

Company announcement no 3/2020

Interim Report Q4 2019

EBITDA fixed herd prices (FHP) for Q4 2019 increased to 6.1 mEUR (Q4 2018: 2.1 mEUR), corresponding to an EBITDA margin FHP of 19.8% (Q4 2018: 8.6%). The quarterly EBITDA in Q4 2019 increased with 4.0 mEUR (compared to Q4 2018) is mainly due to increasing sales prices (+3.9 mEUR).

Sales prices in Q4 were 1.28 EUR/kg live weight and the January price (2020) was 1.30 EUR/kg live weight. The outlook is uncertain due to both ASF situation in China, Coronavirus, and the current trade war between the US and CN, which might influence the level of export from Europe to CN.

Feed prices in Q4 were 229 EUR/T (compared to 259 EUR/T Q4 2018, most of the grain until new harvest 2020 is either in storage or on contract, reducing fluctuations on next year's feed price. The increase in hedging has increased both inventories and net interest-bearing debt in Q4 2019.

The herd valuation in Q4 increased with 2.6 mEUR (compared to Q3 2019 and 4.1 mEUR compared to 31.12.2018). Free cash flow was -5.8 mEUR in Q4 2019 (Q4 2018: 0.1mEUR).

Construction in Luga is progressing according to plan, the last two slaughter pig stables (out of 10) are expected in operations in Q1 2020, limited investments left in 2020 in Luga.

IFC put option, the value of the IFC put option based on the annual account is 18 mEUR, after the audit of the annual account and review of put option calculation by EY.

Selected financial highlights and key ratios

EUR millions	Q4 2019	Q4 2018	2019	2018
Total revenue	30.900	24.592	110.540	99.518
EBITDA	8.699	4.535	26.918	17.636
EBITDA margin	28,2%	18,4%	24,4%	17,7%
EBITDA fixed herd price	6.104	2.104	22.829	15.080
EBITDA margin fixed herd price	19,8%	8,6%	20,7%	15,2%
Net income	2.376	-24	10.979	1.213
Free cash flow	-5.849	136	-807	-237
Net interest-bearing debt	90.143	78.319	90.143	78.319

Further information

Bondholders - Claus Baltersen, CEO phone +370 (685) 34 104

Media - Jytte Rosenmaj, Deputy Chairman phone +45 26 73 46 99

Finance Calendar 2020

29th May 2020: Interim report Q1 2020

31th Aug 2020: Interim report Q2 2020

26th Nov 2020: Interim report Q3 2020

Forward-looking statements

This interim report contains “forward-looking statements.” Undue reliance should not be placed on forward-looking statements because they relate to and depend on circumstances that may or may not occur in the future, and actual results may differ materially from those in forward-looking statements. Forward-looking statements include, without limitation, statements regarding our business, financial circumstances, strategy, results of operations, financing and other plans, objectives, assumptions, expectations, prospects, beliefs and other future events and prospects. We undertake no obligation and do not intend to publicly update or revise any of these forward-looking statements unless prescribed by law or by stock exchange regulation.

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Review

Financial Highlights and Key Ratios

EUR '000	Q4 2019	Q4 2018	2019	2018
Income statement				
Revenue	30.900	24.592	110.540	99.518
EBITDA	8.699	4.535	26.918	17.636
EBITDA fixed herd price	6.104	2.104	22.829	15.080
EBIT	5.825	2.492	18.419	10.126
Financial items, net	-1.437	-2.863	-4.803	-9.296
Profit/(loss) for the period	2.376	-24	10.979	1.213
Cash flow				
Operating activity	-2.616	3.013	2.710	5.275
Investing activity	-4.350	-4.301	-9.593	-11.865
Financing activity	8.781	4.285	-2.769	9.814
Free cash flow	-5.849	136	-807	-237
Balance sheet				
Non-current assets	115.024	103.447	115.024	103.447
Net working capital	32.075	18.764	32.075	18.764
Net operating assets	147.099	122.211	147.099	122.211
Total assets	200.082	180.966	200.082	180.966
Equity	67.348	50.400	67.348	50.400
Net interest bearing debt	90.143	78.319	90.143	78.319
Key financials Group				
EBITDA margin	28,2%	18,4%	24,4%	17,7%
EBITDA margin - fixed herd prices	19,8%	8,6%	20,7%	15,2%
Cash conversion - fixed herd prices	-96%	6%	-4%	-2%
NIBD / EBITDA fixed price LTM	3,9	5,2	3,9	5,2
Equity ratio	33,7%	27,9%	33,7%	27,9%

Management's Review

Income statement

Revenue

The revenue for Q4 2019 was 30,900 kEUR (Q4 2018: 24,592 kEUR), the higher sale is due to higher sales prices of 16% compared to Q4 2018 and higher volume due to Luga and full production in Lithuania.

Value adjustment, biological assets

The increase in herd valuation in Q4 2019 was 2,595 kEUR (compared to Q3 2019). The increase is driven by higher sales prices and public quotations in Lithuania (increased with 3,302 kEUR whereas Russia decreased).

EBITDA fixed herd prices (FHP)

EBITDA fixed herd prices (FHP) for Q4 2019 increased to 6.1 mEUR (Q4 2018: 2.1 mEUR), corresponding to an EBITDA margin FHP of 19.8% (Q4 2018: 8.6%). The quarterly EBITDA in Q4 2019 increased with 4.0 mEUR (compared to Q4 2018) is mainly due to increasing sales prices (+3.9 mEUR).

Sales prices in Q4 where 1.28 EUR/kg live weight and the January price was 1.30 EUR/kg live weight. The outlook is uncertain due to both ASF situation in China and the current trade war between the US and CN, which both might influence the level of export from Europe to CN.

Net financials

The net interest expenses for Q4 2019 decrease 387 kEUR to 1,605 kEUR (Q4 2018: 1,992 kEUR), interest in Q4 2018 was higher due to not received interest subsidies in Russia.

Foreign exchange adjustments in Q4 2019 was positive with 167 kEUR (Q4 2018 -871 kEUR), the foreign exchange adjustments are driven mainly by currency fluctuations in intercompany debt (192 kEUR Q4 2019) hence limited cash effect.

Balance Sheet

At 31 December 2019, Idavang's balance sheet amounted to 200,082 kEUR (December 2018: 180,967 kEUR).

Equity on 31 December 2019 amounted to EUR 67.2m at an equity ratio of 34%.

Net interest-bearing debt (NIBD) increased to EUR 90.1m in 2018, being EUR 11.8m higher than in 2018. The adverse development in NIBD has been driven by four different elements first the expansion on Luga site with EUR 7.3m, IFRS 16 Leases implementation EUR 2.2m, a higher focus on buying grain in Russia in the harvest (driving higher inventories with EUR 5.4m) and optimizing networking capital where possible to save interest. Russian loans are in default due to low Russian earning, but Idavang does not expect any material consequences hereof.

The net working capital amounted to 32,075 kEUR on 31 December 2019 (December 2018: 18,764 kEUR), the increase of 13,311 kEUR is mainly due two factors increase in biological assets (+7,637 kEUR), driven by increased valuation, increasing volume (Luga and Skabekiai) and increasing inventories (+5,439 kEUR) due to the strong harvest and higher level of hedging of prices in Russia (with physical inventories) until next harvest.

Cash flow

Cash flow from ordinary activities for Q4 2019 decreased to -5,849 kEUR (Q4 2018: 136 kEUR), the decrease of 5,985 kEUR was mainly driven by two factors EBITDA FHP increase cash flows with 4,000 kEUR, and this was nevertheless decreased by net working capital with 9.717 kEUR in Q4 2019 (compared to Q4 2018) partly due to the higher level of hedging of prices in Russia (with physical inventories) until next harvest and initiatives saving interest on reducing factoring in Lithuania.

Events after the balance sheet date

- No events after the balance sheet date

Development in segments in Q4 2019

Lithuania

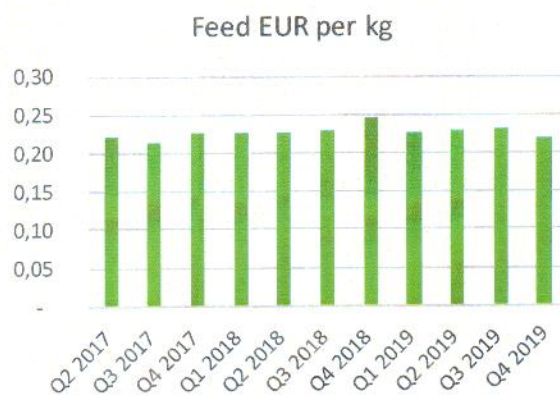
EUR '000	Q4 2019	Q4 2018	2019	2018
Revenue	19.327	12.737	65.052	53.257
Value adjustment, biological assets	3.302	556	7.894	-1.206
Production costs	-14.688	-13.381	-54.833	-53.158
Administrative costs	-368	-566	-1.904	-2.054
Other income	283	113	1.318	1.095
Other expense	-2	-	-147	-
Operating profit	7.855	-540	17.380	-2.066
Net Financials	-307	-300	-1.105	-1.042
Foreign exchange adjustments	-	-	-	-
Profit before tax	7.548	-840	16.275	-3.108
Tax on profit for the year	-1.757	347	-2.382	413
Profit for the period	5.792	-493	13.893	-2.695

EUR '000	Q4 2019	Q4 2018	2019	2018
Depreciations included in production cost	-1.628	-893	-3.895	-3.270
EBITDA	9.483	353	21.275	1.204
<i>EBITDA fixed herd prices</i>	<i>6.180</i>	<i>-203</i>	<i>13.381</i>	<i>2.410</i>

Lithuania accounted for 63 % of Group revenue in Q4 2019 (Q3 2019: 59 %).

The EBITDA fixed herd price for Q4 2019 amounted to 6,180 kEUR corresponding to an EBITDA margin of 32.1% (Q4 2018: -203 kEUR and EBITDA margin -1.6 %). The EBITDA increased compared to Q4 2018 of 6,383 kEUR is mainly due to positive development in sales prices with 5,914 kEUR.

The sales price increased 48 % compared to Q4 2018 to an average 1,39 EUR per kilo slaughter pigs' live weight in Q4 2019 (Q4 2018: 0,94 EUR per kilo live weight slaughter pigs) with 5,914 kEUR positive effect.



Russia

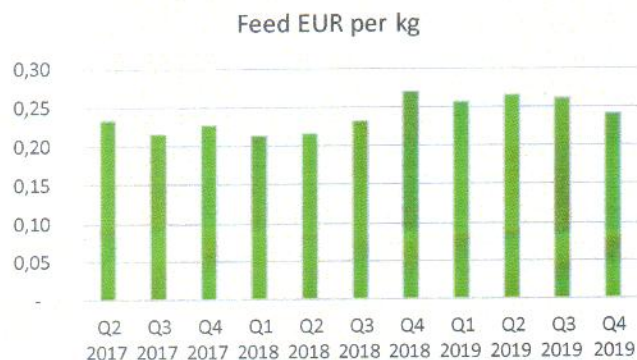
EUR '000	Q4 2019	Q4 2018	2019	2018
Revenue	11.573	11.855	45.488	46.261
Value adjustment, biological assets	-707	1.875	-3.805	3.762
Production costs	-12.057	-9.976	-38.828	-35.692
Administrative costs	-425	-386	-1.496	-1.414
Other income	284	172	981	579
Other expense	-43	-42	-109	-102
Operating profit	-1.376	3.497	2.231	13.395
Net Financials	-258	-725	-1.532	-2.218
Foreign exchange adjustments	-24	-288	-83	53
Profit before tax	-1.658	2.484	615	11.229
Tax on profit for the year	-255	-0	-256	-30
Profit for the period	-1.913	2.484	359	11.200

EUR '000	Q4 2019	Q4 2018	2019	2018
Depreciations included in production cost	-1.241	-1.144	-4.598	-4.235
EBITDA	-135	4.641	6.829	17.630
<i>EBITDA fixed herd prices</i>	<i>572</i>	<i>2.766</i>	<i>10.634</i>	<i>13.868</i>

Russia accounted for 37 % of Group revenue in Q3 2019 (Q3 2019: 41 %).

The EBITDA fixed herd price for Q4 2019 amounted to 572 kEUR corresponding to an EBITDA margin of 4.9 % (Q4 2018: 2,766 kEUR and EBITDA margin 23.3 %) a decrease of 2,194 kEUR, mainly from the negative price effect of from sales and feed of 1,014 kEUR and higher maintenance cost (partly due to one-time cost).

The sales price decreased 14 % compared to Q4 2018 to an average 1,13 EUR per kilo slaughter pigs' live weight (Q4 2018: 1,32 EUR per kilo live weight slaughter pigs) with 2,064 kEUR negative effect, and the decrease of feed prices of 16% result in the negative impact of 1,050 kEUR.



Statement by the Board and the Executive Management

The Executive Board and the Board of Directors have presented the interim Report of Idavang A/S. The interim Report has today been considered and adopted.

The Interim Report, which has not been audited or reviewed by the Company's independent auditors, was prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for listed companies.

In our opinion, the Interim Financial Statements give a true and fair view of the financial position of the Group at 31 December 2019 as well as of the results of the Group operations and cash flows for the period 1 January – 31 December 2019.

In our opinion, Management's Review gives a true and fair account of the development in the activities and financial circumstances of the Group, of results of operations for the period and of the overall financial position of the Group, and a description of the key risks and uncertainties facing the Group.

Executive Management

Claus Baltser
CEO



Michael Thuesen Henriksen
CFO



Board of Directors

Niels Hermansen
Chairman



Jytte Rosenmaj



Carsten Lund Thomsen



Leo Grønvald



Ole B. Hansen



Financial Statement

Income Statement

EUR '000	Q4 2019	Q4 2018	2019	2018
Revenue	30.900	24.592	110.540	99.518
Value adjustment, biological assets	2.595	2.431	4.089	2.556
Production costs	-26.750	-23.362	-93.667	-88.854
Administrative costs	-1.442	-1.416	-4.586	-4.666
Other income	566	285	2.305	1.674
Other expense	-45	-38	-262	-102
Operating profit	5.825	2.492	18.419	10.126
Net Financials	-1.605	-1.992	-6.563	-6.921
Foreign exchange adjustments	167	-871	1.760	-2.375
Profit before tax	4.388	-371	13.616	830
Tax on profit for the year	-2.012	347	-2.638	383
Profit for the period	2.376	-24	10.979	1.213

EUR '000	Q4 2019	Q4 2018	2019	2018
Depreciations included in production cost	-2.873	-2.043	-8.498	-7.510
EBITDA	8.698	4.535	26.917	17.636
<i>EBITDA fixed herd prices</i>	<i>6.103</i>	<i>2.104</i>	<i>22.829</i>	<i>15.080</i>

Statement of comprehensive income

EUR '000	Q4 2019	Q4 2018	2019	2018	2018
Profit for the period	2.376	-24	10.979	1.213	1.213
Other comprehensive income					
Exchange adjustments, foreign subsidiaries	487	-1.661	6.321	-5.785	-5.785
Hedge accounting	524	-170	-352	901	901
Other comprehensive income to be reclassified to profit or loss in subsequent periods	1.011	-1.831	5.969	-4.884	-4.884
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-	-	-
Total comprehensive income	3.387	-1.855	16.948	-3.671	-3.671

Assets

EUR '000	Q4 2019	Q4 2018	2019	2018
Intangible assets	1.305	1.296	1.305	1.296
Property, Plant and Equipment	96.745	86.755	96.745	86.755
Biological Assets, Breeding herd	15.772	14.194	15.772	14.194
Deferred tax	757	757	757	757
Financial fixed assets	445	445	445	445
Total non-current assets	115.024	103.447	115.024	103.447
Inventories	15.599	10.160	15.599	10.160
Biological Assets, Commercial herd	27.662	21.739	27.662	21.739
Biological Assets, Arable	1.589	1.453	1.589	1.453
Biological Assets	29.251	23.192	29.251	23.192
Trade receivables	5.664	2.194	5.664	2.194
Other receivables	1.715	1.930	1.715	1.930
Prepayments	2.192	1.117	2.192	1.117
Income taxes receivables	351	464	351	464
Receivables	9.922	5.706	9.922	5.706
Cash	30.286	38.463	30.286	38.463
Total current assets	85.058	77.520	85.058	77.520
Total Assets	200.082	180.967	200.082	180.967

Liabilities and Equity

EUR '000	Q4 2019	Q4 2018	2019	2018
Share capital	1.000	1.000	1.000	1.000
Share premium	-	-	-	-
Exchange adjustments	-26.228	-32.549	-26.228	-32.549
Other reserves	12	364	12	364
Retained earnings	92.564	81.585	92.564	81.585
Equity	67.348	50.400	67.348	50.400
Borrowings	92.735	96.436	92.735	96.436
Grants	2.003	1.925	2.003	1.925
Deferred tax	3.069	1.594	3.069	1.594
Provisions	134	134	134	134
Other non-current liabilities	39	39	39	39
Non current liabilities	97.980	100.128	97.980	100.128
Borrowings	27.694	20.345	27.694	20.345
Trade payables	5.332	8.208	5.332	8.208
Income taxes payables	-	-	-	-
Other payables	1.727	1.887	1.727	1.887
Current liabilities	34.753	30.439	34.753	30.439
Total liabilities	132.733	130.567	132.733	130.567
Total Equity and Liabilities	200.082	180.967	200.082	180.967

Cash Flow Statement

EUR '000	Q4 2019	Q4 2018	2019	2018
Operating profit/loss	5.826	2.492	18.420	10.126
Adjustment for non-cash operating items	773	840	4.028	5.574
	6.599	1.652	22.448	15.700
Change in working capital incl. herd	- 6.676	3.041	- 12.613	- 3.045
Cash flow from ordinary activities before financials	- 77	4.693	9.835	12.655
Net financials	- 1.118	3.245	- 6.076	-
Corporate tax paid	- 1.422	255	- 1.049	- 1.027
Cash flow from ordinary activities	- 2.616	7.683	2.710	11.628
Cash flow from investing activities	- 4.350	- 4.301	- 9.593	- 11.865
Proceeds from borrowings	18.500	5.678	18.500	24.558
Repayments of borrowings	- 9.719	- 1.392	- 21.269	- 14.744
Dividends paid to shareholders	-	-	-	-
Deposit on Escrow account	-	-	-	-
Cash flow from financing activities	8.781	4.285	- 2.769	9.814
Cash and cash equivalents primo priod	3.227	11.424	13.586	12.457
Change in cash and cash equivalents	1.814	2.996	- 9.652	3.224
Exchange adjustments	482	835	1.590	- 2.095
Cash and cash equivalents end priod	5.524	13.586	5.524	13.586

The group furthermore has 1,100 kEUR overdraft facilities not utilized at period-end and own 1.200 kEUR Idavang Bonds.

Statement of changes in equity

EUR '000	Share capital	Share premium	Exchange adjustment	Other reserves	Retained earnings	Total	
Equity at 1st January 2019	1.000	-	-	32.549	364	81.585	50.400
Profit/Loss for the period					10.979		10.979
Other comprehensive income			6.321	-	352		5.969
Total comprehensive income	-	-	6.321	-	352	10.979	16.948
Dividend							-
Transfer							-
Equity at 30th September 2019	1.000	-	-	26.228	12	92.564	67.348

EUR '000	Share capital	Share premium	Exchange adjustment	Other reserves	Retained earnings	Total		
Equity at 1st January 2018	1.000	-	-	26.764	-	537	80.372	54.071
Profit/Loss for the period						1.213		1.213
Other comprehensive income			-	5.785	901		-	4.884
Total comprehensive income	-	-	-	5.785	901	1.213	-	3.671
Dividend								-
Transfer		-						-
Equity at 31st December 2018	1.000	-	-	32.549	364	81.585		50.400

Notes

Note 1 Basis of preparation and changes to the Group's accounting policies

The interim condensed consolidated financial statements for the 12 months ended 31 December 2019 have been prepared in accordance with Idavang A/S' accounting policies as stated in the latest financial statements for the company and in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The consolidated financial statements are presented in thousand EUR.

The Interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2019.

The Group's accounting policies is unchanged compared with the Group's annual financial statements as at 31 December 2019.

Note 2 Biological assets measured at fair value

The change in the value of biological assets for Q4 2019 is stated in the below table. The total change in fair value is included in revenue reported in the income statement.

EUR '000	Q4 2019	2019	2018
Commercial herd primo	26.939	21.739	22.455
Change in fair value	811	4.523	736
Exchange adjustments	-88	1.400	-1.452
Commercial herd ultimo	27.662	27.662	21.739
Breeding herd primo	14.429	14.194	14.235
Change in fair value	1.218	637	874
Exchange adjustments	125	941	-915
Breeding herd ultimo	15.772	15.772	14.194
Herd total primo	41.368	35.933	36.690
Change in fair value due to volume	1.584	1.071	-946
Change in fair value due to price	445	4.089	2.556
Exchange adjustments	37	2.341	-2.367
Herd total ultimo	43.434	43.434	35.933
Crop primo	1.014	1.453	579
Change in fair value due to volume	555	-73	1.024
Change in fair value due to price	-	-	-
Exchange adjustments	20	209	-150
Crop ultimo	1.589	1.589	1.453
Total Biological Assets primo	42.382	37.386	37.269
Change in fair value due to volume	2.139	998	78
Change in fair value due to price	445	4.089	2.556
Exchange adjustments	57	2.550	-2.517
Total Biological Assets ultimo	45.023	45.023	37.386

Note 3 Segment reporting

The group's results break down as follows on segments:

Q4 2019					
EUR '000	Lithuania	Russia	Other / Eliminations		Group
Revenue	19.327	11.573	-		30.900
Value adjustment, biological assets	3.302	707	-		2.595
Production costs	- 14.688	- 12.057	- 5		- 26.750
Administrative costs	- 368	- 425	- 649		- 1.442
Other income	283	284	-		566
Other expense	- 2	- 43	-		- 45
Operating profit	7.855	1.376	654		5.825
Net Financials	- 307	- 258	- 1.040		- 1.605
Foreign exchange adjustments	-	24	192		167
Profit before tax	7.548	1.658	1.502		4.388
Tax on profit for the year	- 1.757	- 255	-		- 2.012
Profit for the period	5.792	1.913	1.502		2.376
EUR '000					
Depreciations included in production cost	- 1.628	- 1.241	- 5		- 2.873
EBITDA	9.483	135	649		8.698
<i>EBITDA fixed herd prices</i>	<i>6.180</i>	<i>572</i>	<i>649</i>		<i>6.103</i>
Q4 2018					
EUR '000	Lithuania	Russia	Other / Eliminations		Group
Revenue	12.737	11.855	-		24.592
Value adjustment, biological assets	556	1.875	-		2.431
Production costs	- 13.381	- 9.976	- 5		- 23.362
Administrative costs	- 566	- 386	- 464		- 1.416
Other income	113	172	-		285
Other expense	-	- 42	- 4		- 38
Operating profit	540	3.497	465		2.492
Net Financials	- 300	- 725	- 968		- 1.992
Foreign exchange adjustments	-	- 288	- 582		- 871
Profit before tax	840	2.484	2.015		371
Tax on profit for the year	347	0	-		347
Profit for the period	493	2.484	2.015		24
EUR '000					
Depreciations included in production cost	- 893	- 1.144	- 5		- 2.043
EBITDA	353	4.641	460		4.535
<i>EBITDA fixed herd prices</i>	<i>203</i>	<i>2.766</i>	<i>460</i>		<i>2.104</i>

2019						
EUR '000	Lithuania		Russia		Other / Eliminations	Group
Revenue		65.052		45.488	-	110.540
Value adjustment, biological assets		7.894	-	3.805	-	4.089
Production costs	-	54.833	-	38.828	- 5	- 93.667
Administrative costs	-	1.904	-	1.496	- 1.186	- 4.586
Other income		1.318		981	-	2.299
Other expense	-	147	-	109	-	- 256
Operating profit		17.380		2.231	- 1.192	18.419
Net Financials	-	1.105	-	1.532	- 3.926	- 6.563
Foreign exchange adjustments		-	-	83	1.844	1.760
Profit before tax		16.275		615	- 3.274	13.616
Tax on profit for the year	-	2.382	-	256	-	- 2.638
Profit for the period		13.893		359	- 3.274	10.979
EUR '000						
Depreciations included in production cost	-	3.895	-	4.598	- 5	- 8.498
EBITDA		21.275		6.829	- 1.187	26.917
<i>EBITDA fixed herd prices</i>		<i>13.381</i>		<i>10.634</i>	- <i>1.187</i>	22.829
2018						
EUR '000	Lithuania		Russia		Other / Eliminations	Group
Revenue		53.257		46.261	-	99.518
Value adjustment, biological assets	-	1.206		3.762	-	2.556
Production costs	-	53.158	-	35.692	- 5	- 88.854
Administrative costs	-	2.054	-	1.414	- 1.194	- 4.661
Other income		1.095		579	-	1.674
Other expense		-	-	102	- 4	- 106
Operating profit	-	2.066		13.395	- 1.203	10.126
Net Financials	-	1.042	-	2.218	- 3.660	- 6.921
Foreign exchange adjustments		-		53	- 2.428	- 2.375
Profit before tax	-	3.108		11.229	- 7.291	830
Tax on profit for the year		413	-	30	-	383
Profit for the period	-	2.695		11.200	- 7.291	1.213
EUR '000						
Depreciations included in production cost	-	3.270	-	4.235	- 3	- 7.508
EBITDA		1.204		17.630	- 1.200	17.634
<i>EBITDA fixed herd prices</i>		<i>2.410</i>		<i>13.868</i>	- <i>1.200</i>	15.078

Note 4 Summary of bond terms

Issuer	Idavang A/S
Security package:	(i) share pledges over Guarantors and Russian operating companies, excluding Idavang LLC (Ostrov), (ii) mortgages over substantially Lithuanian real estate, (iii) Danish registered negative pledges, (iv) account pledge over IFC Deposit account and (v) assignment over intra-group loan (RUB 1.37bn) from the Issuer to Idavang Agro LLC
Original Guarantors:	Rus Invest Aps, Rurik A/S, Pskov Invest Aps, Idavang Russia A/S, UAB Idavang, UAB Idavang Pasodele and UAB Kepaliai
Status of the bond:	Senior secured
Currency:	EUR
Initial debt amount:	EUR 85 millions
Other facilities:	Super senior RCF up to 9 mEUR, governed under an inter-creditor agreement with bondholders. Basket of leasing, factoring and other of 6,5 mEUR and permitted indebtedness of 1.750 mRUB in Russia (apx. 25 mEUR)
Tenor	4 years
Pricing:	3m EURIBOR + 650 bps p.a., quarterly interest payments, EURIBOR floor of 0.0%
Rating:	Unrated
Call options:	Non call during the first 24 months, then 50/30/10/0 after 24/30/36/42
Incurrence test	NIBD/EBITDA LTM fixed herd price (net leverage) of 3.00 and No Event of Default is continuing or occurring upon the incurrence or payment
Restricted payments	No financial support (by way of loans, capital or similar) by the Issuer to Russian subsidiaries, except if funded by the super senior facility or if the incurrence test is met (excluding the IFC Deposit from Net Interest Bearing Debt)
Information covenants:	Annual audited statements, quarterly unaudited reports
Change of control:	Investor put at 101%
Listing of bonds:	Nasdaq Copenhagen
Trustee:	Nordic Trustee
Governing law:	Danish law

Note 5 Other financial obligations

IFC has a put option on its 200,000 nom. Shares in Idavang A/S to Idavang A/S and Jast Holding ApS. The put option can be exercised from 2016 to 2020. The put option is disclosed in the financial statements for the parent company.

IFC's put option is based on market values, hence it fluctuates, as at 31 December 2018 the full obligation of Idavang A/S and Jast ApS constitute a payment of apx. 18.0 mEUR. The obligation is revaluated every year on the results for financial year.

Quarterly Financial Highlights and Key Ratios

EUR '000	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Income statement						
Revenue	30.900	29.161	27.462	23.018	24.592	26.243
EBITDA	8.699	6.117	10.194	1.907	4.535	2.713
EBITDA fixed herd price	6.104	9.052	6.928	745	2.104	5.470
EBIT	5.825	4.380	8.242	28	2.492	963
Financial items, net	- 1.437	- 1.362	- 1.342	- 663	- 2.863	- 2.318
Profit/(loss) for the period	2.376	2.611	6.424	433	24	1.300
Cash flow						
Operating activity	- 2.616	5.841	3.226	- 3.741	3.013	902
Investing activity	- 4.350	- 3.395	- 1.170	- 678	- 4.301	- 2.579
Financing activity	8.781	- 4.871	- 1.498	- 5.182	4.285	1.837
Free cash flow	- 5.849	4.246	3.398	- 2.601	136	19
Balance sheet						
Non-current assets	115.024	110.044	109.036	107.128	103.447	101.676
Net working capital	32.075	23.154	28.797	22.322	18.764	22.063
Net operating assets	147.099	133.198	137.834	129.450	122.211	123.739
Total assets	200.082	187.398	187.345	180.718	180.966	179.670
Equity	67.348	63.960	60.812	53.507	50.400	52.256
Net interest bearing debt	90.143	80.155	82.372	83.720	78.319	78.156
Key financials Group						
EBITDA margin	28,2%	21,0%	37,1%	8,3%	18,4%	10,3%
EBITDA margin - fixed herd prices	19,8%	31,0%	25,2%	3,2%	8,6%	20,8%
Cash conversion	-95,8%	46,9%	49,0%	-349,1%	6,5%	-0,3%
NIBD / EBITDA fixed price LTM	3,9	4,3	5,4	6,5	5,2	5,0
Equity ratio	33,7%	34,1%	32,5%	29,6%	27,9%	29,1%