|  |
| --- |
| **FINANCIAL REVIEW** |
|  |  |  |  |  |  |  |  |  |  |  |  | (GBP thousands) | (UAH thousands) |
|  |  |  |  |  |  |  |  |  |  |  |  | **Jan-June 2014** | Jan-June 2013 | YOY Change | **Jan-June 2014** | Jan-June 2013 | YOY Change |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Revenue |  | **17 237** | 24 689 | -30% | **290 443** | 304 523 | -5% |
| Gross Profit |  | **3 913** | 3 710 | 5% | **65 934** | 45 760 | 44% |
| EBITDA |  | **1 840** | 1 299 | 42% | **31 004** | 16 022 | 94% |
| (Loss) / profit after tax |  | **-2 007** | 173 | n/a | **-33 818** | 2 122 | n/a |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | (GBP thousands) | (UAH thousands) |
|  |  |  |  |  |  |  |  |  |  |  |  | **Jan-June 2014** | Jan-June 2013 | YOY Change | **Jan-June 2014** | Jan-June 2013 | YOY Change |
|  |  |  |  |  |  |  |  |  |  |  |  |
| *Revenue* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  - Branded products |  | **11 342** | 19 116 | -41% | **191 113** | 235 784 | -19% |
|  - Skimmed milk products |  | **4 717** | 3 458 | 36% | **79 481** | 42 652 | 86% |
|  - Kvass |  | **737** | 1 224 | -40% | **12 418** | 15 097 | -18% |
|  - Services |  | **164** | 196 | -16% | **2 763** | 2 418 | 14% |
|  - Other |  | **277** | 695 | -60% | **4 667** | 8 572 | -46% |
| *Gross Profit* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  - Branded products |  | **2 119** | 2 652 | -20% | **35 704** | 32 712 | 9% |
|  - Skimmed milk products |  | **1 293** | 270 | 379% | **21 787** | 3 330 | 554% |
|  - Kvass |  | **390** | 640 | -39% | **6 572** | 7 894 | -17% |
|  - Services |  | **70** | 28 | 150% | **1 180** | 345 | 242% |
|  - Other |  | **41** | 120 | -66% | **691** | 1 480 | -53% |

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| **UKRPRODUCT GROUP LIMITED** |
| **UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT** |
| **FOR THE PERIOD ENDED 30 JUNE 2014 AND 2013** |
| *(in thousand GBP, unless otherwise stated)* |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **Six months ended** | **Six months ended** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **30 June 2014** | **30 June 2013** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **£ ‘000** | **£ ‘000** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Revenue |  |  |  17 237  |  24 689  |
|  | *including of branded and SMP products* |  |  |  16 059  |  22 574  |
|  | Cost of sales |  |  |  (13 324) |  (20 979) |
|  | **Gross profit** |  |  |  **3 913**  |  **3 710**  |
|  | Administrative expenses |  |  |  (1 163) |  (1 158) |
|  | Selling and distribution expenses |  |  |  (1 349) |  (1 907) |
|  | Other operating income/ expenses, net |  |  |  (110) |  (71) |
|  | **Profit from operations** |  |  |  **1 291**  |  **574**  |
|  | Finance expense, net |  |  |  (456) |  (541) |
|  | **Profit before FOREX** |  |  |  **835**  |  **33**  |
|  | Effect of foreign currency translation  |  |  |  (2 822) |  112  |
|  | **Profit before taxation** |  |  |  **(1 987)** |  **145**  |
|  | Income tax expense |  |  |  (20) |  28  |
|  | **Profit for the Six months** |  |  |  **(2 007)** |  **173**  |
|  | Attributable to: |  |  |  |  |
|  | Equity holders of the Parent |  |  |  (2 007) |  173  |
|  | Non-controlling interest |  |  |  -  |  -  |
|  |  |  |  |  **(2 007)** |  **173**  |
|  | **Earnings per share:** |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Basic |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  **(5,06)** | **0,4** |
|  | Diluted |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  **(5,06)** | **0,4** |

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| **UKRPRODUCT GROUP LIMITED** |
| **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME** |
| **FOR THE PERIOD ENDED 30 JUNE 2014 AND 2013** |
| *(in thousand GBP, unless otherwise stated)* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **Six months ended** | **Six months ended** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **30 June 2014** | **30 June 2013** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **£ ‘000** | **£ ‘000** |
|  | **Profit for the Six months** |  |  |  **(2 007)** |  **173**  |
|  | **Other comprehensive income** |  |  |  |  |
|  | Exchange differences on translation to the presentation currency |  |  |  (5 377) |  932  |
|  | **Other comprehensive income for the Six months, net of tax** |  |  |  **(5 377)** |  **932**  |
|  | **Total comprehensive income for the Six months, net of tax** |  |  |  **(7 384)** |  **1 105**  |
|  | Attributable to: |  |  |  |  |
|  | Equity holders of the Parent |  |  |  (7 384) |  1 105  |
|  | Non-controlling interests |  |  |  -  |  -  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  **(7 384)** |  **1 105**  |

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| **UKRPRODUCT GROUP LIMITED** |  |  |  |  |  |
| **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION** |  |  |  |  |  |
| **AS AT 30 JUNE 2014 AND 31 DECEMBER 2013 AND 30 June 2013** |  |  |  |  |  |
| *(in thousand GBP, unless otherwise stated)* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **As at** | **As at** | **As at** |
|  |  |  | **30 June 2014** | **31 December 2013** | **30 June 2013** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **£ ‘000** | **£ ‘000** | **£ ‘000** |
|  | **ASSETS** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Non-current assets** |  |  |  |  |  |  |
|  | Property, plant and equipment |  | 11 719 | 18 185 | 19 192 |
|  | Intangible assets |  |  |  | 1 082 | 1 136 | 1 262 |
|  | Available for sale investments |  |  |  | - | - | 32 |
|  | Deferred tax assets |  |  |  | 12 | 66 | 87 |
|  | **Total non-current assets** |  |  |  |  **12 813**  |  **19 387**  |  **20 573**  |
|  | **Current assets** |  |  |  |   |   |   |
|  | Inventories |  |  |  |  1 725  |  3 010  |  3 738  |
|  | Trade and other receivables |  |  |  |  4 615  |  6 919  |  7 442  |
|  | Current taxes |  |  |  |  1 435  |  2 399  |  2 659  |
|  | Other financial assets |  |  |  |  122  |  176  |  163  |
|  | Cash and cash equivalents |  |  |  |  434  |  1 006  |  653  |
|  | **Total current assets** |  |  |  |  **8 331**  |  **13 510**  |  **14 655**  |
|  | **TOTAL ASSETS** |  |  |  |  **21 144**  |  **32 897**  |  **35 228**  |
|  | **Equity and liabilities** |  |  |  |   |   |   |
|  | **Equity attributable to equity holders** |  |  |  |  |  |  |
|  | Share capital |  |  |  |  3 967  |  3 967  |  3 967  |
|  | Other reserves |  |  |  |  (4 051) |  1 430  |  2 529  |
|  | Retained earnings |  |  |  |  10 758  |  12 672  |  13 798  |
|  | **Total equity attributable to equity holders of the parent** |  |  |  |  **10 674**  |  **18 069**  |  **20 294**  |
|  | Non-controlling interest |  |  |  |  -  |  -  |  -  |
|  | **Total equity** |  |  |  |  **10 674**  |  **18 069**  |  **20 294**  |
|  | **Liabilities** |  |  |  |  |  |  |
|  | **Non-Current Liabilities** |  |  |  |  |  |  |
|  | Bank borrowings |  |  |  |  5 322  |  5 118  |  4 998  |
|  | Deferred tax liabilities |  |  |  |  361  |  636  |  636  |
|  | **Total Non Current Liabilities** |  |  |  |  **5 683**  |  **5 754**  |  **5 634**  |
|  | **Current Liabilities** |  |  |  |  |  |  |
|  | Bank borrowings |  |  |  |  2 482  |  5 802  |  5 883  |
|  | Trade and other payables |  |  |  |  2 230  |  3 226  |  3 272  |
|  | Current income tax liabilities |  |  |  | 28 | 18 | 90 |
|  | Other taxes payable |  |  |  | 47 | 28 | 55 |
|  | **Total Current Liabilities** |  |  |  |  **4 787**  |  **9 074**  |  **9 300**  |
|  | **TOTAL LIABILITIES AND EQUITY** |  |  |  |  **21 144**  |  **32 897**  |  **35 228**  |

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| **UKRPRODUCT GROUP LIMITED** |
| **UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS** |
| **FOR THE PERIOD ENDED 30 JUNE 2014 AND 2013** |
| *(in thousand GBP, unless otherwise stated)* |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **Six months ended** | **Six months ended** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **30 June 2014** | **30 June 2013** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **£ ‘000** | **£ ‘000** |
|  | **Cash flows from operating activities** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Profit before taxation for the six months |  |  |  |  | (1 987) | 145 |
|  | Adjustments for: |  |  |  |  |  |  |
|  | Exchange difference |  |  |  |  | 2 822 | (112) |
|  | Depreciation and amortisation |  |  |  |  | 549 | 725 |
|  | Loss of disposal of non-current assets |  |  |  |  | 9 | 1 |
|  | Impairment of trade receivables |  |  |  |  | 34 | 1 |
|  | Disposal of subsidiaries |  |  |  |  | - | 20 |
|  | Interest income |  |  |  |  | (3) | (1) |
|  | Interest expense |  |  |  |  | 459 | 542 |
|  | Decrease / (increase) of inventories |  |  |  |  | 298 | (147) |
|  | Decrease in trade and other receivables |  |  |  |  | 221 | 320 |
|  | Increase/ (decrease) in trade and other payables |  |  |  |  | 146 | (1 545) |
|  | **Cash generated from operations** |  |  |  |  | **2 548** | **-51** |
|  | Interest received |  |  |  |  | 3 | 1 |
|  | Income tax paid |  |  |  |  | (48) | (156) |
|  | **Net cash generated by operating activities** |  |  |  |  | **2 503** | **(206)** |
|  | **Cash flows from investing activities** |  |  |  |  |  |  |
|  | Payments for property, plant and equipment |  |  |  |  | (300) | (523) |
|  | Proceeds from sale of property, plant and equipment |  |  |  |  | 12 | 12 |
|  | Repayments / (proceeds) from loans issued |  |  |  |  | (8) | 44 |
|  | **Net cash used in investing activities** |  |  |  |  | **(296)** | **(467)** |
|  | **Cash flows from financing activities** |  |  |  |  |  |  |
|  | Own shares acquisition |  |  |  |  | - | (109) |
|  | Interest paid |  |  |  |  | (459) | (542) |
|  | Net proceeds / (repayments) from short term borrowing |  |  |  |  | (1 928) | 1 539 |
|  | Repayments of investment borrowing  |  |  |  |  | (64) | - |
|  | **Net cash used in financing activities** |  |  |  |  | **(2 451)** | **888** |
|  | **Net (decrease) / increase in cash and cash equivalents** |  |  |  |  | **(244)** | **215** |
|  | Effect of exchange rate changeson cash and cash equivalents |  |  |  |  | (328) | 23 |
|  | **Cash and cash equivalents at the beginning of the six months** |  |  |  |  | **1 006** | **415** |
|  | **Cash and cash equivalents at the end of the six months** |  |  |  |  | **434** | **653** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  -  |  -  |

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| **UKRPRODUCT GROUP LIMITED** |  |  |  |  |  |  |  |  |  |
| **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY** |  |  |  |  |  |  |  |  |  |
| **FOR THE PERIOD ENDED 30 JUNE 2014 AND 2013** |  |  |  |  |  |  |  |  |  |
| *(in thousand GBP, unless otherwise stated)* |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | Attributable to equity holders | **Total attributable to equity holders of the parent** | Non-controlling interest | **Total Equity** |
|  |  |  |  |  |  |  |  |  |  |  |  | Share capital  | Share premium  | Merger reserve | Revaluation reserve | Retained earnings | Translation reserve |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | £ ‘000 | £ ‘000 | £ ‘000 | £ ‘000 | £ ‘000 | £ ‘000 | **£ ‘000** | £ ‘000 | **£ ‘000** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **As at 1 January 2013** |  |  **4 082**  |  **4 555**  | **(367)** | **3 877**  |  **13 496**  |  **(6 339)** |  **19 304**  |  **-**  |  **19 304**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Profit for the six months |  |  |  |  |  |  173  |  |  **173**  |  **-**  |  **173**  |
|  | Other comprehensive income |  |   |   |   |   |   |  932  |  **932**  |   |  **932**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Total comprehensive income** |  |  **-**  |  **-**  |  **-**  |  **-**  |  **173**  |  **932**  |  **1 105**  |  **-**  |  **1 105**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Depreciation on revaluationof non current assets |  |  |  |  (135) |  135  |  |  **-**  |  |  **-**  |
|  | Reduction of revaluation reserve |  |  |  |  |  -  |  (6) |  |  **(6)** |  |  **(6)** |
|  | Dividends paid  |  |  |  |  |  |  -  |  |  **-**  |  |  **-**  |
|  | Acquiring of shares |  |  (115) |  6  |  |  |  |  |  **(109)** |  |  **(109)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **As at 30 June 2013** |   |  **3 967**  |  **4 561**  |  **(367)** |  **3 742**  |  **13 798**  |  **(5 407)** |  **20 294**  |  **-**  | **20 294**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Profit for the six months |  |  |  |  |  |  (877) |  |  **(877)** |  **-**  |  **(877)** |
|  | Other comprehensive income |  |   |   |   |  38  |   |  (1 361) |  **(1 323)** |   | **(1323)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Total comprehensive income** |  |  **-**  |  **-**  |  **-**  |  **38**  |  **(877)** |  **(1 361)** |  **(2 200)** |  **-**  | **(2200)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Depreciation on revaluationof non current assets |  |  |  |  (112) |  112  |  |  **-**  |  |  **-**  |
|  | Reduction of revaluation reserve |  |  |  |  |  (32) |  6  |  |  **(26)** |  |  **(26)** |
|  | Group restructuring completion  |  |  |  |  367  |  |  (367) |  |  |  |  **-**  |
|  | Acquiring of shares |  |  -  |  1  |  |  |  |  |  **1**  |  |  **1**  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  | **As at 31 December 2013** |   |  **3 967**  |  **4 562**  |  **-**  |  **3 636**  |  **12 672**  |  **(6 768)** |  **18 069**  |  **-**  | **18 069**  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Profit for the year |  |  |  |  |  | (2 007) |  |  **(2 007)** |  **-**  | **(2007)** |
|  | Other comprehensive income |   |   |   |   |   |  (5 377) |  **(5 377)** |   | **(5377)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **Total comprehensive income** |  |  **-**  |  **-**  |  **-**  |  **-**  | **(2 007)** |  **(5 377)** |  **(7 384)** |  **-**  | **(7384)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Depreciation on revaluationof non current assets |  |  |  |  (91) |  91  |  |  **-**  |  |  **-**  |
|  | Reduction of revaluation reserve |  |  |  |  (15) |  2  |  |  **(13)** |  |  **(13)** |
|  | Effect from tax rate change |  |  |  |  2  |  |  |  **2**  |  |  **2**  |
|  | Acquiring of shares |  |  -  |  -  |  |  |  |  |  **-**  |  |  **-**  |
|  | **As at 30 June 2014** |   |  **3 967**  |  **4 562**  |  **-**  |  **3 532**  | **10 758**  |  **(12 145)** |  **10 674**  |  **-**  | **10 674**  |

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| **NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS** |  |  |  |  |  |
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|  | **1. Basis of preparation** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  | The unaudited condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. |
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|  | The interim financial statements are unaudited but have been reviewed by the auditors whose review report is set out below.  |
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|  | The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for revaluation of certain properties. |
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|  | The same accounting policies, presentation and methods of computation have been followed in this unaudited condensed consolidated financial statements as were applied in the preparation of the Group’s financial statements for the year ended 31 December 2013, except for the impact of the items described below. |
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|  | The preparation of the unaudited condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from those estimates. |
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|  | The comparatives for the six months ended 30 June 2014 are extracted from the Group’s consolidated financial statements for the year ended 31 December 2013. The auditor’s report for those accounts was unqualified, but did include references to an emphasis of matter in respect of the Group incurring a loss during the year, primarily as a result of the volatile political and economic situation in Ukraine. This has resulted in a number of challenges to the Group, including but not limited to the significant devaluation of the local currency and the increase in raw milk prices. The Group applied for a waiver from the EBRD in connection with financial covenants contained in the loan agreement, which was granted by the EBRD. Group management believes that they will continue to receive the support of the EBRD for the foreseeable future. The directors have also put in place a number of additional cost efficiency measures including but not limited to the reconstruction of manufacturing facilities in Starokonstantinov, further optimization in the number of its subsidiaries and streamlining its business processes. Additionally, due to the position in the Ukraine, there is a risk that the Group may not be able to operate in Crimea following its occupation by Russia. As at the year end 31 December 2013 and subsequently as at the period ended 30 June 2014 of this report the Group continues to operate in Crimea, and monitor the situation. |
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|  | Going concern |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | The unaudited condensed consolidated financial statements have been prepared on a going concern basis which assumes that the Group will be able to meet its liabilities as they fall due, for the foreseeable future. During the period, the Group has breached its loan covenants with the EBRD, and has since obtained a loan waiver from the EBRD. It is our view that the EBRD will continue to support the Group through our capital projects, during a time of political unrest. Director's view, have therefore concluded that is appropriate to prepare these financial statements on a going concern basis. The financial statements do not include adjustments that would be required if the Group was unable to continue as a going concern. |
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|  | **2. Earnings per share** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  | Basic earnings per share have been calculated by dividing net loss/profit attributable to the ordinary shareholders (loss/profit for the year) by the weighted average number of shares in issue. |
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|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **Six months ended** | **Six months ended** |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | **30 June 2014** | **30 June 2013** |  |  |  |  |  |
|  |  |  |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |  |  |  |  |
|  | Net (loss) / profit attributable to ordinary shareholders, £'000 |  |  **(2 007)** | **173** |  |  |  |  |  |
|  | Weighted number of ordinary shares in issue  |  |  39 673 050  |  39 673 050  |  |  |  |  |  |
|  | Basic earnings per share, pence |  |  **(5,06)** | **0,4** |  |  |  |  |  |
|  | Diluted average number of shares |  |  39 673 050  |  39 673 050  |  |  |  |  |  |
|  | Diluted earnings per share, pence |   |  **(5,06)** | **0,4** |  |  |  |  |  |
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|  | **3. Approval of interim financial statements** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  | The unaudited condensed consolidated financial statements were approved by the board of directors on 19 September 2014. |