

Alpcot Agro



**Extraordinary General Meeting
10 December 2009**

Agenda for the General Meeting

1. Opening of the meeting
2. Election of chairman for the meeting
3. Preparation and approval of the voting list
4. Approval of the agenda for the meeting
5. Election of one or two persons to, besides the chairman, approve the minutes of the meeting
6. Decision as to whether the meeting has been duly convened
7. Resolution regarding authorization for the board of directors to issue shares, convertibles and/or warrants
8. Closing of the meeting

Presentation Overview

■ Recent events

- Rights offering
- Share offer for BBAH
- BBAH in brief
- Strategic development areas for 2010

■ Operational update

Rights offering

Overview

- Rights offering of approximately SEK 235 million announced on 24 November
- Use of proceeds
 - Increase operational flexibility
 - Execute the revised strategic plan
 - Expand the operations in Ukraine
 - Provided that the bid on BBAH Sweden AB is completed, up to SEK 75 million of the proceeds will be used to recapitalise and develop the acquired operations
- Terms
 - Subscription price is SEK 12.00 per new share
 - The Company's shareholders are entitled to subscribe for 2 new shares for each 3 old shares held
- Shareholder support of approximately 37 per cent for the rights offering

Preliminary timetable

- | | |
|----------------------------------|--------------------------------|
| ■ Prospectus made public | 15 Dec. 2009 |
| ■ Record date | 15 Dec. 2009 |
| ■ Trading in subscription rights | 21 Dec. 2009 –
12 Jan. 2010 |
| ■ Subscription period | 21 Dec. 2009 –
15 Jan. 2010 |
| ■ Announcement of the outcome | 20 Jan. 2010 |

Share offer for BBAH

Overview

- Share bid for BBAH (value approximately SEK 10.8 million) announced on 24 November 2009
- The offer
 - 0.142 new shares in Alpcot Agro (after the rights offering) for each BBAH share
 - If fully accepted, issue of up to 655,420 new shares, representing a dilution in Alpcot Agro of up to 1.3 per cent after the planned rights offering in Alpcot Agro (if fully subscribed)
 - Conditional upon certain conditions such as EGM approval for issue in kind
- Rational
 - Boost efforts to realise the Company's strategic plan
 - Kaliningrad is one of the most promising agricultural regions in Eastern Europe and combines high yield potential with good prospects for export
 - Add about 15,000 hectares of land under control, however additional investments are required to fully take control of the land
 - Create good value for Alpcot Agro's shareholders
- Shareholders in BBAH that have indicated a positive view towards acceptance of the offer approximately 35 per cent

Preliminary timetable

- | | |
|-------------------------------------|-----------------------------|
| ■ EGM in Alpcot Agro | 10 Dec. 2009 |
| ■ Acceptance form to be distributed | 15 Dec. 2009 |
| ■ Acceptance period | 16 Dec. 2009 – 15 Jan. 2010 |
| ■ Settlement | 29 Jan. 2010 |

BBAH in brief

- BBAH was founded in 2006 and is managing agricultural operations in the Kaliningrad region in Russia, where the company has about 15,000 hectares of land under control, provided some additional investments are made
- In addition BBAH is also operating a dairy business consisting of about 550 milk cows
- BBAH harvested about 7,000 hectares in 2008 and is planning to harvest about 11,000 hectares in 2009
- Since December 2008, BBAH is undergoing a corporate reconstruction (Sw. *företagsrekonstruktion*) led by Peter Smedman
- As of 30 October 2009, BBAH had 62 shareholders



Source: <http://maps.google.se/>

Strategic development areas for 2010

Considerable ramp-up in production

- Alpcot Agro is planning to substantially ramp-up the spring planting from last year's 17,500 hectares of commercial crops
 - Some of the ramp-up can be financed by existing liquidity, yet this might lead to suboptimal decisions regarding sales of grains

Planned acquisition of BBAH Sweden AB

- Kaliningrad constitutes a potentially attractive region
- Operations are relatively well managed
- BBAH current problems were caused by administrative deficiencies and financial constraints
- Acquisition would require additional financing for Alpcot Agro

Expansion of operations in Ukraine

- Good opportunity to capitalise on valuable experience gained over the last years in Russia
- Great timing for investment opportunity if actively take part in a consolidation process
 - Small and mid-sized farming companies can be acquired close to existing farms
 - Current clusters can grow organically at a very low cost, internal "land teams" are in place
 - Expansion can be financed by both proceeds from the rights offering as well as issues in kind

Land bank optimisation

- The Company is restructuring its land bank to optimise the geographical structure given the reduced target size of the land bank
- For example the Company is currently completing the consolidation of a major land area in Kursk. Once the consolidation is completed, Alpcot Agro will evaluate its long-term presence in the region

Presentation Overview

- Recent events

- **Operational update**

- Harvest and winter planting – Russia
- Harvest and winter planting – Ukraine

Harvest and winter planting – Russia

Harvest 2009 (excl. fodder crops)

Crop	Harvest (ha)	Average yield (tonnes/ha)	Harvest (tonnes)
Winter wheat	42,600	2.8	119,900
Winter rye	5,700	2.3	12,900
Barley	1,900	2.8	5,300
Spring wheat	3,700	2.5	9,100
Sunflower	9,400	1.5	14,100
Maize	1,700	3.8	6,400
Other crops	800	-	1,600
Russia total	65,800	n.m	169,300

- Average yield for the winter wheat is generally lower in Russia 2009 compared to the previous year
- The Company's yield for winter wheat in 2009 (2.8t/ha) is lower compared to 2008 (3.5t/ha) due to the drought and a virus impact
- Quality of harvest in 2009 is better with considerably more milling wheat
- The potential for further yields increase is substantial

Winter planting 2009 in Russia

- Winter planting of 44,000 hectares has been completed
 - All winter planting was winter wheat
 - No winter rye was planted due to low profitability
 - Condition of winter crops is average, some damages were caused by drought (about 3,000 hectares will be spring planted)
 - Earliest winter seeding (end of August) was done without fertilizing
 - Seeding in September was done with fertilizing

Harvest and winter planting – Ukraine

Harvest 2009

Crop	Harvest (ha)	Average yield (tonnes/ha)	Harvest (tonnes)
Winter wheat	4,200	2.3	9,510
Spring wheat	340	3.1	1,050
Buckwheat	620	1.0	590
Mustard	660	0.6	410
Other crops	330	-	110
Ukraine total	6,150	n.m	11,670

■ Harvest 2009

- Yields lower than expected. Winter planting was done late in 2008, and yields will improve considerably in 2010
- Operations hampered by uncertainty of the Ukrainian operations

■ Winter planting 2009

- Plan to winter plant about 2,500 hectares 2010, a mix of winter wheat and winter rape
- Winter planting focusing on Lviv and Ivano-Frankivsk in Western Ukraine

■ Land bank

- The primary objective for the landholdings in Ukraine is to obtain at least 20,000 hectares, believed to be obtainable during 2010, and which would comprise a prerequisite for profitable operations in Ukraine



Picture : Winter wheat in Ivano-Frankivsk in May 2009