



2022 BOARD'S REPORT

AGROGENERATION GROUP AND AGROGENERATION S.A.



Paris, 26 June 2023

Dear Shareholders,

We have called you to the Annual General Meeting in accordance with the provisions of the law and Articles of Association of our Company, in particular to report to you on the activity and results of the AgroGeneration Group and of AgroGeneration S.A. during the financial year ended December 31, 2022 and to submit the financial statements for said financial year and the consolidated financial statements of the Group for your approval.

It is specified that due to the political situation in Ukraine (Russian military invasion described in paragraph 1.9.1), the Group has not been able to meet the forecasted deadline for the Group's 2022 financial accounts publication (30 April 2023) and to convene the general assembly before 30 June 2023. Following the company's request the convening of the shareholders general meeting to review and approve such financial statements has been postponed by the Commercial Court in Paris through 30 September, 2023.

Your Statutory Auditors, BDO Paris and FIDAG, will provide you in their reports with all information regarding the regularity of the financial statements presented to you.

All the corporate documents, accounts, reports and other related documents have been communicated or made available to you under the conditions and within the time limits provided by legal and regulatory provisions.

The Board of Directors



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PART 1 – MANAGEMENT REPORT

1. ACTIVITY AND RESULTS OF THE GROUP DURING 2022 FISCAL YEAR AND OUTLOOKS

1.1. Activity

Founded in 2007, AgroGeneration is a large-scale producer of grain and oilseed. The Company's core business is grains and oil commodity crop farming, operating c.a. 30,000 hectares of high quality agricultural lands in the East of Ukraine.

Listed on the Euronext Growth Paris market since March 2010, the Company is controlled by SBF IV: the investment fund, managed by SigmaBleyzer Investment Group, which has around 30 years of experience in the private equity sector in Eastern Europe.

At the end of 2022 AgroGeneration employed approximately 500 employees, out of which approximately 100 seasonal workers. The Group had a capacity of up to 100,000 tons of production per annum on average and up to 105,000 tons of storage.

Around the long-term lease of land, the Group has developed a semi-intensive agricultural practice model, with controlled use of inputs, the search for first choice fertilisers and seeds and high-performing machinery. AgroGeneration marketed the production directly on the Ukrainian market and exported to top-tier buyers.


As of the end of 2022, the Group operated in the Kharkiv region in Ukraine with 4 production farms, an operational centre in Kharkiv and a central office in Kyiv. The Company's registered office is in Paris.

1.2. Key Events

1.2.1. War in Ukraine

On 24 February 2022 Russian Federation launched a full-scale military invasion of Ukraine, followed by intense military actions unfolded in a number of regions of the country, mainly in the East and in the South of Ukraine. This invasion caused irreparable damage both to the entire economy of the country and to its separate industries.

In 2022, on the back of the full-scale Russian invasion of Ukraine, local agricultural producers reduced the amount of lands under sowings by 25% on average on the back of partial occupation, damaged fields, close proximity to the frontlines. Around 20 million of 2021 stock



(mainly corn) was blocked in the Ukrainian seaports followed by sharp reduction in local crop prices and aggravating transportation and logistics (additionally affected by damaged railroads and other transport routs). Signed in late July 2022 export agreements between Ukraine, Turkey and UN helped ease the situation with oversupply in the country, but their full execution remains the subject for high uncertainty. Total value of direct damages to Ukrainian agricultural sector due to war is estimated at over \$8.7 billion as of April 2023 with over 50% of the amount presented by the destruction and damage to agricultural machinery.

The Kharkiv region, where all the land assets managed by the Group are located, is among TOP 5 regions (along with Luhansk, Kherson, Donetsk, and Zaporizhzhia regions) which were significantly affected by the war and is among those territories where active military conflict is still underway.

Thanks to the active counter-offensive of the Armed Forces of Ukraine in the Kharkiv region in early September 2022, those farmlands of AgroGeneration that were under occupation by Russian troops from the very beginning of the war, located in the Burluk and Balakliya regions, were liberated. Still, as of the date of this report, the Management had no accurate information on the state of those lands, as access to them was restricted by Ukrainian military authorities due to the need to check them for Russian mines. In addition, the liberated regions continue to be subject to daily rocket and artillery attacks from the territory of the Russian Federation, as they are located near the border with the invader. Taking into account above mentioned, the Group has carved out those assets and infrastructure of the Group (including earlier operated leased lands), which became “toxic”, as their value strongly decreased on the back of impossibility to operate such assets in foreseeable future. This resulted in the restructuring procedure (Note 5 to 2022 CFS). As of the end of 2022, the Group controlled and operated around 30,000 ha land bank reduced by half vs. pre-war state. Consequently, the management of the Group executed optimization procedures to bring general and administrative costs to a level that correlates with the new size of the Group’s operations.

In 2022, on the back of the full-scale war, the Group suffered a significant negative material impact from hostilities and temporary occupation by Russian troops, which amounted to €16.7 million, recognized in current annual consolidated financial statements, including lost crops, damaged machinery and infrastructure, inventories, etc. (Note 5 to 2022 CFS). In

addition, a number of operational changes, as the Group was forced to adapt to new military business conditions (Note 2.1 to 2022 CFS).

The full extent of the impact of further development of military actions on the Group's business is unknown, but its magnitude might be severe, as the war is ongoing as of the date of this report.

1.2.2. Geo-political and economic situation in Ukraine

Until February 2020, the Ukrainian economy was in a robust macroeconomic state thanks to the successful implementation of a reform program, with declining public debt, falling inflation and positive growth forecasts. But the Covid-19 outbreak and associated lockdown measures resulted in a sharp economic downturn with visible negative impact observed by the end of 2020. Ukrainian economy returned back to growth in 2021, overcoming negative implications of COVID-related restrictions. Still, since February 2022, Ukraine is facing another sharp economic and geopolitical downturn on the back of Russian invasion of Ukraine launched on February 24th with impacts which cannot be accurately assessed for the moment as the war is ongoing in Ukraine to the date of this publication.

On 24 February 2022, Russian forces commenced a military invasion of Ukraine resulting in a full-scale war across the country. The ongoing military attack has led, and continues to lead, to significant casualties, dislocation of the population, damage to infrastructure and disruption to economic activity in Ukraine. By April 2023, around 8.2 million individual refugees from Ukraine had been recorded across Europe, while up to 5.4 million people had been internally displaced in Ukraine. As of April 2023, over 5.0 million Ukrainians registered for temporary protection or similar national protection schemes in Europe. According to UN data as of March 2023, the largest number of refugees with the status of temporary protection are currently located in Germany (over 1.0 million people), Poland (up to 1.0 million people), and in the Czech Republic (around 0.4 million people). The War caused a disruption of supply chains, a decrease in supply of some goods, higher business costs, physical destruction of production facilities and infrastructure (in the energy sector in particular), and temporary occupation of some territories. Since the beginning of war Ukrainian seaports were blocked (until August 2022, when export agreements between Ukraine, Turkey and UN were signed) and airports were closed and had been damaged, as well as many roads and bridges had been damaged or destroyed, further aggravating transportation and logistics. According to World

Bank report as of March 2023, the estimated cost of recover and rebuilding Ukraine from Russia's war in the country would be over \$410 billion minimum. According to Ukraine's government latest estimates, the cost of damage to Ukraine economy and infrastructure is more than \$700 billion.

Upon the start of the invasion, all Ukrainian Black Sea ports stopped provision of transshipment services due to the armed conflict in the territory of Ukraine, including seas' areas that fully froze exports made via Ukrainian seaports. Transportation of goods was performed by railway and trucks. After months of Russia's blockade of Ukrainian sea ports, the "Grain deal" was signed by Ukraine, UN, Turkey, and Russia on 22 July 2022. According to the deal, three Ukrainian Black Sea ports (Odesa, Chornomorsk and Pivdennyi) were unblocked at the beginning of August 2022. Although these three ports resumed their operations, the flow of vessels to / from Ukrainian Black Sea ports did not reach the pre-war levels due to the slow inspections of vessels leading to queues in the "grain corridor", and short-term nature of the "Grain Deal" requiring its prolongation every 3-4 months and, hence, making buyers reluctant to enter into new export contracts. As of late April 2023, 28.8 million tonnes of agricultural produce have already been exported through the "grain corridor".

After the start of the war in Ukraine in February 2022, the Ukrainian government, aiming to maintain macro stability and avoid a humanitarian catastrophe in the country, has implemented emergency measures to protect core government operations and ensure Ukrainians can continue to access cash and meet their most basic needs, including the fixation of the official exchange rate, postponement of the decision regarding the change of the key policy rate, taxation amendments, etc. The National Bank of Ukraine (NBU) had taken steps necessary to ensure uninterrupted cash and cashless payments and to support the continuous functioning of the Ukrainian banking system under martial law. Despite the current unstable situation, the banking system remains stable, with sufficient liquidity even as martial law continues, and all banking services are available to its customers, both legal entities and individuals. Companies operating in Ukraine are paying taxes and money is still flowing through its financial system.

In June 2022, the NBU established the key policy rate at 25% p.a. compared with its previous level of 10% p.a. The updated forecast envisages maintaining this unchanged at least until Q1 2024. The exchange rate remained fixed at UAH 29.25 to the US Dollar until 21 July 2022, when

it was increased to 36.57 by the NBU. According to NBU, a fixed exchange rate remains an anchor for ensuring financial stability so the tight monetary conditions will be maintained. Once the economy and financial system return to normal operation, the NBU will revert to its traditional format of inflation targeting with a floating exchange rate. These measures aim to ensure the reliable and stable operation of Ukraine's financial system and facilitate the support for the Armed Forces of Ukraine, as well as the smooth operation of critical infrastructure.

Since the beginning of war in Ukraine, international organizations (IMF, EBRD, EU, World Bank), along with individual countries and charities, have provided Ukraine with bilateral and concessional financing, donations and material support. In 2022, Ukraine received over USD 32 billion in international assistance, of which over USD 14 billion was in the form of grants. This enabled the country to finance a larger portion of the consolidated budget deficit (over 27% of GDP, excluding grants), and to increase international reserves, to USD 28.5 billion by the end of the year. With already announced international aid the overall official financing in 2023 could exceed \$38 billion.

Economic activity started to recover due to the liberation of northern regions and a decrease in the number of regions affected by active hostilities. Thanks to the rapid adaptation by businesses and households to the new conditions and improved results of in the second half of 2022, the decline in real GDP for the whole 2022 is estimated at 30.3%. According to the National Bank of Ukraine's (the NBU) most recent forecast, the NBU expects growth in real GDP to be weak in 2023 at 0.3%, increasing in 2024 to 4.1%, an accelerating in 2025 to 6.4%, however, the outlook could worsen sharply if the conflict lasts longer. War-caused damages and disruptions, persistently high energy prices and record-high inflation in partner countries fuelled price pressures in Ukraine. Inflation expectations of businesses and households increased markedly. This was reflected in deteriorating maturity structure of bank deposits and higher spending on some durable goods, primarily imported goods. In the second half of 2022 inflation has stabilized, although it remains high at 26.6% as of the end of 2022; according to the NBU recent forecast it will decrease to 18.7% in 2023.

All in all, the magnitude of the Ukrainian economy contraction, however, is subject to a high degree of uncertainty related to the duration and intensity of the war, which is still ongoing. Further economic growth in the country depends upon the resolving the Russia invasion of

Ukraine and upon success of the Ukrainian government in realization of new reforms and recovery strategy (incl. cooperation with the international funds) after stopping the invasion.

The known and estimable effects of the above events on the financial position and performance of the Group in the reporting period have been taken into account in preparing reported consolidated financial statements. All farming subsidiaries of the Group are located in the Kharkiv oblast of Ukraine, where there is a high risk in the further escalation of military conflict, which is already in place since February 2022. Sowings of the Group in 2022 in the Kharkiv oblast represented around 30,000 ha.

Management is monitoring the developments in the current environment and taking actions, where appropriate, to minimize any negative effects to the extent possible. Further adverse developments in the political, macroeconomic and/or international trade conditions may further adversely affect the Group's financial position and performance in a manner not currently determinable.

1.2.3. Impact on COVID 19 on the Group's operations

In December 2019, an outbreak of a new strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread worldwide. On March 11, 2020, the World Health Organization declared COVID-19 as a pandemic. Ukraine declared a state of emergency on March 25, 2020. By the end of 2020, Ukraine had adopted a National COVID-19 Vaccination Roadmap, and a vaccination campaign started in February 2021. The Ukrainian government approved the use of AstraZeneca/Covishield, Sinovac Biotech, and Pfizer vaccines in Ukraine. In 2021, vaccinations were executed all over Ukraine.

Due to the COVID-19 pandemic, Ukrainian economic sectors was hit hard in 2020, and a slow recovery was observed in 2021, subject to global post-pandemic recovery. Due to vaccination conducted in 2021, Ukraine was able to soften the strictness of lockdowns allowing businesses to operate in the environment closer to normal while keeping minimum required preventive measures in place. Agriculture was among the least affected by quarantine restrictions, while service, trade and transport were the most affected.

In accordance with the national regulations and the best practices recommendations, AgroGeneration put in place sanitary measures in its operations to ensure employees safety, including observing social distancing, providing proper sanitizing and protective masks,

organizing medical screenings at the office premises or local medical authorities, etc. from the very beginning of the pandemic outbreak. Administrative employees worked from home as much as possible. Travel were virtually eliminated so that employees may observe stay-in-place orders and quarantines, with those in field operations observing all sanitary norms. During 2021, the Company took a proactive position by promoting vaccination along with other measures aimed at securing employees' safety in line with the guidelines issued by the Government of Ukraine. The Group executed vaccination program for its employees at the local medical authorities. By the end of 2021, 92% of the employees in the corporate center of the Group and 50% of the employees in the farms were vaccinated.

In 2022, quarantine restrictions in Ukraine due to COVID 19 continued, but had adjustments due to the full-scale war launched by the Russian Federation as it invaded Ukraine in February 2022. Since the beginning of war and over the period of martial law, the government cancelled the establishment of different levels of epidemic danger in Ukraine, still extended the quarantine and state of emergency to prevent the spread of COVID-19 (the latest extension was made in late April 2023 through June 2023). Due to the war, the daily number of vaccinations in the country has significantly decreased in 2022. Still, despite the war constraints, according to the Ukrainian government authorities, there are sufficient amount of vaccine in the country. All in all, as of April 2023, 5.5 million people were infected with COVID-19 in Ukraine since the start of the outbreak, of which over 112,000 died from the disease.

Since the start of the outbreak, there was no notable negative impact to AgroGeneration's operations, no change nor impact on the company's profitability position, and management does not see any material change to the company's business operations.

Should the situation worsen, the Covid-19 pandemic may have potential impacts on the financial statements: the company could potentially see an impact on future revenues, costs of inputs, timing of inputs supplies (and thus a change in yields), lower world crop prices, and increase storage costs. These and other factors could influence the cash flow of the company and the balance sheet. Management will continue to closely monitor the situation and assess the need for any future additional measures as the situation develops.

1.3. Group's results and consolidated financial statements

1.3.1. Presentation and valuation methods

The consolidated financial statements were prepared in compliance with IFRS standards as currently adopted in the European Union.

1.3.2. Presentation of key results

The key items of the consolidated financial statements were as follows :

- production of c.a. 75,500 tons of grain and oilseed in 2022;
- revenue of €25.9 million;
- net loss of €(31.6) million given an operating loss of €(27.5) million and a financial loss of €(3.7) million;
- shareholders' equity of €14.0 million;
- net debt, given available cash of €5.1 million, of €12.9 million (incl. IFRS 16).

1.4. Exposure to risks

The main risks and uncertainties facing the Group are:

- war risk that affects the condition and property of fixed assets and leased land, offices and production facilities, storage facilities and stocks of produced goods and inventories, employees (their loss resulting in disruption of business processes), ability of logistics routes in Ukraine, ability to conduct export activities, the data (its loss on the back of cyber attacks), availability of banking services, and ability to attract new loans;
- political and economic risks that are very high;
- reliability on the financial data of the group collected in farms located in war zone
- climatic and phytopathogenic risk that can affect the level of harvests and the quality of products;
- risk on the fluctuation of the price of agricultural commodities which directly impacts the level of turnover;
- legal and tax risks related to Ukrainian system that is still being developed;

- foreign exchange risk with a significant potential impact in case of depreciation of the hryvnia against the dollar and the Euro on the financial results;
- liquidity risk associated with the recent turmoil in Ukraine which led to significant tension and weakened sources of foreign investment and the ability of the local banking system to offer attractive interest rates;
- counterparty risk related to the absence of a secured prior guarantee group policy;
- risk of repatriation of capital invested in Ukrainian and Cypriot subsidiaries related to changes in the political environment.

1.5. Financial situation and results analysis

1.5.1. Summary of consolidated financial statements

The financial information set forth in this section have not been audited by the statutory auditors due to the war in Ukraine. This information are provided by the Management based on all the information available and collected in the Group.

Financial indicators

(in € thousands)	2021	2022
Revenue	43,896	25,864
Biological assets and finished goods (change in fair value)	20,006	(10,310)
Cost of sales	(31,541)	(21,162)
Gross profit	32,361	(5,608)
Selling, general and administrative expenses	(4,518)	(6,195)
Other income and expenses	(11,100)	(261)
Losses, expenses and other effects as the result of war ⁽¹⁾	-	(15,448)
Operating profit	16,743	(27,512)
Net financial income (expense)	(2,654)	(3,673)
Tax	113	(410)
Net profit (loss) from continued operations	14,202	(31,595)
Net profit (loss) from discontinued operations	-	-
Net profit (loss)	14,202	(31,595)

(in € thousands)	2021	2022
EBITDA ⁽²⁾	35,183	(5,845)
Equity	50,145	13,990
Net debt ⁽³⁾	17,500	12,917
Net debt excl. IFRS16	632	2,198

(1) Incl. direct material losses and costs of €16.7M occurred due to the full-scale war in Ukraine partially offset by €1.2M reduction of IFRS 16 related liabilities
(2) EBITDA = earnings before interest, tax, depreciation, amortization, provision, net gain or loss on fixed asset divestiture and impairment of non-current assets. In 2022, losses, adjustments and expenses (net) related to war were assumed to be one-off expenses and were not included into EBITDA calculation
(3) Total borrowings minus available cash and short-term financial assets and additional debt related to additional non-contractual portion of lease commitments

Production and revenue

In 2022, AgroGeneration produced around 75,512 tons of grain and oilseed (vs. 166,000 tons in 2021) over a cultivated area of circa 28,309 ha (vs. 56,109 ha in 2021). The sharp decline in production volume, over two times lower than the 2021 results, can be predominantly attributed to the loss of approximately 27k hectares of operated farmlands due to the war that unfolded in Ukraine starting in February 2022. The winter wheat harvest in AgroGeneration came to around 47K tons in net weight, with an average yield of 3.0 tons/ha (vs. 3.9 tons/ha in 2021), and with over 20% presented by milling wheat (vs. around 50% in 2021). The reduction in wheat yield and quality was mainly attributed to (1) weather issues (drought during the final stage of crop vegetation followed by intense rains during harvesting) and war related issues, precisely (2) logistics constraints followed by the inability to physically provide the Group's farms with the necessary amount of fertilizers, while an under-application of nitrogen fertilizers took place mainly in the southern farms of the Group, where military activities continued regularly; and (3) damaged fields, where harvesting was impossible due to the presence of military equipment and unexploded ordnance. In 2022, the Group collected over 24K tons of sunflower with an average net yield of 2.0 tons/ha (in line with 2021 yields). The total net production of other crops (corn and soy) came to around 5K tons, excluding c.a. 4k tons of corn harvested from 0.5k ha already in January 2023. Such a delay in the harvesting campaign completion was caused by weather issues (hard rains) in autumn 2022.

AgroGeneration posted 2022 revenues of €25.9 million, down €18.0 million from €43.9 million in 2021, primarily resulting from the sale of 83.0K tons (-51.9k tons vs 2021) of crops from 2021 inventories and the 2022 harvest, which were sold with dramatically reduced crop prices affected by the full-scale war in Ukraine launched by the Russian Federation in February 2022 and followed by the blockade of Ukrainian seaports (until August 2022, when the grain corridor was enacted between the UN, Ukraine, Turkey, and the Russian Federation) and damages to the logistics infrastructure. Sales break down as follows:

- €17.5 million from the sale of 2021 inventory (46,612 tons, mainly sunflower and wheat), part of which was sold under pre-war high crop prices;
- €7.9 million corresponds to revenue from the sale of 36,423 tons produced in 2022, around 69,400 tons decrease versus 2021 representing a dramatic decrease both in production volumes in 2022 caused by the war, as noted earlier, and postponement of sales to 2023 to take advantage of restoration of prices which remained at low levels in H2 2022, despite enactment of the grain corridor in August. The difference between tonnage produced and sold of around 39,080 tons corresponds to production used by the company for its own needs (seeds) and to inventory to be sold in 2023 (incl. over 4,000 tons of corn harvested already in early 2023);
- €0.5 million from other products and services (storage, drying).

The export share in the Company's revenues (including sales of inventories from prior year production) decreased compared with 2021 and stood at 28% (in tonnage) vs. 33% in 2021. Excluding crops not eligible for export (sunflower), the proportion would be 50%.

1.5.2. Earnings

The gross result from operations substantially deteriorated from a positive €32.4 million in 2021 to negative €(5.6) million in 2022, a €38.0 million reduction. This decline can be broken down as follows:

- €(22.2) million reduction in change in fair value of finished goods compared with 2021, representing a combined negative effect of selling crop prices reduction (€(10.5)M effect), production volumes reduction (€(10.0)M effect) on the back of reduced scope of operations (from 56k ha to 28k ha) and poor performance of winter wheat, and further increase in production expenses vs. 2021 (€(3.4)M effect), partially offset by forex and other non-material items (€1.7M effect);
- €(8.2) million reduction in change in fair value of biological assets compared with 2021 attributed to a number of negative factors: lost expected margin of winter wheat sown on lands lost due to war in the first half of 2022 (€(3.0)M effect), 2.5x lower area under winter wheat sown in autumn 2022 (€(2.5)M effect), significant winter wheat expected price reduction vs. 2021 (€(1.5)M effect), other factors (€(1.2)M effect);

- €(8.0) million related to the effect of a significant price drop for both wheat (-42%/ton yoy) and sunflower (-32%/ton yoy) sold during the reporting period;
- €(1.8) million associated with the increased production cost of crops sold on the back of key inputs prices further increase (for wheat +27%/ha yoy, for sunflower +44%/ha yoy);
- €(1.5) million of net effect on the back of reduced by around 40% sold volumes vs. 2021 (83k tons in 2022 vs. 135k tons in 2021);
- €3.7 million effect from forex and change in operational results from other activities.

Selling, general and administrative expenses increased by 37%, or by €1.7 million, from €4.5 million in 2021 to €6.2 million in 2022, mainly attributed to dramatic (up to 3x) increase in selling expenses (mainly cost of logistics) caused by the Russian invasion of Ukraine in February 2022 followed by seaports blockade and logistic infrastructure damages.

Net other expenses reduced to €(0.3) million in 2022 vs. €(11.1) million in 2021. The 2021 figure refers mainly to the depreciation of goodwill (non-cash effect). Being objectively restricted to conduct reliable and effective testing to confirm the book value of the goodwill (there being no availability of objective / realistic assumptions to be applied) and referring to the increasing risks and indicators of political and military escalation in Ukraine as of 31.12.2021 the Group recognised impairment of the goodwill in the full amount of €11.2 million.

As a result of above adverse factors, EBITDA of the Company turned negative and totalled €(5.8) million vs. €35.2 million in 2021.

The Group realized the direct material losses related to the full-scale invasion of Ukraine by the Russian Federation. As of the end 2022, total direct material losses and costs came to c.a €(16.7)M, €0.4M decrease compared with the losses amount recognized in the interim results of the Group. The change is related to the reduced amount of inventories and fixed assets loss by €0.6M, transfer of €0.9M markdown of available stocks as of June 30th to gross profit as of the end of 2022 due to their actual sale, and added expenses of €1.1M related to operational restructuring launched in Q3 2022 (Note 5 to 2022 CFS). This loss amount was partially offset by €1.2M non-cash positive effect from reduction in IFRS-16 related liabilities, net, as the result of the above mentioned operational restructuring.

Consequently, the Group saw an operating loss of €(27.5) million as compared with €16.7 million profit in 2021, i.e. a reduction of €44.2 million.

Net financial expense stood at €(3.7) million versus €(2.7) million in 2021. The increase of €1.0 million is primarily attributed to the variances in net foreign currency losses (c.a. €3.4 million negative variance) driven by the depreciation of the Ukrainian hryvnia during 2022 fuelled by ongoing full-scale war in Ukraine vs. Ukrainian hryvnia strengthening during 2021. Despite the latter, excluding any forex impact, the Group continued to reduce its financial expenses (by c.a. €2.4 million vs. 2021) on the back of further debt burden reduction, including reduction of Lease liabilities for right-of-use assets (operated land). No additional external financing was attracted in 2022.

Overall, the Group's net loss from operations amounted to €(31.6) million versus €14.2 million net profit achieved in 2021.

1.5.3. Financial structure

During the financial year, equity reduced from €50.1 million to €14.0 million. This dramatic slump has been mostly driven by the net loss of €(31.6) million caused by the full-scale war in Ukraine.

Operating cash flow totaled €6.8 million. This cash flow enabled the company to cover capital expenditures, repayment of borrowings, and interest paid during the year. At year-end, cash and cash equivalents amounted to €5.1 million.

The Group further decreased the amount of its net debt: from €17.5 million as of the end of 2021 to €12.9 million as of the end of 2022 (-26% yoy). Excluding IFRS 16, net debt came to €2.2 million as of the end of 2022 versus €0.6 million in 2021.

1.6. Progress and challenges

The Group's financial indicators in 2022 significantly deteriorated as illustrated by a negative EBITDA of €(5.8) million (vs. positive €35.2 million in 2021) and Net Loss of €(31.6) million (vs. Net Profit of €14.2 million in 2021). Such a result caused, in large part, by the full-scale invasion of Ukraine by the Russian Federation in early 2022. The Group suffered direct material losses and costs of €16.7M comprised of lost land, machinery and equipment, inventories and additional expenses incurred due to the war. The company was forced to carry out a partial liquidation of assets (operational restructuring procedure was launched in Q3 2022 as earlier

announced by the Group), thus halving the size of its business to c.a. 30,000 ha (vs. pre-war 56,000 ha). A dramatic drop (up to -30-40% yoy) in commodity crop prices took place from the very beginning of the war accompanied by increased prices in logistics. The grain corridor enacted in August 2022 helped ease the situation on the Ukrainian commodity market, yet prices did not return to the desired level, as the effectiveness of the grain deal remains under doubt being a short-term initiative to be extended each 2-4 months by all participants. In 2022, main inputs prices continued to increase, thus further reducing the Group's margin.

Full-scale war in Ukraine, launched in February 2022 by Russian troops invaded the country, reset all prior performance achievements of the Group. Nearest future prospects of the Company remain uncertain as the war is ongoing to the date of this report.

1.7. Research and development

In 2022, the Group did not perform any research and development activities.

1.8. Foreseeable developments and outlook

2023 prospects remain uncertain for the Group. A number of fundamental factors may negatively affect the Company's performance in the near future, in particular: ongoing Russian invasion of Ukraine with no visible end and continuing regular missile attacks, especially in the frontline regions, where all the production facilities of AgroGeneration are located; uncertainty with regard to the grain corridor as currently its operation relies on short-term (two-four months) periods to be further extended and agreed by all the parties of the grain deal, thus making buyers reluctant to enter into new export contracts and, all in all, reducing local crop selling prices and aggravating logistics of grains in Ukraine; limited sources of external financing, especially for those businesses located in the frontline regions; further increase in main input prices.

Despite the challenges and extremely difficult 2022, the Group continues to make all possible efforts to sustain its operations. As of the date of this report, AgroGeneration has executed the following activities related to the new 2023 crop production season:

- In autumn 2022, the Group's farms conducted its winter sowing campaign. As earlier announced, the Group managed to sow around 6.0k hectares with winter wheat,

substantially lower area vs. planned due to weather constraints. To date, the condition of winter wheat is excellent or good, no re-sowing took place over spring.

- In late May 2023, the Group completed its spring sowing campaign with c.a. 24.0k hectares engaged under sunflower, corn, and soy. Despite the delay to the start of the spring sowing campaign due to hard rains in the Kharkiv region, all the sowing activities were completed within acceptable agronomical time-limits. The Group had sufficient seeds, fertilizers, fuel, pesticides and other inputs required for the sowing areas, as well as the necessary vehicles, agricultural machinery and human resources. In total, the Group currently plans to harvest around 30k hectares in 2023 (in line with 2022).
- In February 2023, the Group obtained \$1.7M trade financing from one of its suppliers, thus easing the burden on cash flow during the period of highest cash outflow related to the spring sowing campaign. In addition, the Management of the Company is considering additional external financing from banks or trading partners in H2 2023 to finance the operating activities of the Group.
- In late 2022, the management of the Company started the optimization of the head-office of the Group to get it into accordance with the new/reduced size of the business after partial liquidation of assets caused by the full-scale war in Ukraine.

The progress of war in Ukraine and its implications for the Group's operations over the coming months remain uncertain. Notwithstanding the Group's executed measures in maintaining operations thus far, it is not currently possible to provide clear guidance as to how the year will progress.

1.9. Significant events occurred since 31 December 2022

1.9.1. Trading financing

In the first quarter of 2023, Group companies attracted short-term trade financing from long-standing partner – Agropetsinvest company. The partner supplied agricultural materials in first quarter with the deferral of repayment till 1st December 2023. In the framework of this trade financing AgroGeneration SA stood the Corporate Guarantee for the reimbursement of the supplier debt of 1.7M USD.

1.9.2. Audit of the financial statements

Considering that the Russian military invasion of Ukraine is ongoing, the Ukrainian's statutory auditors of the Group were still unable to visit and made their due diligence in all farming subsidiaries of the Group located in the Kharkiv region.

2. GROUP' S PERIMETER

2.1. Group's companies

The consolidated companies at December 31, 2022, as well as the direct or indirect interests held by AgroGeneration S.A. in these entities, are shown in a table in **Appendix 1**.

2.2. Acquisitions and disposals of investments

During financial year 2022, the Group did not make any divestment or acquisition.

2.3. Operational restructuring: partial asset liquidation

In 2022, on the back of the Russian invasion of Ukraine started in February and still ongoing, around 25,000 hectares of the Group's farmlands with fixed assets and related production infrastructure on mentioned farmlands were recognized by the Management to be "toxic", as their value strongly decreased, being (i) destroyed or damaged on the back of military activities, (ii) located near the frontlines with no access to them and inability to use such assets (including extensive mining), (iii) assets, for which the Company incurred expenses or increased liabilities but was unable to use such assets. "Toxic" assets included agricultural equipment, fixed assets and real estate, inventory and land assets. Four production farms out of six comprising the Group had such "toxic" assets with different amounts of asset loss. The described "toxic" assets were not operated by the Group in 2022 and were not prepared to be operated during the coming production seasons. Still, the Company was required to continue accruing "toxic" farmlands lease cost, paying it or creating financial reserves for these obligations on annual basis (over \$2M per year, or over \$6M for the next three years). In addition, such farmlands required substantial expenses for their restoration, including cost of de-mining and re-cultivation, and capital expenditures into machinery and production infrastructure renewal. The Management assessed the total costs for maintenance (incl. land lease cost) and restoration of the "toxic" assets at over \$50M.

The restructuring procedure seemed to be the sole option that the Group had, beside a massive injection of cash. The other option would be to wait on possible states' subsidies at the end of war, not under discussion yet.

The purpose of the restructuring was to completely write off from the balance sheet of AgroGeneration and its affiliated companies assets, property, property rights and obligations, etc., which were damaged, lost or otherwise negatively affected after February 24, 2022 during the martial law as a result of the armed aggression of the Russian Federation.

A tender for the selection of a liquidator company was conducted in September 2022. In early October 2022, the contract with the chosen liquidator company was signed. Group liabilities were valued at \$1.1M to be paid to the liquidator company for the liquidation execution.

The list of entities that were the subject to further liquidation included Donets farm, Burlutske farm, newly created Barvinkivska Agro and Podolivska Agro companies (to which the “toxic” assets that were initially recognized on the balance sheets of the Podolivska and Barvinkivska farms were transferred). As of December 31st, 2022, mentioned above four legal entities were not included into consolidated legal structure of the Group. The scope of operating leased lands derecognized in the process of reorganization represented around half of the original c.a. 56,000 hectares operated by the Group at the beginning of the year 2022 before the war.

3. STATUTORY ANNUAL ACCOUNTS AND RESULT ALLOCATION

3.1. Review of annual accounts of AgroGeneration S.A.

3.1.1. Presentation rules and evaluation methods

The presentation rules and valuation methods used to draw up the annual financial statements comply with the French regulations in force and no change has occurred compared to previous years.

Based on the new regulation ANC 2015-05, foreign exchange results can be accounted as operating income or financial result. Consequently forex gains or losses on trade customers or suppliers are accounted in operating result.

3.1.2. Turnover and results

The turnover of AgroGeneration S.A. amounts to € 0 million, as well as in 2021, due to fact that since 2020 all new crop export contracts are concluded directly between Ukrainian farms and customers and not via AgroGeneration SA. Since March 2023, the Group resumed the execution of the new crop export contracts via AgroGeneration SA.

The operating result is a loss of €(0.03) million vs. a profit of €0.3 million in 2021.

The net financial result is a gain of €0.3 million compared to a profit of €16.9 million in 2021.

3.1.3. Shareholders' equity

Equity amounted to €34.0 million compared to €34.3 million in 2021, i.e. decrease of €0.3 million.

3.1.4. Payment deadlines

In accordance with the article L.441-6-1 of the French Commercial Code, please find below information on the payment terms of suppliers and customers. All amounts come from the balance sheet and therefore include VAT, except for abroad where there is no VAT.

Invoices received and issued not paid on the closing date of the financial year for which the term has expired (table provided for in I of Article D. 441-4)

	Article D 441 I.-1*:Invoices received not paid on the closing date of the financial year whose term has expired						Article D 441 II.-2*:Invoices issued not paid on the closing date of the financial year whose term has expired					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day and more)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day and more)
(A) Late payment tranches												
Number of invoices concerned	7	X				4	2	X				4
Total amount of the invoices concerned excl. tax.	12 254 092 €	1 576 €			4 956 €	6 532 €	8 047 662 €			677 418 €	677 418 €	
Percentage of the total amount of purchases excluding tax some exercise							X					
Percentage of turnover h. t. some exercise	X											

(B) Invoices excluded from (A) relating to disputed debts and receivables		
Number of invoices excluded		
Total amount of the invoices excluded		
(C) Reference payment terms used (contractual or commercial code period)		
Payment terms used to calculate late payments		

3.1.5. Loans of less than 3-years concluded by AgroGeneration S.A.

No loans of less than three years have been concluded by AgroGeneration S.A. in accordance with Article L. 511-6 of the Monetary and Financial Code.

3.2. Proposed allocation of the result

The result of the financial year ended at 31 December 2022 was a net loss of €(0.299) million, which we propose to allocate to the retained earnings account.

3.3. Non-deductible expenses

No reinstatement in the calculation basis of corporation tax has been made under Article 39-4 of the French Tax Code (excess or non-deductible depreciation).

3.4. Amount of dividends distributed over the past three fiscal years eligible to the 40% rebate and non-eligible to this rebate

AgroGeneration S.A. did not distribute any dividends or income eligible for the 40% rebate for the previous three financial years.

3.5. Five-year financial summary

In accordance with the provisions of Article R. 225-102 of the French Commercial Code, a table is attached to this report (**Appendix 2**) showing our company's results for each of the last five financial years.

4. FREE SHARES, STOCK-OPTIONS, STOCK SUBSCRIPTION WARRANTS, BSPCE (STOCK OPTIONS) AND OTHER SECURITIES

As a result, as at December 31, 2022, the number of outstanding instruments and the number of shares potentially issuable following the exercise of these instruments are presented below:

Instruments	Number of instruments	Number of potential additional shares
KONKUR Warrants*	1 379 487	2 519 544

Total **2 519 544**

* issued on 30 September 2015 to the benefit of Konkur Investments Limited, the exercise price is comprised between 1,79€ to 2,50€ per share.

During financial year 2022, AgroGeneration S.A. did not grant any stock options to corporate officers.

5. DISCLOSURE OF INFORMATION REGARDING TRADING IN SECURITIES BY EXECUTIVES OR BOARD MEMBERS OR ASSIMILATED

In accordance with Article 223-26 of the General Regulations of the Financial Markets Authority (AMF), there were no operations that has to be declared to the AMF.

6. INFORMATION ON THE SHARE CAPITAL OF AGROGENERATION S.A.

At December 31, 2022, the share capital amounts to €11 079 319.35. It is divided into 221 586 387 ordinary shares with a par value of €0.05.

6.1. Shareholding structure

In accordance with Article L. 233-13 of the Commercial Code, we hereby inform you of the identity of the shareholders directly or indirectly holding more than 5%, 10%, 15%, 20%, 25%, 33,33%, 50%, 66,66%, 90% or 95% of the share capital or voting rights at General Meetings, as well the identity of other shareholders:

Shareholders	At 31/12/2022	
	Number of shares	%VR and capital
Konkur Investments Ltd	126 084 106	56.90%
Float *	95 502 281	43.10%
Total	221 586 387	100.00%

* Public ownership corresponds to the free float and the portion held by certain former employees (See **Section 6.2.1**).

The key shareholder of AgroGeneration S.A. is Konkur Investments Limited which is owned at 80% by a wholly owned subsidiary of the investment fund SigmaBleyzer Southeast European Fund IV, CV. The fund is managed by SigmaBleyzer Investment Group LLC, the general partner, which is controlled at 100% by Michael Bleyzer, Lev Bleyzer and Valery Dema.

6.2. Information regarding the transactions made by the Company on its share capital

6.2.1. Employee participation in the capital

In accordance with the provisions of Article L. 225-102 of the Commercial Code, we inform you that as of December 31, 2022, there are no shares held by employees.

6.3. Stock price

At the end of the financial year, the AgroGeneration S.A. share price was €0.08.

6.4. Branches

At the date hereof, AgroGeneration S.A has no branch.

7. INFORMATION ON ENVIRONMENTAL IMPACTS AND SOCIAL PROGRAMS

7.1. Protection of the environment

The farmland operated by AgroGeneration is part of Ukraine's natural heritage and must be managed in a respectful and reasoned manner. In this respect, the sustainable environment is a concept taken into account at the highest level of the Company's management. In defining its environmental management policy, the Company relies on the provisions of Ukrainian environmental legislation and other regulations and strictly complies with all government regulations relating to environmental protection.

At the same time, implementing its philosophy of promoting innovation and technology, AgroGeneration is committed to preserving the environment with state-of-the-art equipment, innovative technology and cutting-edge farming methods. In order to minimise erosion and to preserve soil moisture and nutrients, the Company directs its investments towards the choice of modern farm machinery within the framework of reduced tillage practices. All equipment has fuel consumption detectors and GPS navigation systems, which not only reduces energy consumption, tracks vehicle movements and achieves high precision planting, but also controls emissions of dangerous gases.

7.2. Social programs

In line with its commitment to social responsibility, AgroGeneration supports disadvantaged structures such as orphanages, hospitals, schools and retired populations. Thanks to its diversified activities, the Company distinguishes itself by improving the living conditions of the villages in the regions where it is present, and in particular in the Kharkhiv oblast, which faces

population displacements from the Lugansk and Donetsk oblasts. The essential aspect is the creation of jobs for local residents. This aspect has all the more impact as posts are created in rural areas, where unemployment is a particularly difficult issue. In addition, the Company pays special attention to Ukrainian children, the future of the country. It thus supervises several schools in the areas where the group's subsidiaries are located. AgroGeneration invests in infrastructures such as schools and young football teams, finances the purchase of new sports equipment and provides other types of assistance as needed. The Company also invests in the great tradition of summer camps for young people and sends gifts at the end of the year to children.

Since the declaration of war by Russia, it is specified that the Company is making its best efforts to maintain its social programs described above.

8. INJUNCTIONS OR FINES AS A RESULT OF ANTI-COMPETITIVE PRACTICES

We inform you that AgroGeneration S.A. has not been subject to any injunction or financial penalty for anti-competitive practices during financial year 2022.

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PART 2 – CORPORATE GOVERNANCE REPORT

1. Agreements referred to in article L. 225-37-4 paragraph 2 of the French Commercial code

This section will present:

- The regulated agreements referred to in article L. 225-38 of the French Commercial code have been entered into during the financial year ended 31 December 2022 and duly authorized by your Board of directors throughout the financial year **(1.1)**,
- The other regulated agreements which have been entered into in the past financial years, have been continued **(1.2)**,
- The other regulated agreements which have been authorized since the end of the financial year **(1.3)**,
- The agreements entered into between the subsidiaries of the Company and the shareholders and/or executives of the Company **(1.4)**.

These regulated agreements referred in subsection 1.1, 1.2 and 1.3 are discussed in the special report of the auditors.

1.1. Regulated agreements duly authorized throughout the financial year

No agreements have been authorized by the Board of directors of AgroGeneration S.A. throughout the financial year.

1.2. Regulated agreements approved in the past financial years and pursued during the current financial year

The following agreements, authorized by the Board of directors of AgroGeneration S.A., have been pursued throughout the financial year:

- ***Revolving loan entered into with Konkur Investments Limited and SigmaBleyzer Investment Group LLC for a maximum amount of € 2 900 000***: the Board of directors authorized on March 31st 2017 the conclusion of a revolving loan, dated April 1st 2017, to the benefit of AgroGeneration S.A., for a maximum amount of € 2 900 000, which can be drawn down in several times for a maximum amount of € 1 450 000 for each drawing on the 1st of April and the 1st of October of each year. Every drawing will have a maximum maturity of one (1) year and an interest rate of 12%. This interest rate may be reviewed in the case there is a movement of the market, after an approval given by

the Board of directors.

This agreement was modified during the year 2022 by the suspension of the accumulation of interest from June 30, 2022 and the conversion into debt denominated in dollars, which was set at 2,129,105 US dollars. In 2022, the debt repayment deadline was extended until 30.06.2024.

- ***Amendment n°2 to the Revolving loan entered into with Konkur Investments Limited and SigmaBleyzer Investment Group LLC for a maximum amount of € 2 900 000:*** the Board of directors authorized on March 31st 2017 the conclusion of a revolving loan, dated April 1st 2017, to the benefit of AgroGeneration S.A., for a maximum amount of € 2 900 000, which can be drawn down in several times for a maximum amount of € 1 450 000 for each drawing on the 1st of April and the 1st of October of each year. Every drawing will have a maximum maturity of one (1) year and an interest rate of 12%. This interest rate may be reviewed in the case there is a movement of the market, after an approval given by the Board of directors.

The Board of directors also authorized on July 3rd 2017 the modification of the terms and conditions of this loan, in particular to include SigmaBleyzer Investment Group LLC as an additional lender.

This one-year agreement was not renewed but was amended on March 28, 2018 by the Board of Directors to extend the maturity date of the two drawings within the framework Revolving loan agreement of one (1) year.

This agreement has been amended to modify the maturity date. The reimbursement of the two drawings of a respective amount, in principal, of € 752,190 and € 1,433,744.

- ***Loan entered into with Konkur Investments Limited for a maximum amount of € 1,433,744:*** On March 28, 2018, the Board of Directors authorized the conclusion of a loan by Konkur Investments Limited for the benefit of AgroGeneration SA for a maximum amount of € 1,433,744 for a period of one (1) year, interest rate of 12%. On April 3, 2018, the Company made a drawing of € 1,433,744. This agreement was modified during the year 2022 by the suspension of the accumulation of interest from June 30, 2022 and the conversion into debt denominated in dollars, which was set at 1,595,475 US dollars. In 2022, the debt repayment deadline was extended until 30.06.2024.

- ***Loan entered into with Konkur Investments Limited for a maximum amount of € 1,433,744:*** On September 13, 2018, the Board of Directors authorized the conclusion of a loan by Konkur Investments Limited for the benefit of AgroGeneration SA for a maximum amount of € 1,433,744 for a period of one (1) year, interest rate of 12%. On October 1, 2018, the company made a draw of € 1,433,744. This agreement was modified during the year 2022 by the suspension of the accumulation of interest from June 30, 2022 and the conversion into debt denominated in dollars, which was set at 1,595,475 US dollars. In 2022, the debt repayment deadline was extended until 30.06.2024.
- ***Loan from Konkur Investments Limited for a maximum amount of € 1 433 744:*** the Board of directors authorized on March 14, 2019 the conclusion dated March 15, 2019 of a loan by Konkur Investments Limited to the benefit of AgroGeneration S.A., for a maximum amount of €1 433 744 and for a period of six months, with an interest rate of 12%.
On 1 April 2019, AgroGeneration drew down €1,433,744.
The Board of directors considered the conclusion of this agreement to be justified by the forthcoming financial deadlines of the Company.
This agreement was modified during the year 2022 by the suspension of the accumulation of interest from June 30, 2022 and the conversion into debt denominated in dollars, which was set at 1,595,475 US dollars. In 2022, the debt repayment deadline was extended until 30.06.2024.
- ***Amendment n°3 to the Revolving Loan from Konkur Limited and SigmaBleyzer Investment Group LLC for a maximum amount of € 2 900 000:*** the Board of Directors authorized on March 14, 2019 the conclusion dated March 15, 2019 of a new amendment to the revolving loan entered into between Konkur Investments Limited, SigmaBleyzer Investment Group LLC and AgroGeneration S.A., for a maximum amount of € 2 900 000.
The aim of this amendment is to extend the maturity date of the two drawings realized under the aforementioned one (1) year revolving loan. The first drawing, with a

principal amount of €752 190 and the second drawing, with a principal amount of €1 433 744, shall now be repaid on October 2nd 2019 (from previously April 1, 2019 for the first one and October 2, 2018 for the second one).

The Board of directors considered the conclusion of the amendment to be justified by the forthcoming financial deadlines of the Company.

- ***Amendment No. 4 to the revolving loan agreement between the Company and Konkur Investments Limited and SigmaBleyzer Investment Group LLC***

On October 4, 2019, the Board of Directors authorized the conclusion of a global amendment to all contracts concluded between Konkur Investments Limited, SigmaBleyzer Investment Group LLC and AgroGeneration S.A., for a total amount of €6,214,513.

The purpose of this amendment is to modify the maturity date of these loans in order to (i) suspend their due date, (ii) make them repayable at any time subject to a prior period of (5) days and (iii) modify the qualification of these loans as a global shareholder loan.

The Board of Directors considered that the conclusion of this new amendment was justified by the Company's future financial maturities.

The Board of directors considered that the conclusion of this agreement and its amendment were justified by the forthcoming financial deadlines of the Company.

After further supplementary agreements signed in 2022, at the date of this document, the amount outstanding under these agreements amounts to US\$ 6,915,531.

- ***Amendment No. 5 to the revolving loan agreement between the Company and Konkur Investments Limited and SigmaBleyzer Investment Group LLC***

On June 30, 2022, the Company amended all the loan agreement contracts concluded between Konkur Investments Limited, SigmaBleyzer Investment Group LLC and AgroGeneration S.A., for a total amount of €6,214,513.

The purpose of this amendment is to modify the maturity date until 31 December 2022, suspend interest accrual after June 30, 2022 and change the currency of the loan which shall now be reimbursed in American dollars. Thus, the total debt has been fixed

at 6,915,531 US dollars since June 30, 2022. Considering that this amendment was concluded in the ordinary course of business and in the interest of the Company, no approval has been requested to the Board.

- ***Amendment No. 6 to the revolving loan agreement between the Company and Konkur Investments Limited and SigmaBleyzer Investment Group LLC***

On December 30th, 2022, the Company amended all the loan agreement contracts concluded between Konkur Investments Limited, SigmaBleyzer Investment Group LLC and AgroGeneration S.A., for a total amount of US\$ 6,915,531.

The purpose of this amendment is to modify the maturity date until 30 June 2024. Considering that this amendment was concluded in the ordinary course of business and in the interest of the Company, no approval has been requested to the Board.

1.3. Agreements entered into between the subsidiaries of the Company and the shareholders and/or executives of the Company

The following agreements, referred to in article L. 225-37-4 paragraph 2 of the French Commercial code, have been entered into during the 2021 financial year:

- ***Rent agreements between Ukrainian subsidiaries (Registr, AGG UA, BAR, LAN, POD, UNA, DON, BUR) and Techno-Iron LLC:*** the rent agreements on the rent of office premises in Kharkiv, dated December 01, 2018 has been concluded between Register LLC (Registr), AgroGeneration Ukraine LLC (AGG UA), AF Barvinkivska LLC (BAR), LAN LLC (LAN), AF Podolivska LLC (POD), AF Ukraina Nova LLC (UNA), APK Dontets LLC (DON), Burlukskoje PC (BUR) and Techno-Iron LLC (the company controlled by SigmaBleyzer Group). The invoices amount for the 2022 financial year reduced to €213,630 without taxes.

2. GOVERNANCE

We remind you that under the provisions of article L. 225-51-1 of the Commercial Code, the Board of Directors has opted to separate the functions of Chairman of the Board of Directors and Managing Director, Mr. Michael Bleyzer acting as Chairman of the Board of Directors and Mr. Sergiy Bulavin acting as Managing Director.

2.1. Composition of the Board of Directors and of the executive management during the past financial year

Term of office	Surname and first name / company name	Date of first appointment	End of the term of office
Chairman of the Board of Directors – Member of the Board of Directors	Mr. Michael Bleyzer	Ordinary General Meeting of 11/10/2013	As Chairman until the ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024 As Director until the ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
Member of the Board of Directors	Mr. John Shmorhun	Ordinary General Meeting of 11/10/2013	As Director until the ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
	Mr. Lev Bleyzer	Ordinary General Meeting of 11/10/2013	Ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
	Mr. Valery Dema	Ordinary General Meeting of 11/10/2013	Ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
	Mr. Neal Warren Sigda	Ordinary General Meeting of 11/10/2013	Ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
	Mr. Guillaume James	Ordinary General Meeting of 11/07/2014	Ordinary General Meeting to approve the accounts for the financial year ending 31/12/2024
	Mr. Xavier Regnault	Ordinary General Meeting of 26/06/2018	Ordinary General Meeting to approve the accounts for the financial year ending 31/12/2023
Managing Director	Mr. Sergiy Bulavin	Board of directors of 31/03/2020	Unlimited

2.2. Personal information regarding the Managing Director

Sergiy Bulavin – Managing Director of AgroGeneration



Sergiy Bulavin began his career in 1995 at SigmaBleyzer, a US-based private equity firm and current majority shareholder of AgroGeneration. He held a number of operational and senior management positions covering several Eastern European countries (Ukraine, Bulgaria, Romania and Kazakhstan) before taking up a position as Vice President assigned to the Ukraine Agricultural Project.

In 2010, he joined Harmelia as First Vice President, and after the 2013 merger with AgroGeneration, became Senior Vice President of AgroGeneration. Since March 2020, he became Managing Director of the Group.

2.3. Personal information regarding the members of the Board of Directors

Michael Bleyzer – Chairman of the Board of Directors



Michael Bleyzer is the founder of SigmaBleyzer (established in 1994), one of Eastern Europe's largest and most experienced private equity investors, and the developer of its business model, which blends the best of Western business practices with extensive regional experience in former Soviet bloc countries.

Born in Kharkiv, Ukraine, Mr. Bleyzer was raised and educated in the Soviet Union, graduating from the Kharkiv Institute of Radioelectronics with a Master of Science in digital electronics and quantum physics. His career took him to Russia, Ukraine, Uzbekistan and Turkmenistan, before he came to the U.S. in 1978 where he became an American citizen. Mr. Bleyzer then embarked on a career in finance and management, which lasted over 15 years at Exxon and Ernst & Young included a variety of operational, management and executive positions in Texas, Louisiana and Europe.

Mr. Bleyzer has appeared on CNBC as an expert on emerging markets investment and frequently speaks at investment conferences around the world. Mr. Bleyzer has served on the Board of Directors of the Houston Holocaust Museum, the Texas Emerging Technology Fund Advisory Committee, Thunderbird Private Equity Center Executive Advisory Board, the

Thunderbird Global Council, and the Advisory Board of the Emerging Markets Private Equity Association (EMPEA).

Since October 2013, Mr. Bleyzer serves as Chairman of the Board of Directors of AgroGeneration.

Lev Bleyzer – Member of the Board of Directors



Lev Bleyzer is a founding Partner of SigmaBleyzer and is responsible for everyday operations at the company. Mr. Bleyzer was born in the former Soviet Union and attended Kharkiv Engineering Economics Institute. He immigrated to the United States in 1981 and graduated from the University of Houston with a degree in management in 1987.

During college, he worked for a wine wholesale company, where he became one of the top salesmen in Houston. After graduation, Mr. Bleyzer was accepted into the management program of a national retail company where he worked for four years as sales manager until he joined Sigma Ventures Inc. in 1994.

Mr. Bleyzer is a member of the Board of Directors of numerous companies located throughout Eastern Europe. In his capacity as Board Member, he is responsible for the financial and operational aspects of each business.

Since October 2013, Lev Bleyzer sits at the Board of Directors of AgroGeneration. He is also Chairman of the Remuneration Committee and member of the Audit committee.

Valery Dema – Member of the Board of Directors



Valery Dema founded Sigma Financial Industrial Group in 1989 and served as its General Director. In 1994, Sigma Financial Industrial Group brought under the control of Sigma Venture Inc, date on which he became vice-chairman. He is currently responsible for New Business Development in SigmaBleyzer.

Mr. Dema graduated from the Kharkiv Aviation Institute in 1985. His post-graduate studies include three years of economics at the Kharkiv Engineering Economics Institute, one year of

management at Cologne University in Germany and three years of law at the Kharkiv Institute of Jurisprudence.

Since October 2013, Valery Dema sits at the Board of Directors of AgroGeneration.

Neal Warren Sigda – Member of the Board of Directors



Neal Sigda is a Partner at SigmaBleyzer, serving as a member of the Investment Committee and the Chairman of the Internal Portfolio Review Board. From 1995 to 1997, Mr. Sigda spent most of his time in Kaliningrad, Russia as well as in St. Petersburg, where he was the Director of Finance for a joint venture.

Prior to that, he spent several years in the publishing industry. Mr. Sigda holds a bachelor's degree from Cornell University and a Master of International Management from Thunderbird, the American Graduate School of International Management (with a specialization in finance).

As Partner at SigmaBleyzer, Mr. Sigda has helped build or manage various areas of the business. This includes serving or having served on several Boards of Directors, heading up SigmaBleyzer Equities Research Group, monitoring investors' relation and leading the Deal Team.

Since October 2013, Mr. Sigda serves as a member of the Board of Directors of AgroGeneration. He is also a Chairman of the Audit Committee and member of the Remuneration Committee.

John Shmorhun – Member of the Board of Directors



John Shmorhun is a former DuPont executive that has worked in Ukraine and Russia for more than 18 years managing DuPont's agricultural businesses in the region. As Director, he was in charge of operations in Russia, Ukraine, and the CIS countries for eight years.

Prior to that appointment, he started-up DuPont Ukraine, where he served as the General Director in charge of DuPont's agrochemical business from 2003 to 2008. He served as a Navy

pilot for 10 years prior to joining DuPont. Mr. Shmorhun has served on many boards, including the American Chamber of Commerce in Russia, DuPont Khimprom CJSC, and DuPont Russian Coatings CJSC. He holds an MBA from the International Management Institute in Geneva and a BS in Mechanical Engineering from the US Naval Academy. Since 2010, John Shmorhun has been employed as the President of Harmelia, a portfolio company of SigmaBleyzer. From 2013 till March 2020, Mr. Shmorhun has served as the CEO at AgroGeneration.

Guillaume James – Member of the Board of Directors



Guillaume James graduated from Panthéon Assas University in 1999. He holds a degree of Master in Law. Between 2000 and 2002 Mr. James served as a Jurist at Self Trade (online broker).

Between 2002 and 2010 he held a position of Director of Corporate Affairs at Poweo (First Independent French Electricity and Gas Supplier).

Since 2008, Mr. James serves as a Director at Gravitation. Since 2014, Guillaume James sits at the Board of Directors of AgroGeneration. He is also a member of the Remuneration Committee.

Xavier Regnaut - Member of the Board of Directors



Xavier Regnaut is an agronomist and geneticist, graduated from the Executive MBA of HEC Paris and Babson College in Innovation and Entrepreneurship.

From 1990 to 1994, Xavier Regnaut was the chief of agricultural food products innovation market of the group Limagrain.

From 1995 to 2008, he successively held the positions of General Director of Fidesco then of the Entrepreneurs Network (financing of SMEs with a high potential), where he was at the initiative of the creation of an investment fund for innovative companies.

From 2008 to 2013, he was the President and Vice President of IHD (Health) and Momagri (Agricultural Rating Agency). From 2019 to the present he is the President of Blainville Executive Conseil.

Xavier Regnaut serves as a member of AgroGeneration's Board of Directors since 2017.

2.4. List of other directorships and positions held by the corporate officers

Name and surname of the director	Mandates and positions held within the Group during the financial year ended and during the last five financial years	Offices and positions held outside the Group during the last five financial years
Michael Bleyzer	<u>Mandates and functions during the past financial year:</u> - Chairman of the Board of Directors	<u>Mandates and functions during the year ended:</u> - Founder and Chairman, DAAR Charitable Foundation - CEO, member of the Investment Committee and founding partner of SigmaBleyzer
John Shmorhun	<u>Mandates and functions during the past financial year:</u> - Member of the Board of Directors	<u>Mandates and functions during the year ended:</u> - Founder MoveUkraine foundation, Ukraine - Partner LandSolution, Ukraine - Supervisory Board member, Help Us Help, Ukraine
Valery Dema	<u>Mandates and functions during the past financial year:</u> - Member of the Board of Directors	<u>Mandates and functions during the year ended:</u> - HASK-Flex (Ukraine): member of the Board of Directors

Lev Bleyzer	Mandates and functions during the past financial year:	Mandates and functions during the year ended
	<ul style="list-style-type: none"> - Member of the Board of Directors 	<ul style="list-style-type: none"> - CEO, member of the Investment Committee and funding partner of SigmaBleyzer - Member of the Board of Directors of UKRN I New Capital Growth Co Limited (Cyprus) - Member of the Board of Directors of UKRN II New Capital Growth Co Limited (Cyprus) - Member of the Board of Directors of UKRN III New Capital Growth Co Limited (Cyprus) - Member of the Board of Directors of Volia Limited (Cyprus) - Member of the Board of Directors of OISIW Limited (Cyprus) - Member of the Board of Directors of Elandia Holding Limited (Cyprus) - Member of the Board of Directors of Giacintoco Holding Limited (Cyprus) - Member of the Board of Directors of Braeside Limited (Cyprus) - Member of the Board of Directors of SBF IV Cyprus Limited (Cyprus) - Member of the Board of Directors of Ostrella Limited (Cyprus) - Member of the Board of Directors of Konkur Investments Limited (Cyprus) - Member of the Board of Directors of Iviza Investments Limited (Cyprus) - Member of the Board of Directors of Bonza Bay Investments Limited (Cyprus) - Member of the Board of Directors of Ungeni Investments Limited (Cyprus) - Member of the Board of Directors of SigmaBleyzer Southeast European Fund IV CV (Holland) - Member of the Board of Directors of SBF Southeast European Holdings BV (Holland) - Director of SigmaBleyzer Investment Group LLC (USA) - Director of SBT GP VI LLC (USA) - Director of SBT Investment VI LLC (USA) - Director of SIGMA UGF-IV LLC (USA) - Vice-President of Sigma Ventures Inc (USA) - Vice-President of Sigma Advisors Inc (USA) - Member of the Board of Directors of Poltava Conditier (Ukraine) - Member of the Board of Directors of Sigma Cayman III LTD (Cayman)
		<p><u>Mandates and functions held during the last five financial years:</u></p>

		<ul style="list-style-type: none"> - Member of the Board of Directors of Aquorn Holding Limited (Cyprus) - Member of the Board of Directors of Wellaxo Investments Limited (Cyprus) - Member of the Board of Directors of SBV IV Dairy BV (Holland) - Member of the Board of Directors of Sumatra LTD (Ukraine) - Member of the Board of Directors of Covalact
Neal Sigda	<u>Mandates and functions during the past financial year:</u> <ul style="list-style-type: none"> - Member of the Board of Directors 	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - President of the Internal Portfolio Review Board of SigmaBleyzer - Member of the Investment Committee and partner of SigmaBleyzer
Guillaume James	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - Member of the Board of Directors 	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - CEO of DreamJet Participations SAS - Vice CEO of Gravitation SAS - Member of the monitoring Board of Audacia SAS - President of GCM I Corporate SAS
Xavier Regnault	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - Member of the Board of Directors 	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - Blainville Executive Conseil : President
Mr. Sergiy Bulavin	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - CEO 	<u>Mandates and functions during the year ended:</u> <ul style="list-style-type: none"> - SigmaBleyzer: Non Executive Vice President / Advisor - Terramet: Chairman of Advisory Board <u>Mandates and functions held during the last five financial years:</u> <ul style="list-style-type: none"> - Ukrainian Corporate Governance Academy: CEO (till April, 2020) - NST Group: Member of Advisory Board (till November, 2022)

2.5. Remuneration of the Members of the Board of Directors and Executive Management

2.5.1. Remuneration of the Members of the Board of Directors

By decision dated January 4th, 2021 the Board decided to suspend any future allocation of attendance fees by the Board until the Board considered that the Group has better performance.

2.5.2. Remuneration of the Executive Management

The remuneration of the Managing Director is determined by the Board of Directors after consulting the Compensation Committee on the basis of financial criteria, and stands as follows:

- At 31 December 2022:
 - Fixed annual remuneration paid: €67,000.
- At 31 December 2021:
 - Fixed annual remuneration paid: €70,000.

Following the replacement of the new Managing Director in March 2020, the annual remuneration has been reduced from €310,000 to €70,000 per year.

2.6. Authorization to increase the share capital

In accordance with Article L. 225-37-4, paragraph 3 of the Commercial Code, you will find attached in **Appendix 3** a summary table of the valid delegations granted by the general shareholders' meeting and the Board of Directors in the area of capital increases.

Done in Paris, 26 June 2023

Board of Directors

AgroGeneration S.A.

APPENDIX 1 – LIST OF CONSOLIDATED COMPANIES

At 31 December 2022, AgroGeneration held the following subsidiaries:

All companies are fully consolidated.

#	Name	Conso name	Registered office	Activity	December 31, 2022 % of interest
1	AgroGeneration	AgroGeneration	Paris - France	Group Holding	Consolidating entity
2	Marrimore Holdings Ltd	Marrimore	Nicosia - Cyprus	Holding company	100%
3	Harmelia Investments Limited	Harmelia	Nicosia - Cyprus	Holding company	100%
4	AgroGeneration Ukraine LLC	AGG UA	Kiev - Ukraine	Service operating company	100%
5	APK Donets LLC*	DON	Kharkiv - Ukraine	Agricultural producer	-
6	Burlutske PC*	BUR	Kharkiv - Ukraine	Agricultural producer	-
7	AF Barvinkivska LLC	BAR	Kharkiv - Ukraine	Agricultural producer	100%
8	AF Podolivska LLC	POD	Kharkiv - Ukraine	Agricultural producer	100%
9	AF Ukraina Nova LLC	UNA	Kharkiv - Ukraine	Agricultural producer	100%
10	Lan LLC	LAN	Kharkiv - Ukraine	Agricultural producer	100%
11	Register LLC	Registr	Kharkiv - Ukraine	Service operating company	100%
12	Tornado Agro-holding PC	Tornado	Kharkiv - Ukraine	Service operating company	100%

* APK Donets LLC and APK Burlutske PC were disposed from the Group legal structure in 2022 in the course of operational restructuring and partial assets liquidation caused by war (please refer to the details to the Note 5 for 2022 CFS)

APPENDIX 2 - TABLE OF RESULTS FOR THE LAST FIVE FINANCIAL YEARS

(Article R. 225-102 of the Commercial Code)

	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
Financial position at the end of the year					
Share capital	5,345,383	11,079,319.35	11,079,319.35	11,079,319.35	11,079,319.35
Number of shares issued	106,907,660	221,586,387	221,586,387	221,586,387	221,586,387
Maximum number of shares to be created:					
- by conversion of bonds	121,421,899	6,333,333	6,333,333	-	-
- by subscription right	8,067,698	7,911,158	7,105,825	2,519,544	2,519,544
Overall result of actual operations					
Turnover (before tax)	27,110,995	18,862,432	1,629,337	0	0
Net result before tax, depreciation and provisions	(4,986,923)	(3,446,645)	(720,660)	(4,059,338)	(153,185)
Tax burden					
Net result after tax, depreciation and provisions	(28,903,443)	(71,615,995)	(2,184,816)	12,946,262	(299,358)
Amount of profits distributed					
Result of operations reduced to a single share					
Result after tax, but before depreciation and provisions	-	-			
Result after tax, depreciation and provisions	-	-			
Dividends paid to each share					
Staff					
Average workforce	2	2	1	1	1
Amount of the payroll	205,510	182,251	73,594	12,778	15,011
Amounts paid in social benefits (social security, works)	78,993	82,715	30,405	3,998	5,096

APPENDIX 3 – SUMMARY TABLE OF THE VALID AUTHORIZATIONS GRANTED BY THE GENERAL MEETING

(Article L. 225-37-4, 3° of the French Commercial Code)

Number	Concerned delegations	Date of the General Meeting granting the authorization	Duration of the authorization	Implementation
1	Authorization granted to the Board of Directors for the purpose of buying, holding or transferring Company's shares that the Company holds or might hold due to repurchases made in accordance with articles L. 22-10-62 and L. 225-209-2 of the French Commercial Code, within the limit of 10% of the share capital.	30 September 2022 5 th resolution	18 months	Delegation not used in 2022
2	Authorization granted to the Board of Directors for the purpose of decreasing the share capital by cancelling treasury shares that the Company may hold in accordance with article L. 22-10-62 of the French Commercial Code, within the limit of 10% of the share capital ascertained at the moment of the cancellation decision.	30 September 2022 6 th resolution	18 months	Delegation not used in 2022