

Ekosem-Agrar opens up region around St. Petersburg with acquisition

- **Acquisition of the farm "OAO Trud" with 1,520 cattle**
- **Further expansion plans in the greater St. Petersburg area (Leningrad region)**
- **Medium-term goal: Nationwide coverage with high-quality dairy products**

Walldorf, 18 July 2019 – Ekosem-Agrar AG, the German holding company of Russian milk producer EkoNiva Group, has taken an important step towards opening up the region around St Petersburg with the acquisition of the farm "OAO Trud". Since last week the farm has been part of the Ekosem-Agrar Group with an agricultural area of almost 3,200 ha and approx. 1,520 cattle, 750 of which are dairy cows.

With this acquisition, Ekosem-Agrar AG is now also represented in the Leningrad region, which surrounds St. Petersburg, Russia's second largest city with around 5 million inhabitants. In order to supply this area with locally produced milk products in the future, the Group needs its own local raw milk production. In addition to taking over further farms and agricultural land, two new, modern dairy cow facilities are to be built in the region by the end of 2022. The medium-term goal of the Management Board is to produce as well as to process around 200 tons of raw milk per day for the greater St. Petersburg area. Until the necessary upfront investments in land and facilities have been made to serve the market with its own dairy, the Leningrad region will initially be supplied with EkoNiva brand products from the Group's existing dairies as of the second half of 2019.

Stefan Dürr, CEO of Ekosem-Agrar AG: "With Leningrad we have opened up our ninth region in Russia. This region is particularly attractive for the sale of our dairy products due to its economic importance for Russia and its increased purchasing power. This brings us a good step closer to our strategic goal of becoming the first integrated producer of high-quality milk products with nationwide coverage".

Subscription and exchange period for the new bond 2019/2024 ends on 26 July 2019

Further expansion through the purchase of farms and agricultural land, as recently in the Leningrad region, will in future also be financed with funds from the new bond.

The subscription period for the new Ekosem-Agrar Bond 2019/2024 (WKN: A2YNR0 / ISIN: DE000A2YNR08) with a volume of up to EUR 100 million ends on 26 July 2019 - subject to early closure or extension. The new bond has an interest rate of 7.50% p.a. The maturity is five years. The issue includes a voluntary exchange offer including a cash settlement (EUR 51.40) and a multiple purchase option for the Ekosem-Agrar Bond 2012/2021 (WKN: A1MLSJ / ISIN: DE000A1MLSJ1) with a volume of EUR 50 million, due 2021.

Wolfgang Bläsi, CFO of Ekosem-Agrar AG: " So far, we are satisfied with the response to our exchange and subscription offer. We have received a lot of positive feedback from both private and institutional investors. As one of the lead investors, we were able to win the

German Mittelstandsanleihen FONDS, among others, which participated in the new issue with a subscription of EUR 5 million."

The securities prospectus approved by the CSSF as well as further information are available at <https://www.ekosem-agrar.de/en/investor-relations/>.

About Ekosem-Agrar

Ekosem-Agrar AG, Walldorf, is the German holding company of the Ekoniva Group, one of the largest Russian agricultural companies. With a herd of almost 149,000 cattle in milk production (thereof about 77,640 dairy cows) and a milk output of approx. 2,070 tons of raw milk per day as of 30 April 2019, the company is the largest milk producer in the country. The Group controls an agricultural land area of more than 554,000 hectares and is also one of the leading Russian seed producers. The founder and CEO of the company is Stefan Dürr, who has been active in the Russian agricultural sector since the end of the 1980s and has been instrumental in modernizing the industry in the past three decades. In 2009, he was awarded the Order of Merit of the Federal Republic of Germany in recognition of his contributions to the German-Russian Dialogue on Agriculture. The Group employs more than 13,000 people and has a presence in nine regions in Russia. Ekosem-Agrar generated a total output of EUR 377 million and adjusted EBITDA of EUR 116 million in 2018. Further information is available at: www.ekosem-agrar.de

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