

ROS AGRO PLC

Investors Presentation

12M2018 and Q4 2018



13 March 2019

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M&A deals

1 CapitalAgro acquisition (Meat Business)

Rusagro Group invested RR 1.8 billion in acquisition of CJSC CapitalAgro and LLC TD CapitalAgro. Net debt of acquired companies is RR 1.9 billion. The transaction includes pig farms (10.4 ths sows) and a slaughterhouse (annual capacity 400 ths heads). Rusagro is planning to invest around RR 300 million in modernization of the farms and the slaughterhouse. As the result of the deal, Rusagro will increase its share of carcasses, large and small cuts market.

2 Milk products business division launch

Rusagro Group of Companies launched sales of cheese and butter, produced in Samara region. Product sales will be managed by OOO Molochnye produkty Rusagro. Rusagro intends to further expand its presence in milk industry.

3 Land acquisition in Tambov

Rusagro Group purchased of 100% stake in OOO Vozrozhdenie, which controls 11 thousand hectares of land. The land is located in Michurinsky district in Tambov region not far from Sugar plant Nikiforovsky. The Company plans to implement sugar beet crop rotation on this land and develop irrigation system.

4 Solnechnie Produkty Group of Companies

In October 2018 RusAgro signed the option agreement with the parent of SolPro group to purchase 85% of SolPro shares for a variable exercise price of USD 1m to USD 20m (depending on the financial position of SolPro). Subsequently, in November 2018, RusAgro purchased SolPro debts from RSKHB bank in the exchange for the payment deferred for 20 year. Assets of SolPro will be redeemed during 2019-2020YY.

Section 1

Summary Key Indicators (IFRS)

12M 2018 and Q4 2018 vs 12M 2017 and Q4 2017



Net revenue, Adjusted EBITDA: Actual Q4 2018 vs Actual Q4 2017

Comments

Net Revenue increased by RR 6,548 million (+27%):

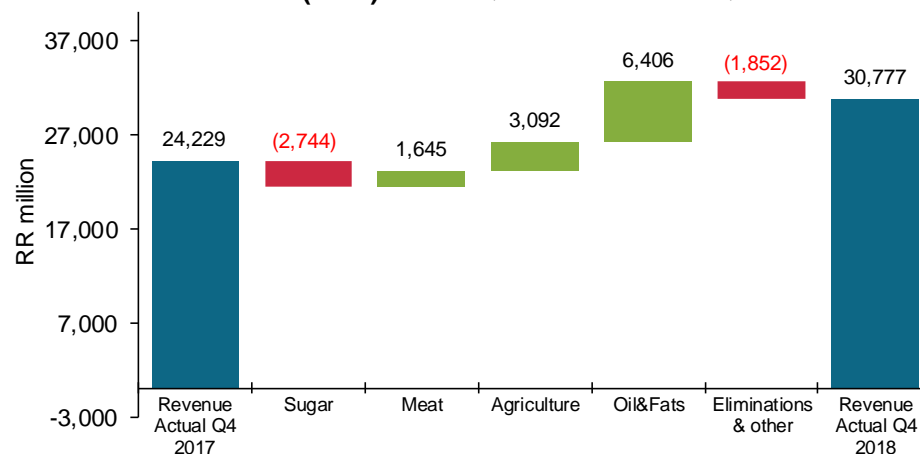
- Sugar sales decreased by RR 2,744 million (-29%) as a result of decrease in sales volume of sugar due to the transfer of the sales on spring and summer 2019.
- Meat sales increased by RR 1,645 million (+31%) due to an increase in sales price and sales volume of processed pork.
- Agriculture sales increased by RR 3,092 million (+29%) thanks to an increase in sales price of almost all crops and higher sales volume of sugar beet, wheat and sunflower in Q4 2018 vs Q4 2017.
- Oil & Fats sales increased by RR 6,406 million (+123%) as a result of tolling scheme on Solnechnie Produkti assets, an increase in sales volume of bottled oil (due to start production of bottled oil on SAPP plant) and increase in sales prices of bulk oil, bottled oil and meal.

Adjusted EBITDA margin decreased from 22% in Q4 2017 to 19% in Q4 2018.

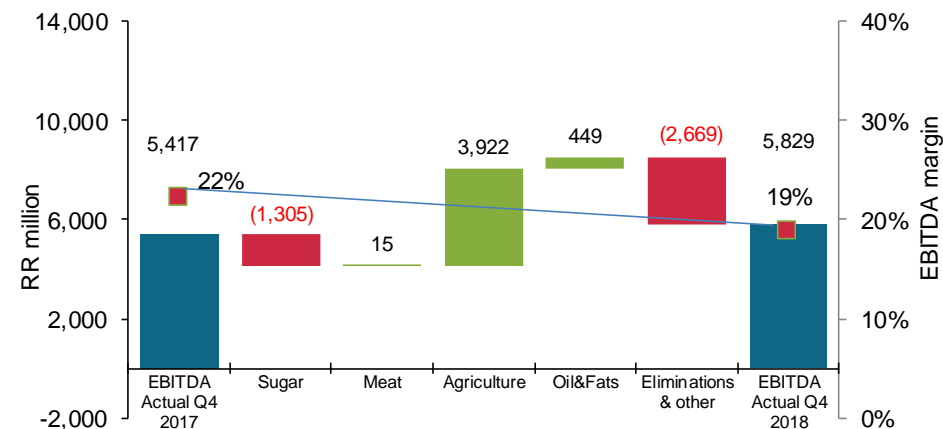
Adjusted EBITDA decreased by RR 412 million or 10%.

Elimination in EBITDA RR -2,669 million consists of the leveling effect of intra-group sales. RR (-1,298 million intra-group sales between Sugar and Agriculture Division, RR -988 intra-group sales between Agriculture and Meat division, RR - 383 million intra-group sales of bulk oil from Samara oil plant and bulk and bottled oil from Far East to Ekaterinburg fat plant).

Net revenue (IFRS) Actual Q4 2018 vs Actual Q4 2017



Adjusted EBITDA Actual Q4 2018 vs Actual Q4 2017



Net revenue, Adjusted EBITDA: Actual 12M 2018 vs Actual 12M 2017

Comments

Net Revenue increased by RR 3,920 million (+5%):

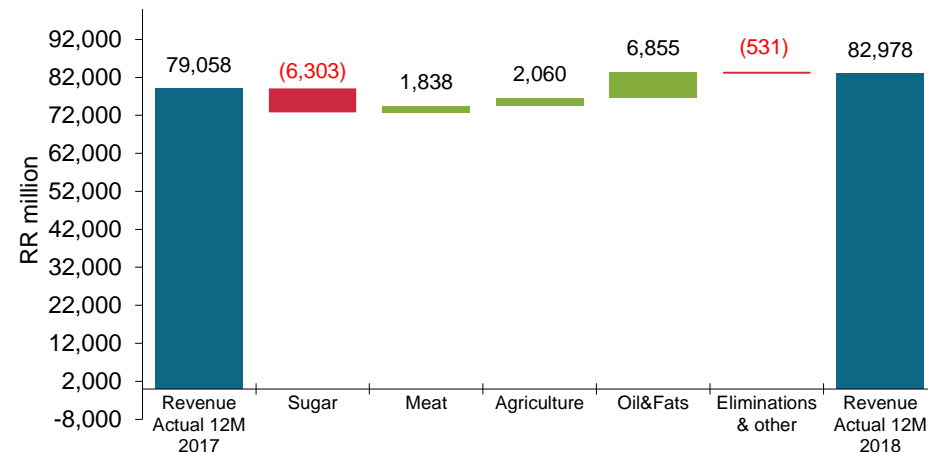
- Sugar sales decreased by RR 6,303 million (-21%) as a result of decrease in sales volume of sugar due to the transfer of the sales on spring and summer 2019.
- Meat sales increased by RR 1,838 million (+9%) due to an increase in sales price and sales volume of processed pork
- Agriculture sales increased by RR 2,060 million (+11%) thanks to an increase in sales prices of all crops in 12M 2018 against 2017.
- Oil & Fats sales increased by RR 6,855 million (+35%) as a result of tolling scheme on Solnechnie Produkty assets, an increase in sales volume of bottled oil (due to start production of bottled oil on SAPP plant) and increase in sales prices of bulk oil, bottled oil and meal.

Adjusted EBITDA margin increased from 18% in 12M 2017 to 19% in 12M 2018.

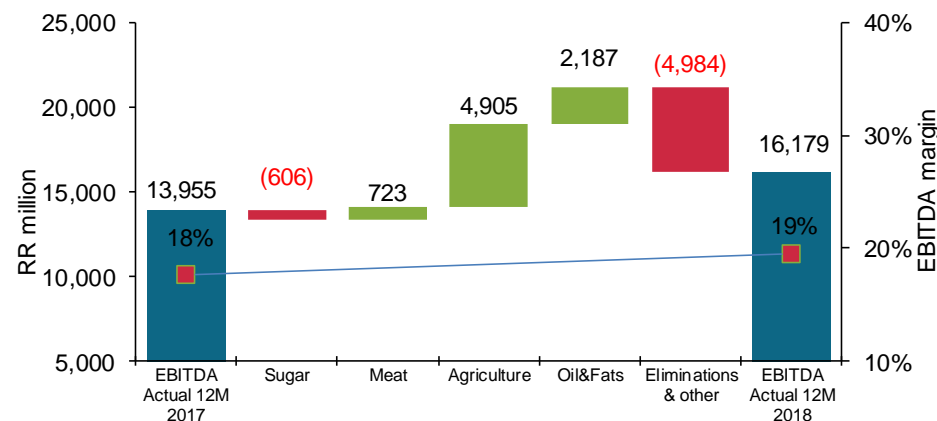
Adjusted EBITDA increased by RR 2,224 million or 16%.

Elimination in EBITDA RR -4,984 million consists of the leveling effect of intra-group sales. (RR - 2,761 million intra-group sales between Sugar and Agriculture Division, RR -1,297 million intra-group sales between Agriculture and Meat division, RR – 990 million intra-group sales of bulk oil from Samara oil plant and bulk and bottled oil from Far East to Ekaterinburg fat plant).

Net revenue (IFRS) Actual 12M 2018 vs Actual 12M 2017



Adjusted EBITDA Actual 12M 2018 vs Actual 12M 2017



Statement of Comprehensive income (IFRS)

ROS AGRO PLC



RR million

Description	Actual 12M 2018	Actual 12M 2017	Variances		Actual 3Q 2018	Actual 3Q 2017	Variances	
			Units	%			Units	%
Sales	82,978	79,058	3,920	5	30,777	24,229	6,548	27
Net gain/ (loss) on revaluation of biological assets and agricultural produce	2,851	(2,976)	5,827	196	(1,360)	(421)	(939)	(223)
Cost of sales	(61,680)	(58,116)	(3,564)	(6)	(24,314)	(16,621)	(7,693)	(46)
Net gain/ (loss) from trading derivatives	9	(11)	20	180	3	(1)	4	315
Gross profit	24,158	17,955	6,203	35	5,105	7,186	(2,081)	(29)
Distribution and selling expenses	(6,960)	(8,361)	1,401	17	(1,900)	(3,051)	1,152	38
General and administrative expenses	(5,169)	(4,879)	(290)	(6)	(1,108)	(1,331)	223	17
Other operating (expenses)/ income, net	593	(666)	1,259	189	1,901	(454)	2,354	519
Operating profit / (loss)	12,622	4,049	8,573	212	3,998	2,350	1,648	70
Interest expense	(2,884)	(2,260)	(625)	(28)	(1,147)	(398)	(749)	(188)
Interest income	4,002	4,190	(188)	(4)	1,295	992	303	31
Net gain/ (loss) from bonds held for trading	(42)	30	(72)	(241)	(13)	21	(34)	(160)
Other financial expenses, net	(167)	(39)	(128)	(328)	(131)	(51)	(80)	(159)
Share of results of associates	-	11	(11)	-	-	-	-	-
Profit / (loss) before taxation	13,531	5,981	7,550	126	4,002	2,914	1,088	37
Income tax expense	(704)	(418)	(286)	(68)	(127)	(440)	313	71
Profit / (loss) for the period	12,827	5,563	7,264	131	3,875	2,474	1,401	57
Change in value of available-for-sale financial assets	-	(154)	154	(100)	-	-	-	-
Net change in fair value of available-for-sale financial assets transferred to profit or loss	-	301	(301)	(100)	-	-	-	-
Income tax relating to other comprehensive income	-	31	(31)	(100)	-	-	-	-
Income tax relating to other comprehensive income transferred to profit or loss	-	(60)	60	(100)	-	(60)	60	(100)
Total comprehensive income / (loss) for the period	12,827	5,681	7,146	126	3,875	2,414	1,461	61
Profit / (loss) is attributable to:								
Owners of ROS AGRO PLC	12,808	5,631	7,177	127	3,875	2,452	1,423	58
Non-controlling interest	20	(68)	88	130	-	22	(22)	(100)
Profit / (loss) for the period	12,827	5,563	7,264	131	3,875	2,474	1,401	57
Total comprehensive income / (loss) is attributable to:								
Owners of ROS AGRO PLC	12,808	5,748	7,060	123	3,875	2,392	1,483	62
Non-controlling interest	20	(68)	88	130	-	22	(22)	(100)
Total comprehensive income / (loss) for the period	12,827	5,681	7,146	126	3,875	2,414	1,461	61

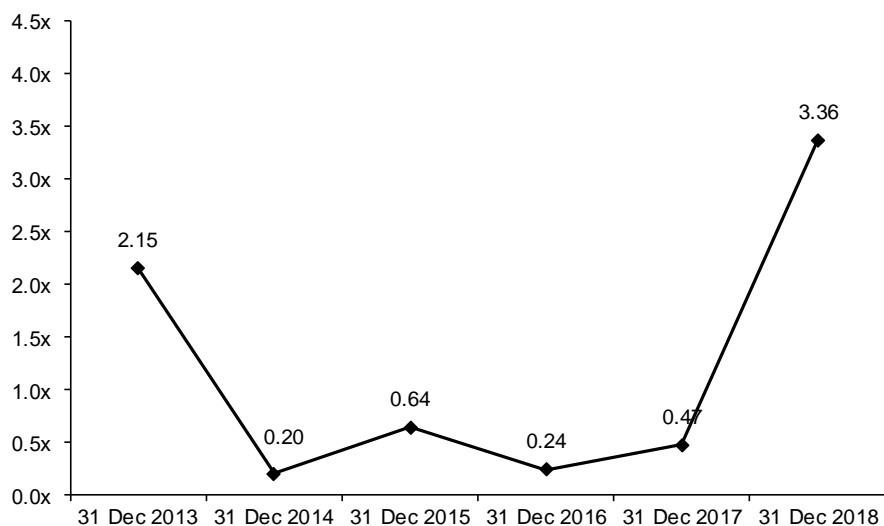
Comments

- Gross debt increased by RR 48,450 million (+104%) up to RR 95,101 million (mainly due to the M&A activity during 2018Y).
- Net debt increased by RR 47,738 million (723%) to RR 54,342 million
- Major banks and their ratio in the Group's credit portfolio (excl. non-bank loans): Rosselhozbank (7%), Vnesheconombank (34%), Alfa bank (46%), Sberbank (13%).

Net finance income in 12M 2017 in the sum of RR 1,921 million decreased to the amount of RR 910 million in the 12M 2018 due to:

- RR - 625 million of loss in net interest expense as a result of increase of loan interests;
- RR -328 million of an increase in other financial expense;

Net debt / LTM EBITDA



Debt position and liquidity management

in RR million	31 December 2018	31 December 2017	Variance	
			Units	%
Gross debt	95,101	46,651	48,450	104
Short-term borrowings	32,514	8,864	23,650	267
Long-term borrowings	62,588	37,788	24,800	66
Cash and cash equivalents, bank deposits and bonds	(40,759)	(40,048)	(712)	(2)
Short-term cash, deposits and bonds	(4,543)	(22,901)	18,358	80
Long-term cash, deposits and bonds	(36,216)	(17,146)	(19,070)	(111)
Net debt	54,342	6,604	47,738	723
Short-term borrowings, net	27,971	(14,038)	42,008	-
Long-term borrowings, net	26,371	20,642	5,730	28
Adjusted EBITDA (LTM)	16,179	13,955	2,224	16
Net debt/ Adjusted EBITDA (LTM)	3.36	0.47	2.9	

Net finance income/ (expense)

in RR million	12M 2018	12M 2017	Variance		Three months ended		Variance	
			Units	%	31 December 2018	31 December 2017	Units	%
Net interest expense	(2,884)	(2,260)	(625)	(28)	(1,147)	(398)	(749)	(188)
Gross interest expense	(4,000)	(3,512)	(488)	(14)	(1,605)	(1,129)	(476)	(42)
Reimbursement of interest expense	1,116	1,253	(137)	(11)	458	731	(273)	(37)
Interest income	4,003	4,190	(187)	(4)	1,295	992	303	31
Net gain / (loss) from bonds held for trading	(42)	30	(72)	-	(13)	21	(34)	-
Other financial income / (expenses), net	(167)	(39)	(128)	(328)	(131)	(51)	(80)	(159)
Net foreign exchange gain / (loss)	(16)	11	(27)	-	40	(15)	55	-
Other financial expenses, net	(151)	(50)	(101)	(203)	(170)	(35)	(135)	(385)
Total net finance income / (expenses)	910	1,921	(1,011)	(53)	4	564	(560)	(99)

Statement of financial position: Key changes 31 December 2018 vs 31 December 2017



Comments

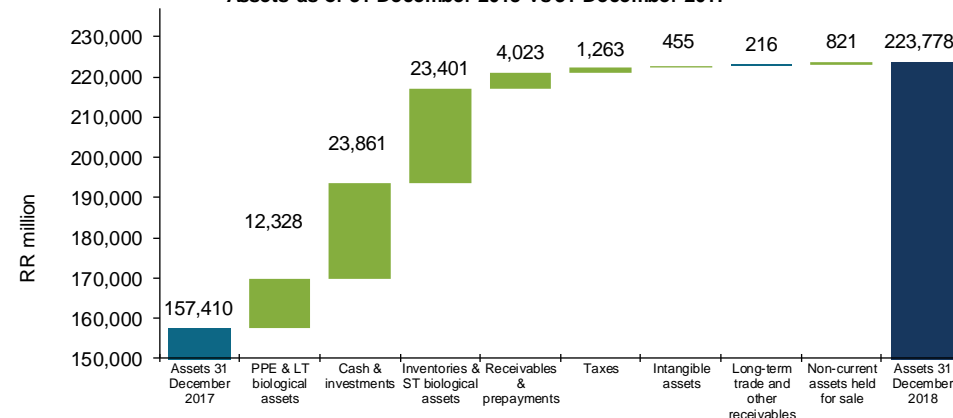
ASSETS

- PPE & LT biological assets* increased by RR 12,328 million (RR +10,781 million in Meat, and RR +1,693 million in Sugar, RR +736 million in Oil&Fat and RR -1,037 in Agriculture). Higher balance of PPE including advances in Meat division is related to the pig-breeding farms and slaughter house construction. Hereinafter on this slide segments figures are presented excluding intercompany balances.
- Cash & Investments** increased by RR 23,861 million. For details refer to the next slide Cash Flows.
- Inventories & ST biological assets increased by RR 23,401 million (RR +8,175 million in Sugar, RR +2,236 million in Meat, RR +4,762 million in Agriculture and RR +9,182 million in Oil). Increase in inventories level in Sugar division is attributed to lengthen sales of sugar. Significant increase of inventories in Agricultural division includes current year harvest collected to the date. Significant inventory in Oil includes mainly tolling scheme with Solnechnye Producty assets.
- Receivables & Prepayments increased by RR 4,023 million mainly in Oil&Fat due to the tolling scheme with Solnechnye Producty assets.
- Taxes*** increased by RR 1,263 million as a result of an increase in VAT receivable in amount of RR 1,156 million.
- Intangible assets**** increased by RR 455 million mainly as the result of RR +539 million of goodwill from acquisitions in Meat divisions.
- Other non-current assets amount is related to the debt acquisition of Solnechnye Producty. It represents the difference between the fair value of consideration and the fair value of the loans acquired (day-one loss to be deferred for 20 years).

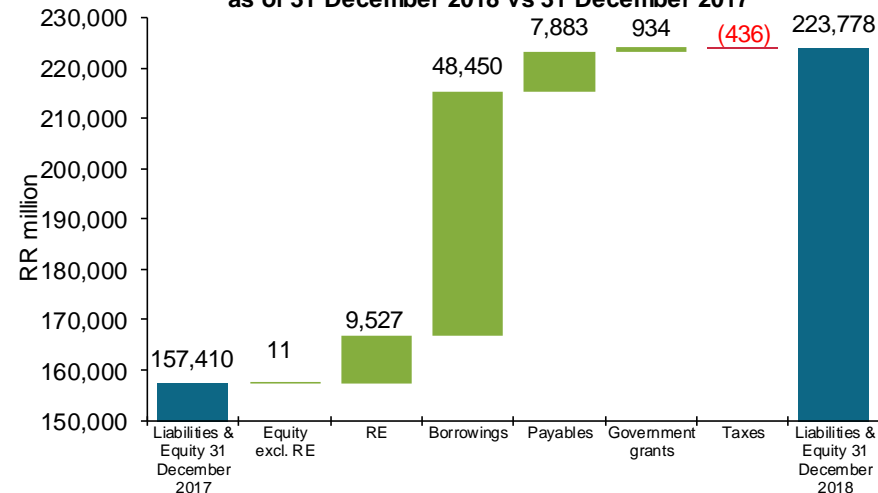
LIABILITIES & EQUITY

- Equity (excl. RE) is lower by RR 11 million as the result of other operations with NCI.
- RE (retained earnings) increased by RR 9,527 million and are represented by profit attributable to shareholders of Ros Agro PLC (RR +12,916 million), dividends declared (RR -3,250 million) and other operations with NCI (RR +34 million).
- Borrowings increased by RR 48,450 million due to the deal for acquisition the debts Solnechnie Produkti assets (RR +23,650 million of ST borrowings and RR +24,800 million of LT borrowings).
- Payables increased by RR 7,883 million. An increase in payables in Oil&Fat division covers purchases for tolling scheme with Solnechnie Produkti assets.
- Government grants increased by RR 934 million which included mainly RR +1,081 million of grants received for pig-breeding farms and the slaughter house construction and RR -155 million of amortization of previously received grants.

Assets as of 31 December 2018 vs 31 December 2017



Liabilities & Equity as of 31 December 2018 vs 31 December 2017



* include PPE, Inventories intended for construction, Advances paid for non-current assets and LT biological assets
 ** include Cash and cash equivalents, ST and LT Restricted cash, ST and LT investments, LT receivables, investments in associates
 *** include Current income tax, Deferred income tax and Other taxes
 **** include Goodwill, Other intangible assets and Advances paid for intangible assets

Cash Flows: Actual 12M 2018 vs Actual 12M 2017

Comments

In 12M 2018 cash and cash equivalents decreased by RR -3,132 million from RR 4,860 million to RR 1,728 million.

Main variances in cash flow statement line items between 12M 2018 and 12M 2017:

Net cash from operating activities:

- RR - 8,911 million of an increase in operating cash flow before working capital changes mainly due to an increase in profit before income tax that was partly offset by decrease in non-cash and non-operating adjustments;
- RR -19,968 million change in inventories and biological assets mainly due to higher decrease in inventories of Sugar in 12M 2018;
- RR +4,065 million change in trade and other payables.

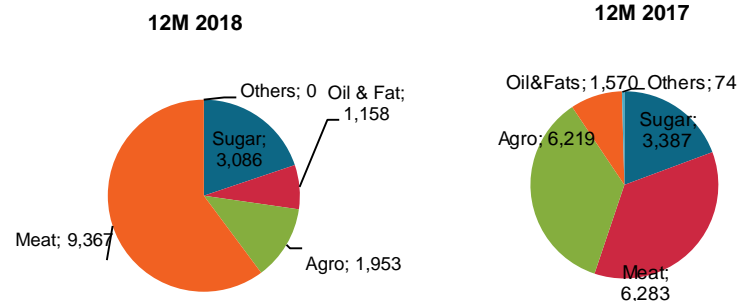
Net cash from investing activities:

- RR -15,564 million change in Purchases of PPE.

Net cash from financing activities:

- RR +20,971 million net changes in borrowings due to higher repayment of borrowings in 12M 2018;
- RR +2,309 million proceeds from government grants
- RR -3,486 million decrease in amount of dividends paid to owners.

CAPEX* 12M 2018 vs 12M 2017, RR million



Cash Flows according to Management view (Not IFRS presentation)*

	Actual 12M 2018	Actual 12M 2017	RR million	
			Units	%
Cash flows from operating activities				
Profit / (loss) before income tax	13,532	5,981	7,551	126
<i>Adjustments for non-cash and non-operating (income)/expenses, net</i>	3,086	8,862	(5,776)	(65)
Operating cash flow before working capital changes	16,618	14,843	1,775	12
Change in trade and other receivables and prepayments	(6,477)	856	(7,333)	-
*Change in operating activity not included in Net debt			-	-
Change in other taxes receivable	(1,050)	999	(2,049)	-
Change in inventories and biological assets	(18,799)	1,438	(20,237)	-
Change in trade and other payables	4,202	(568)	4,770	-
Change in other taxes payable	183	224	(40)	(18)
Cash generated from operations	(6,391)	18,097	(24,488)	-
Income tax paid	(1,281)	(423)	(858)	(203)
Net cash from operating activities	(7,672)	17,673	(25,345)	-
Cash flows from investing activities				
Purchases of property, plant and equipment and inventories intended for construction	(14,056)	(17,534)	3,478	20
Investments in subsidiaries, net of cash acquired	(534.5)	79	(614)	-
Movement in restricted cash	1	(1)	2	-
Purchases of other intangible assets	(351)	(514)	163	32
Other investing activities	-	82	(82)	-
Net cash from investing activities	(15,564)	(17,887)	2,323	13
Cash flows from financing activities				
Net cash flows on borrowings, incl. interest paid	-	(907)	907	-
Net cash flows on financial assets related to financial activities, incl. interest received*	-	3,015	(3,015)	-
*Non-cash adjustments affecting Net Debt	-	2,675	(2,675)	-
Proceeds from government grants	2,309	-	2,309	-
Proceeds from sales of treasury shares	-	-	-	-
Sale of non-controlling interest	-	(81)	-	-
Purchases of non-controlling interest	(30)	-	51	63
Proceeds from issue of own shares, net of transaction cost	0	(6,146)	6,147	-
Dividends paid to owners Ros Agro PLC	(3,486)	(5)	2,661	-
Other financial activities	(29)	(5)	(29)	-
Proceeds from borrowings	50,188	18,819	31,369	167
Repayment of borrowings	(25,327)	(16,861)	(8,466)	(50)
Interest paid	(3,791)	(2,865)	(926)	(32)
Proceeds from government grants	2,309	2,675	(366)	(14)
Sale of non-controlling interest	-	-	-	-
Purchases of non-controlling interest	(30)	(81)	51	63
Proceeds from sales of treasury shares	-	-	-	-
Dividends paid to owners Ros Agro PLC	(3,486)	(6,146)	2,661	-
Other financial activities	(29)	(5)	(24)	1
Lease payments	12	(15)	27	2
Net cash from financing activities	19,942	(1,464)	21,406	-
Net effect of exchange rate changes on cash and cash equivalents	162	(213)	376	-
Net increase/ (decrease) in cash and cash equivalents	(3,132)	(1,891)	(1,241)	(66)
*Net increase/ (decrease) in cash and cash equivalents according to management view	(3,132)	783	(3,915)	-
Cash and cash equivalents at the beginning of the period	4,860	6,752	(1,891)	(28)
Cash and cash equivalents at the end of the period	1,728	4,860	(3,132)	(64)

(*) For the purpose of conformity with the methodology of the Group's net debt calculation, cash flows on financial assets related to financial activities (bank deposits, bonds, promissory notes, loans given) are reclassified to Cash flows from financing activities in the Group's management accounts.

Section 2

Business Overview by division (IFRS)

12M 2018 and Q4 2018 vs 12M 2017 and Q4 2017



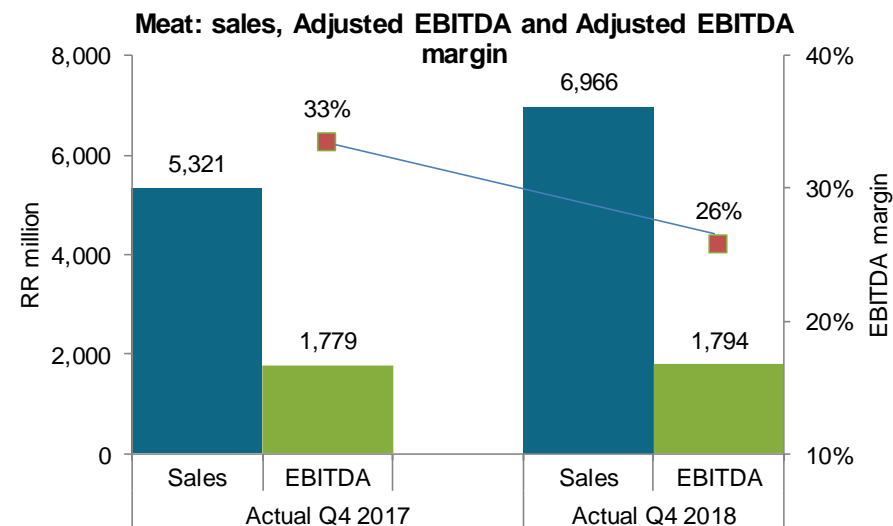
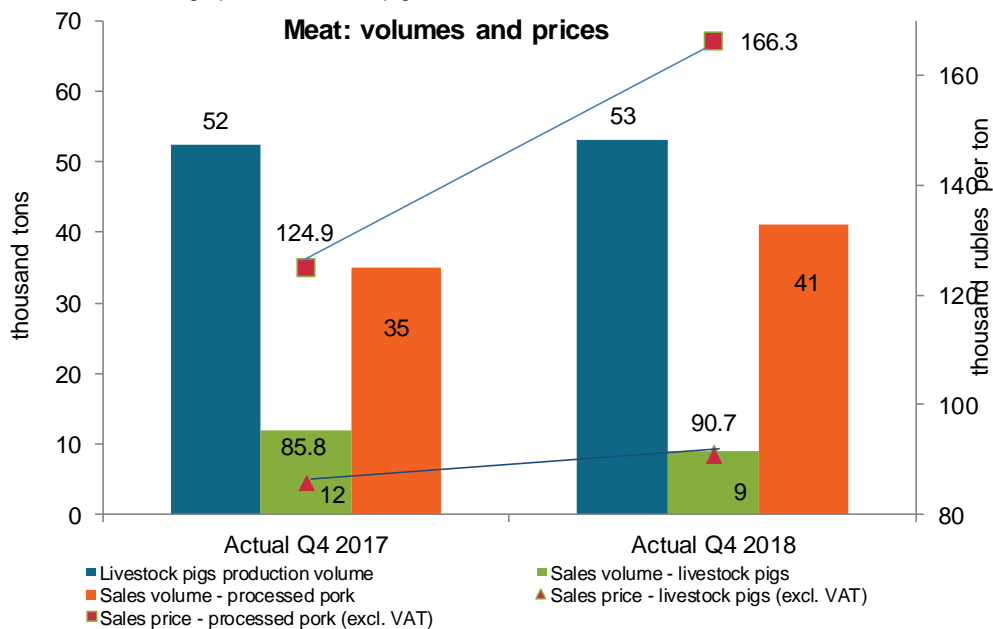
Comments

Sales (RR +1,645 million, +31%):

- a decrease in sales volume of livestock pigs by 3 thousand tons or 25%, that was compensated by an increase in sales volume of processed pork by 6 thousand tons or 21%.
- an increase in sales prices of livestock pigs by 6% and increase in sales price of processed pork by 33%.

Adjusted EBITDA (RR +15 million, +1%, margin -7%):

- RR -1,134 million of a decrease of volume of livestock pigs;
- RR +1,882 million of an increase of volume of processed pork.
- RR -733 million of an increase in cost of livestock production, mainly due to feed cost.
- Substandard pigs sold as live pigs (higher profitability, lower risks of theft), but this factor decreases average price of livestock pigs.



Comments

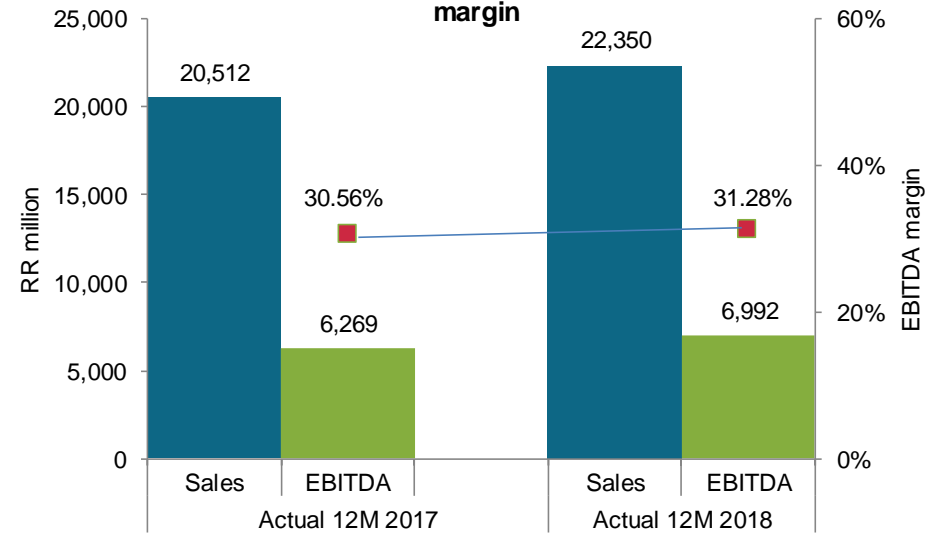
Sales (RR +1,838 million, +9%):

- a decrease in sales volume of livestock pigs by 30 ths tn or 53%, that was partly compensated by an increase in sales volume of processed pork by 20 ths tn or 17%.
- a decrease in sales prices of livestock pigs by 6%
- An increase in sales price of processed pork by 16%

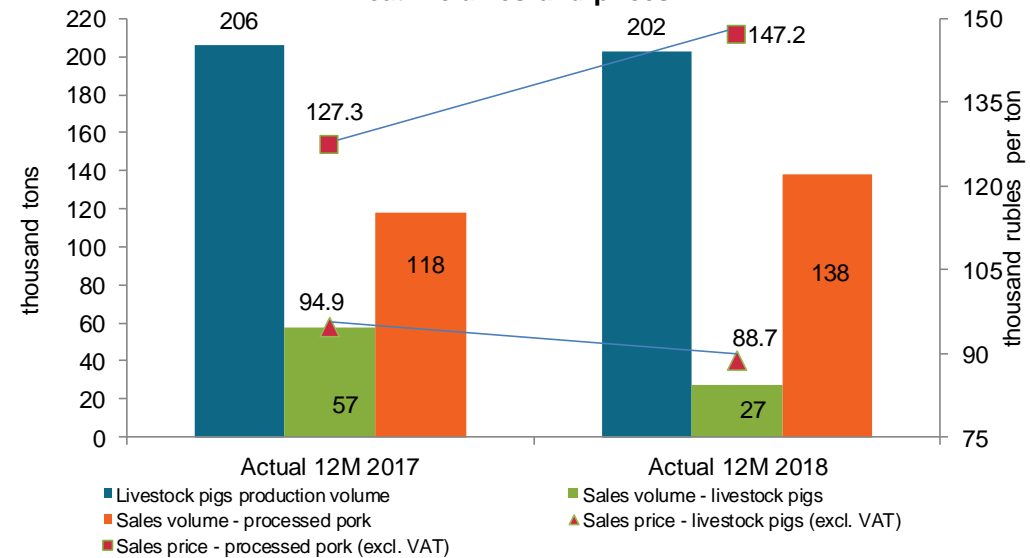
Adjusted EBITDA (RR +723million, +12%, margin +1%):

- RR -3,151 million of a decrease in sale price of livestock pigs;
- RR+4,960 million of an increase in sale price of processed pork;
- RR -332 million of decrease of livestock production due to the decline in the health status of the animals (reduction of resistance due to low gain), the outbreak of ASF (African swine fever).
- RR -764 million of an increase in cost of livestock production, mainly due to feed cost;
- From March 2018, Rusagro abandoned the tolling scheme for the implementation of culling, and now substandard pigs sold as live pigs (higher profitability, lower risks of theft). If earlier the share of commercial livestock in the implementation of live weight was 97-99%, but for the 4th quarter 2018 - 33% (for 9 months. - 54%). This factor decreases average price of livestock pigs.

Meat: sales, Adjusted EBITDA and Adjusted EBITDA margin



Meat: volumes and prices



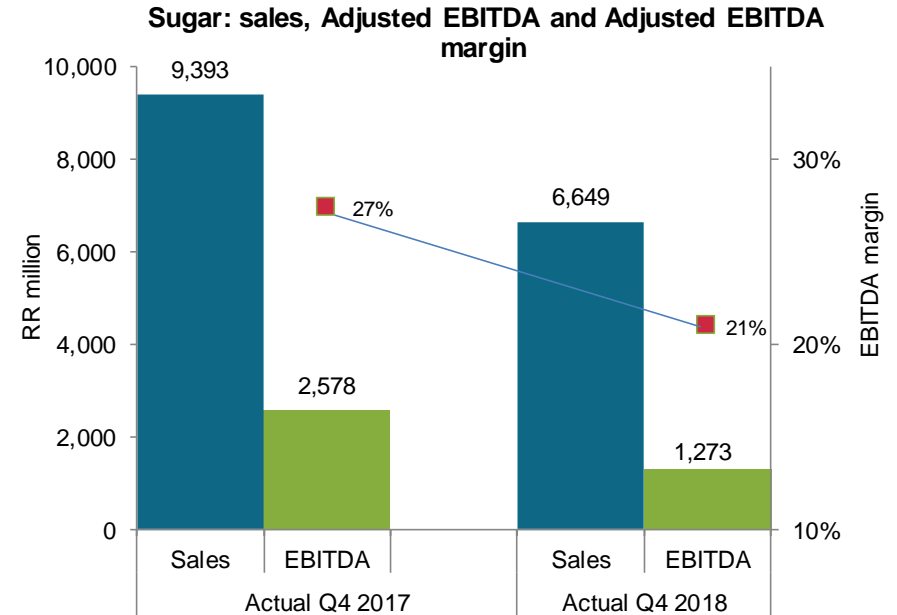
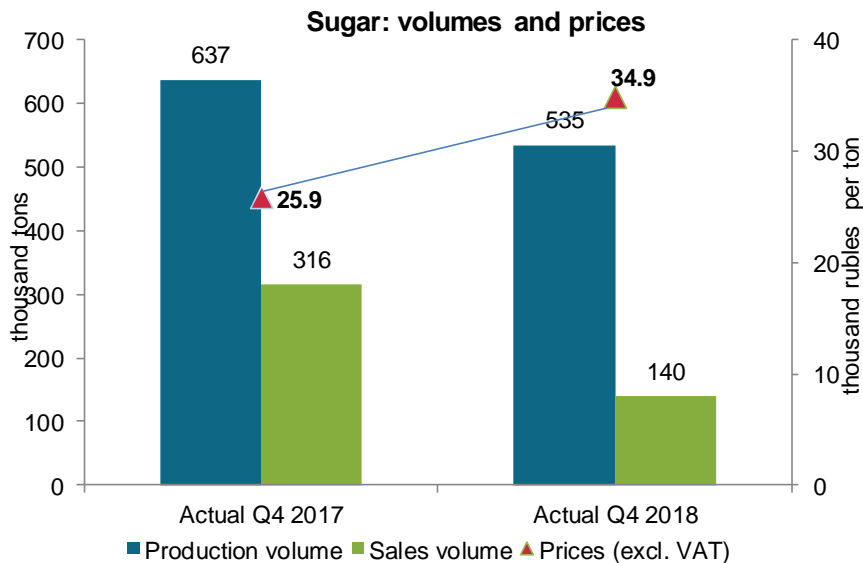
Comments

Sales (RR -2,744 million, -29%):

- Sugar sales revenue decreased by RR 2,744 million as sales volume of sugar decreased due to the transfer of the sales on spring and summer 2019;

Adjusted EBITDA (RR -1,305 million, -51%):

- RR -2,744 million sugar sales revenue decrease (-29%);
- RR + 1,164 million COGS decrease (excl. depreciation) mainly due to sales volume decrease;
- RR + 324 million D&S expenses decrease due to sales volume decrease.
- Production volume decrease -102 in thousand tons mainly due that the sugar plants were stopped in the middle of December 2018 due to the lack of raw materials.



Sugar: production volume

Item	Production volumes, in thousand tons			
	Actual Q4 2018	Actual Q4 2017	Variances	
			Units	%
Total production	535	637	(102)	(16)
Beet sugar	535	637	(102)	(16)

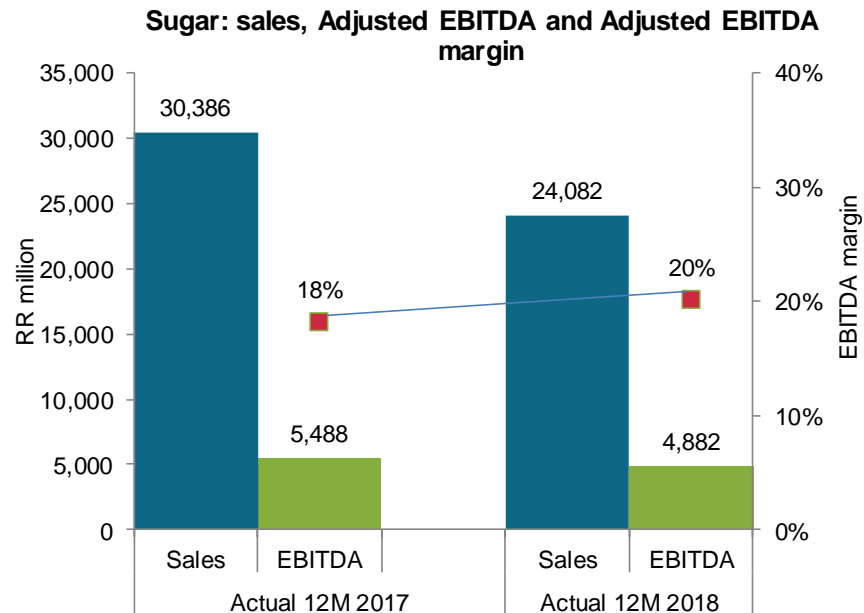
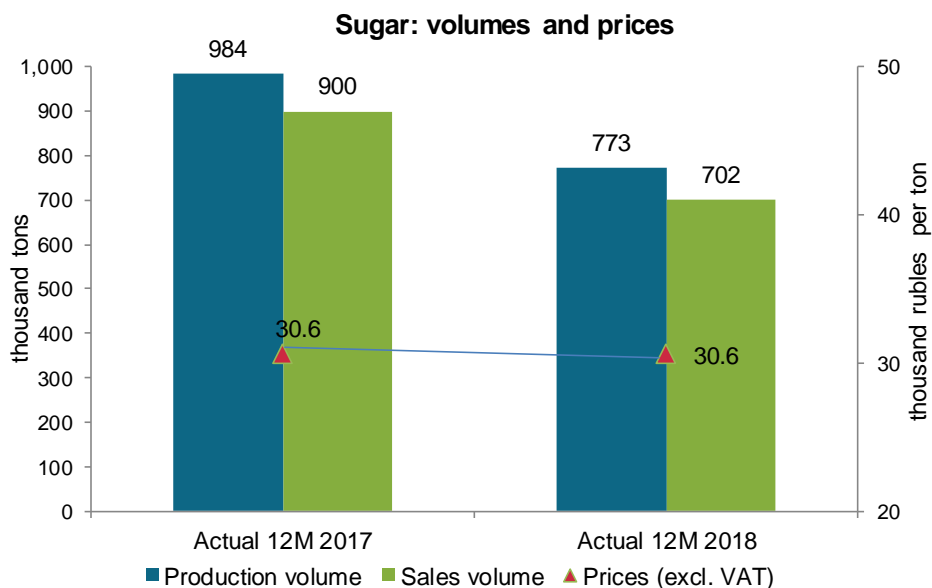
Comments

Sales (RR - 6,303 million, -21%):

- Sugar sales revenue decreased by RR 6,303 million due to sales volume decrease as sales volume of sugar decreased due to the transfer of the sales on spring and summer 2019 ;
- Cereal products sales revenue decreased by RR 441 million due to buckwheat sales prices decreased by 55%.

Adjusted EBITDA (RR - 606 million, -11%):

- RR - 6,304 million sugar sales revenue decrease (-20%);
- RR +4,826 million COGS decreased (excl. depreciation) mainly due to sales volume decrease;
- RR +647 million D&S expenses decreased mainly due to transportation and loading services (RR - 334 million) due to sales volume decrease.
- Production volume decrease -212 in thousand tons mainly due to the lengthening of the production cycle from the end 2016 to Feb 2017 and short production season in 2018.



Sugar: production volume

Item	Production volumes, in thousand tons			
	Actual 12M 2018	Actual 12M 2017	Variances	
			Units	%
Total production	773	984	(212)	(22)
Beet sugar	773	984	(212)	(22)

Comments

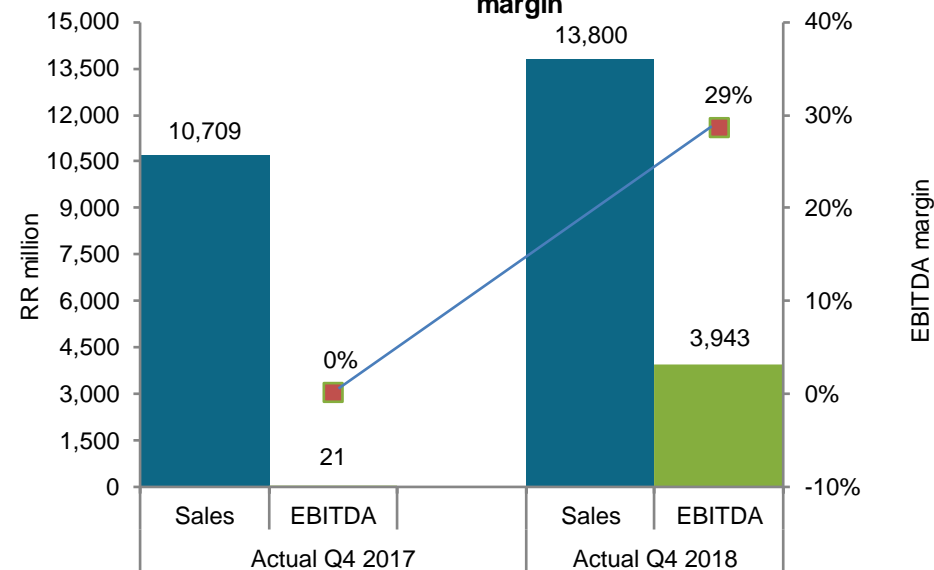
Sales (RR +3,091 million, +29%):

- Sales increased thanks to an increase in sales price of almost all crops and higher sales volume of sugar beet, wheat and sunflower in Q4 2018 vs Q4 2017. Increase in sale price for sugar beet was due to sugar price increase in Q4 2018.

Adjusted EBITDA (RR +3,922 million, margin +29%):

- RR +2,136 million of an increase in gross profit (excl. effect of biological assets and agricultural produce revaluation and depreciation) as a result of higher sales prices of almost all crops;
- RR +1,527 million of a decrease in distribution and selling expenses (excl. depreciation);
- RR -16 million of an increase in general and administrative expenses (excl. depreciation).
- RR +27 million of an increase in government grants for compensation of operating costs (RR 47 million in Q4 2018 vs RR 20 million in Q4 2017).

Agriculture: sales, Adjusted EBITDA and Adjusted EBITDA margin



Agriculture: sales volumes and prices

Item	Sales volume, thousand tons				Average price (excl. VAT), ths rur/tn			
	Actual Q4 2018	Actual Q4 2017	Variances		Actual Q4 2018	Actual Q4 2017	Variances	
			Units	%			Units	%
sugar beet	2,509	2,472	38	2	2.6	1.7	0.8	47
wheat	418	402	16	4	9.2	5.8	3.4	58
barley	37	113	(76)	(68)	11.4	6.1	5.3	87
sunflower	50	35	15	42	18.7	19.1	(0.4)	(2)
corn	30	30	(1)	(2)	11.7	6.4	5.3	83
soybean	57	118	(62)	(52)	24.2	20.1	4.0	20
other	24	4	20	520	7.5	6.2	1.3	21

Comments

Sales (RR +2,060 million, +11%):

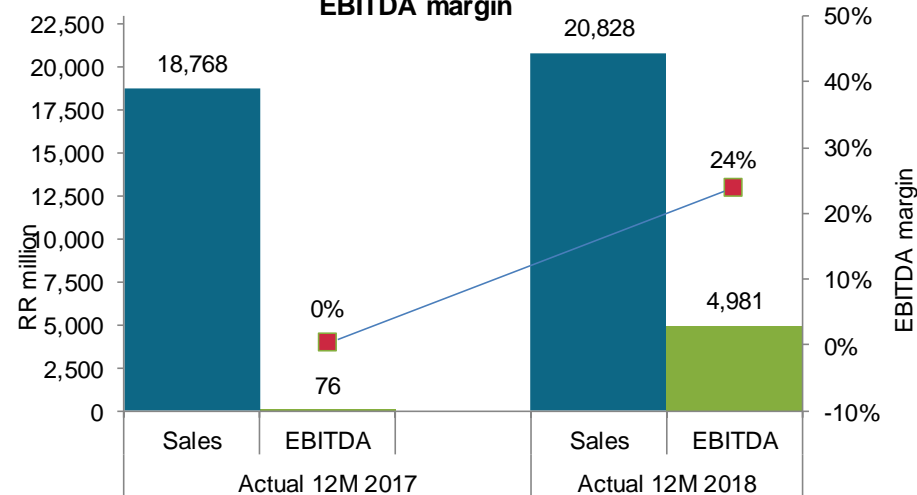
- the major positive factor is the significant increase in sales prices of crops in 12M 2018 vs 2017;
- the major negative factor includes a decrease in sales volume of all crops in 12M 2018 vs 2017.

Adjusted EBITDA (RR +4,905 million, margin +24%):

- RR +3,082 million of an increase in gross profit (excl. effect of biological assets and agricultural produce revaluation and depreciation) as a result of an increase in crops sales prices;
- RR +1,888 million of a decrease in distribution and selling expenses (excl. depreciation) due to lower sales volume;
- RR -214 million of an increase in general and administrative expenses (excl. depreciation).
- RR +62 million of an increase in government grants for compensation of operating costs (RR 124 million in 12M 2018 vs RR 62 million in 12M 2017).

As at 31 December 2018 the Group's area of controlled land stands at 652 ths ha (31 December 2017: 675 ths ha), including 582 ths ha of cultivated land (31 December 2017: 567ths ha).

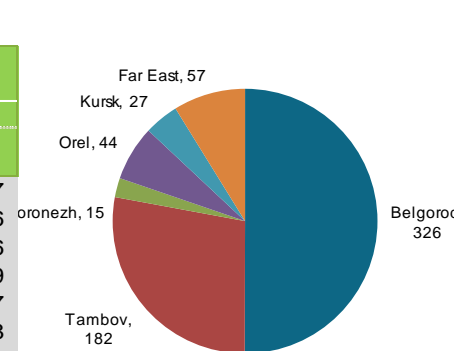
Agriculture: sales, Adjusted EBITDA and Adjusted EBITDA margin



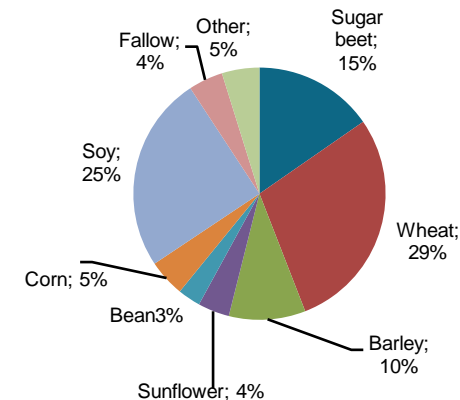
Agriculture: sales volumes and prices

Item	Sales volume, thousand tons				Average price (excl. VAT), ths rur/tn			
	Actual 12M 2018	Actual 12M 2017	Variances		Actual 12M 2018	Actual 12M 2017	Variances	
			Units	%			Units	%
sugar beet	3,489	3,957	(468)	(12)	2.5	1.8	0.7	37
wheat	510	710	(200)	(28)	8.9	6.1	2.8	46
barley	152	193	(41)	(21)	9.7	6.2	3.5	56
sunflower	54	84	(31)	(36)	18.6	17.1	1.5	9
corn	109	105	4	4	10.1	7.9	2.2	27
soybean	91	169	(78)	(46)	23.5	20.0	3.5	18
other	61	10	51	523	7.7	5.3	2.3	44

Total land resources by region as of 31 December 2018, ths ha



Arable land structure - harvest of 2018



Comments

Sales (RR +6,406 million, +123%: EZHK RR +2,966 million, +121%; SAPP RR +7,328 million, +360%; Far East RR -165 million, -15% and Eliminations RR -3,725 million).

Sales increased as a result of tolling scheme on Solnechnie Produkti assets and to start production of bottled oil on SAPP plant. As a result higher volume of bottled oil sold.

Adjusted EBITDA (RR +449 million, margin -3%), including:

EZHK (RR -54 million, margin -10%):

- RR -142 million of a decrease in gross profit (excl. depreciation);
- RR +79 million of a decrease in distribution and selling expenses (excl. depreciation) due to the decrease in sales volume;

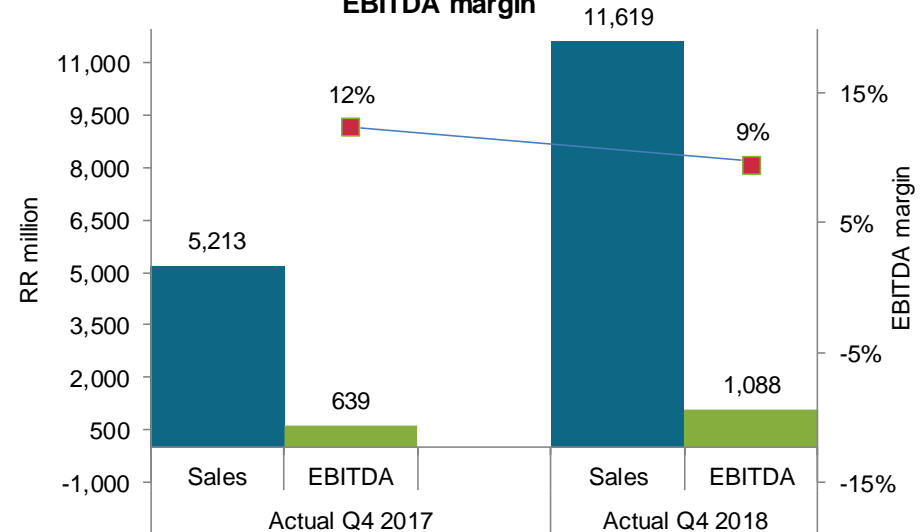
SAPP (RR +589 million, margin +1%):

- RR +246 million of an increase in gross profit (excl. depreciation) due to an increase in sales volume of bottled oil, increase in sales prices and sales volume of bulk oil due to the tolling scheme on Solnechnie Produkti assets, and decrease in cost of sunflower seeds per unit by 13%.

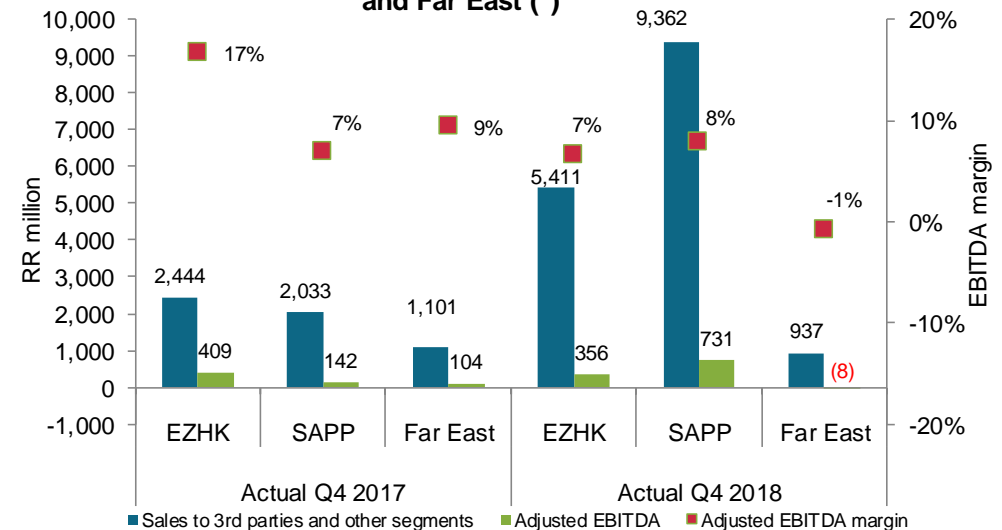
Far East (RR -112 million, margin -10%):

- RR -115 million of a decrease in gross profit (excl. depreciation) due to a decrease in sales volume of bottled oil and meal due to the raw material shortage;
- RR +3 million of a decrease in distribution and selling expenses (excl. depreciation).

Oil & Fats: sales, Adjusted EBITDA and Adjusted EBITDA margin



Oil & Fats: sales and Adjusted EBITDA EZHK, SAPP and Far East (*)



Comments

Sales (RR +6,855 million, +35%: EZHK RR +3,963 million, +48%; SAPP RR +7,706 million, +80%; Far East RR -12 million, +0% and Eliminations RR -4,801 million).

Sales increased as a result of tolling scheme on Solnechnie Produkti assets and to start production of bottled oil on SAPP plant. As a result higher volume of bottled oil sold.

Adjusted EBITDA (RR +2,187 million, margin +7%), including:

EZHK (RR +339 million, margin +0%):

- RR -74 million of a decrease in gross profit (excl. depreciation);
- RR +404 million of a decrease in distribution and selling expenses (excl. depreciation) (commercial and marketing expenses);

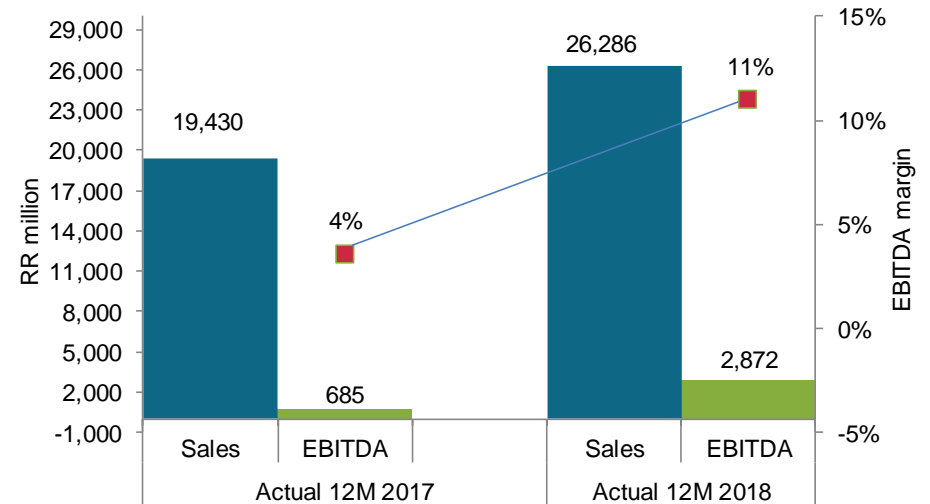
SAPP (RR +1,673 million, margin +10%):

- RR +1,250 million of an increase in gross profit (excl. depreciation) due to an increase in sales volume of bottled oil, increase in sales prices and sales volume of bulk oil due to the tolling scheme on Solnechnie Produkti assets, and decrease in cost of sunflower seeds per unit by 8%;
- RR +464 million of a decrease in distribution and selling expenses (excl. depreciation) due to the moment, that some production was taken by self-delivery.

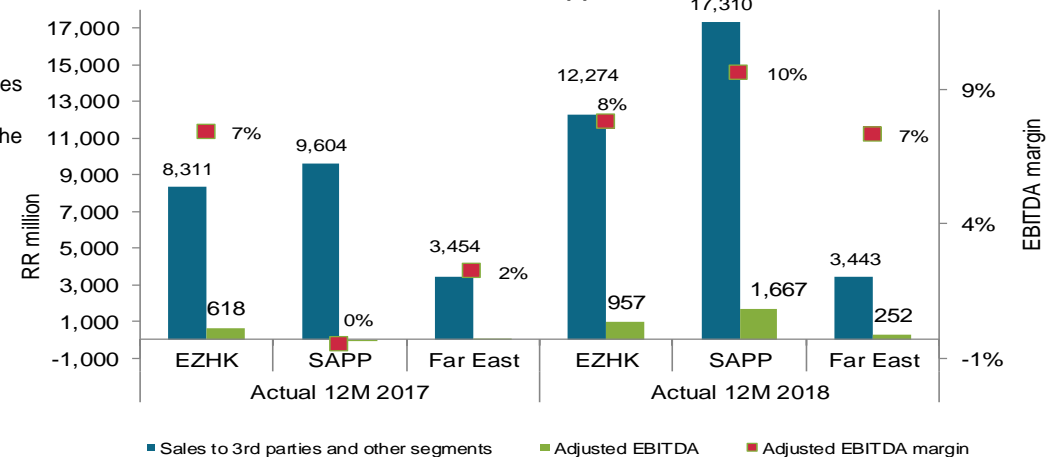
Far East (RR +175 million, margin +5%):

- RR +242 million of an increase in gross profit (excl. depreciation) due to an increase in sales volume of meal;
- RR -67 million of an increase in distribution and selling expenses (excl. depreciation) due to the increase of sales volume of meal.

Oil & Fats: sales, Adjusted EBITDA and Adjusted EBITDA margin



Oil & Fats: sales and Adjusted EBITDA EZHK, SAPP and Far East (*)



Section 3

Additional information



Adjusted EBITDA 12M 2018 (IFRS) Breakdown by divisions

ROS AGRO PLC



								RR million
12M 2018	Sugar	Meat	Agriculture	Oil and Fat	Other	Elimination	Total	
Sales	24,083	22,350	20,828	26,286	1,187	(11,757)	82,978	
Net gain / (loss) on revaluation of biological assets and agricultural produce	-	(542)	2,313	-	-	1,080	2,851	
Cost of sales	(17,460)	(15,897)	(14,293)	(21,355)	(951)	8,276	(61,680)	
<i>incl. Depreciation</i>	(1,923)	(2,138)	(1,566)	(327)	(4)	(24)	(5,982)	
Net gain/ (loss) from trading derivatives	9	-	-	-	-	-	9	
Gross profit / (loss)	6,632	5,910	8,848	4,931	236	(2,401)	24,158	
General and administrative expenses, Distribution and selling expenses	(3,805)	(1,698)	(3,663)	(2,629)	(833)	498	(12,129)	
General and administrative expenses	(1,580)	(1,029)	(1,302)	(848)	(634)	225	(5,169)	
Distribution and selling expenses	(2,225)	(669)	(2,360)	(1,780)	(199)	273	(6,960)	
<i>incl. Depreciation</i>	(83)	(64)	(362)	(130)	(23)	24	(638)	
Dep in General and administrative expenses	(77)	(62)	(163)	(57)	(23)	-	(382)	
Dep in Distribution and selling expenses	(6)	(2)	(199)	(73)	-	24	(256)	
Other operating (expenses)/ income, net	2,910	662	(233)	77	18,705	(21,528)	593	
<i>incl. Reimbursement of operating costs (government grants)</i>	36	26	124	92	-	-	278	
Operating profit / (loss)	5,738	4,874	4,952	2,380	18,108	(23,430)	12,622	
Adjustments:								
Depreciation included in Operating Profit	2,018	2,212	1,984	478	31	-	6,723	
Other operating income, net	(2,910)	(662)	233	(77)	(18,705)	21,528	(593)	
Reimbursement of operating costs (government grants)	36	26	124	92	-	-	278	
Net gain / (loss) on revaluation of biological assets and agricultural produce	-	542	(2,313)	-	-	(1,080)	(2,851)	
Adjusted EBITDA	4,882	6,992	4,981	2,872	(566)	(2,982)	16,179	

Adjusted EBITDA 12M 2017 (IFRS) Breakdown by divisions

ROS AGRO PLC



							RR million
12M 2017	Sugar	Meat	Agriculture	Oil and Fat	Other	Elimination	Total
Sales	30,386	20,512	18,768	19,430	118	(10,156)	79,058
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(319)	(862)	-	-	(1,795)	(2,976)
Cost of sales	(22,284)	(15,133)	(15,315)	(15,879)	-	10,496	(58,116)
<i>incl. Depreciation</i>	(1,629)	(1,906)	(1,465)	(356)	-	(85)	(5,441)
Net gain/ (loss) from trading derivatives	(11)	-	-	-	-	-	(11)
Gross profit / (loss)	8,090	5,060	2,591	3,551	118	(1,455)	17,955
General and administrative expenses, Distribution and selling expenses	(4,372)	(1,100)	(5,337)	(3,349)	(1,099)	2,017	(13,240)
General and administrative expenses	(1,501)	(661)	(1,088)	(696)	(1,099)	167	(4,879)
Distribution and selling expenses	(2,871)	(439)	(4,249)	(2,653)	(0)	1,850	(8,361)
<i>incl. Depreciation</i>	(140)	(42)	(433)	(127)	(59)	82	(719)
Dep in General and administrative expenses	(55)	(40)	(134)	(58)	(59)	(3)	(348)
Dep in Distribution and selling expenses	(85)	(2)	(299)	(70)	-	84	(371)
Share-based remuneration	-	-	-	-	-	-	-
Other operating (expenses)/ income, net	(8)	236	28	128	7,004	(8,053)	(666)
<i>incl. Reimbursement of operating costs (government grants)</i>	-	42	62	-	-	-	104
Operating profit / (loss)	3,710	4,196	(2,718)	331	6,023	(7,492)	4,049
Adjustments:							
Depreciation included in Operating Profit	1,769	1,948	1,898	483	59	3	6,160
Other operating income, net	8	(236)	(28)	(128)	(7,004)	8,053	666
Reimbursement of operating costs (government grants)	-	42	62	-	-	-	104
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	319	862	-	-	1,795	2,976
Adjusted EBITDA	5,488	6,269	76	685	(923)	2,359	13,955

Statement of cash flows according to Management view (Not IFRS presentation) ROS AGRO PLC

	RR million			
	Actual 12M 2018	Actual 12M 2017	Variances	
			Units	%
Cash flows from operating activities				
Profit before income tax	13,532	5,981	7,551	126
<i>Adjustments for non-cash and non-operating (income)/expenses, net:</i>				
Depreciation and amortization	7,620	7,155	464	6
Interest expense	4,000	3,512	488	14
Government grants	(1,916)	(1,734)	(182)	(10)
Interest income	(4,003)	(4,190)	187	4
Loss/ (gain) on disposal of property, plant and equipment	126	79	47	60
Net (gain) / loss on revaluation of biological assets and agricultural produce	(2,850)	2,976	(5,826)	-
Change in provision for net realisable value of inventory	64	2	62	2,777
Share of results of associates	-	(11)	11	-
Gain from buy-out of promissory notes issued	-	-	-	-
Change in provision for impairment of receivables and prepayments	62	182	(120)	(66)
Foreign exchange (gain) / loss, net	63	(16)	79	-
Share based remuneration	1	20	(19)	(93)
Settlement of loans and accounts receivable previously written-off	(0)	(141)	141	100
Lost / (reversal of) harvest write-off	71	82	(12)	(14)
Net (gain) / loss from bonds held for trading	42	(30)	72	-
Change in provision for impairment of other taxes receivables	-	-	-	-
Change in provision for impairment of advances paid for property, plant and equipment	(39)	6	(45)	-
Impairment of goodwill	-	399	(399)	-
Excess of the Group's share of identifiable net assets acquired over consideration paid	-	-	-	-
Dividend income	-	-	-	-
Other provisions	-	-	-	-
Loss on sale of associates, net	-	59	(59)	-
Loss on other investments	(360)	401	(761)	-
Other non-cash and non-operating expenses, net	204	109	95	87
Operating cash flow before working capital changes	16,618	14,843	1,775	12
Change in trade and other receivables and prepayments	(6,477)	856	(7,333)	-
Change in other taxes receivable	(1,050)	999	(2,049)	-
Change in inventories	(18,799)	1,743	(20,541)	-
Change in biological assets	(1,070)	-	(1,070)	-
Change in trade and other payables	4,202	(568)	4,770	-
Change in other taxes payable	183	224	(40)	(18)
Cash generated from operations	(6,391)	18,097	(24,488)	-
Income tax paid	(1,281)	(423)	(858)	(203)
Net cash from operating activities	(7,672)	17,673	(25,345)	-

Statement of cash flows according to Management view (Not IFRS presentation) – continuance ROS AGRO PLC

	Actual 12M 2018	Actual 12M 2017	RR million	
			Units	%
Cash flows from investing activities				
Purchases of property, plant and equipment	(14,056)	(16,685)	2,629	16
Purchases of other intangible assets	(351)	(514)	163	32
Proceeds from sales of property, plant and equipment	75	30	45	152
Purchases of inventories intended for construction	(1,971)	(849)	(1,122)	(132)
Purchases of associates	(0)	(9)	9	n/a
Proceeds from sale of associates	-	42	(42)	-
Purchases of other investments	(52)	-	(52)	-
Investments in subsidiaries, net of cash acquired	(535)	79	(614)	-
Movement in restricted cash	1	(1)	2	-
Dividends received	-	20	(20)	-
Proceeds from sale of subsidiaries, net of cash disposed	-	-	-	-
Proceeds from sales of other investments	1,325	-	1,325	-
Other investing activities	-	-	-	-
Net cash from investing activities	(15,564)	(17,887)	2,323	13
Cash flows from financing activities				
Proceeds from borrowings	50,188	18,819	31,369	167
Repayment of borrowings	(25,327)	(16,861)	(8,466)	(50)
Interest paid	(3,791)	(2,865)	(926)	(32)
Proceeds from issue of own shares, net of transaction cost	0	-	0	-
Dividends paid to owners Ros Agro PLC	(3,486)	(6,146)	2,661	-
Purchases of promissory notes	(100)	-	(100)	-
Proceeds from sales of promissory notes*	-	-	-	-
Proceeds from cash withdrawals from deposits*	21,977	34,227	(12,250)	(36)
Change in cash on bank deposits*	(5,527)	(35,977)	30,450	85
Purchases of rights of claim*	-	-	-	-
Proceeds from sales of rights of claim*	-	-	-	-
Purchases of bonds with maturity over three months*	(19,900)	-	(19,900)	-
Proceeds from sales of bonds with maturity over three months*	-	-	-	-
Loans given*	0	(0.01)	0	n/a
Loans repaid*	5	429	(424)	(99)
Purchases of loans issued*	(882)	-	(882)	-
Interest received*	4,524	4,337	188	4
Sale of non-controlling interest	-	-	-	-
Purchases of non-controlling interest	(30)	(81)	51	63
Proceeds from sales of treasury shares	-	-	-	-
Proceeds from government grants	2,309	2,675	(366)	(14)
Lease payments	12	(15)	27	-
Other financial activities	(29)	(5)	(24)	(528)
Net cash from financing activities	19,942	(1,464)	21,406	-
Net effect of exchange rate changes on cash and cash equivalents	162	(213)	376	-
Net increase/ (decrease) in cash and cash equivalents	(3,132)	(1,891)	(1,241)	(66)
Cash and cash equivalents at the beginning of the period	4,860	6,752	(1,891)	(28)
Cash and cash equivalents at the end of the period	1,728	4,860	(3,132)	(64)

(*) Including in net cash flows on financial assets related to financial activities.

Statement of financial position (IFRS)

ROS AGRO PLC



	RR million			
	31 December 2018	31 December 2017	Variances	
			Units	%
ASSETS				
Current assets				
Cash and cash equivalents	1,728	4,860	(3,132)	(64)
Restricted cash	0	0	0	17
Short-term investments	8,551	18,458	(9,907)	(54)
Trade and other receivables	6,226	3,196	3,030	95
Prepayments	2,195	1,201	994	83
Current income tax receivable	533	212	321	152
Other taxes receivable	4,420	3,353	1,067	32
Inventories and short-term biological assets	49,011	25,666	23,345	91
Short-term biological assets	4,066	4,010	56	1
Total current assets	76,731	60,956	15,774	26
Non-current assets				
Property, plant and equipment	68,606	56,390	12,216	22
Inventories intended for construction	4,137	795	3,342	420
Goodwill	2,365	1,826	539	29
Advances paid for property, plant and equipment	9,681	13,842	(4,160)	(30)
Long-term biological assets	2,650	1,720	930	54
Long-term investments and receivables	54,494	17,594	36,900	210
Investments in associates	7	7	-	-
Deferred income tax assets	1,867	1,993	(126)	(6)
Other intangible assets	2,203	2,286	(83)	(4)
Long-term trade and other receivables	216	-	216	-
Non-current assets held for sale	821			
Total non-current assets	147,048	96,454	50,594	52
Total assets	223,778	157,410	66,368	42

Statement of financial position (IFRS) - continuance

ROS AGRO PLC



	RR million			
	31 December 2018	31 December 2017	Variances	
			Units	%
Liabilities and EQUITY				
Current liabilities				
Short-term borrowings	32,514	8,864	23,650	267
Trade and other payables	12,190	6,773	5,417	80
Current income tax payable	61	64	(3)	(4)
Other taxes payable	4,024	4,072	(48)	(1)
Total current liabilities	48,788	19,773	29,016	147
Non-current liabilities				
Long-term borrowings	62,588	37,788	24,800	66
Government grants	7,311	6,377	934	15
Deferred income tax liability	359	744	(385)	(52)
Other non-current liabilities	2,466	-	2,466	-
Total non-current liabilities	72,724	44,909	27,814	62
Total liabilities	121,512	64,682	56,830	88
Equity				
Share capital	12	12	-	-
Treasury shares	(491)	(492)	1	0
Additional paid-in capital	26,964	26,964	(0)	(0)
Other reserves	1,326	1,308	18	1
Retained earnings	74,286	64,759	9,527	15
Equity attributable to owners of ROS AGRO PLC	102,098	92,552	9,546	10
Non-controlling interest	168	176	(8)	(5)
Total equity	102,266	92,728	9,538	10
Total liabilities and equity	223,778	157,410	66,368	42