

## ROS AGRO financial results for 1Q 2021

**17 May 2021** – Today ROS AGRO PLC (the “Company”), the holding company of Rusagro Group (the “Rusagro”), a leading Russian diversified food producer with vertically integrated operations, has announced the financial results for the three months ended 31 March 2021.

### 1Q 2021 HIGHLIGHTS

- Sales amounted to RUB 49,933 million (US\$ 671 million<sup>1</sup>), an increase of RUB 17,000 million (+52%) compared to 1Q 2020;
- Adjusted EBITDA<sup>2</sup> amounted to RUB 11,169 million (US\$ 150 million), an increase of RUB 6,164 million (+123%) compared to 1Q 2020;
- Adjusted EBITDA margin rose from 15% in 1Q 2020 to 22% in 1Q 2021;
- Net profit for the period amounted to RUB 6,526 million (US\$ 88 million), an increase of RUB 3,486 million (+115%);
- Net debt position<sup>3</sup> as of 31 March 2021 amounted to RUB 61,927 million (US\$ 818 million);
- Net Debt/Adjusted EBITDA (LTM<sup>4</sup>) as of 31 March 2021 was 1.62x.

Commenting on the results, Maxim Basov, a member of the Board of Directors of ROS AGRO PLC and CEO of the Rusagro, said:

“In 1Q 2021 Rusagro showed growth of adjusted EBITDA backed by revenue increase across all key business segments. Revenue growth was triggered by positive trends in sales volume (except oil and fat products) and sales prices. Adhering to its mission of making people’s lives longer and better, Rusagro joined market initiative to provide Russians with affordable food supplies and limited its sales price of sugar and bottled sunflower oil to retail, while maintaining sales volumes of these products at the level not lower than in 1Q 2020. Thus, sales price of white sugar to retail chains in Russia in bags of 50 kg on the basis of the plant didn’t exceed 36 roubles/kg including VAT and sales price of bottled sunflower oil at the plant didn’t exceed 95 roubles/litre including VAT.

In 1Q 2021 Rusagro improved adjusted EBITDA margin of Agriculture, Sugar and Meat segments, despite negative influence of higher sugar beet price on Sugar segment and higher costs of feed and animal health protection on Meat segment. Margin of Oil and Fat segment dropped by 1 p.p. due to increase of cost of goods triggered by higher prices of sunflower seeds and palm oil and due to the consolidation of low-margin Dairy products segment.”

## Key consolidated financial performance indicators

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
<b>Sales</b>	<b>49,933</b>	<b>32,933</b>	<b>17,000</b>	<b>52</b>
<b>Gross profit</b>	<b>10,089</b>	<b>7,008</b>	<b>3,080</b>	<b>44</b>
<i>Gross margin</i>	<i>20%</i>	<i>21%</i>	<i>(1) pp</i>	
<b>Adjusted EBITDA<sup>1</sup></b>	<b>11,169</b>	<b>5,006</b>	<b>6,164</b>	<b>123</b>
<i>Adjusted EBITDA margin</i>	<i>22%</i>	<i>15%</i>	<i>7 pp</i>	
<b>Net profit for the period<sup>2</sup></b>	<b>6,526</b>	<b>3,041</b>	<b>3,486</b>	<b>115</b>
<i>Net profit margin</i>	<i>13%</i>	<i>9%</i>	<i>4 pp</i>	

<sup>1</sup> Adjusted EBITDA for 1Q20 was decreased by RUB 157 million due to revaluation procedure, performed at the year end.

<sup>2</sup> Net profit for the period is affected by non-cash income/(loss) on revaluation of biological assets and agricultural produce. See details in business-sections below.

## Key financial performance indicators by segments

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
<b>Sales, incl.</b>	<b>49,933</b>	<b>32,933</b>	<b>17,000</b>	<b>52</b>
Sugar	8,641	5,241	3,400	65
Meat	8,561	6,809	1,752	26
Agriculture	5,960	4,424	1,536	35
Oil and Fat	27,690	17,137	10,553	62
Other	172	118	53	45
Eliminations	(1,090)	(796)	(294)	(37)
<b>Gross profit, incl.</b>	<b>10,089</b>	<b>7,008</b>	<b>3,080</b>	<b>44</b>
Sugar	2,304	1,216	1,088	90
Meat	1,961	1,159	802	69
Agriculture	1,533	1,130	403	36
Oil and Fat	4,301	3,494	807	23
Other	54	5	49	1,004
Eliminations	(64)	5	(69)	-
<b>Adjusted EBITDA, incl.</b>	<b>11,169</b>	<b>5,006</b>	<b>6,164</b>	<b>123</b>
Sugar	2,245	1,021	1,224	120
Meat	1,745	1,010	734	73
Agriculture	3,026	1,319	1,708	129
Oil and Fat	3,114	2,008	1,106	55
Other	(317)	(399)	82	21
Eliminations	1,357	47	1,309	2,756
<b>Adjusted EBITDA margin</b>	<b>22%</b>	<b>15%</b>	<b>7 pp</b>	
Sugar	26%	19%	7 pp	
Meat	20%	15%	5 pp	
Agriculture	51%	30%	21 pp	
Oil and Fat	11%	12%	(1) pp	

## SUGAR SEGMENT

In 1Q21 Sugar segment earned RUB 2,245 million of adjusted EBITDA (+120% y-o-y) with 26% margin (+7 pp y-o-y). The financial results of the Sugar segment for 1Q21 compared to 1Q20 are presented in the table below.

### Sugar segment 1Q 2021 Financial Results

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Sales	8,641	5,241	3,400	65
Cost of sales	(6,336)	(4,025)	(2,311)	(57)
Net gain/(loss) from trading derivatives	-	(0)	0	-
<b>Gross profit</b>	<b>2,304</b>	<b>1,216</b>	<b>1,088</b>	<b>90</b>
<i>Gross profit margin</i>	<i>27%</i>	<i>23%</i>	<i>4 pp</i>	
Distribution and selling expenses	(475)	(511)	36	7
General and administrative expenses	(360)	(349)	(12)	(3)
Other operating income/(expenses), net	57	72	(15)	(21)
<i>incl. other adjustments to EBITDA (non-recurring items)</i>	<i>40</i>	<i>53</i>	<i>(13)</i>	<i>(24)</i>
<b>Operating profit</b>	<b>1,526</b>	<b>428</b>	<b>1,098</b>	<b>256</b>
<b>Adjusted EBITDA</b>	<b>2,245</b>	<b>1,021</b>	<b>1,224</b>	<b>120</b>
<i>Adjusted EBITDA margin</i>	<i>26%</i>	<i>19%</i>	<i>7 pp</i>	

In 1Q21 in comparison to 1Q20 Sales of Sugar segment improved by 65% – to RUB 8,641 million. Rusagro increased sugar sales volume by 19% y-o-y to 202 thousand tonnes, including thanks to the growth of sugar volumes supply to retail chains in Russia. Average sugar sales price showed positive trend in comparison to 1Q20, when market sugar prices in Russia reached minimum level for 1Q of 2010-2021. Meanwhile, Rusagro's sugar sales price to retail chains in Russia did not exceed 36 RUB/kg incl. VAT for white sugar in 50 kg bags at the plant.

Sugar revenue growth was partially offset by the decrease in sales of beet pulp and buckwheat by RUB 305 million and RUB 177 million respectively.

### Production, sales volume and sales price of sugar in 1Q 2021

	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Sugar production volume, thousand tonnes	9	57	(47)	(83)
Sales volume, thousand tonnes	202	169	33	19
Average sales price, rouble/kg, excl. of VAT	39.3	24.9	14.4	58

Cost of sales in 1Q21 showed a lower increase than Sales y-o-y mainly because sugar beet purchase price in season 2020/2021 in comparison to season 2019/2020 grew less than sugar sales price y-o-y.

## MEAT SEGMENT

In 1Q21 Meat segment earned RUB 1,745 million of adjusted EBITDA (+73% y-o-y) with 20% margin (+5 pp y-o-y). The financial results of the Meat segment for 1Q21 compared to 1Q20 are presented in the table below.

### Meat segment 1Q 2021 Financial Results

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Sales	8,561	6,809	1,752	26
Net gain on revaluation of biological assets and agriculture produce	820	428	392	92
Cost of sales	(7,420)	(6,078)	(1,342)	(22)
<b>Gross profit</b>	<b>1,961</b>	<b>1,159</b>	<b>802</b>	<b>69</b>
<i>Gross profit margin</i>	<i>23%</i>	<i>17%</i>	<i>6 pp</i>	
<i>Gross profit, excl. effect of biological assets revaluation</i>	1,141	731	410	56
<i>Adjusted gross profit margin</i>	<i>13%</i>	<i>11%</i>	<i>2 pp</i>	
Distribution and selling expenses	(330)	(204)	(126)	(62)
General and administrative expenses	(670)	(459)	(212)	(46)
Other operating income/ (expenses), net	496	143	353	247
<i>incl. reimbursement of operating costs (government grants)</i>	200	-	200	-
<i>incl. other adjustments to EBITDA (non-recurring items)</i>	136	69	67	96
<b>Operating profit</b>	<b>1,457</b>	<b>639</b>	<b>817</b>	<b>128</b>
<b>Adjusted EBITDA</b>	<b>1,745</b>	<b>1,010</b>	<b>734</b>	<b>73</b>
<i>Adjusted EBITDA margin</i>	<i>20%</i>	<i>15%</i>	<i>5 pp</i>	

In 1Q21 in comparison to 1Q20 Sales of the Meat segment increased by 26% to RUB 8,561 million due to the growth of average sales price of meat products by 22% and growth of total sales volume by 2% triggered by 4% pigs production increase achieved as new pig farms in Tambov Region reached full capacity.

### Production, sales volume and sales price of pork products in 1Q 2021

	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Pigs production, thousand tonnes in live weight	75	72	3	4
Sales volume, thousand tonnes	58	57	1	2
Average sales prices, roubles/kg, excl. of VAT	144.7	119.0	26	22

Cost of sales increased by 22% in 1Q21 mainly due to higher costs of feed and animals health protection.

*Net gain on revaluation of biological assets and agricultural produce* in 1Q21 resulted mainly from an increase in market prices for livestock pigs during the reporting period compared to market prices at the end 2020 and respective increase in fair value of livestock in the closing balance.

An increase in *Distribution and selling expenses* in 1Q21 in comparison to 1Q20 is mainly due to the rise in the costs of marketing activities.

*General and administrative expenses* in 1Q21 in comparison to 1Q20 increased mainly due realization of pork production cluster project in the Primorie Territory.

An increase in *Other operating income* in 1Q21 in comparison to 1Q20 is due to storage services provided on the grain elevator in Primorie and partial reimbursement of feed purchase costs.

## AGRICULTURAL SEGMENT

As at 31 March 2021 Rusagro's area of controlled land stands at 635 thousand hectares (31 March 2020: 643 thousand hectares). In 1Q21 Agriculture segment earned RUB 3,026 million of adjusted EBITDA (+129 % y-o-y) with 51% margin (+21 pp y-o-y). The financial results of the Agricultural segment for 1Q21 compared to 1Q20 are presented in the table below.

### Agriculture segment 1Q 2021 Financial Results

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Sales	5,960	4,424	1,536	35
Net gain/(loss) on revaluation of biological assets and agriculture produce	(1,652)	(447)	(1,205)	(270)
Cost of sales	(2,776)	(2,847)	72	3
<b>Gross profit</b>	<b>1,533</b>	<b>1,130</b>	<b>403</b>	<b>36</b>
<i>Gross profit margin</i>	<i>26%</i>	<i>26%</i>	<i>0 pp</i>	
<i>Gross profit excl. effect of biological assets and agricultural produce revaluation</i>	3,185	1,577	1,608	102
<i>Adjusted gross profit margin</i>	<i>53%</i>	<i>36%</i>	<i>17 pp</i>	
Distribution and selling expenses	(435)	(480)	45	9
General and administrative expenses	(296)	(315)	19	6
Other operating income/ (expenses), net	47	(82)	129	-
<i>incl. reimbursement of operating costs (government grants)</i>	-	-	-	-
<i>incl. other adjustments to EBITDA (non-recurring items)</i>	22	(50)	72	-
<b>Operating profit</b>	<b>849</b>	<b>253</b>	<b>596</b>	<b>236</b>
<b>Adjusted EBITDA</b>	<b>3,026</b>	<b>1,319</b>	<b>1,708</b>	<b>129</b>
<i>Adjusted EBITDA margin</i>	<i>51%</i>	<i>30%</i>	<i>21 pp</i>	

In 1Q21 in comparison to 1Q20 *Sales* of the Agriculture segment increased by 35% to RUB 5,960 million thanks to higher sales price of all crops except corn, which was partially offset by sales volume decrease of soybean, barley and sunflower seeds.

## Sales volume of crops in 1Q 2021

Thousand tonnes	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
wheat	143	46	97	212
barley	-	23	(23)	(98)
corn	50	8	42	529
sunflower seeds	8	17	(9)	(54)
soybean	72	121	(49)	(41)

## Sales price of crops in 1Q 2021

RUB per kilogram, excl. of VAT	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
wheat	13.0	10.9	2.1	19
barley	13.2	10.1	3.1	31
corn	13.0	13.0	0.0	0
sunflower seeds	39.2	19.9	19.3	97
soybean	41.3	24.9	16.4	66

*Net loss on revaluation of biological assets and agricultural produce* in 1Q21 and 1Q20 represents the realisation of gain from crops revaluation, recognised in the previous year financial statements and remained unrealised as at the year-end. Net gain/(loss) on revaluation of crops and its subsequent realisation do not affect the Adjusted EBITDA figure.

*Other net operating income/(expenses)* increased as a result of higher gain from Property, plant and equipment disposal by RUB 16 million compared to the prior year, foreign exchange gain of RUB 2 million in 1Q21 against RUB 55 million loss in 1Q20 and gain of RUB 15 million from release of provision for legal claims in 1Q21.

## OIL AND FAT SEGMENT

In 1Q21 Oil and Fat segment earned RUB 3,114 million of adjusted EBITDA (+55 % y-o-y) with 11% margin (-1 pp y-o-y). The financial results of the Oil and Fat segment for 1Q21 compared to 1Q20 are presented in the table below.

### Oil and Fat segment 1Q 2021 Financial Results

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
Sales	27,690	17,137	10,553	62
Cost of sales	(23,389)	(13,643)	(9,746)	(71)
<b>Gross profit</b>	<b>4,301</b>	<b>3,494</b>	<b>807</b>	<b>23</b>
<i>Gross profit margin</i>	<i>16%</i>	<i>20%</i>	<i>(4) pp</i>	
Distribution and selling expenses	(905)	(1,023)	118	12
General and administrative expenses	(444)	(566)	122	22
Other operating income/ (expenses). net	63	114	(51)	(45)
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	113	166	(54)	(32)
<b>Operating profit/ (loss)</b>	<b>3,014</b>	<b>2,018</b>	<b>996</b>	<b>49</b>
<b>Adjusted EBITDA</b>	<b>3,114</b>	<b>2,008</b>	<b>1,106</b>	<b>55</b>
<i>Adjusted EBITDA margin</i>	<i>11%</i>	<i>12%</i>	<i>(1) pp</i>	

In 1Q21 results of Dairy Products segment are included in Oil and Fat segment due to consolidation of these two businesses. For comparison purpose financial results of the previous years were corrected accordingly.

### Sales volumes to third parties in 1Q 2021

thousand tonnes	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
meal	118	162	(44)	(27)
crude oil	103	100	2	2
industrial fats	84	77	7	9
dry whey mixes	3	4	(1)	(14)
consumer oil&fat products	75	77	(2)	(2)
consumer dairy products	3	3	-	-

### Sales price to third parties in 1Q 2021

RUB per kilogram, excl. of VAT	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
meal	22.5	12.4	10.1	81
crude oil	89.7	45.9	43.9	96
industrial fats	81.3	53.1	28.1	53
dry whey mixes	79.5	75.1	4.4	6
consumer oil&fat products	102.1	68.7	33.4	49
consumer dairy products	213.4	201.9	11.5	6

In 1Q21 in comparison to 1Q20 *Sales* of the Oil and Fat segment grew thanks to higher sales prices for all product categories. Sales price of bottled sunflower oil to retail in Russia did not exceed 95 RUB/l incl. VAT at the plant.

*Cost of sales* in 1Q21 in comparison to 1Q20 increased due to higher prices of raw materials, including sunflower seeds, bulk and tropical oil.

Decrease in *General and administrative expenses* in comparison to the prior period is attributed to reversal of provision for unused vacation.

*Other net operating income/(expenses)* decreased by RUB 51 million as a result of foreign exchange gain of RUB 64 million in 1Q21 against RUB 159 million gain in 1Q20 and gain of RUB 45 million from release of provision for legal claims in 1Q21.

## KEY CONSOLIDATED CASH FLOW INDICATORS (NOT IFRS PRESENTATION\*)

### The key consolidated cash flow indicators presented according to management accounts methodology

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
<b>Net cash from operating activities, incl.</b>	8,417	6,479	1,938	30
<i>Operating cash flow before working capital changes</i>	11,430	5,085	6,345	125
<i>Working capital changes</i>	(2,854)	1,601	(4,456)	-
<b>Net cash from investing activities, incl.</b>	<b>(1,999)</b>	<b>(2,020)</b>	<b>21</b>	<b>1</b>
<i>Purchases of property plant and equipment and inventories intended for construction</i>	(2,040)	(2,150)	111	5
<b>Net cash from financing activities</b>	<b>2,967</b>	<b>(3,923)</b>	<b>6,890</b>	<b>-</b>
<b>Net effect of exchange rate changes on cash and cash equivalents</b>	<b>(30)</b>	<b>319</b>	<b>(349)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>9,356</b>	<b>856</b>	<b>8,500</b>	<b>993</b>

(\*) See Appendix 4

The key investments in property, plant and equipment and inventories intended for construction during 1Q21 were made in the Meat segment in the amount of RUB 1,251 million (1Q20: RUB 1,039 million) due to the purchases related to the construction project in the Russian Far East. Investments in the Sugar segment in the amount of RUB 126 million (1Q20: RUB 495 million), Agriculture segment in the amount of RUB 258 million (1Q20: RUB 404 million), Oil and Fat segment in the amount of RUB 405 million (1Q20: RUB 212 million) mainly relate to purchases of machinery and equipment for production facilities renewal and maintenance.

### Debt position and liquidity management

in RUB million	31 March 2021	31 December 2019	Variance	
			Units	%
<b>Gross debt</b>	<b>120,438</b>	<b>114,929</b>	<b>5,509</b>	<b>5</b>
<i>Short-term borrowings</i>	58,440	51,753	6,687	13
<i>Long-term borrowings</i>	61,998	63,176	(1,178)	(2)
<b>Cash and cash equivalents, bank deposits and bonds</b>	<b>(58,511)</b>	<b>(46,029)</b>	<b>(12,482)</b>	<b>(27)</b>
<i>Short-term cash, deposits and bonds</i>	(23,958)	(12,064)	(11,894)	(99)
<i>Long-term cash, deposits and bonds</i>	(34,553)	(33,965)	(588)	(2)
<b>Net debt</b>	<b>61,927</b>	<b>68,900</b>	<b>(6,973)</b>	<b>(10)</b>
<i>Short-term borrowings, net</i>	34,482	39,689	(5,207)	(13)
<i>Long-term borrowings, net</i>	27,445	29,211	(1,766)	(6)
<b>Adjusted EBITDA (LTM<sup>4</sup>)</b>	<b>38,148</b>	<b>31,984</b>	<b>6,164</b>	<b>19</b>
<b>Net debt/ Adjusted EBITDA (LTM)</b>	<b>1.62</b>	<b>2.15</b>	<b>(0.5)</b>	
<b>Adjusted EBITDA (LTM)* without other operating income/expenses</b>	<b>38,529</b>	<b>32,435</b>	<b>6,094</b>	<b>19</b>
<b>Net debt/ Adjusted EBITDA (LTM)* without other operating income/expenses</b>	<b>1.61</b>	<b>2.12</b>	<b>(0.5)</b>	



**Net finance income/ (expense)**

in RUB million	Three months ended		Variance	
	31 March 2021	31 March 2020	Units	%
<b>Net interest expense</b>	<b>(1,294)</b>	<b>(1,347)</b>	<b>53</b>	<b>4</b>
<i>Gross interest expense</i>	<i>(1,785)</i>	<i>(1,702)</i>	<i>(83)</i>	<i>(5)</i>
<i>Reimbursement of interest expense</i>	<i>491</i>	<i>355</i>	<i>136</i>	<i>38</i>
<b>Interest income</b>	<b>1,819</b>	<b>1,770</b>	<b>49</b>	<b>3</b>
<b>Net gain/ (loss) from bonds held for trading</b>	<b>(0)</b>	<b>(1)</b>	<b>1</b>	<b>72</b>
<b>Other financial income, net</b>	<b>(20)</b>	<b>(1,140)</b>	<b>1,120</b>	<b>98</b>
<i>Net foreign exchange gain/(loss)</i>	<i>(32)</i>	<i>(1,076)</i>	<i>1,044</i>	<i>97</i>
<i>Other financial income/(expenses), net</i>	<i>12</i>	<i>(64)</i>	<i>75</i>	<i>-</i>
<b>Total net finance income/(expenses)</b>	<b>505</b>	<b>(718)</b>	<b>1,223</b>	<b>-</b>

*Net debt* decreased at 31 March 2021 compared at 31 December 2020 as a result of a decrease in short-term borrowings.

In 1Q21 Rusagro continued to enjoy benefits from the state agriculture subsidies programme. The Rusagro continued to receive bank loans with decreased preferential interest rates under the programme of government support. Under this programme, the government provides subsidies to the banks to compensate the loss of income on credits with decreased interest rates, given by the banks to agricultural producers. In 1Q21 IFRS accounts these credits are accounted according to its face value with no adjustments to prevailing market rates. The differences between nominal and market interest rate is recognized as either government grants in a statement of financial position for borrowings received with the purpose to finance investment projects or interest expenses in a statement of comprehensive income for general purpose borrowings.

*Net finance expenses* of 1Q20 in the sum of RUB 718 million changed to *net finance income* in the amount of RUB 505 million in 1Q21 as the result of negative dynamics in forex losses in 1Q20 and decrease in interest expense as a result of savings in net interest expense due to higher volume of government grants.

(1) The exchange rates used for translation of RUB amounts into USD represent average Central Bank official exchange rate for the respective reporting period for income, expenses and profits and the Central Bank official exchange rate as at the reporting date for balance figures.

(2) Adjusted EBITDA is defined as operating profit before taking into account (i) depreciation included in operating profit, (ii) net gain/ (loss) on revaluation of biological assets and agricultural produce, (iii) non-recurring components of other operating income/ (expenses), net, (iv) share-based remuneration, (v) provision for impairment of loans issued (see Appendix 2 for the detailed calculation of Adjusted EBITDA). Adjusted EBITDA is not a measure of financial performance under IFRS. It should not be considered as an alternative to profit for the period as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Our calculation of Adjusted EBITDA may be different from the calculation used by other companies and therefore comparability may be limited. We believe that Adjusted EBITDA provides useful information to investors because it is an indicator of the strength and performance of our ongoing business operations, including our ability to fund discretionary spending such as capital expenditures, acquisitions of subsidiaries and other investments and our ability to incur and service debt.

(3) The Rusagro determines the net debt as short-term borrowings and long-term borrowings less cash and cash equivalents, bank deposits, bank promissory notes and bonds held for trading.

(4) LTM – The abbreviation for the “Last twelve months”.

## NOTE

**ROS AGRO PLC (LSE, MOEX: AGRO)** – a holding company of Rusagro Group, a leading Russian diversified food producer with vertically integrated operations in the following branches:

### *Sugar:*

Rusagro is one of the leading Russian sugar producers (№2 with 13% share in sugar production in Russia and №1 with 46% share of cube white sugar market), producing sugar from sugar beet at nine production sites in four regions. Group produces white and brown cube sugar and packaged sugar sold under the brands Russkii Sakhar, Chaikofsky, Mon Cafe, Horoshiy and Brauni. Sugar segment is vertically integrated and sugar beet is supplied by Rusagro's Agriculture segment, which ensures a consistent supply of raw material. Sugar segment also operates a cereal plant and sell buckwheat and rice under the brand Tyoplye Traditsii.

### *Meat:*

Rusagro is the third largest pork producer in Russia with 6% share of pork produced in Russia. It operates 18 commercial pork complexes with correspondence to high biosecurity standards, has own compound feed production, slaughterhouses and meat processing plants in Tambov and Belgorod Regions. Since 2016 Rusagro sells retail products under its own brand Slovo Myasnika (Butcher's word).

### *Agricultural:*

Rusagro currently controls one of the largest land banks among Russian agriculture producers, with 635 thousand hectares of land under control located in the highly fertile Black Earth region of Russia (in the Belgorod, Tambov, Voronezh, Kursk and Orel regions) and in the Far East Primorie Region. Land and production sites are strategically located within the same regions to optimize efficiency and minimize logistical costs. Rusagro is one of the major sugar beet producers in Russia, but it also produces wheat and barley, sunflower seeds and soybeans. These products are partially consumed by the Meat segment, supporting a synergistic effect and lowering price change risk.

### *Oil and Fat:*

Rusagro is the leading crude sunflower oil and consumer margarine producer, second largest industrial fats and mayonnaise producer in Russia with products sold under eight key brands, such as EZhK, Schedroye Leto, Mechta Khozyaiki, Moskovskiy Provansal, Novosibirskiy Provansal, Saratovskiy Provansal, Rossiyanka and Saratovskiy Slivochniy. Rusagro operates (including through ownership and the lease) five crushing and three oil and fats plants. Own sunflower and soy oil production allows to control the source of the vegetable oil required to produce oil and fats products. Since 1Q 2021 Oil and Fats segment also operates two milk processing plants in Samara and Ulyanovsk Regions, which produce dry industrial mixes, cheeses, butter and cream sold under three brands: Milie, Buterbrodnoe utro and Syrnaya Kultura.

## FORWARD-LOOKING STATEMENTS

*This announcement includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements do not relate to historical or current events, or to any future financial or operational activity of the Group.*

*By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond the Rusagro Group's control. As a result, actual future results may differ materially from the plans and expectations set out in these forward-looking statements.*

*The Group undertakes no obligation to release the results of any revisions to any forward-looking statements that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.*

## CONFERENCE CALL

On Monday, **17 May at 4:00 PM Moscow time** (2:00 PM London time) Rusagro is hosting web-conference to present 1Q 2021 financial results. Participation will be available in both Russian and English – the presentation will be held in Russian with simultaneous translation. Record of the event will be available shortly after at Company's corporate website in both languages.

The call will be hosted by:

- Maxim Basov, CEO of Rusagro
- Boris Chernicher, CFO of Rusagro
- Svetlana Kuznetsova, IR & ESG Director of Rusagro

Please note, that we will use Zoom to hold the conference call. To ensure that the call is seamless, please make sure you have the latest version of the Zoom client installed on your computer, tablet or mobile device you intend to use to join the conference. Kindly note, that phone connections will not be available.

When join the event, please choose one of two available language channels (Russian or English). If you would like to ask questions, please make sure you use your full name and company name, so that the meeting host could easily identify you. You may send your questions in advance to [ir@rusagrougroup.ru](mailto:ir@rusagrougroup.ru), send them via the Zoom chat during the event or ask them orally at the end of the presentation.

### **Connect to Zoom Conference:**

<https://ib-translations.zoom.us/j/94451644587?pwd=Rkc4S3ZYeVZkdmlYVEtoanIa1Uwdz09>

**Password:** 899632

## CONTACTS

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**Appendix 1. Consolidated statement of comprehensive income for the Three months ended 31 March 2021 (in RUB thousand)**

	Three months ended 31 March	
	2021	2020
Sales	49,932,967	32,933,364
Net gain/(loss) on revaluation of biological assets and agricultural produce	(2,025,822)	85,979
Cost of sales	(37,818,491)	(26,010,975)
Net gain/(loss) from trading derivatives	(5)	(83)
<b>Gross profit</b>	<b>10,088,649</b>	<b>7,008,285</b>
Distribution and selling expenses	(1,862,951)	(2,102,982)
General and administrative expenses	(2,064,024)	(2,009,476)
Other operating income/ (expenses), net	757,658	700,575
Provision for impairment of loans issued	-	-
<b>Operating profit / (loss)</b>	<b>6,919,332</b>	<b>3,596,402</b>
Interest expense	(1,294,083)	(1,347,445)
Interest income	1,819,264	1,770,499
Net (loss)/gain from bonds	(239)	(859)
Other financial income/ (expenses), net	(20,218)	(1,139,998)
<b>Profit before income tax</b>	<b>7,424,056</b>	<b>2,878,599</b>
Income tax expense	(897,705)	162,198
<b>Profit for the period</b>	<b>6,526,351</b>	<b>3,040,797</b>
<b>Other comprehensive income:</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Gains less losses on investments in equity securities at fair value through other comprehensive income	-	-
Income tax relating to other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>6,526,351</b>	<b>3,040,797</b>
<b>Profit is attributable to:</b>		
Owners of ROS AGRO PLC	6,547,432	3,067,947
Non-controlling interest	(21,081)	(27,150)
<b>Profit for the period</b>	<b>6,526,351</b>	<b>3,040,797</b>
<b>Total comprehensive income is attributable to:</b>		
Owners of ROS AGRO PLC	6,547,432	3,067,947
Non-controlling interest	(21,081)	(27,150)
<b>Total comprehensive income for the period</b>	<b>6,526,351</b>	<b>3,040,797</b>
Earnings per ordinary share for profit attributable to the owners of ROS AGRO PLC, basic and diluted (in RUB per share)	243.34	114.04

**Appendix 2. Segment information for the Three months ended 31 March 2021 (in RUB thousand)**

<b>3M 2021</b>	<b>Sugar</b>	<b>Meat</b>	<b>Agriculture</b>	<b>Oil and Fat</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	8,640,536	8,560,807	5,960,283	27,689,788	171,627	(1,090,074)	49,932,967
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	820,300	(1,651,990)	-	-	(1,194,132)	(2,025,822)
Cost of sales	(6,336,495)	(7,420,173)	(2,775,659)	(23,389,161)	(117,330)	2,220,327	(37,818,491)
<i>incl. Depreciation</i>	<i>(738,595)</i>	<i>(1,185,726)</i>	<i>(493,506)</i>	<i>(154,957)</i>	<i>(2,445)</i>	<i>(5,079)</i>	<i>(2,580,308)</i>
Net gain/ (loss) from trading derivatives	-	(5)	-	-	-	-	(5)
<b>Gross profit</b>	<b>2,304,041</b>	<b>1,960,929</b>	<b>1,532,634</b>	<b>4,300,627</b>	<b>54,297</b>	<b>(63,879)</b>	<b>10,088,649</b>
Distribution and Selling, General and administrative expenses	(835,077)	(1,000,510)	(730,940)	(1,349,367)	(420,305)	409,224	(3,926,975)
<i>incl. Depreciation</i>	<i>(20,093)</i>	<i>(58,365)</i>	<i>(53,993)</i>	<i>(57,656)</i>	<i>(35,485)</i>	<i>5,079</i>	<i>(220,513)</i>
Other operating income/(expenses), net	57,259	496,205	47,478	62,682	11,919,059	(11,825,025)	757,658
<i>incl. Reimbursement of operating costs (government grants)</i>	<i>-</i>	<i>200,000</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>200,000</i>
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	<i>39,967</i>	<i>135,766</i>	<i>22,454</i>	<i>112,914</i>	<i>11,907,848</i>	<i>(11,642,269)</i>	<i>576,680</i>
Provision for impairment of loans issued	-	-	-	-	-	-	-
<b>Operating profit / (loss)</b>	<b>1,526,223</b>	<b>1,456,624</b>	<b>849,172</b>	<b>3,013,942</b>	<b>11,553,051</b>	<b>(11,479,680)</b>	<b>6,919,332</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	758,688	1,244,091	547,499	212,613	37,930	-	2,800,821
Other adjustments to EBITDA (non-recurring items)	(39,967)	(135,766)	(22,454)	(112,914)	(11,907,848)	11,642,269	(576,680)
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(820,300)	1,651,990	-	-	1,194,132	2,025,822
Provision for impairment of loans issued	-	-	-	-	-	-	-
<b>Adjusted EBITDA*</b>	<b>2,244,944</b>	<b>1,744,649</b>	<b>3,026,207</b>	<b>3,113,641</b>	<b>(316,867)</b>	<b>1,356,724</b>	<b>11,169,298</b>

\* Non-IFRS measure

**Appendix 2 (continued). Segment information for the Three months ended 31 March 2020 (in RUB thousand)**

<b>3M 2020</b>	<b>Sugar</b>	<b>Meat</b>	<b>Agriculture</b>	<b>Oil and Fat</b>	<b>Other</b>	<b>Eliminations</b>	<b>Total</b>
Sales	5,241,009	6,808,987	4,423,982	17,136,877	118,410	(795,901)	32,933,364
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	427,968	(446,611)	-	-	104,622	85,979
Cost of sales	(4,025,357)	(6,077,904)	(2,847,448)	(13,643,193)	(113,492)	696,419	(26,010,975)
<i>incl. Depreciation</i>	<i>(625,132)</i>	<i>(815,947)</i>	<i>(530,829)</i>	<i>(114,721)</i>	<i>(2,519)</i>	<i>(6,490)</i>	<i>(2,095,638)</i>
Net gain/ (loss) from trading derivatives	(83)	-	-	-	-	-	(83)
<b>Gross profit</b>	<b>1,215,569</b>	<b>1,159,051</b>	<b>1,129,923</b>	<b>3,493,684</b>	<b>4,918</b>	<b>5,140</b>	<b>7,008,285</b>
Distribution and Selling, General and administrative expenses	(859,774)	(662,750)	(794,994)	(1,589,499)	(425,919)	220,478	(4,112,458)
<i>incl. Depreciation</i>	<i>(20,339)</i>	<i>(51,998)</i>	<i>(38,165)</i>	<i>(41,532)</i>	<i>(44,024)</i>	<i>6,490</i>	<i>(189,568)</i>
Other operating income/(expenses), net	72,371	143,111	(81,875)	113,523	571,881	(118,436)	700,575
<i>incl. Reimbursement of operating costs (government grants)</i>	<i>-</i>	<i>(314)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(314)</i>
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	<i>52,569</i>	<i>69,183</i>	<i>(50,007)</i>	<i>166,451</i>	<i>596,757</i>	<i>(44,938)</i>	<i>790,015</i>
Provision for impairment of loans issued	-	-	-	-	-	-	-
<b>Operating profit / (loss)</b>	<b>428,166</b>	<b>639,412</b>	<b>253,054</b>	<b>2,017,708</b>	<b>150,880</b>	<b>107,182</b>	<b>3,596,402</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	645,471	867,945	568,994	156,253	46,543	-	2,285,206
Other adjustments to EBITDA (non-recurring items)	(52,569)	(69,183)	50,007	(166,451)	(596,757)	44,938	(790,015)
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(427,968)	446,611	-	-	(104,622)	(85,979)
Provision for impairment of loans issued	-	-	-	-	-	-	-
<b>Adjusted EBITDA*</b>	<b>1,021,068</b>	<b>1,010,206</b>	<b>1,318,666</b>	<b>2,007,510</b>	<b>(399,334)</b>	<b>47,498</b>	<b>5,005,614</b>

\* Non-IFRS measure

**Appendix 3. Consolidated statement of financial position as at 31 March 2021  
(in RUB thousand)**

	<b>31 March 2021</b>	<b>31 December 2020</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	21,222,308	11,866,798
Restricted cash	103,166	143,637
Short-term investments	22,171,137	19,583,523
Trade and other receivables	11,092,272	9,512,286
Prepayments	3,328,311	2,941,224
Current income tax receivable	609,506	646,162
Other taxes receivable	3,759,423	5,506,675
Inventories and short-term biological assets	69,775,446	63,266,389
<b>Total current assets</b>	<b>132,061,569</b>	<b>119,201,673</b>
<b>Non-current assets</b>		
Property, plant and equipment	87,964,563	87,519,088
Inventories intended for construction	3,043,163	3,353,330
Right-of-use assets	7,304,696	6,934,567
Goodwill	2,364,942	2,364,942
Advances paid for non-current assets	6,831,891	6,905,003
Long-term biological assets	2,842,084	2,528,128
Long-term investments and receivables	43,097,994	42,692,320
Investments in associates	314,382	257,782
Deferred income tax assets	3,335,604	3,566,168
Other intangible assets	559,382	619,793
Other non-current assets	306,955	205,793
<b>Total non-current assets</b>	<b>157,965,656</b>	<b>156,946,914</b>
<b>Total assets</b>	<b>290,027,225</b>	<b>276,148,587</b>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	58,439,862	51,753,475
Lease liabilities	926,182	943,859
Trade and other payables	17,920,031	16,016,138
Provisions	96,553	179,796
Current income tax payable	247,445	69,546
Other taxes payable	3,482,949	4,096,199
<b>Total current liabilities</b>	<b>81,113,022</b>	<b>73,059,013</b>
<b>Non-current liabilities</b>		
Long-term borrowings	61,997,859	63,175,720
Government grants	8,578,110	8,536,899
Lease liabilities	4,996,698	4,855,508
Deferred income tax liability	780,785	487,049
<b>Total non-current liabilities</b>	<b>76,353,452</b>	<b>77,055,176</b>
<b>Total liabilities</b>	<b>157,466,474</b>	<b>150,114,189</b>
<b>Equity</b>		
Share capital	12,269	12,269
Treasury shares	(490,607)	(490,607)
Additional paid-in capital	26,964,479	26,964,479
Other reserves	1,363,177	1,363,177
Retained earnings	104,732,471	98,185,038
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>132,581,789</b>	<b>126,034,356</b>
Non-controlling interest	(21,038)	42
<b>Total equity</b>	<b>132,560,751</b>	<b>126,034,398</b>
<b>Total liabilities and equity</b>	<b>290,027,225</b>	<b>276,148,587</b>

**Appendix 4. Consolidated statement of cash flows for the Three months ended 31 March 2021 (in RUB thousand) – NOT IFRS PRESENTATION (\*)**

	Three months ended	
	31 March 2021	31 March 2020
<b>Cash flows from operating activities</b>		
Profit before income tax	7,424,056	2,878,599
<i>Adjustments for:</i>		
Depreciation and amortization	2,800,821	2,285,206
Interest expense	1,784,749	1,702,144
Government grants	(853,039)	(517,206)
Interest income	(1,819,264)	(1,770,499)
Loss/ (gain) on disposal of property, plant and equipment	6,581	(21,317)
Net (gain) / loss on revaluation of biological assets and agricultural produce	2,025,822	(85,979)
Change in provision for impairment of loans issued	31	-
Lease financial expense	62,739	61,934
Realised deferred day-one gain	(212,803)	(387,341)
Change in provision for net realisable value of inventory	377,172	58,393
Change in provision for impairment of receivables and prepayments	27,658	(12,203)
Foreign exchange (gain) / loss, net	(69,897)	998,839
Net (gain) / loss from bonds held for trading	239	859
Settlement of loans and accounts receivable previously written-off	-	(1)
Change in provision for impairment of advances paid for property, plant and equipment	(1,490)	82,862
Change in other provisions	(83,243)	-
Dividend income	-	(186,506)
Other non-cash and non-operating expenses, net	(39,903)	(2,738)
<b>Operating cash flow before working capital changes</b>	<b>11,430,229</b>	<b>5,085,046</b>
Change in trade and other receivables and prepayments	(1,973,789)	433,296
Change in other taxes receivable	1,747,251	1,336,681
Change in inventories and biological assets	(3,709,768)	1,276,051
Change in trade and other payables	1,682,794	(983,924)
Change in other taxes payable	(600,821)	(460,807)
<b>Cash generated from operations</b>	<b>8,575,896</b>	<b>6,686,343</b>
Income tax paid	(158,819)	(207,421)
<b>Net cash from operating activities</b>	<b>8,417,077</b>	<b>6,478,922</b>



**Appendix 4 (continued). Consolidated statement of cash flows the Three months ended 31 March 2021 (in RUB thousand) – NOT IFRS PRESENTATION (\*)**

	Three months ended	
	31 March 2021	31 March 2020
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(1,869,918)	(1,687,268)
Purchases of other intangible assets	(35,805)	(70,563)
Purchases of land lease rights	(11,421)	-
Proceeds from sales of property, plant and equipment	72,100	46,264
Purchases of inventories intended for construction	(169,706)	(462,996)
Purchases of associates	(56,600)	(28,000)
Movement in restricted cash	37,839	-
Dividends received	-	186,506
Other investing activities	34,961	(3,744)
<b>Net cash from investing activities</b>	<b>(1,998,550)</b>	<b>(2,019,801)</b>
<b>Cash flows from financing activities</b>	-	-
Proceeds from borrowings	10,505,708	11,518,942
Repayment of borrowings	(5,981,704)	(14,839,577)
Interest paid	(640,348)	(732,829)
Change in cash on bank deposits	(2,000,000)	-
Proceeds from sales of bonds with maturity over three months*	220,420	-
Loans given*	-	(240)
Loans repaid*	492,857	10,989
Interest received*	152,146	87,189
Proceeds from government grants	268,131	87,721
Repayment of lease liabilities	(50,118)	(54,904)
<b>Net cash from financing activities</b>	<b>2,967,092</b>	<b>(3,922,709)</b>
Net effect of exchange rate changes on cash and cash equivalents	(30,109)	319,337
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>9,355,510</b>	<b>855,749</b>
Cash and cash equivalents at the beginning of the period	11,866,798	2,170,779
<b>Cash and cash equivalents at the end of the period</b>	<b>21,222,308</b>	<b>3,026,528</b>

(\*) For the purpose of conformity with the methodology of the Group's net debt calculation investments in financial assets related to financial activities are presented in Cash flows from financing activities in the Group's management accounts.