

ASTARTA HOLDING N.V.

INTERIM REPORT

of the Board of Directors
for the nine months period ended 30 September 2018



ASTARTA Holding N.V.
agri-industrial holding

INTRODUCTION

ASTARTA successfully started its 20th sugar production season in September 2018. Traditionally, the third quarter is the most intensive, eventful, and determinative period for the operational performance of the Company influencing its annual performance; especially taking into account that the sugar segment is a substantial contributor to the Group's revenues.

As of the date of publication of this report, seven ASTARTA sugar plants had produced more than 230 000 tons of sugar. As scheduled, all sugar plants successfully carried out the necessary preparatory works, so the season is currently gaining momentum with a smooth run and in accordance with best practices. At the same time, we continue to engage our best efforts to strengthen the quality of management, minimise cost base, and improve the "formula" of the most efficient production processes and logistics solutions.

The current production season will be shorter than a year ago based on uncontested and expected assumptions and various factors, namely, a decrease in the sugar beet area and the respectively lower volumes of sugar beet processed. This is a well-grounded adjustment to the oversupply of sugar on the local and global markets combined.

The agricultural segment is performing better this year. In October 2018, production units successfully completed their oilseed harvest. The results are encouraging with the highest yield of soya in the history of the Company – 2.91 tons per ha, and an impressive recovery of sunflower yield – 2.93 tons per ha. The corn harvesting campaign is underway, and we have an optimistic view of yield recovery y-o-y during the current harvesting season. Overall, the gross harvest of all crops is likely to reach a new record of 1 million tons duly supported by the expansion of a newly-commissioned silo network, investments into equipment acquisitions, and innovative solutions in agriculture.

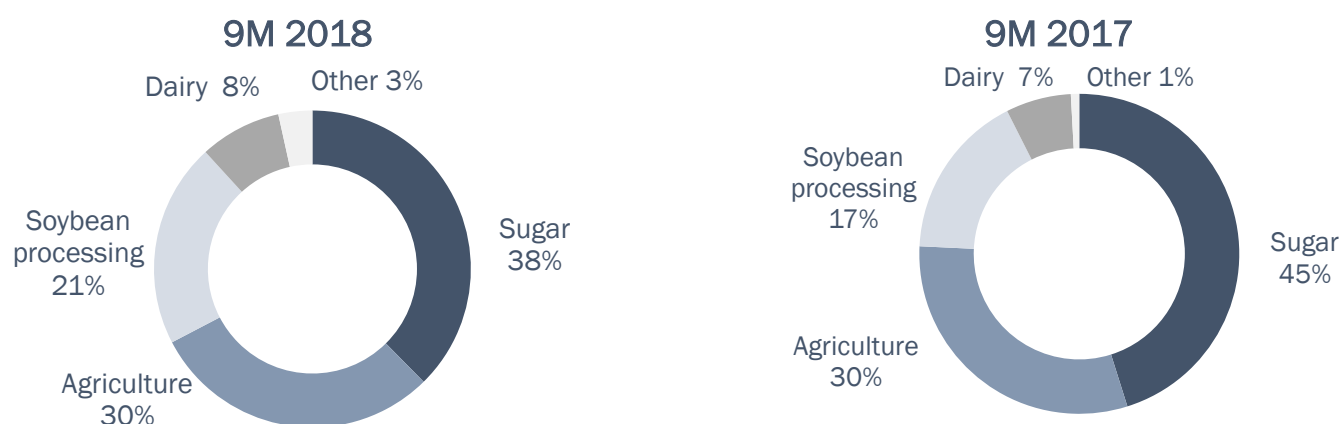
The beginning of the new season for our Company includes a period of in-depth industry analysis and planning. We are examining all possible difficulties so to be ready to overcome them. As the performance of major commodities is so far discouraging, we are looking at other opportunities to produce higher returns on existing assets and improve on the added-value chain as regards all products. To this end, we are developing partnerships in the growth and development of sugar beet, silo services, and trading.

The Company is currently reviewing its strategy of development to be ready to respond to the rapidly changing market environment. We are trying to mobilise efforts of management and employees to be able to put to use a "window of opportunity" for the implementation of our vision of further growth and transition into a food company.

FINANCIAL RESULTS

- Following the first nine months of the 2018 financial year, the lower prices for sugar have had a visible impact on financial statements. The revenues for the reporting period stood at EUR 253.5 million, EBITDA amounted to EUR 68 million. 2018 is a challenging year for the sugar industry all over the globe, as surpluses and low commodity prices create a weak operating environment marked by depressed margins.
- A key contributor to the revenues of the Group was the sugar segment, generating EUR 96.3 million of total revenues; the agriculture segment delivered revenues of EUR 76.1 million; while soybean crushing and dairy were EUR 53.4 million and EUR 21.3 million respectively for the nine-months period ending 30 September 2018.
- EBITDA margin was 27% compared to 32% a year ago on prices deterioration.
- The Company's finance costs (net of IFRS 16) increased by EUR 1.5 million to EUR 9.9 million in 9M2018 on the growth of debt position. The total debt position (net of IFRS 16) stood at EUR 207 million as of 30 September 2018 (+52 y-o-y) while the net debt increased by EUR 81 million to EUR 191 million vs EUR 110 million a year ago due low volume of harvest of 2017 and extended operational cycle financing.
- The bottom line of EUR 14.5 million (vs EUR 74.1 million in 9M 2017) was suffered from forex losses of EUR 5 million due to an inflating local currency (namely, EUR/UAH x-rate added over 9% y-o-y for the 9 months period).
- As of 30 September 2018, the Company, acting pursuant to Resolution No. 8, adopted by the Annual General Meeting of Shareholders of the Company on 25 May 2018, during trading sessions on the main market of the Warsaw Stock Exchange, purchased its own shares in the total quantity of 36 609 since the start of the year.

SEGMENT PERFORMANCE



KEY FINANCIAL DATA

(in EUR thousands)	9M 2018	9M 2018 (without IFRS 16)	9M 2017
Revenues	253 451	253 451	348 738
Cost of sales	(222 703)	(222 703)	(261 005)
Revaluation of biological assets	56 329	48 333	40 956
Gross profit	87 077	79 081	128 689
<i>Gross profit margin</i>	34%	31%	37%
EBIT	38 999	30 841	84 142
<i>EBIT margin</i>	15%	12%	24%
EBITDA	68 067	51 599	111 673
<i>EBITDA margin</i>	27%	20%	32%
Financial costs including FOREX	(23 930)	(14 451)	(8 534)
Net profit (loss)	14 549	15 870	74 109
<i>Net profit (loss) margin</i>	6%	6%	21%
Cash flows provided by operating activities	19 017	(8 871)	71 159
Cash flows used in investing activities	(36 916)	(41 200)	(40 948)
Cash flows provided by financing activities	17 036	46 265	(15 512)
NET DEBT	259 535	191 319	110 267
EBITDA (LTM)	76 636	60 169	134 811
NET DEBT/EBITDA (LTM)	3,4	3,2	0,8
DEBT/EQUITY	0,8	0,6	0,3

SUGAR SEGMENT

KEY HIGHLIGHTS

Share in consolidated revenues: 38%

Segment sales: EUR 96.3 million

Export sales of sugar (volumes): 42%

Revenues in the sugar segment amounted to EUR 96.3 million (38% lower y-o-y) for the first nine months of 2018. Sugar sales volumes corrected by 18% to 273 tons following a lower production level in 2017. The average selling price for the period stood at EUR 333 per tons (26% less y-o-y). More than 113 000 tons of sugar was exported (21% less y-o-y). Granulated pulp sales volumes increased by 88% to 22 000 tons on extended production capacities, while molasses sales were lower by 17% (38 000 tons) due to lower sugar beet supply.

Sugar sales and price performance, EUR/t

	9M2018	9M2017
Sugar sales volumes, ths tons	273	333
Price, EUR/t	333	450

ASTARTA's production season for the current year started in September 2018. This year, the Company has been harvesting sugar beet from an area of more than 39 700 hectares (-15% y-o-y). As of the date of this report, Company sugar plants had produced 230 000 tons of sugar. Due to the systematic implementation of investment programs in the sugar business and improvements in management control systems, the average gas consumption per ton of sugar beet processed continues to decrease. The quality of sugar is improving as well: more than 80% of sugar produced has been with an ICUMSA lower than 45.

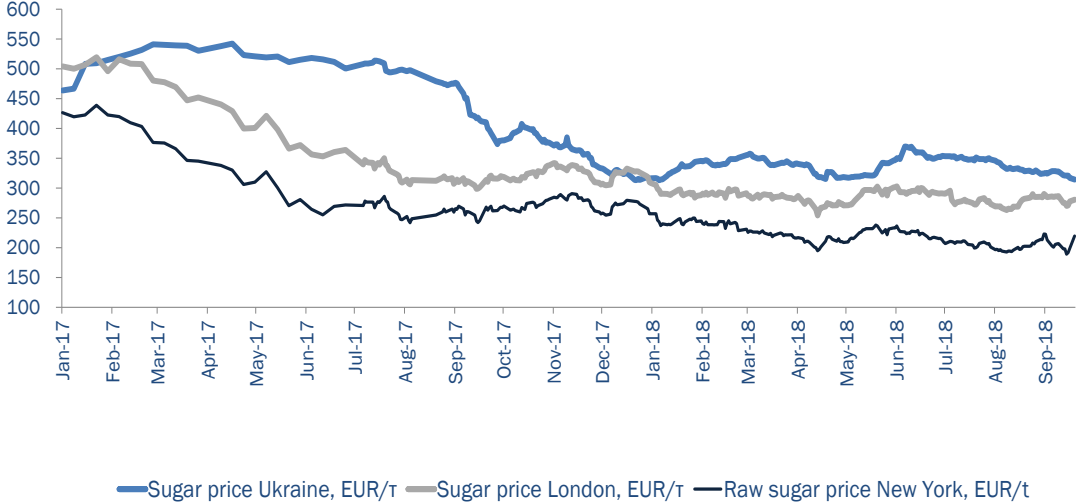
This year, the planting of sugar beet in Ukraine decreased by 12%, reflecting the unfavourable market environment. Average Ukrainian sugar beet yields stands at 48 tons per ha as of the date of publication, but the extraction ratio is lower y-o-y. As of the date of this report, Ukraine had produced more than 1 million tons of sugar, which is 9% less than in the same period last year. A lower volume of sugar beet harvest and a diminished sugar extraction rate is likely to impact the decrease in sugar production in Ukraine this season.

For the first nine months of 2018, Ukraine exported less than in the same period last year, yet with a sound volume of sugar – 472 400 tons (-12% y-o-y) on the export markets. Over 40% of this volume was delivered to Uzbekistan.

Following a strong production season, both on national and global levels, local sugar prices remain depressed despite strong export. The average local sugar price in the reporting period decreased by 32% to an average of EUR 281 per ton (VAT excluding)

compared to the same period last year. Global sugar prices have followed the same downward trend reflecting a rising global sugar overproduction. In the 2018/2019 season, the global sugar market is estimated to remain in surplus on the back of Indian markets adding pressure to global sugar prices.

Global and local sugar price performance, EUR/t



Source: AAA

AGRICULTURE SEGMENT

KEY HIGHLIGHTS

Share in consolidated revenues: 30%

Segment sales: EUR 76.1 million

Export sales of grains (volumes): 83%

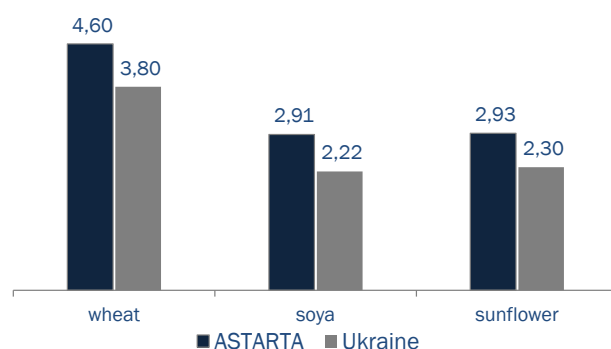
Revenues in the agricultural segment for the first nine months of 2018 amounted to EUR 76.1, securing 30% of the Group's revenues. Export revenues stood at 83% of total sales in terms of volume. A breakdown of the sales of key crops is presented in the chart below:

Key crop sales and price performance

	9M2018	9M2018	9M2017	9M2017
	thousand tons	EUR/t	thousand tons	EUR/t
Wheat	195	158	303	143
Corn	200	147	295	146
Barley	1	117	13	117
Sunflower	48	305	33	324

ASTARTA's subsidiaries successfully completed the harvesting of oilseeds in October with a recovery of soya yields by 33% y-o-y to a record 2.91 t/ha. Sunflower yields – 2.93 t/ha, are also 27% higher compared to results from the previous year. The total harvest of oilseeds stands at 183 thousand tons, exceeding the results of 2017 by 21%. As the harvest of corn progresses, (with 24% of the total area yet to be harvested), we expect total grain and oilseed production to exceed the results of the previous year. The sowing campaign of winter crops was running smoothly with almost 50 thousand hectares of land already planted for the harvest of winter crops in 2019.

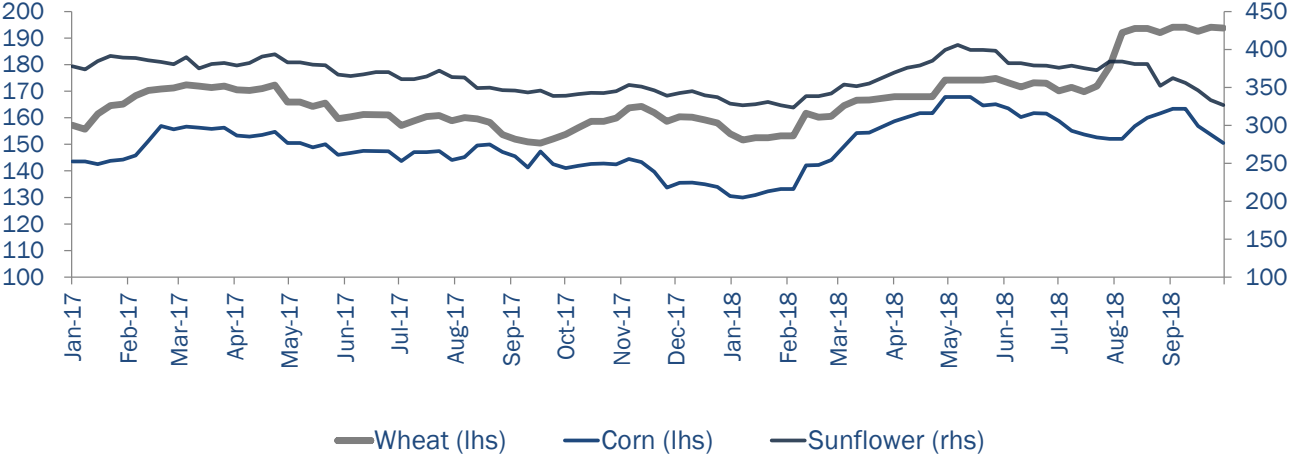
Key crop yields (gross, t/ha)



Source: ASTARTA, Ministry of agriculture of Ukraine

For the first nine months of 2018, local wheat prices added 6% y-o-y in terms of EUR. The harvest of wheat decreased by 4% to 25 million tons while the global production declined for the first time in half a decade across the northern hemisphere, with Australia supporting the price growth. Overall, the current grain production season is likely to deliver a strong harvest of late crops in Ukraine with improved grain yields both due to technological progress and favorable weather conditions.

Local crops and oilseeds price performance, EUR/t



Source: APK-inform

SOYBEAN PROCESSING SEGMENT

KEY HIGHLIGHTS

Share in consolidated revenues: 21%

Segment sales: EUR 53.4 million

Export sales of soybean products (volumes): 75%

For the first nine months ending 30 September 2018, revenues attributable to the soybean processing segment decreased by EUR 4.5 million to EUR 53.4 million. This decrease resulted primarily from weaker sales volumes and the price of soybean oil in the reporting period.

Soybean processed products sales and price performance

	9M2018	9M2018	9M2017	9M2017
	thousand tons	EUR/t	thousand tons	EUR/t
Soybean oil	26	621	32	696
Soybean meal	107	341	106	330
Soybean husk	6	100	7	90

For the first nine months of 2018, the Globyno soybean processing plant crushed more than 156 000 tons of soya (+1% y-o-y). Soybean meal production exceeded results from the previous year by 4% and amounted to 114 000 tons, while oil production stood at 29 000 tons (+3% y-o-y).

As of the end of August, the president of Ukraine signed a law that partially relaxes the temporary abolition of VAT refunds on the export of oilseed crops, including soybean (effective 1 September 2018 – 31 December 2021) allowing crop producers to claim VAT on exports of self-produced soybean and rapeseed. This and the abundant harvest of soya despite the reduced area given to soya seed resulted in a correction in price by 8% in the third quarter of 2018 in EUR compared to that of the second quarter of 2018.

According to preliminary estimations, Ukrainian soya processors processed more than 1.1-1.2 million tons of the oilseed in the 2017/18 marketing year with a soya oil production increase by 22% to 192 000 tons, but with a weak price performance on an abundant supply of oils globally. Meal production in the 2017/18 marketing year is estimated at 565 000 tons (+28%) with a price recovery since May 2018 due to a production correction in Argentina. Overall, China-US tensions continue to shape global trade flows in the global soybean market.

DAIRY SEGMENT

KEY HIGHLIGHTS

Share in consolidated revenues: 8%
Segment sales: EUR 21.3 million

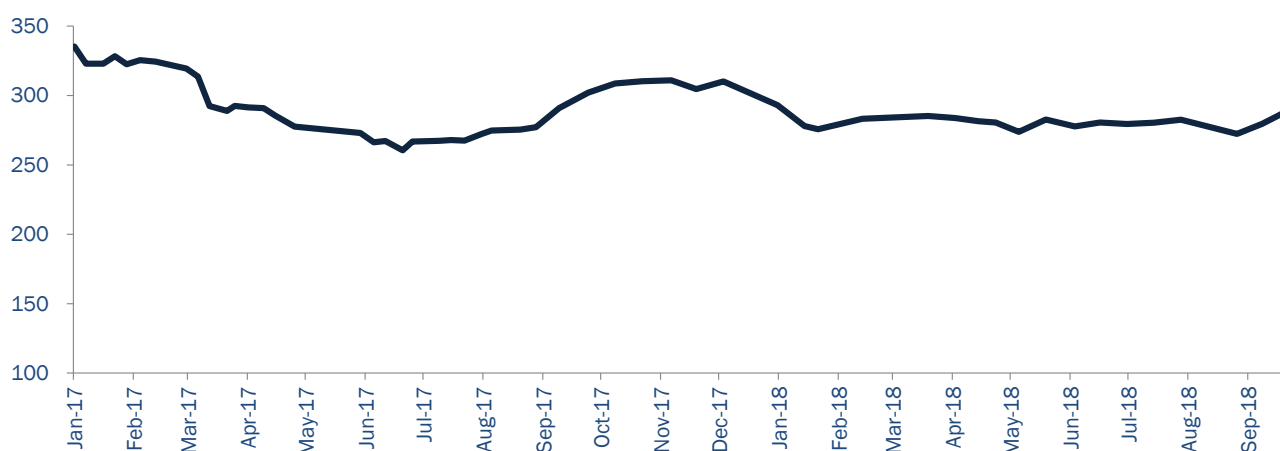
Revenues in the segment corrected by 6% to EUR 21.3 mainly due to UAH/EUR currency devaluation. The average price declined by 5% to EUR 245 per ton. Sales volumes were almost flat at 79 000 tons. Aiming for an increase in milk production efficiency, the average number of cows in the reporting period decreased by 4%. At the same time, due to an increase in productivity per cow, the reduction in the number of cows had a negligible impact on overall milk production, which was only 1% y-o-y lower and totalled 80 000 tons.

Milk sales and price performance, EUR/t

	9M2018	9M2017
Milk sales volumes, ths tons	79	78
Price, EUR/t	245	258

In the first nine months of 2018, the downward trend in milk production in Ukraine continued. The population of milking cows in Ukraine declined another 3% to 2 million head resulting in a reduction in milk production by 2% to 7.9 million tons.

Local milk price performance, EUR/t



Source: Milk Ua

8 November 2018
Amsterdam, the Netherlands
Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk (signed)

H.A.Dahl (signed)

V. Gladkyi (signed)

M.M.L.J. van Campen (signed)

G.Mettetal (signed)

Disclaimer regarding forward-looking statements:

Certain statements contained in this interim report may constitute forecasts and estimates. These statements involve a number of risks, uncertainties, and other factors that could cause actual results to differ from anticipated results expressed or implied by these forward-looking statements.

ASTARTA HOLDING N.V.

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2018**

CONTENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	14
CONSOLIDATED INCOME STATEMENT	16
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	20
CONSOLIDATED STATEMENT OF CASH FLOWS	22
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	24
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	26

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	Notes	30 September 2018 (unaudited)	31 December 2017 (audited)	30 September 2017 (unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment		7 773 929	7 332 799	7 501 459
Intangible assets		34 186	120 008	79 340
Biological assets	7	650 091	751 534	866 966
Value added tax		1 083 495	570 925	467 595
Financial instruments available-for-sale		111	2	2
Long-term receivables and prepayments	9	21 322	154 258	175 712
Right-of-use asset	5	2 457 352	-	-
Investment property		78 073	-	-
		12 098 559	8 929 526	9 091 074
Current assets				
Inventories	8	5 895 623	6 522 474	4 416 992
Biological assets	7	3 066 784	572 899	2 611 496
Trade accounts receivable	9	365 237	490 873	348 918
Other accounts receivable and prepayments	9	504 647	803 998	983 638
Current income tax		35 121	27 273	21 315
Short-term cash deposits		25 964	36 043	60 211
Cash and cash equivalents		484 594	479 990	741 426
		10 377 970	8 933 550	9 183 996
Total assets		22 476 529	17 863 076	18 275 070
EQUITY AND LIABILITIES				
Equity				
Share capital		1 663	1 663	1 663
Additional paid-in capital		369 798	369 798	369 798
Retained earnings		8 712 663	8 036 911	8 231 802
Revaluation surplus		2 533 911	2 842 286	3 378 991
Treasury shares		(104 594)	(95 934)	(95 934)
Currency translation reserve		521 285	495 066	408 919
Total equity		12 034 726	11 649 790	12 295 239
Non-current liabilities				
Loans and borrowings	10	178 923	1 499 141	1 341 768
Non-controlling interests in limited liability companies		42 048	112 307	272 560
Other long-term liabilities		3 466	17 430	3 544
Lease liability	5	1 833 038	-	-
Deferred tax liabilities		333 129	345 264	453 854
		2 390 604	1 974 142	2 071 726
Current liabilities				
Loans and borrowings	10	6 559 620	2 361 524	1 917 911
Current portion of long-term loans and borrowings	10	110 211	1 019 857	986 325
Trade accounts payable		303 562	235 654	288 811
Current portion of lease liability	5	426 878	-	-
Current income tax		3 128	28 849	23 989
Other liabilities and accounts payable	11	647 800	593 260	691 069
		8 051 199	4 239 144	3 908 105
Total equity and liabilities		22 476 529	17 863 076	18 275 070

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

<i>(in thousands of Euros)</i>	Notes	30 September 2018 (unaudited)	31 December 2017 (audited)	30 September 2017 (unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment		234 658	218 920	240 150
Intangible assets		1 032	3 582	2 541
Biological assets	7	19 623	22 437	27 755
Value added tax		32 706	17 045	14 969
Financial instruments available-for-sale		3	-	-
Long-term receivables and prepayments	9	644	4 605	5 625
Right-of-use asset	5	74 176	-	-
Investment property		2 357	-	-
		365 199	266 589	291 040
Current assets				
Inventories	8	177 962	194 727	141 406
Biological assets	7	92 572	17 104	83 604
Trade accounts receivable	9	11 025	14 655	11 170
Other accounts receivable and prepayments	9	15 234	24 002	31 491
Current income tax		1 060	814	682
Short-term cash deposits		784	1 076	1 928
Cash and cash equivalents		14 628	14 330	23 736
		313 265	266 708	294 017
Total assets		678 464	533 297	585 057
EQUITY AND LIABILITIES				
Equity				
Share capital		250	250	250
Additional paid-in capital		55 638	55 638	55 638
Retained earnings		465 886	468 135	467 027
Revaluation surplus		151 306	137 003	167 057
Treasury shares		(5 070)	(4 801)	(4 801)
Currency translation reserve		(304 734)	(308 425)	(291 551)
Total equity		363 276	347 800	393 620
Non-current liabilities				
Loans and borrowings	10	5 401	44 757	42 955
Non-controlling interests in limited liability companies		1 269	3 353	8 726
Other long-term liabilities		105	520	113
Lease liability	5	55 331	-	-
Deferred tax liabilities		10 056	10 308	14 530
		72 162	58 938	66 324
Current liabilities				
Loans and borrowings	10	198 003	70 503	61 400
Current portion of long-term loans and borrowings	10	3 327	30 448	31 576
Trade accounts payable		9 163	7 035	9 246
Current portion of lease liability	5	12 885	-	-
Current income tax		94	861	768
Other liabilities and accounts payable	11	19 554	17 712	22 123
		243 026	126 559	125 113
Total equity and liabilities		678 464	533 297	585 057

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	Notes	2018 (unaudited)	2017 (unaudited)
Revenues	12	2 492 110	2 989 802
Cost of revenues	13	(2 179 538)	(2 335 617)
Changes in fair value of biological assets and agricultural produce		281 584	(61 861)
Gross profit		594 156	592 324
Other operating income	14	34 045	27 714
General and administrative expense	15	(226 524)	(157 425)
Selling and distribution expense	16	(322 819)	(210 517)
Other operating expense	17	(138 413)	(60 554)
Profit from operations		(59 555)	191 542
Finance costs	18	(119 218)	(71 581)
Interest expense on lease liability	18	(91 149)	-
Foreign currency exchange loss	18	(467 561)	(59 149)
Finance income	18	4 234	3 513
Other income		(5 583)	999
Profit before tax		(738 832)	65 324
Income tax expense		16 539	(18 421)
Net profit (loss)		(722 293)	46 903
Net profit attributable to:			
Equity holders of the parent company		(722 293)	46 903
Weighted average basic and diluted shares outstanding (in thousands of shares)		24 399	24 405
Basic and diluted earnings per share attributable to shareholders of the company from continued operations (in Ukrainian hryvnias)		(29,60)	1,92

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Euros)</i>	<i>Notes</i>	2018	2017
		(unaudited)	(unaudited)
Revenues	<i>12</i>	78 336	98 421
Cost of revenues	<i>13</i>	(68 511)	(76 886)
Changes in fair value of biological assets and agricultural produce		8 851	(2 036)
Gross profit		18 676	19 499
Other operating income	<i>14</i>	1 070	907
General and administrative expense	<i>15</i>	(7 120)	(5 182)
Selling and distribution expense	<i>16</i>	(10 147)	(6 930)
Other operating expense	<i>17</i>	(4 351)	(1 994)
Profit from operations		(1 872)	6 300
Finance costs	<i>18</i>	(3 592)	(2 266)
Interest expense on lease liability	<i>18</i>	(2 707)	-
Foreign currency exchange loss	<i>18</i>	(14 995)	(2 036)
Finance income	<i>18</i>	118	114
Other income		(175)	33
(Loss)/profit before tax		(23 223)	2 145
Income tax benefit/(expense)		520	(606)
Net (loss)/profit		(22 703)	1 539
Net profit attributable to:			
Equity holders of the parent company		(22 703)	1 539
Weighted average basic and diluted shares outstanding (in thousands of shares)		24 399	24 405
Basic and diluted earnings per share attributable to shareholders of the company from continued operations (in Euros)		(0,93)	0,06

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	Notes	2018 (unaudited)	2017 (unaudited)
Revenues	12	8 175 527	10 227 280
Cost of revenues	13	(7 180 585)	(7 659 575)
Changes in fair value of biological assets and agricultural produce		1 780 574	1 185 158
Gross profit		2 775 516	3 752 863
Other operating income	14	110 114	55 967
General and administrative expense	15	(575 416)	(496 935)
Selling and distribution expense	16	(827 009)	(662 408)
Other operating expense	17	(255 175)	(204 462)
Profit from operations		1 228 030	2 445 025
Finance costs	18	(317 798)	(248 228)
Interest expense on lease liability	18	(312 978)	-
Foreign currency exchange loss	18	(159 133)	(13 663)
Finance income	18	29 079	9 142
Other income		3 262	3 130
Profit before tax		470 462	2 195 406
Income tax expense		(19 480)	(47 141)
Net profit		450 982	2 148 265
Net profit attributable to:			
Equity holders of the parent company		450 982	2 148 265
Weighted average basic and diluted shares outstanding (in thousands of shares)		24 399	24 405
Basic and diluted earnings per share attributable to shareholders of the company from continued operations (in Ukrainian hryvnias)		18,48	88,03

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Euros)</i>	<i>Notes</i>	2018	2017
		(unaudited)	(unaudited)
Revenues	12	253 451	348 738
Cost of revenues	13	(222 703)	(261 005)
Changes in fair value of biological assets and agricultural produce		56 329	40 956
Gross profit		87 077	128 689
Other operating income	14	3 464	1 881
General and administrative expense	15	(17 985)	(16 905)
Selling and distribution expense	16	(25 613)	(22 562)
Other operating expense	17	(7 944)	(6 961)
Profit from operations		38 999	84 142
Finance costs	18	(9 868)	(8 382)
Interest expense on lease liability	18	(9 718)	-
Foreign currency exchange loss	18	(5 247)	(461)
Finance income	18	903	309
Other income		104	106
Profit before tax		15 173	75 714
Income tax expense		(624)	(1 605)
Net profit		14 549	74 109
Net profit attributable to:			
Equity holders of the parent company		14 549	74 109
Weighted average basic and diluted shares outstanding (in thousands of shares)		24 399	24 405
Basic and diluted earnings per share attributable to shareholders of the company from continued operations (in Euros)		0,60	3,04

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	2018	2017
	(unaudited)	(unaudited)
Profit for the period	450 982	2 148 265
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Exchange difference on transactions of foreign operations	24 176	102 517
Income tax effect	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	24 176	102 517
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		14 144
Exchange difference on transactions of foreign operations (the parent company)	2 043	(13 560)
Income tax effect	-	-
Revaluation of property, plant and equipment	-	-
Income tax effect	-	-
Share of non-controlling participants in LLC in revaluation of property, plant and equipment	1 117	6 911
Income tax effect	(201)	(1 244)
	916	5 667
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	2 959	(7 893)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	478 117	2 242 889
Attributable to:		
Non-controlling interests in joint stock companies	-	-
Equity holders of the parent	478 117	2 242 889
Total comprehensive income as at 30 September	478 117	2 242 889

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Euros)</i>	2018	2017
	(unaudited)	(unaudited)
Profit for the period	14 549	74 109
Other comprehensive income		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Exchange difference on transactions of foreign operations	3 691	(34 311)
Income tax effect	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	3 691	(34 311)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		453
Exchange difference on transactions of foreign operations (the parent company)	-	-
Income tax effect	-	-
Revaluation of property, plant and equipment	-	-
Income tax effect	-	-
Share of non-controlling participants in LLC in revaluation of property, plant and equipment	34	235
Income tax effect	(6)	(42)
	28	193
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	28	193
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income (loss)	18 268	39 991
Attributable to:		
Non-controlling interests in joint stock companies	-	-
Equity holders of the parent	18 268	39 991
Total comprehensive income as at 30 September	18 268	39 991

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	Notes	2018 (unaudited)	2017 (unaudited)
Operating activities			
Profit before tax		470 462	2 195 406
<i>Adjustments for:</i>			
Depreciation and amortization		936 231	810 022
Allowance for impairment of trade and other accounts receivable		25 161	24 607
Loss on disposal of property, plant and equipment	17	27 143	18 888
Write down of inventories	17	85 008	51 494
VAT written off	17	17 563	31 463
Interest income	18	(17 038)	(9 359)
Gain on non-controlling interest purchase	18	(12 041)	-
Interest expense	18	286 939	207 695
Other finance costs	18	30 233	14 823
Interest expense on lease liability	5	312 978	-
Changes in fair value of biological assets and agricultural produce		(1 780 574)	(1 185 158)
Recovery of assets previously written off	14	(71 900)	(38 726)
Non-controlling interests in limited liability companies	18	626	25 927
Foreign exchange loss on loans and borrowings, deposits	18	159 133	13 663
<i>Working capital adjustments:</i>			
Decrease in inventories		1 540 881	2 214 512
Increase in trade and other receivables		(2 784 226)	(393 573)
Increase in biological assets due to other changes		(1 539 006)	(1 787 479)
Increase (decrease) in trade and other payables		2 992 230	(22 620)
Income taxes paid		(61 160)	(89 300)
Cash flows provided by operating activities		618 643	2 082 285
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(1 138 671)	(1 210 421)
Proceeds from disposal of property, plant and equipment		660	5 992
Interest received	18	17 038	9 359
Acquisition of subsidiaries net of cash acquired	6	-	16
Cash deposits placement		(25 964)	(1 942 970)
Cash deposits withdrawal		(42 048)	1 933 287
Cash flows used in investing activities		(1 188 985)	(1 204 737)
Financing activities			
Proceeds from loans and borrowings		5 049 508	3 538 736
Repayment of loans and borrowings		(3 233 386)	(3 772 822)
Purchase of treasury shares		(8 660)	-
Payment of lease liabilities	5	(941 415)	-
Acquisition of non-controlling interest		(56 014)	-
Interest paid		(261 306)	(222 331)
Cash flows provided by (used in) financing activities		548 727	(456 417)
Net decrease in cash and cash equivalents		(21 615)	421 131
Cash and cash equivalents as at 1 January		479 990	315 896
Currency translation difference		26 219	4 399
Cash and cash equivalents as at 30 September		484 594	741 426

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Euros)</i>	<i>Notes</i>	2018	2017
		(unaudited)	(unaudited)
Operating activities			
Profit before tax		15 173	75 714
<i>Adjustments for:</i>			
Depreciation and amortization		29 068	27 531
Allowance for impairment of trade and other accounts receivable		782	838
Loss on disposal of property, plant and equipment	17	845	643
Write down of inventories	17	2 646	1 753
VAT written off	17	547	1 071
Interest income	18	(529)	(316)
Gain on non-controlling interest purchase	18	(374)	-
Interest expense	18	8 910	7 006
Other finance costs	18	939	508
Interest expense on lease liability	5	9 718	-
Changes in fair value of biological assets and agricultural produce		(56 329)	(40 956)
Recovery of assets previously written off	14	(2 262)	(1 301)
Non-controlling interests in limited liability companies	18	19	875
Foreign exchange loss on loans and borrowings, deposits	18	5 247	461
<i>Working capital adjustments:</i>			
Decrease in inventories		47 841	75 266
Increase in trade and other receivables		(86 444)	(13 378)
Increase in biological assets due to other changes		(47 783)	(60 752)
Increase (decrease) in trade and other payables		92 902	(769)
Income taxes paid		(1 899)	(3 035)
Cash flows provided by operating activities		19 017	71 159
Investing activities			
Purchase of property, plant and equipment, intangible assets and other non-current assets		(35 353)	(41 139)
Proceeds from disposal of property, plant and equipment		20	204
Interest received	18	529	316
Acquisition of subsidiaries net of cash acquired	6	-	1
Cash deposits placement		(806)	(66 037)
Cash deposits withdrawal		(1 306)	65 707
Cash flows used in investing activities		(36 916)	(40 948)
Financing activities			
Proceeds from loans and borrowings		156 776	120 273
Repayment of loans and borrowings		(100 390)	(128 229)
Purchase of treasury shares		(269)	-
Payment of lease liabilities	5	(29 229)	-
Acquisition of non-controlling interest		(1 739)	-
Interest paid		(8 113)	(7 556)
Cash flows provided by (used in) financing activities		17 036	(15 512)
Net decrease in cash and cash equivalents		(863)	14 699
Cash and cash equivalents as at 1 January		14 330	11 114
Currency translation difference		1 161	(2 077)
Cash and cash equivalents as at 30 September		14 628	23 736

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018

<i>(in thousands of Ukrainian hryvnias)</i>	Attributable to equity holders of the parent company						Total equity <i>(unaudited)</i>
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Treasury shares	Currency translation reserve	
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	
As at 1 January 2018	1 663	369 798	8 036 911	2 842 286	(95 934)	495 066	11 649 790
Net profit	-	-	450 982	-	-	-	450 982
Share of non-controlling participants in LLC in revaluation surplus, net of deferred tax	-	-	-	916	-	-	916
Exchange difference on translation	-	-	-	-	-	26 219	26 219
Total other comprehensive income, net of tax	-	-	-	916	-	26 219	27 135
Total comprehensive income	-	-	450 982	916	-	26 219	478 117
Purchase of own shares	-	-	-	-	(8 660)	-	(8 660)
Realisation of revaluation surplus, net of tax	-	-	309 291	(309 291)	-	-	-
Adjustments on adoption of IFRS 16 (net of tax)	-	-	(84 521)	-	-	-	(84 521)
As at 30 September 2018	1 663	369 798	8 712 663	2 533 911	(104 594)	521 285	12 034 726

<i>(in thousands of Euros)</i>	Attributable to equity holders of the parent company						Total equity <i>(unaudited)</i>
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Treasury shares	Currency translation reserve	
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	
As at 1 January 2018	250	55 638	468 135	137 003	(4 801)	(308 425)	347 800
Net profit	-	-	14 549	-	-	-	14 549
Share of non-controlling participants in LLC in revaluation surplus, net of deferred tax	-	-	-	28	-	-	28
Exchange difference on translation	-	-	-	-	-	3 691	3 691
Total other comprehensive income, net of tax	-	-	-	28	-	3 691	3 719
Total comprehensive income	-	-	14 549	28	-	3 691	18 268
Purchase of own shares	-	-	-	-	(269)	-	(269)
Realisation of revaluation surplus, net of tax	-	-	(14 275)	14 275	-	-	-
Adjustments on adoption of IFRS 16 (net of tax)	-	-	(2 523)	-	-	-	(2 523)
As at 30 September 2018	250	55 638	465 886	151 306	(5 070)	(304 734)	363 276

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2017

	Attributable to equity holders of the parent company						Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Treasury shares	Currency translation reserve	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
<i>(in thousands of Ukrainian hryvnias)</i>							
As at 1 January 2017	1 663	369 798	5 653 075	3 789 642	(95 934)	319 962	10 038 206
Net profit (loss)	-	-	2 148 265	-	-	-	2 148 265
Acquisitions of entities under common control	-	-	14 144	5 667	-	-	19 811
Exchange difference on translation	-	-	-	-	-	88 957	88 957
Total other comprehensive income, net of tax	-	-	14 144	5 667	-	88 957	108 768
Total comprehensive income	-	-	2 162 409	5 667	-	88 957	2 257 033
Realisation of revaluation surplus, net of tax	-	-	416 318	(416 318)	-	-	-
As at 30 September 2017	1 663	369 798	8 231 802	3 378 991	(95 934)	408 919	12 295 239

	Attributable to equity holders of the parent company						Total equity
	Share capital	Additional paid-in capital	Retained earnings	Revaluation surplus	Treasury shares	Currency translation reserve	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
<i>(in thousands of Euros)</i>							
As at 1 January 2017	250	55 638	376 304	183 025	(4 801)	(257 241)	353 175
Net profit (loss)	-	-	74 109	-	-	-	74 109
Acquisitions of entities under common control	-	-	453	193	-	-	646
Exchange difference on translation	-	-	-	-	-	(34 310)	(34 310)
Total other comprehensive income, net of tax	-	-	453	193	-	(34 310)	(33 664)
Total comprehensive income	-	-	74 562	193	-	(34 310)	40 445
Realisation of revaluation surplus, net of tax	-	-	16 161	(16 161)	-	-	-
As at 30 September 2017	250	55 638	467 027	167 057	(4 801)	(291 551)	393 620

The notes on pages 26 to 52 are an integral part of these consolidated financial statements.

1 BACKGROUND

Organisation and operations

These consolidated financial statements are prepared by ASTARTA Holding N.V. (the Company), a Dutch public company incorporated in Amsterdam, the Netherlands, on 9 June 2006 under the Dutch law.

The Company's legal address is Jan van Goyenkade 8, 1075 HP Amsterdam, the Netherlands.

On 4 July 2006 the shareholders of the Company contributed their shares in the Cyprus based company Ancor Investments Ltd to ASTARTA Holding N.V. After the contribution, ASTARTA Holding N.V. owns 100% of share capital of Ancor Investment Ltd.

Ancor Investments Ltd owns 99.98% of the capital of LLC «Firm «Astarta-Kyiv» (Astarta-Kyiv) registered in Ukraine, which in turn controls number of subsidiaries in Ukraine (hereinafter the Company and its subsidiaries are collectively referred to as the «Group»).

On 16 August 2006 the Company's shares were admitted for trading on the Warsaw Stock Exchange. The first quotation of the shares on the Warsaw Stock Exchange took place on 17 August 2006.

The Group specializes in sugar production, crop growing, soybean processing and cattle farming. The croplands, sugar plants and cattle operations are mainly located in the Poltava, Vinnytsia, Khmelnytsky, Chernihiv, Cherkasy, Ternopil, Zhytomyr and Kharkiv oblasts (administrative regions) of Ukraine. The Group's business is vertically integrated because sugar is produced primarily using own-grown sugar beet.

(a) Ukrainian business environment

In the recent years, Ukraine has been in a political and economic turmoil. Crimea, an autonomous republic of Ukraine, was effectively annexed by the Russian Federation. In 2017-2016, an armed conflict with separatists continued in certain parts of Luhansk and Donetsk regions. These events resulted in higher inflation, devaluation of the national currency against major foreign currencies, decrease of GDP, illiquidity and volatility of financial markets. In January 2016, the agreement on the free trade area between Ukraine and the EU came into force. As a result, the Russian Federation implemented a trade embargo or import duties on key Ukrainian export products. In response, Ukraine implemented similar measures against Russian products.

During nine months ended 30 September 2018 annual inflation rate decreased to 8,9% (2017: 14%). The economic situation began to stabilize in 2016, which resulted in GDP growth for the year ended 31 December 2017 by 2% and stabilization of Ukrainian hryvnia. This allowed the National Bank of Ukraine to ease some foreign exchange restrictions imposed during 2014-2015, including decrease of the required share of foreign currency proceeds sale to 50% and permission of dividends remittance. However, certain other restrictions were prolonged. Significant external financing is required to support the economy.

Further stabilization of the economic and political situation depends, to a large extent, upon success of the Ukrainian government's efforts, yet further economic and political developments are currently difficult to predict.

2 BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements for the nine months ended 30 September 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting.

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017 which have been prepared in accordance with IFRS.

(b) Going Concern

These consolidated financial statements are prepared on a going-concern basis, under which assets are sold and liabilities are repaid in the ordinary course of business. The accompanying consolidated financial statements do not include adjustments that would need to be made in case if the Group was unable to continue as a going concern.

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 September 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss

Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

As at 30 September 2018 Astarta Holding N.V. owns shares, directly and indirectly, in a number of subsidiaries and an associate with the following percentage of ownership:

Name	Activity	30 September	31 December	30 September
		2018	2017	2017
		% of ownership	% of ownership	% of ownership
Subsidiaries:				
Ancor Investments Ltd	Trade and investment activities	100,00%	100,00%	100,00%
LLC Firm "Astarta-Kyiv"	Asset management	99,98%	99,98%	99,98%
LLC "APO "Tsukrovyk Poltavshchyny"	Sugar production	99,72%	99,72%	99,72%
LLC "Agricultural company "Dovzhenko"	Agricultural	99,50%	97,53%	97,53%
LLC "Shyshaki combined forage factory"	Fodder production	90,56%	90,56%	90,56%
LLC "Agricultural company "Dobrobut"	Agricultural	99,98%	99,06%	98,24%
LLC "Agricultural company "Musievske"	Agricultural	99,98%	99,98%	89,98%
LLC "Globinskiy processing factory"	Soybean processing	99,98%	99,98%	99,98%
LLC "Dobrobut" (Novo-Sanzharskiy region)**	Agricultural	99,88%	99,88%	99,98%
LLC "Investment company "Poltavazernoproduct"	Agricultural	99,98%	99,98%	98,68%
LLC "List-Ruchky"	Agricultural	74,99%	74,99%	74,99%
LLC "Agropromgaz"	Trade	99,95%	89,98%	89,98%
LLC "Khmilnitske"	Agricultural	99,98%	99,80%	99,12%
LLC "Volochnysk-Agro"	Agricultural	99,98%	99,98%	97,57%
LLC "Agricultural company "Mirgorodska"	Agricultural	99,98%	99,98%	89,98%
LLC "Kobelyatskiy combined forage factory"	Fodder production	98,59%	98,57%	98,56%
LLC "Agricultural company "Khorolska"	Agricultural	99,98%	99,98%	98,95%
LLC "Agricultural company "Lan"***	Agricultural	99,98%	99,98%	99,98%
LLC "Nika"	Agricultural	99,98%	99,98%	98,98%
LLC "Zhytnytsya Podillya"	Agricultural	96,98%	96,98%	96,98%
LLC "Astarta-Selektsiya"	Research and development	74,98%	74,98%	74,98%
LLC "Agrosvit Savyntsi"	Agricultural	99,98%	99,98%	99,98%
LLC "Khorolskiy combined forage factory" **	Fodder production	0,00%	99,56%	99,23%
ALC "Novoivanivskiy sugar plant"	Sugar production	94,49%	94,49%	94,49%
LLC "Investpromgaz"	Trade	99,98%	99,93%	99,93%
LLC "Tsukragromprom"	Trade	99,98%	99,98%	99,98%
LLC "Zerno-Agrotrade"	Trade	99,98%	99,98%	99,98%
LLC "Novoorzhyskiy sugar plant"	Sugar production	99,98%	99,98%	99,97%
LLC "APK Savynska"	Sugar production	99,98%	99,96%	99,96%
LLC "Globinskiy bioenergetichniy complex"	Sugar production	99,98%	99,98%	99,98%
LLC "Savynki agro"	Agricultural	99,98%	99,98%	99,98%
PE "TMG"	Agricultural	99,98%	98,98%	98,98%
LLC "Eco Energy"	Agricultural	99,98%	99,98%	99,98%
ALLC "Liaschivka"	Agricultural	99,98%	99,98%	99,98%
PLC "Agrotechnika Kobelyaki"	Agricultural	51,64%	51,39%	51,17%
LLC "Agri Chain"	Research and development	99,98%	99,98%	50,00%
LLC "Kronos-Agro 2015" *	Agricultural	0,00%	99,98%	99,98%
ALC "Narkevitskiy sugar plant"	Sugar production	99,98%	99,98%	99,98%
PJSC "Ukrainian Agro-Insurance Company"	Insurance	99,98%	99,19%	98,37%
Astarta Trading GmbH	Trade	100,00%	100,00%	100,00%
LLC AC "Agro-Ka Poltava" *	Agricultural	0,00%	99,98%	0,00%
LLC "Zlagoda Plus" *	Agricultural	0,00%	99,98%	0,00%
LLC "Agro-region" *	Agricultural	0,00%	99,98%	0,00%
LLC "Jerdia Agro" *	Agricultural	0,00%	99,98%	0,00%
LLC "Pochayna-Office" *	Asset management	99,98%	0,00%	0,00%
LLC "Pochayna-Nerukhomist" **	Asset management	99,98%	0,00%	0,00%

* In April-May 2018, LLC "Kronos-Agro 2015" and LLC "Jerdia Agro" were merged with LLC "Volochnysk-Agro".

In May 2018, the Group obtained control over LLC "Pochayna-Office" and LLC "Pochayna-Nerukhomist".

In June 2018, LLC "Agro-region" was merged with LLC "Khmilnitske".

As at 30 September 2018 LLC "Zlagoda Plus" and LLC AC "Agro-Ka Poltava" were merged with LLC "Agricultural company "Dovzhenko".

** LLC "Dobrobut" (Novo-Sanzharskiy region), LLC "Agricultural company "Lan" and LLC "Pochayna-Nerukhomist" as at 30 September 2018 were on the liquidation stage.

LLC "Khorolskiy combined forage factory" as at 30 September 2018 was liquidated.

All subsidiaries, joint operations and the associate, except for Ancor Investments Ltd and Astarta Trading GmbH, are incorporated in Ukraine. Ancor Investments Ltd is incorporated in Cyprus, Astarta Trading GmbH is incorporated in Switzerland.

(d) Basis of accounting

The consolidated financial statements are prepared on a historical cost basis, except for buildings and machines and equipment classified as property, plant and equipment, biological assets and available for sale investments stated at fair value and agricultural produce stated at cost which is determined as fair value less estimated costs to sell at the point of harvest.

(e) Functional and presentation currency

Each entity in the Group determines its own functional currency and items included in the separate financial statements of each entity are measured using that functional currency. The functional currency of the Company and its Cypriot subsidiary is Euro (EUR). The operating subsidiaries, joint venture and associate registered in Ukraine have the Ukrainian hryvnia (UAH) as their functional currency.

The consolidated financial statements are presented in UAH and all values are rounded to the nearest thousand, except when otherwise indicated. For the benefit of certain users, the Group also presents all numerical information in EUR. The translation of UAH denominated assets and liabilities into EUR in these consolidated financial statements does not necessarily mean that the Group could realize or settle in EUR the reported values of these assets and liabilities. Likewise, it does not necessarily mean that the Group could return or distribute the reported EUR value retained earnings to its shareholders. For the purposes of presenting financial information in EUR, assets and liabilities of the Ukrainian subsidiaries, joint venture and associate are translated from UAH to EUR using the closing rates at each reporting date. Income and expense items are translated at the average exchange rates for the period, unless the exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in Currency translation reserve.

The principal Ukrainian Hryvnia ("UAH") exchange rates used in the preparation of the consolidated financial statements are as follows:

Currency	Average reporting period rate		Reporting date rate		
	2018	2017	30 September	31 December	30 September
			2018	2017	2017
EUR	32.21	29.42	33.13	33.50	31.24
USD	26.95	26.47	28.30	28.07	26.52

The average exchange rates for each period are calculated as the arithmetic mean of the exchange rates for all trading days during this period. The sources of exchange rates are the official rates set by the National Bank of Ukraine.

All foreign exchange gain or loss that occurs on revaluation of monetary balances, presented in foreign currencies, is allocated as a separate line in the Consolidated Income Statement.

(f) New and amended standards adopted by the group

This is the first set of the Group's financial statements where IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments have been applied. The adoption of IFRS 9 have not material effect on the classification and measurement of the Group's financial assets and liabilities. The adoption of IFRS 15 have not significant effect on Group's revenues measurement and recognition. Changes to significant accounting policies are described in Note 4.

The Group has elected to apply IFRS 16 Leases for the first time in the 2018 interim financial report (initial application date: 1 January 2018). In accordance with the transition provisions in IFRS 16 the new rules have been adopted retrospectively with the cumulative effect of initially applying the new standard recognised on 1 January 2018 as permitted under IFRS 16 (C5)(b)). And therefore, the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. See Note 4 below for further details on the impact of the change in accounting policy. The new policy is described in Note 5.

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements, except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 16, which are described in Note 4.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed consolidated interim financial statements are the same as those applied by the Group in its annual financial statements for the year ended 31 December 2017 except for the adoption of new Standards and Interpretations noted below.

(a) New and amended standards and interpretations not yet adopted

The Group has not adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2019:

	<i>Effective for annual period beginning on or after</i>
International Financial Reporting Standards ("IFRS")	
▪ IFRS 17 Insurance Contracts	1 January 2021
Amendments to existing standards and interpretations	
▪ Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely
▪ Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures	1 January 2019
▪ Amendments to IFRS 9 – Prepayment Features with Negative Compensation	1 January 2019
▪ IFRIC Interpretation 23 – Uncertainty over Income Tax Treatment	1 January 2019
▪ Annual Improvements to IFRS Standards 2015-2017 Cycle	1 January 2019

4 CHANGES IN ACCOUNTING POLICIES

Except for the changes described below, the Group has consistently applied the accounting policies in these interim consolidated financial statements as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2017. The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2018.

The Group has initially adopted IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments from 1 January 2018. The adoption of IFRS 9 have not material effect on the classification and measurement of the Group's financial assets and liabilities. The adoption of IFRS 15 have not significant effect on Group's revenues measurement and recognition.

As indicated in note 2 above, the Group has applied IFRS 16 Leases using the modified retrospective approach with the cumulative effect of initially applying IFRS 16 recognised in retained earnings at the date of initial application on 1 January 2018, as permitted under the specific transition provisions in the standard. Comparatives for the 2017 financial year have therefore not been restated.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. Contracts that were not identified as leases under IAS 17 and IFRIC4 were not reassessed for whether there is lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2018.

On transition to IFRS 16 the Group recognized UAH 2,526,896 thousand or EUR 75,440 thousand of right-of-use assets and UAH 2,405,731 thousand or EUR 71,824 thousand of lease liabilities with no effect to retained earnings.

These liabilities were measured at the present value of the remaining lease payments, discounted using the borrowing rate as published by NBU as of 1 January 2018. The weighted average borrowing rate applied to the lease liabilities on 1 January was 16.61% for short-term borrowings and 18.96% for long-term borrowings.

	<i>(in thousands of Ukrainian hryvnias)</i>	<i>(in thousands of Euro)</i>
	1 January 2018	1 January 2018
Operating lease commitments disclosed as at 31 December 2017	3 953 672	118 036
Discounted using the borrowing rate of 16.61% -18.96%	2 143 905	64 006
Add: adjustments as a result of a different treatment of liability and advances for land lease	84 580	2 526
Add: adjustments as a result of a different treatment of extension and termination options	11 847	354
Add: adjustments relating to new leases as at 01/01/2018	165 400	4 938
Lease liability recognised as at 1 January 2018	2 405 731	71 824

The associated rights-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2017.

Long-term receivables and prepayments reduced by UAH 130,198 thousand or EUR 3,887 thousand, other accounts receivable and prepayments reduced by UAH 72,469 thousand or EUR 2,163 thousand, trade payables by UAH 117 thousand or EUR 3 thousand and other liabilities and accounts payable by UAH 81,384 thousand or EUR 2,432 thousand on 1 January 2018. Land lease rights previously recognized applying IFRS 3 Business Combination as part of a business combination were derecognized as asset as at 1 January 2018 in amount UAH 86,971 thousand or EUR 2,597 thousand and related deferred tax liability in amount UAH 2,450 thousand or EUR 73 thousand. The net impact on retained earnings on 1 January 2018 was UAH 84,521 thousand or EUR 2,523 thousand.

Adoption of IFRS 16 has no impact on the Group's finance leases. Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases.

In applying IFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2018 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has chosen to present the right-of-use assets and the lease liabilities as separate lines in the statement of financial position. The related detailed information is provided in one single Note 5.

5 RIGHT-OF-USE ASSET AND LEASE LIABILITY

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018	1 January 2018	30 September 2017
Right-of-use assets			
Land	2 281 031	2 349 649	-
Office premises	167 091	165 400	-
Warehouse	9 230	11 847	-
	2 457 352	2 526 896	-
Lease liabilities			
Non-current	1 833 038	1 912 751	-
Current portion	426 878	492 980	-
	2 259 916	2 405 731	-

<i>(in thousands of Euro)</i>	30 September 2018	1 January 2018	30 September 2017
Right-of-use assets			
Land	68 853	70 148	-
Office premises	5 044	4 938	-
Warehouse	279	354	-
	74 176	75 440	-
Lease liabilities			
Non-current	55 331	57 105	-
Current portion	12 885	14 719	-
	68 216	71 824	-

Additions to the right-of-use assets during the 9 months 2018 financial year were UAH 103,747 thousand or EUR 3,221 thousand.

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euro)</i>	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
Depreciation charge of right-of-use assets				
Land	252 245	-	7 980	-
Office premises	12 313	-	385	-
Warehouse	3 083	-	95	-
Interest expense on lease liabilities (included in finance cost)	312 978	-	9 718	-
Expenses relating to short-term leases (included in operating expense)	4 011	-	125	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities (included in operating expenses)	292 355	-	9 249	-

The total cash outflow for leases for 9 months 2018 was UAH 941,415 thousand or EUR 29,229 thousand and are classified as finance activities in the consolidated cash flow statements.

(iii) The group's leasing activities and how these are accounted for

The Group leases land, office premises and warehouses for operating activities. Land lease contracts are typically made for fixed periods of 1 to 49 years. Lease contracts for office premises are made for 35 months, but management considers usage period for office premises of 10 years. Warehouse lease contracts are typically made for fixed periods less than 12 months, management considers usage period for some warehouses of 3 years, other premises are used by the Group for current storage of finished goods and the Group has no intentions to extend the lease. Lease payment associated with short-term lease are recognized as an expense as occurred. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions.

The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Group has applied the cost model to right-of-use assets. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the present value of the following lease payments that are not paid as the commencement date:

- fixed payments (including in-substance fixed payments);
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease payments are discounted using borrowing cost as published by National Bank of Ukraine on its official web-site (www.bank.gov.ua) as the interest rate implicit in the lease could not be determined.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's assessment of whether it will exercise extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery and other assets that have a lease term of 12 months or less and leases of low-value assets. Payments associated with short-term leases of other assets are recognised on a straight-line basis as an expense in profit or loss.

(iv) Extension and termination options

Extension and termination options are included in a number of leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts.

In determining the land lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The majority of extension and termination options held are exercisable by Group or by the respective Lessor that's why they are not included in measurement of assets and liabilities arising from land lease. Extension option is considered exercisable by the Group and is included in measurement of assets and liabilities arising from warehouse and office premises lease, lease term for office premises considered as 10 years and for warehouses as 3 years.

6 BUSINESS COMBINATIONS

Acquisition of new entities in 2018

During the reporting period the Group acquired LLC "Pochayna-Office" and LLC "Pochayna-Nerukhomist" which are non-listed companies located in Ukraine with the purpose to acquire office premises.

Purchase of these entities are recognised as asset acquisition within acquisition of Property, plant and equipment.

Acquisition of new entities in 2017

During the reporting period the Group completed acquisition of Private JSC "Ukrainian Agro-Insurance Company" which is private joint stock insurance company located in Ukraine with the purpose to develop Ukrainian insurance and reinsurance market of risks in agricultural production. On 30 June 2017, the Group acquired 100% ownership interest in Private JSC "Ukrainian Agro-Insurance Company" for consideration payable of UAH 10,458 thousand or EUR 351 thousand.

The excess of net assets acquired over the consideration payable is recognized in other comprehensive income statement as a gain on acquisition of subsidiaries. This gain arises because the fair value of the acquired monetary assets exceeds the amount payable for the subsidiaries. This situation is due to the significant risks involved in insurance business in Ukraine.

The purchase consideration will be settled by setting-off of mutual settlements, and the direct costs related to this acquisition are not significant.

The acquisition of the company had the following effect on assets and liabilities, which are stated at their fair values, as at the date they were acquired.

	Recognised fair value at acquisition	
	(in thousands of Ukrainian hryvnias)	(in thousands of Euros)
	(unaudited)	(unaudited)
Non-current assets		
Property, plant and equipment	68	2
Financial instruments available-for-sale	1 509	51
Current assets		
Inventories	2	-
Trade accounts receivable	71	2
Other accounts receivable and prepayments	18 668	627
Short-term cash deposits	16 431	552
Cash and cash equivalents	16	1
Non-current liabilities		
Other long-term liabilities	(10 820)	(363)
Current liabilities		
Trade accounts payable	(25)	(1)
Current income tax	(825)	(28)
Other liabilities and accounts payable	(493)	(17)
Net identifiable assets, liabilities and contingent liabilities	24 602	826
Non-controlling interest	-	-
Net assets acquired	24 602	826
Excess of net assets acquired over consideration paid :		
acquisitions from third parties	-	-
acquisitions from entities under common control	14 144	474
Consideration payable	(10 458)	(352)
Cash acquired	16	1
Net cash outflow	16	1

7 BIOLOGICAL ASSETS

Biological assets consist of current biological assets (crops) and non-current biological assets (livestock).

Livestock include cattle and other livestock. Cattle consist of dairy livestock with an average yearly lactation period of six months, immature cattle and cattle intended for sale. Other livestock mainly represent pigs, horses and sheep. The valuation of the biological assets is within level 3 of the fair value hierarchy.

As at 30 September biological assets comprise the following groups:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018		31 December 2017		30 September 2017	
	Units	Amount (unaudited)	Units	Amount (audited)	Units	Amount (unaudited)
Non-current biological assets:						
Cattle	26 394	648 202	26 618	749 337	29 073	864 612
Other livestock		1 889		2 197		2 354
		650 091		751 534		866 966
Current biological assets						
Crops:	Hectares		Hectares		Hectares	
Sugar beet	31 502	943 830	-	-	36 539	1 210 519
Corn	51 472	1 854 539	-	-	46 401	933 810
Winter wheat	39 758	112 183	52 266	568 846	34 553	115 976
Soy	4 086	85 445	-	-	14 145	281 214
Sunflower	2 831	68 431	-	-	3 061	67 378
Winter rye	726	2 356	1 421	4 053	564	2 599
	130 375	3 066 784	53 687	572 899	135 263	2 611 496
Total biological assets		3 716 875		1 324 433		3 478 462

<i>(in thousands of Euros)</i>	30 September 2018		31 December 2017		30 September 2017	
	Units	Amount (unaudited)	Units	Amount (audited)	Units	Amount (unaudited)
Non-current biological assets:						
Cattle	26 394	19 566	26 618	22 371	29 073	27 680
Other livestock		57		66		75
		19 623		22 437		27 755
Current biological assets						
Crops:	Hectares		Hectares		Hectares	
Sugar beet	31 502	28 490	-	-	36 539	38 753
Corn	51 472	55 980	-	-	46 401	29 895
Winter wheat	39 758	3 386	52 266	16 983	34 553	3 713
Soy	4 086	2 579	-	-	14 145	9 003
Sunflower	2 831	2 066	-	-	3 061	2 157
Winter rye	726	71	1 421	121	564	83
	130 375	92 572	53 687	17 104	135 263	83 604
Total biological assets		112 195		39 541		111 359

8 INVENTORIES

Inventories as at 30 September are as follows:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Finished goods:			
Agricultural produce	2 519 557	2 348 637	1 892 803
Sugar products	600 297	2 261 262	378 942
Soybean processing	306 941	287 395	96 410
Cattle farming	2 045	1 824	7 161
	3 428 840	4 899 118	2 375 316
Raw materials and consumables for:			
Consumables for joint utilization	769 340	368 338	762 709
Sugar production	785 955	129 016	531 258
Cattle farming	184 139	167 461	216 894
Agricultural produce	360 847	156 795	193 995
Other production	19 978	2 337	1 130
	2 120 259	823 947	1 705 986
Investments into future crops	346 524	799 409	335 690
	5 895 623	6 522 474	4 416 992

<i>(in thousands of Euros)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Finished goods:			
Agricultural produce	76 053	70 118	60 596
Sugar products	18 120	67 510	12 131
Soybean processing	9 265	8 580	3 086
Cattle farming	62	54	229
	103 500	146 262	76 042
Raw materials and consumables for:			
Consumables for joint utilization	23 223	10 996	24 418
Sugar production	23 724	3 852	17 008
Cattle farming	5 558	4 999	6 944
Agricultural produce	10 892	4 681	6 211
Other production	605	70	36
	64 002	24 598	54 617
Investments into future crops	10 460	23 867	10 747
	177 962	194 727	141 406

Inventories as at 30 September include the following goods in transit:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Goods in transit:			
Soybean processing	115 826	120 953	39 873
Agricultural produce	107 064	387 582	330 489
Sugar products	7 754	66 789	16 545
Consumables for joint utilization	-	1 560	1 139
	230 644	576 884	388 046

<i>(in thousands of Euros)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Goods in transit:			
Soybean processing	3 496	3 611	1 276
Agricultural produce	3 232	11 571	10 580
Sugar products	234	1 994	530
Consumables for joint utilization	-	47	36
	6 962	17 223	12 422

All inventories are stated at historical cost, except of agricultural produce, which is measured at fair value less costs to sell at the point of harvest. The fair value of agricultural produce was estimated based on market price as at the date of harvest and is within level 1 of the fair value hierarchy.

9 TRADE AND OTHER ACCOUNTS RECEIVABLE AND PREPAYMENTS

Trade and other accounts receivable and prepayments are as follows:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Non-current accounts receivable and prepayments			
Advances to suppliers	20 934	131 228	174 203
Other long-term receivables	388	23 030	1509
	21 322	154 258	175 712
Current accounts receivable and prepayments			
Trade receivables	410 441	547 477	403 293
Less allowance	(45 204)	(56 604)	(54 375)
	365 237	490 873	348 918
Prepayments and other non-financial assets:			
VAT recoverable and prepaid	331 641	589 785	447 892
Advances to suppliers	190 364	206 170	486 378
Less allowance	(59 139)	(34 290)	(11 348)
	462 866	761 665	922 922
Other financial assets:			
Financial aid	1 511	1 271	21 246
Other receivables	52 698	59 622	59 279
Less allowance	(12 428)	(18 560)	(19 809)
	41 781	42 333	60 716
	869 884	1 294 871	1 332 556

<i>(in thousands of Euros)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Non-current accounts receivable and prepayments			
Advances to suppliers	632	3 918	5 577
Other long-term receivables	12	687	48
	644	4 605	5 625
Current accounts receivable and prepayments			
Trade receivables	12 389	16 345	12 911
Less allowance	(1 364)	(1 690)	(1 741)
	11 025	14 655	11 170
Prepayments and other non-financial assets:			
VAT recoverable and prepaid	10 011	17 608	14 339
Advances to suppliers	5 746	6 155	15 571
Less allowance	(1 785)	(1 024)	(363)
	13 972	22 739	29 547
Other financial assets:			
Financial aid	46	38	680
Other receivables	1 591	1 779	1 898
Less allowance	(375)	(554)	(634)
	1 262	1 263	1 944
	26 259	38 657	42 661

10 LOANS AND BORROWINGS

As at 30 September 2018 the Group reclassified part of long-term loans due to deviation from certain financial covenants mostly due to lower prices for sugar and commodity prices. According to the terms of respective loan agreements, the lenders may at their option declare all or any portion of the loan and accrued interest payable on demand. As a consequence, borrowings of UAH 2,728,096 thousand (EUR 82,348 thousand) were reclassified from non-current to current liabilities.

11 OTHER LIABILITIES AND ACCOUNTS PAYABLE

Other liabilities and accounts payable are as follows:

<i>(in thousands of Ukrainian hryvnias)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Other liabilities:			
Advances received from customers	191 841	129 687	239 200
VAT payable	44 828	55 808	-
	236 669	185 495	239 200
Other accounts payable:			
Accrual for unused vacations	94 071	80 917	80 142
Salaries payable	80 483	77 528	62 253
Other taxes and charges payable	60 211	39 220	57 846
Interest payable	48 864	50 438	25 700
Accounts payable for property, plant and equipment	41 518	8 311	29 496
Payable to non-controlling interests	35 520	34 133	-
Social insurance payable	16 323	8 200	12 658
Settlements with land and fixed assets lessors	-	82 644	153 061
Other payables	34 141	26 374	30 713
	411 131	407 765	451 869
	647 800	593 260	691 069

<i>(in thousands of Euros)</i>	30 September 2018	31 December 2017	30 September 2017
	(unaudited)	(audited)	(unaudited)
Other liabilities:			
Advances received from customers	5 791	3 872	7 658
VAT payable	1 353	1 666	-
	7 144	5 538	7 658
Other accounts payable:			
Accrual for unused vacations	2 840	2 416	2 566
Salaries payable	2 429	2 315	1 993
Other taxes and charges payable	1 817	1 171	1 852
Interest payable	1 475	1 506	823
Accounts payable for property, plant and equipment	1 253	248	944
Payable to non-controlling interests	1 072	1 019	-
Social insurance payable	493	245	405
Settlements with land and fixed assets lessors	-	2 467	4 900
Other payables	1 031	787	982
	12 410	12 174	14 465
	19 554	17 712	22 123

12 REVENUES

Revenues for the three months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Sugar and related sales:				
Sugar	890 658	1 402 763	27 998	46 371
Molasses	23 177	38 535	732	1 274
Pulp	1 303	3 897	56	112
	915 138	1 445 195	28 786	47 757
Crops	837 589	777 345	26 273	25 374
Soybean processing products	434 208	467 618	13 705	15 344
Cattle farming	212 439	225 506	6 676	7 474
Other sales	92 736	74 138	2 896	2 472
	1 576 972	1 544 607	49 550	50 664
	2 492 110	2 989 802	78 336	98 421

Revenues for the nine months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Sugar and related sales:				
Sugar	2 928 090	4 400 156	90 774	150 040
Molasses	92 876	122 190	2 879	4 167
Pulp	84 496	47 766	2 620	1 629
	3 105 462	4 570 112	96 273	155 836
Crops	2 454 789	3 099 905	76 101	105 703
Soybean processing products	1 723 313	1 700 972	53 425	58 001
Cattle farming	688 055	668 297	21 331	22 788
Other sales	203 908	187 994	6 321	6 410
	5 070 065	5 657 168	157 178	192 902
	8 175 527	10 227 280	253 451	348 738

13 COST OF REVENUES

Cost of revenues for the three months ended 30 September by product is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Sugar and related sales:				
Sugar	825 789	874 901	25 932	28 886
Molasses	20 421	27 132	642	898
Pulp	1 856	6 788	66	220
	848 066	908 821	26 640	30 004
Crops	715 545	770 365	22 462	25 286
Soybean processing products	319 400	425 423	10 122	13 946
Cattle farming	195 581	154 049	6 138	5 079
Other sales	100 946	76 959	3 149	2 571
	1 331 472	1 426 796	41 871	46 882
	2 179 538	2 335 617	68 511	76 886

Cost of revenues for the nine months ended 30 September by product is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Sugar and related sales:				
Sugar	2 578 687	2 700 238	79 977	92 013
Molasses	69 252	80 615	2 148	2 747
Pulp	48 137	29 617	1 493	1 009
	2 696 076	2 810 470	83 618	95 769
Crops	2 194 519	2 669 843	68 062	90 977
Soybean processing products	1 501 014	1 510 031	46 553	51 455
Cattle farming	590 284	489 530	18 307	16 681
Other sales	198 692	179 701	6 163	6 123
	4 484 509	4 849 105	139 085	165 236
	7 180 585	7 659 575	222 703	261 005

14 OTHER OPERATING INCOME

Other operating income for the three months ended 30 September is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Government subsidies relating to:				
VAT refunds	-	-	-	-
Cattle farming	4 269	-	134	-
Recovery of assets previously written off	25 099	18 449	789	602
Other operating income	4 677	9 265	147	305
	34 045	27 714	1 070	907

Other operating income for the nine months ended 30 September is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Government subsidies relating to:				
VAT refunds	-	1 726	-	58
Cattle farming	7 755	-	244	-
Recovery of assets previously written off	71 900	38 726	2 262	1 301
Other operating income	30 459	15 515	958	522
	110 114	55 967	3 464	1 881

15 GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the three months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Salary and related charges	162 592	101 968	5 109	3 345
Depreciation	19 140	12 852	602	425
Professional services	18 850	13 644	593	454
Fuel and other materials	7 189	5 477	226	182
Bank charges	2 462	2 824	78	93
Office expenses	1 925	1 335	60	43
Communication	1 436	1 276	46	43
Maintenance	702	348	22	11
Insurance	607	1 132	19	37
Rent	460	8 629	14	287
Transportation	234	52	8	1
Taxes other than corporate income tax	-	3 534	-	114
Other	10 927	4 354	343	147
	226 524	157 425	7 120	5 182

General and administrative expenses for the nine months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Salary and related charges	397 390	344 418	12 421	11 717
Depreciation	48 017	37 299	1 501	1 269
Professional services	45 390	33 294	1 419	1 133
Fuel and other materials	16 784	14 481	525	493
Bank charges	7 353	7 334	230	249
Office expenses	7 017	5 724	219	195
Insurance	4 814	3 380	150	115
Taxes other than corporate income tax	4 448	14 585	139	496
Communication	4 210	3 607	132	123
Rent	4 011	20 499	125	697
Maintenance	1 643	1 180	51	40
Transportation	593	276	19	9
Other	33 746	10 858	1 054	369
	575 416	496 935	17 985	16 905

16 SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses for the three months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Transportation	194 139	121 431	6 100	3 998
Storage and logistics	77 936	7 342	2 438	205
Salary and related charges	23 103	42 575	733	1 423
Fuel and other materials	9 537	11 396	300	374
Depreciation	4 881	7 733	154	259
Professional services	4 639	2 100	146	68
Allowance for trade accounts receivable	1 294	6 059	42	205
Other	7 290	11 881	234	398
	322 819	210 517	10 147	6 930

Selling and distribution expenses for the nine months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018 (unaudited)	2017 (unaudited)	2018 (unaudited)	2017 (unaudited)
Transportation	490 961	380 371	15 205	12 955
Storage and logistics	162 492	92 211	5 032	3 141
Salary and related charges	82 336	93 541	2 550	3 186
Fuel and other materials	23 697	36 998	734	1 260
Depreciation	14 405	16 188	446	551
Professional services	11 556	8 292	358	282
Allowance for trade accounts receivable	8 044	8 512	249	290
Other	33 518	26 295	1 039	897
	827 009	662 408	25 613	22 562

17 OTHER OPERATING EXPENSES

Other operating expenses for the three months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018	2017	2018	2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Write down of inventories	42 870	7 019	1 349	218
Charity and social expenses	27 166	24 880	853	838
Loss on disposal of property, plant and equipment	23 925	6 864	746	228
Allowance for other accounts receivable	22 216	3 356	690	108
Other salary and related charges	7 141	5 847	227	196
Depreciation	3 007	1 149	96	38
Penalties paid	2 554	456	80	16
VAT written off	931	3 705	35	113
Representative expenses	44	18	1	-
Other	8 559	7 260	274	239
	138 413	60 554	4 351	1 994

Other operating expenses for the nine months ended 30 September are as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018	2017	2018	2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Write down of inventories	85 008	51 494	2 646	1 753
Charity and social expenses	47 931	44 912	1 492	1 529
Loss on disposal of property, plant and equipment	27 143	18 888	845	643
Other salary and related charges	18 204	12 323	567	420
VAT written off	17 563	31 463	547	1 071
Allowance for other accounts receivable	17 117	16 095	533	548
Depreciation	7 958	3 079	248	105
Penalties paid	3 468	1 251	108	43
Representative expenses	106	41	3	1
Other	30 677	24 916	955	848
	255 175	204 462	7 944	6 961

18 FINANCE (COSTS) INCOME

Finance (costs) income for the three months ended 30 September is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018	2017	2018	2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Finance costs				
Foreign currency exchange loss, net	(467 561)	(59 149)	(14 995)	(2 036)
Interest expense				
Bank loans	(118 133)	(68 664)	(3 581)	(2 238)
Finance lease liabilities	(2 403)	(2 508)	(72)	(81)
Borrowings from non-financial institutions	(1 207)	(6 632)	(36)	(197)
	(121 743)	(77 804)	(3 689)	(2 516)
Net profit attributable to non-controlling interests of limited liability company subsidiaries	16 000	8 737	506	325
Interest expense on land lease liability	(91 149)	-	(2 707)	-
Other finance costs	(13 475)	(2 514)	(409)	(75)
	(88 624)	6 223	(2 610)	250
	(677 928)	(130 730)	(21 294)	(4 302)
Finance income				
Interest income	6 016	3 730	181	121
Other finance income	(1 782)	(217)	(63)	(7)
	4 234	3 513	118	114

Finance (costs) income for the nine months ended 30 September is as follows:

	<i>(in thousands of Ukrainian hryvnias)</i>		<i>(in thousands of Euros)</i>	
	2018	2017	2018	2017
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Finance costs				
Foreign currency exchange loss, net	(159 133)	(13 663)	(5 247)	(461)
Interest expense				
Bank loans	(275 812)	(162 792)	(8 564)	(5 497)
Finance lease liabilities	(7 137)	(7 423)	(222)	(251)
Borrowings from non-financial institutions	(3 990)	(37 263)	(124)	(1 258)
	(286 939)	(207 478)	(8 910)	(7 006)
Net profit attributable to non-controlling interests of limited liability company subsidiaries	(626)	(25 927)	(19)	(875)
Interest expense on land lease liability	(312 978)	-	(9 718)	-
Other finance costs	(30 233)	(14 823)	(939)	(501)
	(343 837)	(40 750)	(10 676)	(1 376)
	(789 909)	(261 891)	(24 833)	(8 843)
Finance income				
Interest income	17 038	9 359	529	316
Other finance income	12 041	(217)	374	(7)
	29 079	9 142	903	309

19 SEGMENT REPORTING

At 30 September 2018 and 2017, the group is organized into four main business segments:

- production and wholesale distribution of sugar and sugar by-products
- growing and selling grain and oilseeds crops (agriculture)
- processing and wholesale distribution of soybean products: soybean meal, soybean hydrated oil and granulated soybean husks
- dairy cattle farming.

Other group operations mainly comprise the sales of gas.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the management board.

Revenues from external customers are measured in a manner consistent with that in the income statement. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The sugar segment is highly seasonal, as sugar plants normally operate during September – December processing sugar beets harvested in September – November.

The agriculture segment, in the first half of the Group's financial year due to seasonality and the implications of IAS 41, reflects the effects of the valuation of biological assets and the sale of carried-forward agricultural produce, while financial performance during the second half of the financial year mainly reflects the sale of crops and the effects of the revaluation of agri produce carried forward.

The amounts provided to the Board of Directors with respect of total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Investments classified as available-for-sale financial assets are not considered to be segment assets. The amounts of total liabilities are measured in a manner consistent with that of the financial statements. Liabilities are allocated based on the operations of the segment.

The segment information for the nine months ended 30 September 2018 is as follows:

<i>(in thousands of Ukrainian hryvnias)</i>	Sugar production		Agriculture		Cattle farming		Soybean processing		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Total revenues	3 105 462	4 570 112	3 320 672	3 376 183	688 055	668 297	1 723 313	1 700 972	203 908	187 994	9 041 410	10 503 558
Inter-segment revenues	-	-	865 883	276 278	-	-	-	-	-	-	865 883	276 278
Revenues from external customers	3 105 462	4 570 112	2 454 789	3 099 905	688 055	668 297	1 723 313	1 700 972	203 908	187 994	8 175 527	10 227 280
Total cost of revenues	(2 696 076)	(2 810 470)	(3 060 402)	(2 946 121)	(590 284)	(489 530)	(1 501 014)	(1 510 031)	(198 692)	(179 701)	(8 046 468)	(7 935 853)
Inter-segment cost of revenues	-	-	(865 883)	(276 278)	-	-	-	-	-	-	(865 883)	(276 278)
Cost of revenues	(2 696 076)	(2 810 470)	(2 194 519)	(2 669 843)	(590 284)	(489 530)	(1 501 014)	(1 510 031)	(198 692)	(179 701)	(7 180 585)	(7 659 575)
Changes in fair value of biological assets and agricultural produce	-	-	1 935 827	780 118	(155 253)	405 040	-	-	-	-	1 780 574	1 185 158
Gross profit	409 386	1 759 642	2 196 097	1 210 180	(57 482)	583 807	222 299	190 941	5 216	8 293	2 775 516	3 752 863
Other operating income	35 575	13 866	35 435	29 140	12 534	4 647	910	1 039	25 660	7 275	110 114	55 967
General and administrative expense	(151 325)	(94 570)	(295 524)	(146 367)	(67 951)	(21 730)	(15 876)	(9 033)	(44 740)	(225 235)	(575 416)	(496 935)
Selling and distribution expense	(328 145)	(219 971)	(379 719)	(339 171)	(9 380)	(39 720)	(74 576)	(52 653)	(35 189)	(10 893)	(827 009)	(662 408)
Other operating expense	(54 626)	(30 715)	(80 958)	(70 141)	(4 111)	(3 640)	(11 667)	(10 904)	(103 813)	(89 062)	(255 175)	(204 462)
Profit (loss) from operations	(89 135)	1 428 252	1 475 331	683 641	(126 390)	523 364	121 090	119 390	(152 866)	(309 622)	1 228 030	2 445 025
Foreign currency exchange gain (loss)	-	-	-	-	-	-	-	-	(159 133)	(13 663)	(159 133)	(13 663)
Interest expense	(144 066)	(52 157)	(94 989)	(108 933)	(5)	(14)	(45 179)	(37 771)	(2 700)	(8 603)	(286 939)	(207 478)
Interest income	-	-	-	-	-	-	-	-	17 038	9 359	17 038	9 359
Other income (expense)	-	-	-	-	-	-	-	-	(15 556)	(37 837)	(15 556)	(37 837)
Interest expense on lease liability	(14 916)	-	(275 127)	-	-	-	-	-	(22 935)	-	(312 978)	-
Profit (loss) before tax	(248 117)	1 376 095	1 105 215	574 708	(126 395)	523 350	75 911	81 619	(336 152)	(360 366)	470 462	2 195 406
Taxation	-	-	-	-	-	-	-	-	(19 480)	(47 141)	(19 480)	(47 141)
Net profit (loss)	(248 117)	1 376 095	1 105 215	574 708	(126 395)	523 350	75 911	81 619	(355 632)	(407 507)	450 982	2 148 265
Consolidated total assets	4 678 988	4 372 092	14 030 254	9 296 013	1 460 957	1 699 790	1 148 925	963 782	1 157 405	1 943 393	22 476 529	18 275 070
Consolidated total liabilities	2 880 481	1 410 080	5 721 244	2 433 542	24 419	60 399	1 091 179	949 635	724 480	1 126 175	10 441 803	5 979 831
Other segment information:												
Depreciation and amortisation	210 783	291 018	647 342	438 082	36 327	43 777	26 962	29 121	14 817	8 024	936 231	810 022
Additions to non-current assets:												
Property, plant and equipment	197 576	147 950	736 635	761 836	32 963	51 711	58 875	6 893	198 549	13 652	1 224 598	982 042
Intangible assets	29	-	4 173	-	-	-	-	-	2 415	5 551	6 617	5 551

(in thousands of Euros)	Sugar production		Agriculture		Cattle farming		Soybean processing		Unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Total revenues	96 273	155 835	102 945	115 124	21 331	22 788	53 425	58 001	6 321	6 411	280 295	358 159
Inter-segment revenues	-	-	26 844	9 421	-	-	-	-	-	-	26 844	9 421
Revenues from external customers	96 273	155 835	76 101	105 703	21 331	22 788	53 425	58 001	6 321	6 411	253 451	348 738
Total cost of revenues	(83 618)	(95 769)	(94 906)	(100 398)	(18 307)	(16 681)	(46 553)	(51 455)	(6 163)	(6 123)	(249 547)	(270 426)
Inter-segment cost of revenues	-	-	(26 844)	(9 421)	-	-	-	-	-	-	(26 844)	(9 421)
Cost of revenues	(83 618)	(95 769)	(68 062)	(90 977)	(18 307)	(16 681)	(46 553)	(51 455)	(6 163)	(6 123)	(222 703)	(261 005)
Changes in fair value of biological assets and agricultural produce	-	-	61 240	26 959	(4 911)	13 997	-	-	-	-	56 329	40 956
Gross profit	12 655	60 066	69 279	41 685	(1 887)	20 104	6 872	6 546	158	288	87 077	128 689
Other operating income	1 119	466	1 115	979	394	156	29	35	807	245	3 464	1 881
General and administrative expense	(4 730)	(3 217)	(9 237)	(4 979)	(2 124)	(739)	(496)	(307)	(1 398)	(7 663)	(17 985)	(16 905)
Selling and distribution expense	(10 163)	(7 492)	(11 760)	(11 552)	(291)	(1 353)	(2 310)	(1 793)	(1 089)	(372)	(25 613)	(22 562)
Other operating expense	(1 701)	(1 046)	(2 520)	(2 388)	(128)	(124)	(363)	(371)	(3 232)	(3 032)	(7 944)	(6 961)
Profit (loss) from operations	(2 820)	48 777	46 877	23 745	(4 036)	18 044	3 732	4 110	(4 754)	(10 534)	38 999	84 142
Foreign currency exchange gain (loss)	-	-	-	-	-	-	-	-	(5 247)	(461)	(5 247)	(461)
Interest expense	(4 473)	(1 761)	(2 949)	(3 678)	-	-	(1 403)	(1 275)	(85)	(292)	(8 910)	(7 006)
Interest income	-	-	-	-	-	-	-	-	529	316	529	316
Other income (expense)	-	-	-	-	-	-	-	-	(480)	(1 277)	(480)	(1 277)
Interest expense on lease liability	(463)	-	(8 542)	-	-	-	-	-	(713)	-	(9 718)	-
Profit (loss) before tax	(7 756)	47 016	35 386	20 067	(4 036)	18 044	2 329	2 835	(10 750)	(12 248)	15 173	75 714
Taxation	-	-	-	-	-	-	-	-	(624)	(1 605)	(624)	(1 605)
Net profit (loss)	(7 756)	47 016	35 386	20 067	(4 036)	18 044	2 329	2 835	(11 374)	(13 853)	14 549	74 109
Consolidated total assets	141 236	139 967	423 507	297 601	44 099	54 417	34 681	30 854	34 941	62 218	678 464	585 057
Consolidated total liabilities	86 948	45 142	172 697	77 907	737	1 934	32 937	30 401	21 869	36 053	315 188	191 437
Other segment information:												
Depreciation and amortisation	6 544	9 891	20 099	14 889	1 128	1 488	837	990	460	273	29 068	27 531
Additions to non-current assets:												
Property, plant and equipment	6 134	5 028	22 871	25 893	1 023	1 758	1 828	234	6 164	462	38 020	33 375
Intangible assets	1	-	130	-	-	-	-	-	75	189	206	189

20 RELATED PARTY TRANSACTIONS

The Group enters into transactions with related parties in the ordinary course of business. Related parties comprise the Group's associates, joint ventures, the shareholders, companies that are under control of the Group's shareholders, key management personnel and their close family members and companies that are controlled or significantly influenced by shareholders. Prices for related party transactions are determined on an ongoing basis. The terms of related party transactions may differ from market terms.

The following table summarises transactions that have been entered into with related parties for the three months ended 30 September 2018 as well as balances with related parties as at 30 September 2018:

<i>(in thousands of Ukrainian hryvnias)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	103	5 942	33 446	108 689
	103	5 942	33 446	108 689

<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	3	187	1 010	3 281
	3	187	1 010	3 281

The following table summarises transactions that have been entered into with related parties for the nine months ended 30 September 2018 as well as balances with related parties as at 30 September 2018:

<i>(in thousands of Ukrainian hryvnias)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	111	21 238	33 446	108 689
	111	21 238	33 446	108 689

<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	3	659	1 010	3 281
	3	659	1 010	3 281

The following table summarises transactions that have been entered into with related parties for the three months ended 30 September 2017 as well as balances with related parties as at 30 September 2017:

<i>(in thousands of Ukrainian hryvnias)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	82	9 583	45 339	188 779
Associate	-	-	1 022	171
	82	9 586	46 361	188 950

<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	2	313	1 451	6 044
Associate	-	-	33	5
	2	313	1 484	6 049

The following table summarises transactions that have been entered into with related parties for the nine months ended 30 September 2017 as well as balances with related parties as at 30 September 2017:

<i>(in thousands of Ukrainian hryvnias)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	2 781	33 440	45 339	188 779
Associate	-	-	1 022	171
	2 781	33 440	46 361	188 950

<i>(in thousands of Euros)</i>	Sales to related parties:	Purchases from related parties:	Amounts owed by related parties:	Amounts owed to related parties:
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Companies under common control	95	1 137	1 451	6 044
Associate	-	-	33	5
	95	1 137	1 484	6 049

21 EVENTS SUBSEQUENT TO THE REPORTING DATE

After the reporting date the Group has received the bank loans in total amount USD 11 million with maturity over 1 year. These loans are used by the Group to fund capital investment needs.

8 November 2018

Amsterdam, the Netherlands

Board of Directors of ASTARTA Holding N.V.

V. Ivanchyk (signed)

H.A.Dahl (signed)

V. Gladkyi (signed)

M.M.L.J. van Campen (signed)

G.Mettetal (signed)