

ROS AGRO PLC (“the Company”)

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE ABOVE COMPANY HELD AT THE FOUR SEASONS HOTEL IN LEMESOS ON 20TH MAY 2016 AT 12:00

PRESENT:	Richard Andrew Smyth	- Director
	Anastasios Televantides	- Director
	Maxim Basov	- Director (via teleconference)
	Vadim Moshkovich	- Director
	Ganna Khomenko	- Director
	Georgia Salameh	- On behalf of Fiduciana Secretaries Limited, Secretary

CHAIRMAN/ QUORUM

1. IT WAS RESOLVED that Mr. Vadim Moshkovich be appointed as Chairman of the Meeting. IT WAS NOTED that a quorum was present and that the Meeting was duly constituted in accordance with the Company’s Articles of Association.

Q1 2016 BUSINESS RESULTS

2. A Presentation for the Board of Directors for the Q1 of 2016 was presented to the Board. The breakdown by division was presented and, in brief, Mr. Basov stated that the Company subsidiaries achieved increases in volumes, driven by nearly all divisions. Sugar sales increased by 22% due to sales volume and price growth. Meat sales decreased by 9% due to the decrease in sale prices. Agriculture sale increased by 114% as a result of an increase in all crops sale prices of and an increase in sales volume of sugar beet, barley and corn. Oil & fats sales increased by 41% mainly due to an increase in sale volume and prices of all main products. Overall, these factors resulted in EBITDA margin decreasing from 36% in Q1 2015 to 27% in Q1 in 2016.

SUGAR STRATEGY 2016 - 2022

3. A Presentation on the Key Strategic Targets of the sugar division for the years 2016 – 2022 were presented to the Board. In brief, Mr. Basov stated the most important targets of the division mainly being, to increase the beet sugar production share in Russia and customs union, to secure current market regulation, to achieve market share in strategic sales channels, to initiate the beet sugar export sales, cost leadership, to focus on innovations in the products, the process and the systems, to grow and develop the people and to extend the business by entering new markets that have synergy with the Company’s core sugar business.

SECONDARY PUBLIC OFFER (SPO) RESULTS

4. Mr. Basov presented a brief presentation and summarised the SPO which took place in April 2016 whereby the Company has implemented an additional issue by placing 16.7 million GDR for \$15 per receipt. As a result, the Company has raised about \$250 million increasing the free float from 16.3% to 20.75%.

AUDIT COMMITTEE MEETING/REPORT AND FINANCIAL STATEMENTS AS AT 31ST MARCH 2016

5. Mr. Televantides informed the Board of Directors that a meeting of the Audit Committee (AC) took place in Moscow on 17th May 2016. In brief, Mr. Televantides stated that the AC has no issues with the Financial Statements and recommends that the Board approves the said Financial Statements as at 31st March 2016 which will be attached to the press release.

Mr. Televantides has also informed the Board that during Q1, the Internal Audit carried out tests in the meat division and a comprehensive report was prepared showing various areas of concern, identifying an exceptionally high number of areas of significant concern. These mainly relate to cases where the division is dealing with outside service providers, which give the opportunity for collusion. It was also proposed that the Board assigns this task to the General Director to prepare a plan on how to handle these concerns at the next Board Meeting.

Mr. Televantides informed the Board that the Company is in full compliance with all governance of tax and legal matters and there were no significant issues or concerns found in the IFRS.

The Board was further informed that the AC has reviewed and approves the press release for the Q1 2016.

**PRESS RELEASE
ON FINANCIAL
RESULTS Q1 2016**

6. A draft of the press release, due to be published at the closure of the Meeting, was presented to the Board and it was unanimously resolved that it is approved.

**OPTION FORMULA/
PROGRAM**

7. In 2014 the Board had approved the launch of an option program for senior managers of the Group, with the dual objective of encouraging senior management share ownership and to increase retention.

It is recommended that this option program is continued in order to provide the top management with additional income at no cost for the company. Participants of the program are the employees who work in the Company on 30th Dec 2019 without interruption from 30th December 2016 will get the specified number of GDR for 1USD.

The list of participants will be discussed in November 2016.

M&A ACTIVITY

8. Mr. Basov updated the Board on the Razgulyai transaction and informed the Board that the Company has purchased the debt and equity as well as 3 sugar plants and the land around the plants as well as a buckwheat plant in Voronezh.

**TREASURY STOCK
SALE TO MITSUI**

9. The Directors unanimously approved the sale of 6,666 GDRs currently owned by the Company to Mitsui at the price of US\$15 per GDR (the "Proposed Sale") in case the Banks will provide the Company unconditional and irrevocable consent to the Proposed Sale due to the underwriting agreement between J.P. Morgan Securities plc, UBS Limited, VTB Capital plc and ROS AGRO PLC (the "Company") dated 28 April 2016

**NEXT BOARD
MEETINGS**

10. The Board of Directors has unanimously resolved that the next Board Meetings of 2016 will be held as follows:
- 25th August 2016
 - 17th November 2016

TERMINATION:

11. There being no other business, the Meeting is concluded at 14:30.

THE SECRETARY

Fiduciana Secretaries Limited



THE CHAIRMAN

Vadim Moshkovich