



Conclusion of a financing agreement via a reserved issuance of redeemable bonds into shares or cash (ORNANE) for a maximum nominal value of €20 million¹

A project designed to give AgroGeneration the necessary financial resources to cover its seasonal working capital requirements and to enable it to cut its costs, thus creating value for the Group.

Paris, June 6, 2018

Today, AgroGeneration announces that it has entered into a financing agreement with Luxembourg-based European High Growth Opportunities Securitization Fund (the “Investor”) in the form of bonds redeemable into new and/or existing shares and/or in cash (“ORNANE”) with stock warrants (“BSA”) attached, up to a maximum bond issuance nominal value of €20 million, over a maximum period of 36 months.

AgroGeneration, subject to the approval of the next general combined meeting on June 26, 2018, undertakes to issue three tranches at a nominal value of €1 million each. Following said tranches, AgroGeneration will suspend the program in order to potentially resume it under the conditions set out below.

Purpose of the issuance

The Group wished to conclude this ORNANE agreement in order to:

- get additional room of manoeuvre with regard to negotiating with suppliers, and thus reducing its input costs;
- reduce its bank seasonal loans, and thus the related financial costs.

Seasonal financing requires substantial resources upstream, primarily related to the purchase of agricultural inputs and operating costs (rent, employees, etc.), three quarters of which are currently covered by external financing.

A strengthened financial position will give the Group the required bargaining power to negotiate optimum prices with suppliers by purchasing inputs earlier in the season, notably seeds and fertilizers. Moreover, the Group will be able, over the full financing project period, to significantly reduce the amount of its bank seasonal loans.

¹ Subject to the approval of the shareholders' general combined meeting. The total amount of €20 million is to be considered without BSA and will be released on a maximum of 36 months





Accordingly, AgroGeneration estimates that a maximum drawdown of €20 million would enable it to reduce its production costs by roughly €2.5 million per year that will be evidenced in the Group's results as soon as next year. Besides, the bank-related interest payments will decrease gradually during the program to reach savings of roughly €2 million per year at the end of the period.

This ORNANE financing is fully in line with the Group's aim to strengthen and safeguard its financial structure and the significant decrease of its external financing.

General overview of the program with a maximum nominal value of €20 million in the event that all 29 tranches are drawn (excluding exercise of stock warrants) by way of ORNANE

Subject to shareholder approval at the general meeting on June 26, 2018, AgroGeneration will issue, no later than July 3, 2018, three hundred issuance warrants ("**Issuance Warrants**") to the benefit of the Investor, each giving access to one ORNANE, for a maximum period of one year, representing a total bond issuance nominal value of €3,000,000 broken down into three tranches of €1 million each maximum ("**Initial Tranches**"). To each ORNANE will be attached BSA in favor of the Investor. Each of these three Initial Tranches would be separated by a period of 20 trading days.

Following these three Initial Tranches, the program will be automatically suspended so that AgroGeneration can assess the consequences of the issuance of these Initial Tranches and resume the program with the Board of Directors' approval.

At the end of a period of 20 trading days following said suspension, AgroGeneration may then resume the program in such a way that these Initial Tranches fall within the framework of a more global financing structure of a total maximum nominal value of €20 million (excluding exercise of BSA) over 30 months (excluding a 6-month maximum extension in the event of a further suspension of the program).

In this case, AgroGeneration would issue 1,700 additional Issuance Warrants giving access: (i) for the first additional tranche of a nominal value of €1,000,000 to 100 ORNANE, then (ii) for each of the subsequent 25 tranches of a nominal value of €640,000 to 64 ORNANE (the 26 tranches together referred to as the "**Optional Tranches**"). To each ORNANE will also be attached BSA in favor of the Investor. Each Optional Tranche will also be separated by a period of 20 trading days.

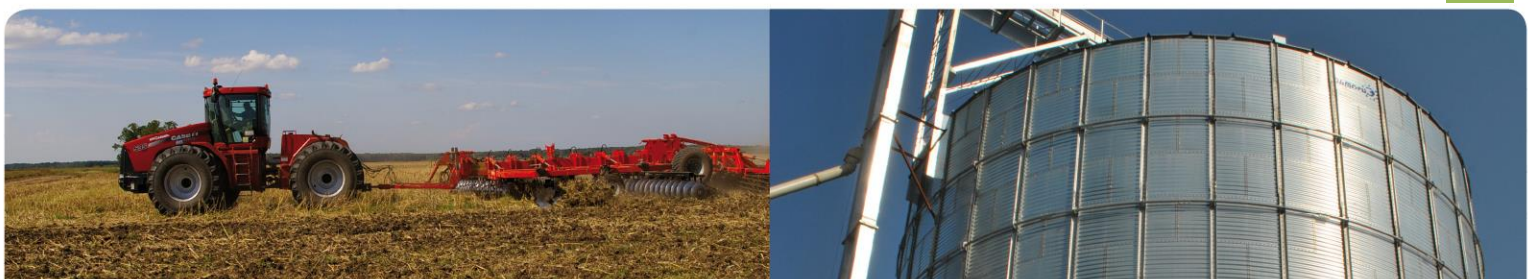
The Investor will have the option to request, at any time, that an Optional Tranche be issued.

Therefore, in total, a maximum number of 2,000 ORNANE with a nominal value of €10,000 each, with BSA attached, would be issued.

The transaction may therefore result in a maximum equity injection of € 25,750,000:

- €20,000,000 corresponding to subscription for all ORNANE issued at par, and
- €5,750,000 corresponding to the exercise of BSA in full.

The terms and conditions of the transaction are presented in further detail below in the appendix.





Commitment fee

In payment for its commitment to subscribe to the three Initial Tranches, AgroGeneration shall pay the Investor a commitment fee equal to 5% of each Initial Tranches subscribed by the Investor, in ORNANE.

Indicative Timetable

June 26, 2018	The Combined Ordinary and Extraordinary General Meeting called to approve the resolution authorizing the reserved issuance of Issuance Warrants in favor of the Investor
July 3, 2018	AgroGeneration Board of Directors meeting approving the issuance of 300 Issuance Warrants in favor of the Investor and drawdown of an Initial Tranche of €1 million
July 31, 2018	Drawdown of the second Initial Tranche of €1 million
August 28, 2018	Drawdown of the third Initial Tranche of €1 million

About AGROGENERATION

Founded in 2007, AgroGeneration is a global producer of grain and oilseed. Following its merger with Harmelia, the new Group has become one of the top five producers of grain and oilseed in Ukraine, with close to 110,000 hectares of farmlands. Through the high-potential farmland it leases, the Group's ambition is to meet the food challenges of tomorrow as global consumption doubles in scale between now and 2050.

About the European High Growth Opportunities Securitization Fund

European High Growth Opportunities Securitization Fund is a Luxembourg institutional investment vehicle that focuses on financing highly innovative companies based all over Europe which it considers extremely undervalued. The European High Growth Opportunities Securitization Fund is financed by Blue Ocean shareholders and is exclusively advised by Blue Ocean Advisors Inc. Its purpose is to invest in highly innovative European companies by contributing to their growth capital, offering them a credible European financing alternative.

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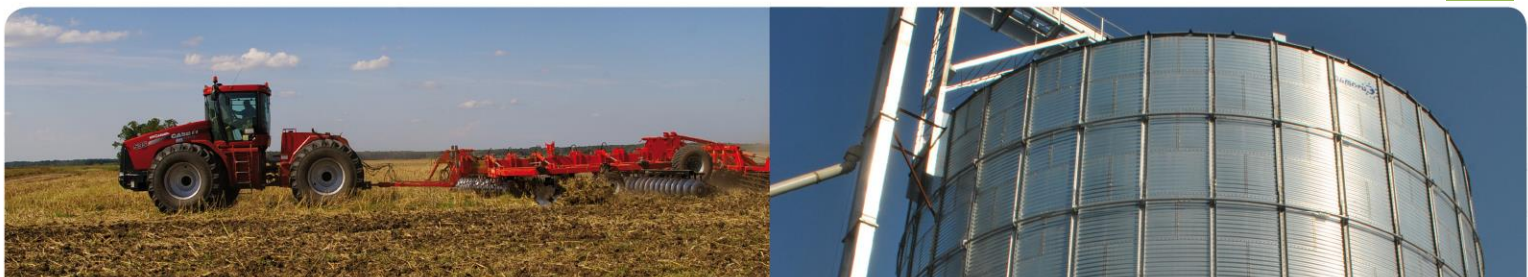
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Find all information on AgroGeneration on our website: www.AgroGeneration.com

Receive all AgroGeneration's financial information by e-mail for free by registering at: www.actusnews.com





Appendix - Terms and conditions of the transaction

Legal framework for the transaction

The issuance of 2,000 Issuance Warrants at a 1:1 conversion ratio, each giving access to 1 ORNANE with BSA attached, is subject to AgroGeneration shareholders' approval of a proposed delegation of authority to decide on said issuances in favor of the Investor, at the combined general meeting scheduled for June 26, 2018.

It is specified that this transaction shall not require preparation of a prospectus registered by the French Financial Markets Authority (AMF).

Main terms of the Issuance Warrants

The Issuance Warrants will be allocated free of charge to the Investor.

The Issuance Warrants, with a maturity of 30 months (which may be extended by 6 months in the event of suspension) as from the issuance of the first Initial Tranche (i.e. as from July 3, 2018), will require the holder to subscribe for one tranche, namely 100 ORNANE exercised for the first 4 tranches and 64 ORNANE for subsequent tranches.

Thus, the exercise of Issuance Warrants will enable the issuance of ORNANE in several tranches of a maximum nominal value of €1,000,000 each (for the first 4 tranches) then a maximum nominal value of €640,000 each (for the 25 subsequent tranches).

The Issuance Warrants cannot be sold or transferred by their holder without the prior agreement of AgroGeneration, and shall not be admitted to listing or trading on Euronext Growth Paris.

The Issuance Warrants shall be automatically exercised, subject to the fulfillment of certain terms and conditions set out below, 20 trading days apart, unless the Investor agrees to the exercise of the Issuance Warrants at AgroGeneration's request before the end of this period.

However, please note that AgroGeneration reserves the right to suspend and then reactivate the automatic disbursement of the tranches, at its own discretion.

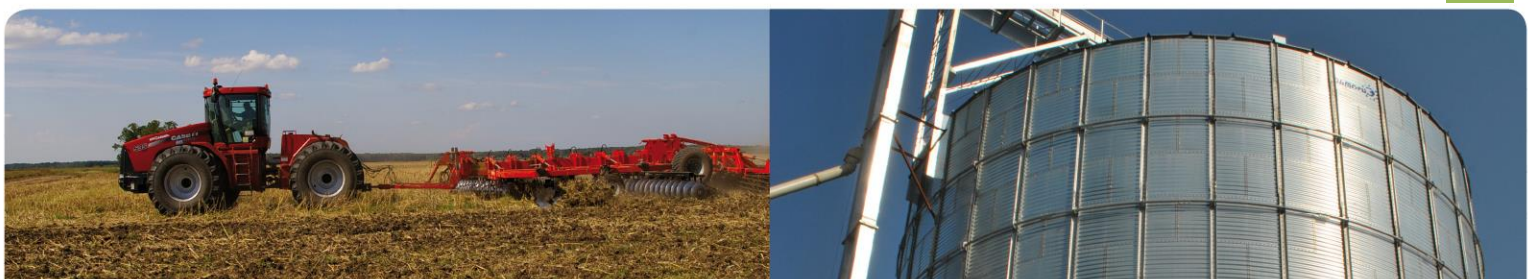
The Investor may also request the issuance of an Optional Tranche at any time following the Board of Directors' decision to continue the program.

Main terms of the ORNANE

The ORNANE will have a nominal value of €10,000 each and will be subscribed at par value. They shall not bear interest and will have a maturity of one year as from issuance.

The redemption in shares of the ORNANE may be requested at any time by the Investor, but must be redeemed in shares no later than (i) before the end of each semester, for 80% of the outstanding ORNANE, and (ii) in any events, at the maturity date.

Each ORNANE shall entitle its holder, at AgroGeneration's discretion, to:





- the allotment of new and/or existing shares, and/or
- the allotment of a cash amount equal to all or part of the amount set out in the redemption notice.

If AgroGeneration decides to allot new and/or existing shares, the conversion ratio shall be determined using the following formula: $N = V_n / P$, where

- "N" is the number of shares resulting from the conversion allocated to the ORNANE holder,
- "V_n" is the ORNANE's nominal value, i.e. €10,000,
- "P" is the ORNANE's conversion price, i.e. 95% of the lowest daily volume-weighted average price of the AgroGeneration share for a period of 7 consecutive trading days immediately preceding the date of the redemption request.

Furthermore, each ORNANE will represent, in the event of conversion, a maximum of 33,333 shares, unless the parties decide otherwise.

Should AgroGeneration choose to redeem the ORNANE in cash, the conversion ratio shall be determined using the following formula: $V = (V_n / P) \times C$, where

- "C" is the daily volume-weighted average price of the AgroGeneration share on the date on which the redemption request is sent by the Investor.

At any time, AgroGeneration may also request the redemption of all or some of the outstanding ORNANE subject to the payment of an amount equal to the total outstanding ORNANE nominal value, plus a premium of 20%.

Should an event of default occur, as provided in the issuance agreement, the Investor may request that AgroGeneration redeems the outstanding ORNANE at the par value in cash. The events of default include, notably, the delisting of the AgroGeneration share, the takeover of AgroGeneration and a material adverse change.

The ORNANE, which may only be transferred with the prior agreement of AgroGeneration (except in the event of transfer to an affiliate of the Investor), shall not be admitted to listing or trading on Euronext Growth Paris.

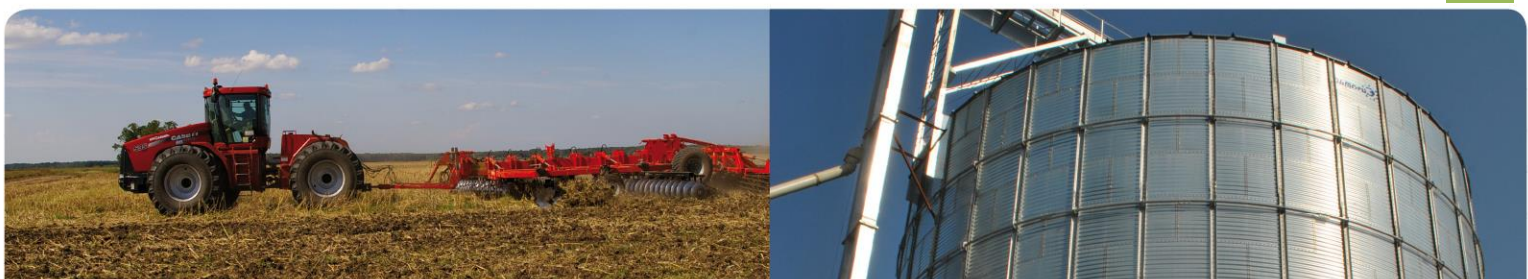
Main terms of the stock warrants (BSA)

BSA will be attached to each ORNANE issued upon exercise of the 2,000 Issuance Warrants.

The number of BSA attached to the ORNANE issued with a tranche will be calculated, in order to ensure, in the event of all BSA exercised, that the share capital issuance resulting from the exercise of such BSA is equal to 50% of the nominal amount of the related tranche of ORNANE. As from the issuance of the Optional Tranches and unless otherwise agreed between the parties, this percentage shall be reduced to 25% of the nominal value of the ORNANE.

The BSA shall be issued in the form of registered securities and shall immediately be stripped from the ORNANE. They may be exercised for a period of 3 years as from their issuance (the "**Exercise Period**").

Each BSA shall grant its holder the right, during the Exercise Period, to subscribe to one new AgroGeneration's share, subject to any adjustments.





The BSA's exercise price shall be equal to 130% of the lowest daily volume-weighted average price for the AgroGeneration share over the 10 trading days immediately preceding the tranche issuance date.

The BSA may only be transferred with the prior agreement of AgroGeneration (except for transfers to an affiliate of the Investor) and shall not be admitted to listing or trading on Euronext Growth Paris.

Depending on the share volatility assumption adopted and on the basis of the AgroGeneration share closing price on June 5, 2018 (€0.39), the theoretical value of a BSA is equal to €0.07.

New shares resulting from the redemption of ORNANE or exercise of BSA

New shares issued upon the redemption of ORNANE or upon the exercise of BSA shall carry dividend rights. They shall carry the same rights as those attached to existing ordinary AgroGeneration shares and shall be traded on Euronext Growth Paris on the same listing line (FR0010641449).

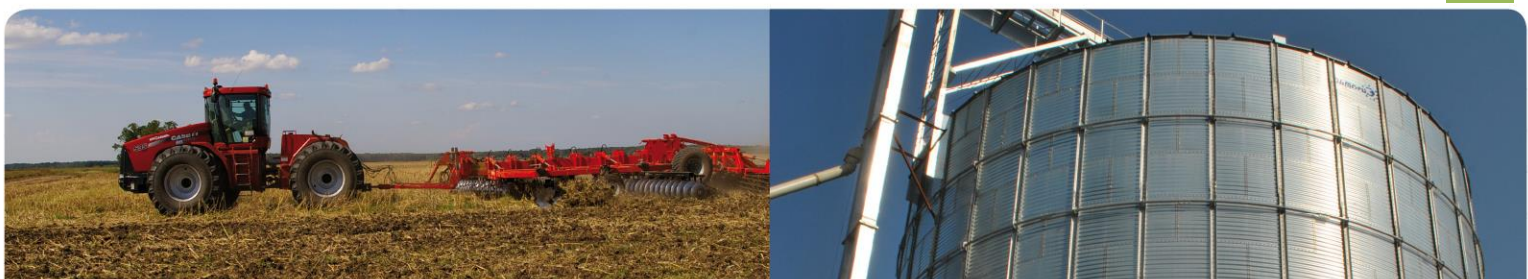
On its website (www.agrogeneration.com), the Company will display and update a table recording the Issuance Warrants, the ORNANE, the BSA and the number of outstanding shares.

Theoretical impact (dilution)

For information purposes, the impact of ORNANE and BSA would be as follows:

- Impact of the issuance on the portion of shareholders' equity per share (based on shareholders' equity and on the number of shares comprising AgroGeneration's share capital as of June 6, 2018, i.e. 101,286,604 shares):

	Portion of shareholders' equity per share (€) ¹	
	Undiluted base	Diluted base ²
Before the issuance of new shares resulting from (i) the redemption of ORNANE and (ii) the exercise of BSA	0.5541	0.2540
Following the issuance of 2,782,935 new ordinary shares of the company resulting solely from the redemption of the 100 ORNANE comprising the 1st tranche	0.5489	0.2553
Following the issuance of 992,038 additional new ordinary shares resulting from the exercise of BSA attached to the 100 ORNANE comprising the 1st tranche	0.5484	0.2564
Following the issuance of 5,565,870 new ordinary shares of the company resulting from the redemption of 200 ORNANE resulting from the exercise of Issuance Warrants under the 2 subsequent tranches (total Initial Tranches)	0.5389	0.2589
Following the issuance of 1,984,076 additional new ordinary shares resulting from the exercise of BSA attached to the 200 ORNANE resulting from the exercise of Issuance Warrants under the 2 subsequent tranches (total Initial Tranches)	0.5383	0.2610





Following the issuance of 45,057,044 new ordinary shares of the company resulting from the redemption of the remaining ORNANE resulting from the exercise of Issuance Warrants under the 26 final tranches	0.4891	0.2780
Following the issuance of 8,432,322 additional new ordinary shares resulting from the exercise of BSA attached to all of the remaining ORNANE resulting from the exercise of Issuance Warrants under the 26 final tranches	0.4898	0.2847

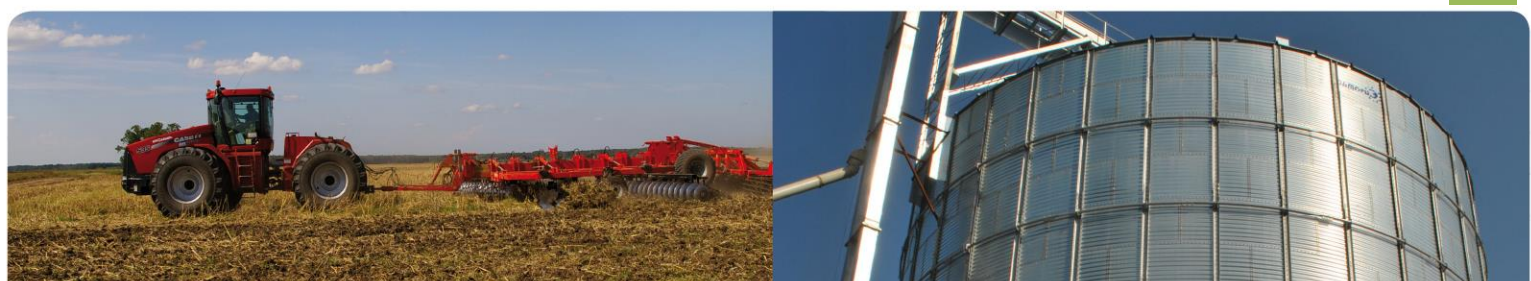
Note 1: Theoretical calculations based on the weighted average share price used to calculate dilution are based on the lowest of volume-weighted average share prices over the last 7 and 10 trading days prior to June 6, 2018, i.e. €0.3972 and €0.3877 respectively. This dilution does not predetermine the final number of shares to be issued or their issuance price, which shall be set depending on the share price in accordance with the terms set out above.

Note 2: Following exercise of all existing compound securities, theoretical calculations of the diluted base made on the basis of the redemption of all OSRANEs at a conversion ratio applicable at September 30, 2018, i.e. 196 shares per OSRANE.

- Impact of the issuance on the interest of a shareholder currently holding 1% of AgroGeneration's share capital (based on the number of shares comprising AgroGeneration's share capital as of June 6, 2018, i.e. 101,286,604 shares):

	Shareholder's interest (%) ¹	
	Undiluted base	Diluted base ²
Before the issuance of new shares resulting from (i) the redemption of ORNANE and (ii) the exercise of BSA	1.0000%	0.4584%
Following the issuance of 2,782,935 new ordinary shares of the company resulting solely from the redemption of the 100 ORNANE comprising the 1st tranche	0.9733%	0.4527%
Following the issuance of 992,038 additional new ordinary shares resulting from the exercise of BSA attached to the 100 ORNANE comprising the 1st tranche	0.9641%	0.4507%
Following the issuance of 5,565,870 new ordinary shares of the company resulting from the redemption of 200 ORNANE resulting from the exercise of Issuance Warrants under the 2 subsequent tranches (total Initial Tranches)	0.9156%	0.4398%
Following the issuance of 1,984,076 additional new ordinary shares resulting from the exercise of BSA attached to the 200 ORNANE resulting from the exercise of Issuance Warrants under the 2 subsequent tranches (total Initial Tranches)	0.8994%	0.4361%
Following the issuance of 45,057,044 new ordinary shares of the company resulting from the redemption of the remaining ORNANE resulting from the exercise of Issuance Warrants under the 26 final tranches	0.6424%	0.3652%
Following issuance of 8,432,322 additional new ordinary shares resulting from the exercise of BSA attached to all of the remaining ORNANE resulting from the exercise of Issuance Warrants under the final 26 tranches	0.6098%	0.3544%

Note 1: Theoretical calculations based on the weighted average share price used to calculate dilution are based on the lowest of volume-weighted average share prices over the last 7 and 10 trading days prior to June 6, 2018, i.e. €0.3972 and €0.3877 respectively. This dilution does not predetermine the final number of shares to be issued or their issuance price, which shall be set depending on the share price in accordance with the terms set out above.





Note 2: Following exercise of all existing compound securities, theoretical calculations of the diluted base made on the basis of the redemption of all OSRANEs at a conversion ratio applicable at September 30, 2018, i.e. 196 shares per OSRANE.

Main terms and conditions of subscription for ORNANE by the Investor

Each tranche will be issued provided that the following conditions have been met:

- there has been no change in control of AgroGeneration;
- no default scenario has occurred at the date of the drawdown request;
- AgroGeneration's shares are still listed and the listing of AgroGeneration's shares has not been suspended (and no risk of suspension has been identified);
- AgroGeneration has a sufficient number of authorized and available shares to fulfill the redemption in shares of ORNANE that must be issued as part of the drawdown (and, where applicable, of the outstanding ORNANE);
- AgroGeneration's share price is not lower than €0.33, unless otherwise agreed between the parties.

Other Investor commitments

Until (i) the end of the 36-month commitment period or, if later, (ii) the conversion and/or redemption of all outstanding ORNANE or BSA, the Investor (or its affiliates) shall refrain from holding, at any time, more than 4.99% of the number of shares comprising AgroGeneration's capital (unless AgroGeneration has agreed otherwise).

