

ROS AGRO PLC
("the Company")

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
COMPANY HELD AT THE REGISTERED OFFICE OF THE COMPANY IN
NICOSIA, CYPRUS ON 16TH NOVEMBER 2019 AT 15:00**

PRESENT:	Richard Andrew Smyth	- Director (via videoconference)
	Anastasios Televantides	- Director (via videoconference)
	Maxim Basov	- Director (via videoconference)
	Vadim Moshkovich	- Director (via videoconference)
	Ganna Khomenko	- Director
	Maro Evi Koulla Griva On behalf of Fiduciana Secretaries Limited	- Secretary of the meeting

**CHAIRMAN/
QUORUM**

1. IT WAS RESOLVED that Mrs. Ganna Khomenko 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.

**Q3 2019 BUSINESS
RESULTS
PRESENTATION**

2. A Presentation for the Board of Directors for the actual 9 months of 2019, as well as significant events for 2019, were presented to the Board.
In brief, Mr. Basov reported that 3Q 2019 showed good results in terms of revenue increase compared to 3Q 2018. However, adjusted EBITDA margin of the Group dropped due to margin decrease in all major segments, except Agricultural. Agriculture segment's revenue has grown as the result of higher sales volumes of all crops (except for sugar beet) on local market. EBITDA margin also increased due to lower distribution expenses on local market compared to export sales, which prevailed during 3Q 2018. Meanwhile, Meat, Sugar and Oil & Fats segments showed strong sales results, but experienced margins drop. Meat segment margin was negatively affected by increase in livestock pigs cost due to feed and animals health protection expenses growth. Sugar segment faced EBITDA margin decrease due to high sugar prices during 2018 production season and, as the result, high sugar beet cost and decrease in sugar prices in Q3 2019 due to market expectations related to overproduction. Oil & Fats segment margin decreased mainly due to lower sales prices for all products and start of lower-margin industrial fats (B2B) sales in 2019 related to SolPro activities.

PRESS RELEASE

3. 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.

CAPEX UPDATE

4. A review of internal Capex for 3Q 2019 was made by Mr. Basov, outlining all major projects in the sugar, agricultural, meat, oil & fat and cheese divisions.

**AUDIT
COMMITTEE
REPORT**

5. Mr. Televantides informed the Board of Directors that a meeting of the Audit Committee (AC) took place on Thursday, 14th November 2019. In brief, Mr. Televantides stated that the results of the report of the Internal Audit were considered satisfactory and there were no significant issues or concerns identified. The Auditors also confirmed their independence. The Board was further informed that the AC has reviewed and approved the press release for the financial results for 9M 2019 and Q3 2019.

**YEAR-END
ESTIMATION;
NET INCOME AT
YEAR-END**

6. Mr. Basov presented the Board with a report on revised budget, focusing on EBITDA and Net Income results at the year-end.

**M&A ACTIVITY
AND STATUS**

7. Mr. Basov updated the Board on several opportunities and ongoing possibilities related to M&A activity of the Company.

**MANAGEMENT
CHANGES**

8. A report on the Group's senior management was presented to the Board as well presentation as to the changes within the top management, which took place in 2019.

CHINA PROJECT

9. Mr. Basov provided the Board with information on investment plans in China with additional details to be discussed in the upcoming Board meeting.

**COMPLIANCE
POLICY**

10. A new compliance policy was introduced to the Board with a view to adjust it to the Group's needs and approve it for implementation in the near future.

**NEXT BOARD
MEETINGS**

11. The Board of Directors has unanimously resolved that the next Board Meetings of 2020 will be held as follows:

- 13 March 2020
- 15 May 2020
- 14 August 2020
- 13 November 2020

TERMINATION

12. There being no other business, the Meeting is concluded at 17:30.

THE SECRETARY

Fiduciana Secretaries Limited



THE CHAIRMAN

Ganna Khomenko

