive income allocated to non-controlling interests	(79,271)
Dividends paid to non-controlling interests	0

	Year ended 31 December
Summarised cash flows in EUR	**AAZim 2014**
Cash flows from operating activities	
Cash used in operations	(474,740)
Interest paid	0
Income tax paid	0
Net cash used in operating activities	(474,740)
Net cash used in investing activities	(1,151,258)
Net cash generated from financing activities	1,716,452
Net increase in cash and cash equivalents	**90,454**
Cash and cash equivalents at beginning of year	0
Exchange gains/(losses) on cash and cash equivalents	(3,427)
Cash and cash equivalents at end of year	**93,881**

6. SEGMENT INFORMATION

The Amatheon Group provides information about its reportable segment "Farming". The segment operates large-scale commercial farming in Zambia, Uganda and Zimbabwe, and is currently the core of Amatheon's business model. Operations in 2014 included crop production and the ranching of cattle. More information about the size of the operations can be found in Note 8. The "Farming" segment includes the subsidiaries AAZ, AAU and AAZim.

Segment reporting is based on internal reporting to the CEO of the Group, who is responsible for the allocation of resources and the assessment of the segment's revenues. The segment information is based on IFRS.

The column "Head Office" includes operating activities of the Group's parent company AAH, the sub-holding companies AFa, AT, AFo as well as AFin and AFn, which are not part of the operating business of the Group. All holding companies carry out management functions and organise the financing for each production entity.

Transactions between the "Farming" segment and the "Head Office" are determined on an arm's length, objective basis. Different to the previous year, the internal reporting of the Group is based on IFRS. Therefore, the column "Adjustments to the IFRS", which was part of the previous year's segment reporting, is no longer included.

The column "Consolidation adjustments" includes the elimination of transactions between the "Farming" segment and the "Head Office".

The profit or loss segment is determined on the basis of gain or loss before income tax.

Segment revenues, assets and liabilities are items that are directly or reasonably attributable to the segment.

The reconciliation of the relevant segment information to the Group financials (profit and loss as well as balance sheet) is presented in the following tables.

Year ended 31 December

2014 in EUR	Farming	Head Office	Consolidation adjustments	Group
Revenue	2,714,284	0	0	2,714,284
Change in biological assets due to fair value measurement	(539,038)	0	0	(539,038)
Cost of sales	(2,713,774)	(1,102)	0	(2,714,876)
Gross result	**(538,528)**	**(1,102)**	**0**	**(539,630)**
Gross result margin (%)	-19.8%	0.0%	0.0%	-19.9%
Depreciation	(738,841)	(31,432)	0	(770,273)
Marketing and selling expenses	(52,353)	(269,492)	0	(321,844)
Other income	28,163	1,042,480	(865,472)	205,170
Other indirect costs	(4,238,046)	(5,348,346)	865,472	(8,720,921)
Total operating costs	(5,029,240)	(5,649,270)	865,472	(9,813,038)
EBIT	**(5,539,605)**	**(4,607,892)**	**0**	**(10,147,497)**
Finance costs - net	(1,479,107)	(1,678,541)	(0)	(3,157,648)
Foreign exchange	(493,582)	77,643	(53)	(415,991)
Income tax expenses	0	0	0	0
Loss for the period	**(7,512,294)**	**(6,208,790)**	**(53)**	**(13,721,136)**

Year ended 31 December

2013 in EUR	Farming	Head Office	Consolidation adjustments	Group
Revenue	336,060	383,253	(383,253)	336,060
Change in biological assets due to fair value measurement	53,680	0	0	53,680
Cost of sales	(711,560)	(95,886)	0	(807,446)
Gross result	**(321,820)**	**287,366**	**(383,253)**	**(417,706)**
Gross result margin (%)	-95.8%	-	100.0%	-124.3%
Depreciation	(511,797)	(15,849)	(2,140)	(529,786)
Marketing and selling expenses	(11,773)	(124,084)	0	(135,857)
Other income	1,097	13,632	0	14,728
Other indirect costs	(2,020,816)	(2,815,248)	383,253	(4,452,812)
Total operating costs	(2,544,387)	(2,955,181)	381,113	(5,118,456)
EBIT	**(2,865,110)**	**(2,654,183)**	**(2,140)**	**(5,521,433)**
Finance costs - net	(722,997)	(623,643)	0	(1,346,640)
Foreign exchange	(127,376)	7,070	(74,547)	(194,854)
Income tax expenses	0	0	0	0
Loss for the period	**(3,715,484)**	**(3,270,756)**	**(76,687)**	**(7,062,927)**

In the segment "Farming", the position "Finance costs – net" includes finance income of EUR 0 (2013: EUR 447) and finance costs of EUR 1,479,107 (2013: EUR 723,444).

In the segment "Head Office", the position "Finance costs – net" includes finance income of EUR 5,148,169 (2013: EUR 1,611,827) and finance costs of EUR 6,826,719 (2013: EUR 2,235,470).

2014 in EUR	Farming	Head office	Consolidation adjustments	Group
	As at 31 December			
Non-current assets	26,686,409	28,034,541	(27,941,732)	26,779,219
Current assets	7,142,279	96,596,796	(20,984,172)	82,754,904
Total assets	**33,828,688**	**124,631,338**	**(48,925,903)**	**109,534,122**
Non-current liabilities	11,204,334	89,591,597	(12,125,000)	88,670,931
Current liabilities	19,769,341	1,438,361	(15,978,852)	5,228,850
Total liabilities	**30,973,675**	**91,029,958**	**(28,103,852)**	**93,899,781**
Additions to non-current assets	15,269,551			

2013 in EUR	Farming	Head office	Consolidation adjustments	Group
	As at 31 December			
Non-current assets	13,787,225	19,502,522	(19,456,477)	13,833,269
Current assets	4,440,599	99,981,411	(2,318,338)	102,103,672
Total assets	**18,227,824**	**119,483,933**	**(21,774,814)**	**115,936,941**
Non-current liabilities	3,546,534	9,815,567	(3,546,534)	9,815,567
Current liabilities	8,266,240	101,458,651	(5,891,584)	103,833,308
Total liabilities	**11,812,775**	**111,274,218**	**(9,438,118)**	**113,648,875**
Additions to non-current assets	7,828,214			

Additions to non-current assets do not include financial assets or deferred taxes.

Total non-current assets attributable to the “Farming” segment are located in Africa. Total non-current assets of the “Head Office” less consolidation adjustments are located in Germany.

The revenues from external customers were generated by the “Farming” segment in Africa. More information on revenues can be found in Note 7.

7. REVENUE

The revenue in 2014 was generated by the farming business unit alone through the sale of grain, the farm shop and the livestock. The revenue was fully generated in Zambia.

AAZ commenced operations in 2013. In 2014 harvested and sold crop increased. There were also 24% more hectares under cultivation, from 474 ha by the end of 2013 to 587 ha by the end of 2014. In addition, the company began the sale of cattle to Best Beef, the only customer for cattle sales at the moment.

In 2014, there were four customers that generated more than 10% of the Group’s revenue (2013: 2 customers) in the total amount of EUR 2,338,257.

in EUR	2014	2013
	Year ended 31 December	
CSR-Small scale grain trade	339,979	144,894
Harvested soya beans	180,413	134,791
Harvested wheat	1,170,182	0
Harvested maize	365,872	0
Sales Livestock	457,388	0
CSR-Cropping inputs trade	150,898	46,725
Other	49,551	9,650
Total	**2,714,284**	**336,060**

8. BIOLOGICAL ASSETS AND CHANGE IN FAIR VALUE

The items below include changes in the carrying amounts of biological assets:

in EUR	Eucalyptus > 1 year	Livestock > 1 year	Livestock < 1 year	Growing crop < 1 year	Total
1 January 2013	**0**	**91,689**	**45,964**	**200,906**	**338,560**
Reclassification	0	21,818	(21,818)	0	0
Increase due to purchases and work performed	8,531	508,846	160,155	1,156,080	1,833,611
Changes due to fair value measurement	0	(32,901)	0	86,581	53,680
Harvested / Sold	0	(7,709)	0	(801,190)	(808,899)
Currency translation differences	(497)	(38,242)	(12,922)	(46,982)	(98,643)
31 December 2013	**8,034**	**543,501**	**171,379**	**595,395**	**1,318,309**
1 January 2014	**8,034**	**543,501**	**171,379**	**595,395**	**1,318,309**
Reclassification	0	0	0	0	0
Increase due to purchases and work performed	1,216	946,220	2,048,991	493,556	3,489,982
Changes due to fair value measurement	0	(477,286)	(34,246)	(27,507)	(539,038)
Harvested / Sold	0	(631,916)	(646,533)	(524,400)	(1,802,848)
Currency translation differences	(110)	(26,063)	28,514	(15,929)	(13,589)
31 December 2014	9,140	354,456	1,568,105	521,115	2,452,816
Fair Value Level	**Level 3**	**Level 2**	**Level 2**	**Level 3**	

The gains/losses arising from the change in fair value measurement are presented in a separate line in the consolidated statement of comprehensive income. Currency translation differences are presented in other income or other expenses (Notes 9 and 10).

In 2013 and 2014, harvested crop was transferred to inventories at fair value when harvested (Level 1).

As at the 31st of December 2014, the Group had approximately 115 ha (2013: 144 ha) of immature soy beans, 2,526 Ha of immature maize (2013: 478 ha) located in Zambia, Uganda and Zimbabwe, and 76 ha immature rice (2013: 100 ha). The eucalyptus trial plantation is in a continuous developmental stage, with a current plantation size of less than 1 ha.

As at the 31st of December 2014, the Company had 992 cattle (2013: 1,074 cattle) distributed as follows:

	As at 31 December	
	2014 Quantity	**2013 Quantity**
Steers (immature)	44	499
Heifers (immature)	44	313
Calves (immature)	70	93
Cows (mature)	823	150
Bulls (mature)	11	19
Total	**992**	**1074**

Biological assets comprise crops, eucalyptus, as well as livestock. The crops, eucalyptus as well as the livestock were recorded at fair value less cost to sell. Immature plants at an early stage of their development are recorded at cost which is approximately comparable to the fair value. The cost of growing crops includes raw materials, labour, machinery, energy costs as well as allocated direct depreciation. The fair value of livestock is measured at fair value less cost to sell, based on market prices at auctions of livestock of a similar age, breed and genetic merit with adjustments, where necessary, to reflect the differences.

Costs to sell include the incremental selling costs, including fees and commission paid to brokers and dealers.

Farming costs such as feeding, labour costs, pasture maintenance, veterinary services and sheering are expensed as incurred.

The change in unrealised gains or losses for the period that were included in profit or loss for plants held at the end of the 2013 was zero, since the approximate fair value equalled the cost of production.

9. OTHER INCOME

in EUR	Year ended 31 December 2014	2013
Other operating income	186,757	14,728
Gain from disposal of fixed assets	18,429	0
Currency translation gains	132,888	16,750
Total	**338,074**	**31,478**

Other income 2013 has been stated as EUR 1,334 lower in the current 2014 financial statements compared to the published 2013 financial statements, due to the revised definition of costs in the consolidated income statement according to the cost of sales presentation.

10. OTHER EXPENSES

in EUR	Year ended 31 December 2014	2013
Currency translation losses	(548,879)	(211,604)
Loss on disposal of assets	0	(146)
Other losses	(16)	0
Total	**(548,895)**	**(211,749)**

Loss on disposal of assets was disclosed in 'Other expenses' in the sub position of 'Other operating expenses' in the 2013 Annual Report.

11. EXPENSES BY NATURE

11.1. COST OF SALES

in EUR	Year ended 31 December 2014	2013
Raw materials and supplies	(2,050,057)	(492,561)
Cost of services	(511,686)	(314,885)
Labour expenses (CoS)	(153,133)	0
Total	**(2,714,876)**	**(807,446)**

Raw materials and supplies and cost of services 2013 have been stated as EUR 1,173,301 lower compared to the published 2013 Annual Report, due to the change in the consolidated income statement presentation from the nature of expenses to the cost of sales method. According to the cost of sales method, raw materials and supplies expenses and cost of services were capitalised in biological assets and were not charged to the profit and loss account.

The position 'Labour expenses (CoS)' has been newly defined due to the change in the consolidated income statement presentation from the nature of expenses to the cost of sales method.

11.2. DISTRIBUTION COSTS

in EUR	Year ended 31 December 2014	2013
Distribution costs	(12,381)	0
Total	**(12,381)**	**0**

The position 'Distribution costs' has been newly defined due to the change in the consolidated income statement presentation from the nature of expenses to the cost of sales method.

11.3. ADMINISTRATIVE EXPENSES

in EUR	Year ended 31 December 2014	2013
Legal and consulting costs	(2,892,519)	(972,982)
Vehicle and machinery costs	(347,023)	(243,800)
Outsourced jobs expenses	(55,747)	(43,599)
Travel expenses	(691,804)	(381,268)
Rent, energy, office costs	(440,714)	(257,099)
Tools and minor equipment, EDV	(162,454)	(89,770)
Incidental monetary transaction costs	(57,410)	(35,624)
Marketing and advertising	(309,463)	(135,857)
Insurance premiums, contributions and other expenses	(142,145)	(73,138)
Repairs and maintenance	(7,097)	(617)
Operating and maintenance costs	(82,662)	(39,748)
Land purchase expenses / development expenses	0	(111,892)
Personnel expenses	(3,288,886)	(1,774,847)
Other administrative expenses	(552,461)	(428,283)
Depreciation / Amortisation	(770,273)	(529,786)
Total	**(9,800,656)**	**(5,118,310)**

Legal and consulting costs 2013 have been stated as EUR 121,736 lower compared to the 2013 Annual Report, due to the revised definition of costs in the consolidated income statement according to the cost of sales presentation.

Vehicle and machinery costs 2013 have been stated as EUR 32,837 lower compared to the 2013 Annual Report, due to the revised definition of costs in the consolidated income statement according to the cost of sales presentation.

Outsourced jobs expenses 2013 have been stated as EUR 19,601 lower compared to the 2013 Annual Report, due to the revised definition of costs in the consolidated income statement according to the cost of sales presentation.

Rent, energy, office costs 2013 have been stated as EUR 13,850 higher compared to the 2013 Annual Report, due to the precise definition of costs in the consolidated income statement.

Marketing and advertising 2013 have been stated as EUR 42,862 higher compared to the 2013 Annual Report, due to the revised definition of costs in the consolidated income statement according to the cost of sales presentation.

The positions 'Repairs and maintenance', 'Operating and maintenance costs', 'Land purchase expenses / development expenses' and 'Other administrative expenses' have been newly defined due to the change in the consolidated income statement presentation from the nature of expenses to the cost of sales method.

The sub positions in the 2013 Annual Report, 'Administrative expenses' and 'Other operating expenses', have not been disclosed in 2014 due to the change in the consolidated income statement presentation from the nature of expenses to the cost of sales method. The numbers are disclosed in the table above.

The position in the 2013 Annual Report, 'Expenses of currency translation', is shown under Other Expenses (Note 10).

The fees of the auditor for auditing and other services included in the consolidated statement of comprehensive income are as follows:

For 2014 in EUR	PwC	Other PwC network	Total PwC network
Audit of the financial statements	31,500	132,249	163,749
Tax advice	0	40,943	40,943
Other non-audit activities	0	149,993	149,993
Total	**31,500**	**323,185**	**354,685**

For 2013 in EUR	PwC	Other PwC network	Total PwC network
Audit of the financial statements	30,000	161,813	191,813
Tax advice	0	22,352	22,352
Other non-audit activities	0	41,140	41,140
Total	**30,000**	**225,305**	**255,305**

12. EMPLOYEE BENEFITS EXPENSES

	Year ended 31 December	
in EUR	2014	2013
Wages and salaries	(3,050,512)	(2,079,405)
Social security and other employee benefit expenses	(282,171)	(168,467)
Share based payments	(127,409)	(67,986)
Total	**(3,460,092)**	**(2,315,858)**

Social security and other employee benefit expenses included contributions to pension insurance of EUR 174,035 (2013: EUR 106,984), as well as health and safety expenses. The table shows the full employee benefits expenses including parts that are capitalized as biological assets.

In 2014, the Group employed 277 FTE (2013: 180 FTE) on average, of which 16 FTE (2013: 10 FTE) are employed in Germany, 204 FTE (2013: 170 FTE) are employed in Zambia, 3 FTE (2013: Nil FTE) are employed in Zimbabwe, and 54 FTE (2013: Nil FTE) are employed in Uganda.

13. FINANCE INCOME AND COSTS

	Year ended 31 December	
in EUR	2014	2013
Finance income		
Interest and similar income from related parties	8,022,000	16,548
Other interest and similar income	1,240	318,274
Interest income on short-term deposits with financial institutions	3,249,589	558,656
Total	**11,272,829**	**893,478**
Finance costs		
Non-convertible bond interest	(10,608,927)	(1,902,544)
Interest costs to related parties	18,937	(8,030)
Other interest costs	(3,840,486)	(4,299)
Impairment on financial assets	0	(217,215)
Convertible bonds interest	0	(108,030)
Total	**(14,430,476)**	**(2,240,118)**
Finance costs – net	**(3,157,648**	**(1,346,640)**

The position 'Interest and similar income from related parties' includes income of EUR 7,996,133 from a transaction with Sapinda Asia Ltd. On the 31st of December 2014, AAH purchased EUR 10 million of AFin's EUR 125 million 8.25% bond due in 2017 for a consideration of EUR 2 million. This transaction aims to strengthen the economic position of the Group.

The position 'Other finance costs' includes for 2014 a premium paid relating to bond purchases of EUR 3,088,000.

14. TAXES

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the result of the consolidated entities as follows:

	Year ended 31 December	
in EUR	**2014**	**2013**
Loss before income tax	(13,721,136)	(7,062,927)
Tax calculated at domestic tax rates applicable to loss in each respective country	(5,552,215)	(1,804,778)
Tax effects of:		
Non-recognition of taxable losses*	5,751,155	1,207,724
Additional expenses deductible for tax purposes	(254,050)	(583,878)
Income not subject of tax	(361,190)	0
Expenses not deductible for tax purposes	517,806	0
Consolidation	0	(7,669)
Other effects	(101,506)	1,188,601
Income tax expenses	**0**	**0**

* The adjustment was applied in respect to the assumption that the Group will not be able to use losses carried forward within the near future.

The weighted average applicable tax rate for AAH, AFa, AFn, AFo, and AAT is 30.2% (2013: 30.2%), for AAZ 10% (2013: 10%), for AAU 30% (2013: 30%), and for AAZim 25.8%. AAH is fully taxed in Germany; therefore the 25% Dutch tax rate is not applicable. AFin is fully taxed in The Netherlands with the 25% Dutch tax rate.

Further income tax expenses did not occur for the reporting year, as the parent and its subsidiaries generated taxable losses of EUR 12,147,720 (2013: EUR 12,380,248). The main reason for such high taxable losses is due to high capital allowances.

	As at 31 December		As at 31 December	
in EUR	**2014**		**2013**	
Balance sheet item	Deferred tax asset	Deferred tax liabilities	Deferred tax asset	Deferred tax liabilities
Property, plant and equipment	48,881	306,585	76,648	613,174
Provisions for share-based payments	20,933	0	21,878	0
Losses carried forward	515,389	0	527,404	0
Non-current borrowings	0	278,618	5,407	0
Current borrowings	0	0	0	18,164
Total	**592,842**	**592,843**	**631,337**	**631,337**
of which current	20,933	0	18,843	18,164
of which non-current	571,909	592,843	612,494	613,174
Offset	**(592,842)**	**(592,843)**	**(631,337)**	**(631,337)**
After offsettings	**0**	**0**	**0**	**0**

In 2014, there were temporary differences on losses carried forward. Due to non-recoverability, possible deferred tax assets of EUR 6,410,288 (2013: EUR 2,269,044) were not recognised.

15. EARNINGS PER SHARE

Earnings per share are calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
in EUR	**2014**	**2013**
Loss attributable to equity holders of the parent	(13,334,770)	(6,877,358)
Weighted average number of ordinary shares in issue	72,321,427	70,670,253
Earnings per share	(0.18)	(0.10)

There were no convertible bonds or stock options in 2013 and 2014 that would increase the weighted average number of ordinary shares. Thus, there are no dilutive share interests.

16. CURRENCY TRANSLATION DIFFERENCES

The exchange differences charged to the consolidated statement of comprehensive income are included as follows:

	Year ended 31 December	
in EUR	**2014**	**2013**
Currency translation gains	132,888	16,750
Currency translation losses	(548,879)	(211,604)
Total	**(415,991)**	**(194,854)**

Currency translation gains are included in ‘Other income’ (Note 9). Currency translation losses are included in ‘Other expenses’ (Note 10).

Further foreign translation gains of EUR 273,230 (2013: losses of EUR 1,222,380) are included in ‘Other comprehensive income’.

17. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is derecognised when sold or when no further economic benefit is expected from the continued use or the disposal of the asset. The gains or losses resulting from derecognition of the asset are recognised directly in profit or loss in the consolidated statement of comprehensive income.

The cost of the irrigation boreholes where insufficient water was found was impaired in 2013. The impairment in 2013 also included costs relating to building materials which could not be allocated to any particular asset. The impairment was calculated on the basis of "value in use" which was zero. The carrying amounts of property, plant and equipment were tested for impairment when there was an indication that the carrying amount of an asset exceeded its recoverable amount. As the value in use of technical equipment and machines was found to be nil, an adjustment was made for AAU in 2014.

The impairment costs for 2013 and 2014 are assigned in the consolidated statement of comprehensive income within 'Administrative expenses'. The impairment for both years are assigned to the 'Farming' segment.

Lease rentals of EUR 173,221 (2013: EUR 109,029) for office rent and EUR 5,763 (2013: EUR 1,627) for office equipment are included in the consolidated statement of comprehensive income.

in EUR	Land and buildings	Technical equipment and machines	Furniture, fixtures and other equipment	Construction in progress	Total
Cost					
At 1 January 2013	**0**	**574,206**	**251,021**	**7,194,410**	**8,019,637**
Additions	0	2,766,530	224,592	4,334,810	7,325,932
Disposals	0	(12,028)	0	0	(12,028)
Transfers	11,083,431	0	6,420	(11,089,851)	0
Impairment	(276,164)	0	0	(91,385)	(367,549)
Currency translation differences	(888,720)	(221,184)	(34,282)	(102,734)	(1,246,919)
At 31 December 2013	**9,918,547**	**3,107,524**	**447,751**	**245,251**	**13,719,073**
At 1 January 2014	9,918,547	3,107,524	447,751	245,251	13,719,073
Additions	2,350,496	9,557,576	147,892	2,304,185	14,360,149
Disposals	0	(109,444)	(637)	0	(110,082)
Transfers	392,146	11,659	0	(403,805)	0
Impairment	0	(215,086)	0	0	(215,086)
Currency translation differences	(106,675)	142,237	(3,815)	45,608	77,356
At 31 December 2014	**12,554,515**	**12,494,465**	**591,191**	**2,191,239**	**27,831,410**
Accumulated depreciation					
At 1 January 2013	**0**	**(68,005)**	**(44,916)**	**0**	**(112,921)**
Depreciation	(50,701)	(223,740)	(86,969)	0	(361,411)
Impairment	(276,164)	0	0	(91,385)	(367,549)
Disposals	276,164	0	0	91,385	367,549
Currency translation differences	2,952	20,229	7,994	0	31,174
At 31 December 2013	**(47,749)**	**(271,516)**	**(123,892)**	**0**	**(443,156)**
At 1 January 2014	(47,749)	(271,516)	(123,892)	0	(443,156)
Depreciation	(108,922)	(868,641)	(46,980)	0	(1,024,542)
Disposals	0	40,730	62	0	40,792
Currency translation differences	(2,622)	(23,396)	978	0	(25,040)
At 31 December 2014	**(159,293)**	**(1,122,822)**	**(169,831)**	**0**	**(1,451,947)**
Net Book Value					
Cost	9,918,547	3,107,524	447,751	245,251	13,719,073
Accumulated depreciation	(47,749)	(271,516)	(123,892)	0	(443,156)
At 31 December 2013	**9,870,798**	**2,836,008**	**323,859**	**245,251**	**13,275,917**
Cost	12,554,515	12,494,465	591,191	2,191,239	27,831,410
Accumulated depreciation	(159,293)	(1,122,822)	(169,831)	0	(1,451,947)
At 31 December 2014	**12,395,222**	**11,371,643**	**421,360**	**2,191,239**	**26,379,464**

The transfers consider assets which were ready for use.

18. INTANGIBLE ASSETS

in EUR	Software
Cost	
1 January 2013	9,550
Additions	1,390
31 December 2013	10,940
1 January 2014	10,940
Additions	40,162
Currency translation differences	2
31 December 2014	**51,104**
Accumulated amortisation	
1 January 2013	(1,661)
Amortisation	(3,461)
31 December 2013	(5,122)
1 January 2014	(5,122)
Amortisation	(9,823)
31 December 2014	**(14,945)**
Net book value	
Cost	10,940
Accumulated amortisation	(5,122)
31 December 2013	5,818
Cost	51,104
Accumulated amortisation	(14,945)
31 December 2014	**36,159**

19. FINANCIAL INSTRUMENTS BY CATEGORY

		As at 31 December	
in EUR	Note	2014	2013
Trade and other receivables	22	4,400,668	216,117
Cash and cash equivalents	23	73,570,062	99,645,366
Total		**77,970,730**	**99,861,483**

		As at 31 December	
in EUR	Note	2014	2013
Non-current borrowings	30	88,461,597	9,617,075
Current borrowings	30	45	99,499,050
Trade and other payables	29	5,130,056	4,334,258
Total		**93,591,698**	**113,450,383**

All financial assets are classified as ‘Loans and receivables’. All financial liabilities belong to the category ‘Other financial liabilities at amortised cost’. If not otherwise disclosed, fair values of financial instruments equal their carrying amounts.

20. INVENTORIES

	As at 31 December	
in EUR	2014	2013
Raw materials and supplies	1,601,887	559,475
Finished goods and goods for resale	451,548	485,485
Total	**2,053,434**	**1,044,960**

In 2013, inventories of EUR 5,041 were damaged and written off. In 2014, there was no reversal to the write off. Finished goods and goods for resale mainly included the harvested crop (Note 8).

21. TAX RECEIVABLES

The tax receivables only include the VAT balances.

22. TRADE AND OTHER RECEIVABLES

	As at 31 December	
in EUR	**2014**	**2013**
Trade receivables	975,039	19,510
Prepayments	368,419	163,378
Other receivables	2,309,910	19,393
Receivables from related parties and affiliated companies	747,300	13,836
Total	**4,400,668**	**216,117**

Prepayments include advance payments for goods and services. Other receivables include current loans to More Beef Ltd. with EUR 1,647,320.

More information about loans to related parties is included in Note 32.

As at the 31st of December 2014, loans and interest of EUR 0 (2013: EUR 216,548) were fully written off, because the debtor went into insolvency.

As at the 31st of December 2014, trade and other receivables of EUR 0 (2013: EUR 667) were impaired. All trade and other receivables are due within three months.

Trade receivables include debtors with a carrying amount of EUR 233,895 (2013:EUR 12,954) who were past due as of the reporting date and for whom the Group has not raised a provision, as there has not been a significant change in credit quality, and the receivables are still considered recoverable. The average age of these receivables is as follows:

	As at 31 December	
in EUR	**2014**	**2013**
Current	741,144	6,556
30 - 60 days	192,750	5,400
60 - 90 days	14,590	7,554
Over 90 days	26,555	
Total	**975,039**	**19,510**

The maximum exposure to credit risk as of the reporting date is the carrying amount of each class of receivables mentioned above. The Group does not hold any collateral as security.

The Group's 'Trade and other receivables' are denominated in the following currencies:

	As at 31 December	
in EUR	**2014**	**2013**
Zambian Kwacha (ZMW)	1,591,046	97,384
Uganda Schilling (UGX)	44,648	0
US Dollar (USD)	1,651,144	0
Euro (EUR)	1,113,830	118,732
Total	**4,400,668**	**216,117**

23. CASH AND EQUIVALENTS

	As at 31 December	
in EUR	**2014**	**2013**
Cash on hand and at financial institutions	73,495,062	99,590,366
Short term bank deposits	75,000	55,000
Total	**73,570,062**	**99,645,366**

Cash is at the free disposal of the Group, except for the cash of Amatheon Foundation gGmbH as at the 31st of December 2014 of EUR 59,083 (2013: EUR 0). These balances are restricted as it is a non-profit organisation which is governed by rules for charities, which include certain conditions limiting expenditures.

24. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following financial assets were subject to offsetting:

	Cash on hand and at financial institutions As at 31 December	
in EUR	**2014**	**2013**
Gross amounts of recognised financial assets	75,097,328	99,625,361
Gross amounts of recognised financial liability set off in the balance sheet	(1,602,266)	(34,995)
Net amounts of financial assets presented in the balance sheet	**73,495,062**	**99,590,366**

The financial liability is a bank overdraft for both years.

The following borrowings were subject to offsetting:

	Borrowings As at 31 December	
in EUR	**2014**	**2013**
Non-convertible bond issued	124,929,657	9,617,075
Thereof hold by AAH	(36,468,060)	0
Net amounts of borrowings presented in the balance sheet	**88,461,597**	**9,617,075**

On the 31st of December 2014 AAH purchased EUR 10 million of Amatheon Financing's EUR 125 million 8.25% bond due in 2017 for consideration of EUR 2 million, thereby creating a EUR 8 million profit in AAH.

Further, on the 31st of December 2014 Sapinda Asia Ltd made a contribution towards the capital reserves of AAH in the form of EUR 26.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. The contribution by Sapinda Asia Ltd was made unconditionally and irrevocably, with all rights to the bonds transferring to AAH.

At the end of 2014, AAH held EUR 36.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. These bonds are offset in the consolidated balance sheet.

25. EQUITY

25.1. ORDINARY SHARES AND SHARE PREMIUM

For a full overview of the equity, please see the consolidated statement of changes in equity (after consolidated balance sheet).

Authorised Company capital is one hundred million Euro (EUR 100,000,000). The authorised capital is divided into one billion (1,000,000,000) shares, with a nominal value of EUR 0.10 each.

	Number of shares	Ordinary shares in EUR	Share premium from Share issue in EUR	Total in EUR
1 January 2013	**50,000,000**	**5,000,000**	**0**	**5,000,000**
Issued during the year	22,321,427	2,232,143	6,736,780	8,968,923
31 December 2013	**72,321,427**	**7,232,143**	**6,736,780**	**13,968,923**
Issued during the year	0	0	0	0
31 December 2014	**72,321,427**	**7,232,143**	**6,736,780**	**13,968,923**

The share premium in the table relates only to the share premium from the issuance of ordinary shares. Please see the consolidated statement of changes in equity for a full presentation of share premium.

On the 31st of December 2014, Sapinda Asia Ltd. made a contribution towards the capital reserves of AAH. See Note 24 for further details.

On the 4th of January 2013, the Group announced its intention to float its shares on the Marché Libre of Euronext Paris and conduct a QPO (Qualified Public Offering) under the terms and conditions of its convertible bonds due in 2015. On the 4th of February 2013, the initial listing and trading of the ordinary Group shares took place. The equity capital of EUR 7,232,142 was divided into 72,321,427 shares at a nominal value of EUR 0.10.

On the 6th of June 2014, an Extraordinary General Meeting of Shareholders (EGM) authorised an increase in capital of the Group through the issue of up to 50,000,000 ordinary shares to Kore Agri Investment B.V. The shares were authorised to be issued at a nominal value of EUR 0.10 each and at a price of EUR 2.10 per share, defined as the market price recorded on the Euronext Paris Marché Libre on the 2nd of May 2014. The purpose of the capital increase was to refinance the EUR 100 million bonds maturing in November 2014. This capital increase was not executed.

On the 8th of December 2014, a further EGM authorised the Management Board, subject to the approval of the Supervisory Board, to raise aggregate proceeds of up to EUR 50 million in an equity capital raise. The Management Board was authorised to issue up to 21,739,130 shares to interested parties with nominal value of EUR 0.10 each ("New Shares"), which could be existing shareholders or third parties, by way of a private placement. The subscription price per New Share was determined as equal the average closing price of the current issued shares in the capital of the Company quoted on the Marché Libre of Euronext in Paris during five trading days preceding the day of the EGM notice, being EUR 2.30 per share. The capital increase is still in progress.

Information about the non-controlling interests is included in Note 5.1.

25.2. OTHER RESERVES

	As at 31 December	
in EUR	2014	2013
Currency translation differences	(668,321)	(986,836)

25.3. NON-CONTROLLING INTERESTS

On the 25th of February 2014, the share capital of AAZ was increased by creating an additional 508,000 shares as a result of an equity increase. After the share issue, AAZ's share capital was recorded as 520,000 shares with a nominal value of 1 ZMW per share. Of these shares, 482,300 shares (92.75%) were held by AFa and the remaining 37,700 shares (7.25%) were held by project initiators.

From the above equity increase, a share premium of EUR 6,730,415 less ZMW 470,900 was created.

On the 21st of February 2013, the authorised share capital of AAZ was increased by creating 7,000 additional shares. After the share issue, the local management team held 5% of the AAZ shares. The remaining 11,400 shares in AAZ were held by AFa, representing 95%.

Due to the increase in non-controlling interests described above, a part of the share premium and the losses carried forward was transferred to non-controlling interests.

26. OTHER PROVISIONS

in EUR	Other provisions
At 1 January 2014	0
Additions	98,749
At 31 December 2014	**98,749**

Other provisions contain risks due to a lawsuit in AAZ with a former employee.

27. PROVISIONS FOR SHARE-BASED PAYMENTS

	As at 31 December	
in EUR	**2014**	**2013**
Provisions for share-based payments	209,334	198,492

28. SHARE-BASED PAYMENTS

28.1. SHARED BASED PAYMENTS AAZ

Stock options were granted to selected persons (AAZ project initiators, directors, and consultants). The exercise price of the granted options is equal to the nominal value of ZMW 1. Options are conditional based on the Company's achievement of performance-related milestones. A milestone is completed if a certain amount of land is cultivated. Each year, beginning in 2012 and ending in 2016, it is verified whether a milestone has been reached. Depending on performance, a certain number of options can be exercised during the following month. Further, employees can acquire shares for services already rendered. Since employees need to remain in service until the deadline of the respective milestone, there is a graded vesting. When exercising the options, the employees can acquire shares in AAZ. If the employees leave the entity or plan to sell the shares after 2016 (lockup period), the Group has to re-purchase the shares under certain conditions.

Lock-up period: The selected persons are prohibited from selling any share or interest (direct or indirect) in AAZ until the 31st of December 2016. If employees want to redeem their shares, the Group has a pre-emption right for a period of 30 days. If they cannot sell their shares in six months, the Group is obligated to re-purchase them.

The options for shares granted in AAZ vest as follows:

Performance related milestones to be achieved	2012	2013	2014	2015	2016	Acquisition of shares
that have already been achieved	**5.00%**					on 26 November 2012
by 31 December 2012		**2.25%**				on 31 January 2013
by 31 December 2013			**2.25%**			on 31 January 2014
by 31 December 2014				**1.13%**		on 31 January 2015
by 31 January 2015				**1.13%**		on 31 January 2015
by 31 December 2015				**2.25%**		on 31 December 2015
by 31 December 2016					**4.00%**	on 31 December 2016
Total	**5.00%**	**2.25%**	**2.25%**	**4.51%**	**4.00%**	

At the beginning of 2013, AAZ reduced its number of shares from 5 million to 5,000 due to the currency conversion reform carried out by the Zambian Government.

During 2013, AAZ issued 7,000 additional shares, of which 600 (5%) were allocated to the local team for the achievement of the first target.

The second milestone was achieved and the local team received an additional 2.25% stake on the 25th of February 2014.

During the remainder of 2014, no additional shares were issued to selected persons on the basis of performance-related milestones. The share options for 2014 were not issued, however these share options are still valid and are planned to be issued in 2015.

Changes in the number of stock options outstanding and their related weighted average exercise prices are as follows:

	Average exercise price in EUR per 1% stock option	2014 Options (in %)	Average exercise price in EUR per 1% stock option	2013 Options in %)
At 1 January	16,943	13.00%	13,959	18.00%
Exercised	18,397	2.25%	16,943	5.00%
At 31 December	18,397	10.75%	16,943	13.00%

1% represents 120 stock options. Total options available represent 2,160 shares as at 31st December 2014 (18% of AAZ).

Accordingly, the fair value of the options will be equal to the fair market value of the underlying shares, unless any other terms and conditions should be taken into account when estimating the fair value. The market value of 1% is EUR 18,397 (2013: EUR 16,943). This was determined by using a discounted cash flow model. The model's significant inputs were the weighted average cost of capital (WACC) of 12.7% (2013: 12.9%), a discount equity rate of 16.4% (2013: 16.4%), and a discount debt rate of 9.0% (2013: 9.0%). The discount rate of equity was calculated using the market risk premium of 6.5% (2013: 6.5%), a beta of 1.06% (2013: 1.06%), a risk free interest rate of 2.8% (2013: 2.8%), and a country specific risk premium of 6.8% (2013: 6.8%). The net present value was calculated over a period of 10 years by using a perpetual annuity beyond the time horizon, which was determined by applying a growth rate of 1% (2013: 1%). As only options for shares in AAZ are granted, the expected cash flows are calculated on the basis of AAZ's business plan model. See Note 12 for the total expense recognised in the consolidated statement of comprehensive income for stock options granted to directors, employees and consultants.

The liability as at the 31st of December 2014 was EUR 209,334 (2013: EUR 188,434). Changes in liabilities as at the 31st of December 2014 and expenses in 2014 amounted to EUR 20,900 (2013: EUR 61,454), which was calculated as expenses related to the share-based payments for the second milestone that the team can obtain in the future.

28.2. SHARE-BASED PAYMENTS AAH

In 2013, there was a share-based payment scheme for the AAH Management Board in place. The payment was conditional on the public listing of AAH and dependent on the fair value of the Group at the time of the initial public offering. The first target of a technical listing was achieved, and the first share-based payments were paid out in 2013.

The fair value was determined by using the discounted cash flow model. The significant inputs into the model were the weighted average cost of capital (WACC) of 12.2%, a discount equity rate of 16.4%, and a discount debt rate of 8.0%. The discount equity rate was calculated by using the market risk premium of 6.5%, a beta factor of 1.06%, a risk free interest rate of 2.8%, and a country specific risk premium of 6.8%.

The net present value was calculated over a period of 10 years by using a perpetual annuity beyond the time horizon that was calculated by applying a growth rate of 1%. Market capitalization of the Group's shares was used for the calculation of the expense and liability for the share-based payment in 2012.

The change in liabilities and expenses in 2013 for the second part of the share-based payment was EUR 1,473. The first part of the share-based payment was paid out in 2013, and amounted to EUR 57,857.

The CEO waived his entitlement to a share-based payment as of the 31st of December 2014 on the basis that he entered a new CEO contract on the 1st of January 2015. Therefore, there are no future share-based liabilities arising from the CEO's previous contract. For this reason, the liabilities as at the 31st of December 2014 were nil. The reversal of the 2013 liability in 2014 was an income of EUR 10,058.

See Note 12 for the total expenses recognised in the consolidated statement of comprehensive income.

29. TRADE AND OTHER PAYABLES

	As at 31 December	
in EUR	**2014**	**2013**
Trade payables	2,159,713	2,515,882
Liabilities from interests	22,687	1,257,534
Short-term liabilities to related parties	1	22,057
Other payables	2,947,654	538,785
Total	**5,130,056**	**4,334,258**

'Short term liabilities to related parties' include interests and management fees. More information can be found in Notes 32.2 and 32.4.

Other payables contain accruals for rent, bonus payments to employees, costs for bookkeeping, and contributions to the chamber of commerce (Note 11.3).

30. BORROWINGS

	As at 31 December	
in EUR	**2014**	**2013**
Non-current borrowings		
Non-convertible bond issued	124,929,657	9,617,075
Thereof hold by AAH	(36,468,060)	0
Total non-current borrowings	**88,461,597**	**9,617,075**
Current borrowings		
Non-convertible bond	0	99,499,050
Other borrowings	45	0
Total current borrowings	**45**	**99,499,050**
Total	**88,461,642**	**109,116,125**

On the 31st of July 2014, AFin issued the first tranche of an up to EUR 125 million 8.25% bond on the open market of the Frankfurt Stock Exchange. The purpose of the bonds issue was to repurchase EUR 100,000,000 of the outstanding 8.5% bonds due in 2014 (ISIN XS0990660911), repurchase EUR 10,000,000 of the outstanding 8.5% bonds due in 2018 (ISIN NL0010418794) on the open market, finance further investments in Sub-Saharan Africa and fund general corporate purposes of the Group.

On the 9th of October 2014, the final tranche of the 2017 bond was issued, totalling EUR 125 million. Between the 31st of July 2014 and the 9th of October 2014, the EUR 100 million 8.5% bond due in November 2014 was fully repurchased and then cancelled along with EUR 8.9 million of the EUR 10 million 8.5% bond due in 2018. The EUR 100 million bond was repurchased at an average price of 102.75%, being less than the early redemption price of 103%.

On the 31st of December 2014, Amatheon Agri Holding purchased from Sapinda Asia Ltd. EUR 10 million of Amatheon Financing's EUR 125 million 8.25% bond due in 2017 for consideration of EUR 2 million, thereby creating a EUR 8 million profit in Amatheon Agri Holding.

Further, on the 31st of December 2014, Sapinda Asia Ltd. made a contribution towards the capital reserves of Amatheon Agri Holding in the form of EUR 26.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. The contribution by Sapinda Asia Ltd was made unconditionally and irrevocably, with all rights to the bonds transferring to Amatheon Agri Holding.

With two transactions on the 31st of December 2014, AAH received EUR 36.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. These bonds are offset in the consolidated balance sheet. For more information see Note 24.

The fair value of the long term non-convertible bond of nominal EUR 125,000,000 amounts to EUR 124,951,667. The fair value is based on cash flows discounted using a rate based on the borrowing rate of 8.25%, and is within Level 3 of the fair value hierarchy. The fair value of the long-term non-convertible bond of nominal EUR 1,100,000 amounts to EUR 1,127,530. The fair value is based on cash flows discounted using a rate based on the borrowing rate of 8.25%, and is within Level 3 of the fair value hierarchy.

The maturity analysis of the borrowings is shown in Note 3.

31. COMMITMENTS

31.1. CAPITAL COMMITMENTS

Capital expenditures contracted for at the end of the reporting period but not yet incurred arise from the purchase of land. After buying an option, the Group is given one month to either conclude a purchase contract or cancel the option. Closed contracts cannot be cancelled anymore and lead to capital commitments. As of year-end 2014, the total capital commitment was EUR 0 (2013: EUR 1,567,480).

There are further commitments from recent acquisitions. See Note 33 for details.

31.2. OPERATING LEASE COMMITMENTS – GROUP AS LESSEE

The Group leases office premises under a non-cancellable operating lease in Zambia and Uganda. The lease terms are for a period of 12 months, and the lease agreements are renewable at the end of the lease period at market rates. The notice period of the contract is three months.

The Group leases office premises under a four-year operating lease in Germany. The notice period of the contract is six months.

The future aggregate minimum lease payments under non-cancellable operating leases are shown in the table below.

	As at 31 December	
in EUR	**2014**	**2013**
No later than 1 year	157,045	16,866
Later than 1 year and no later than 5 years	660	0
Total	**157,705**	**16,866**

The cost of operating leases is presented within other expenses under position 'Rent, energy, office costs'. More information is included in Note 11.3.

32. RELATED PARTIES

The Group is controlled by Kore Agri Investment B.V., Schiphol, incorporated in The Netherlands. The upper parent is Sapinda Holding B.V., Schiphol, incorporated in The Netherlands. The ultimate parent is the Anchor Trust with Constortia Trustees Ltd., Jersey, as trustee.

Key AAH management personnel include:

Carl Heinrich Bruhn	Chief Executive Officer
Frank Braeken	Chief Investment Officer (not formally appointed), Director of Food
Herwig Tilly	Director of Farming

Additional senior management include:

Johannes Musiol	Managing Director AAU
Valentin Schnoor	Managing Director AAZ
Dr. Sekai Nzenza	Managing Director AAZim
Munhamu Ivin Murambiwa	Managing Director AAZim
Dr. Dr. Peter Wiesing	Co-Managing Director AFin (since the 13th of October 2014, Managing Director of Herm Holding B.V.)

During the start-up phase of the Company, an informal Advisory Board was established to provide ad hoc advice to the Company's Management. After the appointment of the Supervisory Board on the 8th of December 2014, the Advisory Board was dissolved.

The members of the Advisory Board included:

James Ronald Hersov	Head of Advisory Board
Yukiko Omura	Member of Advisory Board
Ceaser Siwale	Member of Advisory Board
Andres Ruff	Member of Advisory Board

The Supervisory Board, appointed on the 8th of December 2014, includes:

Edwin Eichler	Chair of the Supervisory Board
H.S.H. Prince Max von und zu Liechtenstein	Member of Supervisory Board
Yukiko Omura	Member of Supervisory Board
Gregoire Dusausoy	Member of Supervisory Board

The compensation paid to the Supervisory Board in 2014 was EUR 360 (Yukiko Omura).

32.1. SHARE TRANSFER OF AAZ

On the 25th of February 2014, the authorised share capital of AAZ was increased from EUR 1,710 to EUR 65,580, and divided into 520,000 shares at EUR 0.126 each, by creating 508,000 additional shares.

The additional shares created were allotted to the following parties in the quantities described below:

	As at 31 December	
in EUR	**2014**	**2013**
Amatheon Farming GmbH	470,900	6,401
Local management team	37,100	599
Total	**508,000**	**7,000**

The allocation of shares to the project initiators is based on the Management Agreement described in Note 28 above.

32.2. PURCHASE OF SERVICES

Transactions between the Company and its subsidiaries, which are related parties to the Company, were eliminated upon consolidation and are not disclosed in this note. Details of significant transactions between the Group and other related parties during 2014 are as follows:

	Year ended 31 December	
in EUR	**2014**	**2013**
Entities with joint control or significant influence over the entity	36,000	33,000
Key management personnel	755,235	80,601
Supervisory Board	360	0
Advisory Board	250,193	173,040
Other related parties	1,341,647	681,050
Total	**2,383,435**	**967,691**

The position of key management personnel includes remuneration and travel expenses in accordance with the service agreement. 'Other related parties' includes fees for the bond issue of EUR 1,286,847, rental costs of EUR 45,300 and furniture purchases of EUR 9,500, amounting in 2014 in total to EUR 1,341,647 (2013: EUR 681,050).

The summary includes travel expenses for the Advisory Board and key management, excluding the Chief Executive Officer, of EUR 33,210 (2013: EUR 49,251) and EUR 136,740 (2013: EUR 4,601), respectively.

Management services are purchased under normal commercial terms and conditions at arm's length.

32.3. COMPENSATION OF THE KEY MANAGEMENT

The compensation paid or payable to key management for employees is shown below:

	Year ended 31 December	
in EUR	**2014**	**2013**
Salaries and other short term employee benefits	546,000	561,390
Share-based payments	0	57,857
Post-employment benefits	6,000	6,000
Total	**552,000**	**625,247**

32.4. COMPENSATION OF THE MANAGEMENT BOARD

As at the 31st of December 2014, the Management Board only included the CEO, Carl Heinrich Bruhn. The CIO, Frank Braeken, was not formally appointed to the Management Board. The former CFO, Enno Gloeer, resigned on the 31st of May 2013.

	Year ended 31 December	
	2014	**2013**
Carl Heinrich Bruhn		
Salaries and other short term employee benefits	366,000	358,890
Share-based payments	0	57,857
Post-employment benefits	6,000	6,000
Total	**372,000**	**422,747**
Enno Gloeer		
Salaries and other short term employee benefits	0	62,500
Total	**0**	**62,500**
Total	**372,000**	**485,247**

Travel expenses for the CEO amounted to EUR 159,406 (2013: EUR 146,335). In 2013 and 2014, the CEO was not provided with secondary emoluments.

32.5. YEAR-END BALANCES FROM SERVICES

Payables to related parties are as follows:

	Year ended 31 December	
in EUR	**2014**	**2013**
Entities with joint control or significant influence over the entity	9,000	3,000
Key management personnel	201,591	0
Advisory Board	12,100	0
Other related parties	411,847	0
Total	**634,538**	**3,000**

Payables to related parties arise mainly from the purchase of management services under normal commercial terms and conditions at arm's length. The payables bear no interest.

Payables to key management personnel comprise Frank Braeken's consulting fee for December 2014 and a non-fixed component fee adjustment for 2013 and 2014. Payables to Advisory Board members comprise the remuneration for one of the Advisory Board members for December 2014.

The receivables from related parties are shown in the following table:

	Year ended 31 December	
in EUR	**2014**	**2013**
Entities with joint control or significant influence over the entity	669,647	13,757
Other related parties	0	79
Total	**669,647**	**13,836**

32.6. LOANS TO AND FROM RELATED PARTIES

Loans received from related parties are as follows:

	As at 31 December	
in EUR	**2014**	**2013**
At 1 January	**19,057**	**479,880**
Loan repayments	0	(461,150)
Interest charged	0	8,030
Interest paid	(19,057)	(7,703)
At 31 December	**0**	**19,057**

The outstanding interest of EUR 19,057 on the EUR 770,000 loan as of the 31st of December 2013 was repaid on the 26th of March 2014. With this payment, there are no loans and/or interest liabilities to any related parties.

Loans made to entities with joint control or significant influence over the AAH are as follows:

	As at 31 December	
in EUR	**2014**	**2013**
At 1 January	**0**	**655**
Loan payments received	0	(655)
At 31 December	**0**	**0**

As of the 31st of December 2014, it is unknown whether entities with joint control of AAH or significant influence over AAH, held any of the EUR 87 million or EUR 1.1 million outstanding bonds. Both bonds are openly tradable bonds and therefore the identities of the bondholders could not be determined.

Loans were made under normal commercial terms and conditions at arm's length.

32.7 TRANSACTIONS WITH OWN BONDS ISSUED

On the 31st of December 2014, AAH purchased EUR 10 million of Amatheon Financing's EUR 125 million 8.25% bond due 2017, for consideration of EUR 2 million, thereby creating a EUR 8 million profit in AAH.

Further, on the 31st of December 2014, Sapinda Asia Ltd made a contribution towards the capital reserves of AAH in the form of EUR 26.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. The contribution by Sapinda Asia Ltd was made unconditionally and irrevocably, with all rights to the bonds transferring to AAH.

At the end of 2014, AAH held EUR 36.8 million of the EUR 125 million 8.25% bonds issued by Amatheon Financing. These bonds are offset in the consolidated balance sheet. See Note 24 for further information.

33. EVENTS AFTER THE REPORTING PERIOD

COMPANY ACQUISITIONS IN ZAMBIA

On the 14th of January 2015, the Group acquired 51% of the share capital of The Real Meat Company Limited (RMC), a company specialised in meat processing, for a cash consideration of EUR 3,291,362. The direct costs of acquisition, which will be charged to the income statement in 2015, were EUR 347,586. There were no charges in 2014.

RMC acquired 100% control of the More Beef Company and its subsidiary Buccamore Foods on the 15th January of 2015.

Both transactions are combined in the following table. Details of net assets acquired and goodwill are as follows:

On acquisition (in EUR)	
Purchase consideration: Cash paid	3,291,632
Total purchase consideration	3,291,632
Fair value of assets acquired (see below)	(2,049,007)
Goodwill	1,242,625

The above goodwill is attributable to RMC's strong position and profitability in trading in the Zambian meat market. The goodwill is assigned to AFa. Entering the meat market in Zambia is a vertical integration to our farming activities in Zambia, which includes feedlotting and cattle business.

The assets and liabilities arising from the acquisition, provisionally determined, are as follows:

	Fair value in EUR
Property, plant and equipment	3,188,779
Inventories	538,948
Trade and other receivables	665,713
Cash and cash equivalents	18,208
Interest bearing non-current liabilities	(316,545)
Interest bearing current liabilities	(686,958)
Trade payables and other current liabilities	(1,359,138)
Net assets acquired	2,049,007

Non-controlling interests in RMC amount to 49% and are measured at the proportionate share of the recognized net assets acquired.

A loan of USD 2 million was signed between Amatheon Food and More Beef, a 100% subsidiary of RMC on the 23rd of October 2014, which was valued at EUR 1,647,320 as at the 31st of December 2014. The term of the loan is for a period of one year and the interest rate is at 12%.

A further related party loan of EUR 394,464 was signed between Amatheon Food and Real Meat Company on the 14th January of 2015 with a five-year-term and no interest rate.

The Group is in the process of acquiring two further meat producers in Zambia. The SPAs were signed at the beginning of 2015. The closing of the deals is pending.

COMPANY FINANCIAL STATEMENTS OF AMATHEON AGRI HOLDING N.V.

COMPANY INCOME STATEMENT OF AMATHEON AGRI HOLDING N.V.

in EUR	Note	2014	2013
Share of loss of subsidiaries	37	(8,711,791)	(4,141,852)
Other expenses		(4,622,978)	(2,735,506)
Loss for the period		**(13,334,770)**	**(6,877,358)**

The Notes 34 to 43 are an integral part of these company financial statements.

COMPANY BALANCE SHEET OF AMATHEON AGRI HOLDING N.V.

		As at 31 December	
in EUR	Note	2014	2013
Assets			
Non-current assets			
Property, plant and equipment	35	52,420	35,947
Intangible assets	36	31,878	5,818
Loan receivables	38	45,032,263	13,835,634
Total non-current assets		**45,116,561**	**13,877,399**
Current assets			
Tax receivables		0	22,535
Trade and other receivables	39	16,981,417	1,926,658
Cash and cash equivalents	40	68,730,537	97,238,068
Total current assets		**85,711,953**	**99,187,261**
Total assets		**130,828,514**	**113,064,660**
Equity and liabilities			
Equity	**41**		
Ordinary shares		7,232,143	7,232,143
Share premium		32,374,916	6,123,545
Other reserves		(668,321)	(986,836)
Losses carried forward		(10,296,383)	(3,520,672)
Loss for the period		(13,334,770)	(6,877,358)
Total equity		**15,307,585**	**1,970,822**
Liabilities			
Non-current liabilities			
Borrowings	43	110,319,391	9,617,075
Provision for share based payments		0	10,058
Total non-current liabilities		**110,319,391**	**9,627,133**
Current liabilities			
Trade and other payables	42	5,201,538	1,967,655
Borrowings	43	0	99,499,050
Total current liabilities		**5,201,538**	**101,466,705**
Total liabilities		**115,520,929**	**111,093,838**
Total equity and liabilities		**130,828,514**	**113,064,660**

The Notes 34 to 43 are an integral part of these company financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS OF AMATHEON AGRI HOLDING N.V.

34. GENERAL

The accounting policies for the Company's financial statements are the same as for the consolidated financial statements. If no further policies are mentioned, reference is made to the accounting policies for the consolidated financial statements.

34.1. BASIS FOR PREPARATION OF COMPANY FINANCIAL STATEMENTS

The Company financial statements of Amatheon Agri Holding N.V. have been prepared in accordance with the provisions of Part 9 of Book 2 of The Netherlands Civil Code. In preparing these financial statements, the Company availed itself of the facility offered by Section 362(8), Book 2 of The Netherlands Civil Code to use the same accounting policies (including those for the presentation of financial instruments as equity or loan capital) for the Company and the consolidated financial statements. The measurement basis applied is the historical cost basis.

With regard to the Company income statement, Article 2:402 of the Dutch Civil Code has been applied, allowing a simplified format.

In these Company financial statements, the investments in subsidiaries are measured at net asset value. The net asset value of a participation interest is determined by valuing the assets, provisions and liabilities and calculating in the result using the accounting principles applied to the consolidated financial statements.

The Company financial statements of Amatheon Agri Holding N.V. are presented in Euro.

34.2. FINANCIAL ASSETS

For the principles of valuation of assets and liabilities and for the determination of the result, reference is made to the notes to the balance sheet and income statement. The investments in subsidiaries, other than the affiliates, are carried at net asset value.

35. PROPERTY, PLANT AND EQUIPMENT

in EUR	Furniture, fixtures and other equipment
Cost	
1 January 2013	42,506
Additions	15,094
31 December 2013	**57,600**
1 January 2014	57,600
Additions	38,082
31 December 2014	**95,682**
Accumulated depreciation	
1 January 2013	(9,265)
Depreciation	(12,388)
31 December 2013	**(21,653)**
1 January 2014	(21,653)
Depreciation	(21,609)
31 December 2014	**(43,262)**
Net book value	
Cost	57,600
Accumulated depreciation	(21,653)
31 December 2013	**35,947**
Cost	95,682
Accumulated depreciation	(43,262)
31 December 2014	**52,420**

Operating and office equipment are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Depreciation on operations and office equipment is calculated using the straight-line method to allocate their cost or re-valued amounts to their residual values over their estimated useful lives, as follows:

Furniture, fixtures and other equipment	3-13 years

36. INTANGIBLE ASSETS

AAH has the same intangible assets as the Group. More information is included in Note 18, Intangible Assets.

in EUR	Software
Cost	
1 January 2013	9,550
Additions	1,390
31 December 2013	**10,940**
1 January 2014	10,940
Additions	35,633
31 December 2014	**46,573**
Accumulated amortisation	
1 January 2013	(1,661)
Amortisation	(3,461)
31 December 2013	**(5,122)**
1 January 2014	(5,122)
Amortisation	(9,573)
31 December 2014	**(14,695)**
Net book value	
Cost	10,940
Accumulated amortisation	(5,122)
31 December 2013	**5,818**
Cost	46,573
Accumulated amortisation	(14,695)
31 December 2014	**31,878**

37. INVESTMENTS IN SUBSIDIARIES

In 2014, AAH founded Amatheon Financing B.V. with a paid-in capital of EUR 1.

in EUR	2014	2013
1 January	0	3,352,587
Investments in subsidiaries	1	150,003
Share of loss of subsidiaries	(8,711,791)	(4,141,851)
Share of non-controlling interest	(436,620)	(554,664)
Currency translation	318,515	(1,070,441)
Deduction from loan receivables	8,829,896	2,264,366
31 December	**0**	**0**

Negative investments in subsidiaries are not presented. The negative balance was deducted from loan receivables instead.

38. LOAN RECEIVABLES

	As at 31 December	
in EUR	2014	2013
Non-current loan receivables	56,126,525	16,100,000
Deduction from loan receivables	(11,094,262)	(2,264,366)
Total	**45,032,263**	**13,835,634**

The non-current loan receivables include bonds issued by AFin of EUR 36,468,060, which equals the fair value. The interest rate of the other loans granted was between 7 and 12%.

39. TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from subsidiaries for services. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets.

Trade receivables are recognised initially at fair value.

	As at 31 December	
in EUR	2014	2013
Trade receivables	12,081	0
Receivables from related parties	13,757	13,757
Receivables from affiliated companies	16,595,586	1,816,357
Prepayments	280,050	74,304
Other receivables	79,942	22,240
Total	**16,981,417**	**1,926,658**

Trade and other receivables are due within three months. The maximum exposure to credit risk as of the reporting date is the carrying value of each class of receivables mentioned above. The Company does not hold any collateral as security. All of the Company's trade and other receivables are denominated in Euro.

40. CASH AND CASH EQUIVALENTS

	As at 31 December	
in EUR	2014	2013
Cash on hand and at financial institutions	68,655,537	97,183,068
Short term bank deposits	75,000	55,000
Total	**68,730,537**	**97,238,068**

Cash is at the free disposal of the Company.

41. EQUITY

2014 in EUR	Ordinary shares	Share premium	Other reserves	Losses carried forward	Total
1 January 2014	**7,232,143**	**6,123,545**	**(986,836)**	**(10,398,030)**	**1,970,822**
Loss for the period	0	0	0	(13,334,770)	(13,334,770)
Other comprehensive income for the period, net of tax	0	0	318,515	0	318,515
Capital increase	0	26,789,637	0	0	26,789,637
Capital increase of subsidiaries	0	(538,266)	0	101,646	(436,620)
31 December 2014	**7,232,143**	**32,374,916**	**(668,321)**	**(23,631,153)**	**15,307,585**

2013 in EUR	Note	Ordinary shares	Share premium	Other reserves	Losses carried forward	Total
1 January 2013		**5,000,000**	**0**	**675,875**	**(3,579,244)**	**2,096,631**
Loss for the period		0	0	0	(6,877,358)	(6,877,358)
Other comprehensive income for the period, net of tax		0	0	(1,070,441)	0	(1,070,441)
Conversion of bond	25.1	2,232,143	6,736,780	(592,270)	0	8,376,653
Capital increase of subsidiaries	25.3	0	(613,235)	0	58,572	(554,663)
31 December 2013		**7,232,143**	**6,123,545**	**(986,836)**	**(10,398,030)**	**1,970,822**

Authorised Company capital is one hundred million EUR (EUR 100,000,000). The authorised capital is divided into one billion (1,000,000,000) shares, with a nominal value of EUR 0.10 each. The shares issued were:

	As at 31 December
	Ordinary Shares
2014	72,341,427
2013	72,341,427

AAH issued 22,321,437 shares on the 28th of January 2013 through the bond conversion.

42. TRADE AND OTHER PAYABLES

	As at 31 December	
in EUR	**2014**	**2013**
Trade payables	626,985	192,769
Short term liabilities to affiliated companies	3,658,252	122,060
Liabilities from interests	22,688	1,257,534
Other payables	893,614	395,292
Total	**5,201,538**	**1,967,655**

Other payables contain accruals for rent, bonus payments to employees, costs for bookkeeping, and contributions to the chamber of commerce.

43. BORROWINGS

	As at 31 December	
in EUR	**2014**	**2013**
Non-current borrowings		
Borrowings from related parties > 1 year	109,244,707	0
Non-convertible bond	1,074,684	9,617,075
Total non-current borrowings	110,319,391	9,617,075
Current borrowings		
Non-convertible bond	0	99,499,050
Total current borrowings	0	99,499,050
Total	**110,319,391**	**109,116,125**

Zambia, 27th May 2015

MANAGEMENT BOARD

Carl Heinrich Bruhn, CEO

SUPERVISORY BOARD

Edwin Eichler

H.S.H. Prince Max von und zu Liechtenstein

Yukiko Omura

Gregoire Dusausoy

OTHER INFORMATION

According to Article 23 of the Articles of Association, the annual net profit is at the free disposal of the annual shareholders meeting. The Management Board proposes to add the loss of EUR 13,721,136 for the financial year 2014 to the losses carried forward.

05

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To: The general meeting of Amatheon Agri Holding N.V.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements 2014 of Amatheon Agri Holding N.V., Amsterdam. The financial statements include the consolidated financial statements and the Company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2014, the consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information. The Company financial statements comprise the Company balance sheet as at 31 December 2014, the Company income statement for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Directors' Report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, Management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION WITH RESPECT TO THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Amatheon Agri Holding N.V. as at 31 December 2014, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

OPINION WITH RESPECT TO THE COMPANY FINANCIAL STATEMENTS

In our opinion, the Company financial statements give a true and fair view of the financial position of Amatheon Agri Holding N.V. as at 31 December 2014, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Pursuant to the legal requirement under Section 2: 393 sub 5 at (e) and (f) of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Directors' Report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at (b) – (h) has been annexed. Further we report that the Directors' Report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Utrecht, 27 May 2015
PricewaterhouseCoopers Accountants N.V.

Drs. C.J.A.M. Romme RA

FOR FURTHER INFORMATION, PLEASE CONTACT:

Amatheon Agri Holding N.V.

Friedrichstraße 95
10117 Berlin
GERMANY

info@amatheon-agri.com
+49 (0) 30 530009023

PHOTO CREDITS:

Thorsten Futh,
Garreth Bentley,
Will Boase

DESIGN:

monospace, Berlin
www.mono-space.com

www.amatheon-agri.com