

## **ROS AGRO PLC financial results for 1H 2023 and 2Q 2023**

**7 August 2023** – Today ROS AGRO PLC (the Company), the holding company of Rusagro Group (Rusagro), a leading Russian diversified food producer with vertically integrated operations, has announced the financial results for the six months ended 30 June 2023.

### **1H 2023 HIGHLIGHTS**

- Sales amounted to RUB 106,549 million (US\$ 1,386 million<sup>1</sup>), a decrease of RUB 20,681 million (-16%, US\$ -282 million) compared to 1H 2022;
- Adjusted EBITDA<sup>2</sup> amounted to RUB 15,606 million (US\$ 203 million), a decrease of RUB 14,228 million (-48% , US\$ -188 million) compared to 1H 2022;
- Adjusted EBITDA margin decreased to 15% in 1H 2023 from 23% in 1H 2022;
- Net profit for the period amounted to RUB 13,191 million (US\$ 172 million), an increase of RUB 12,721 million (+2,706% , US\$ +165 million);
- Net debt position<sup>3</sup> as of 30 June 2023 amounted to RUB 80,038 million (US\$ 920 million);
- Net Debt/Adjusted EBITDA (LTM<sup>4</sup>) as of 30 June 2023 was 2.60x.

Commenting on the results, Timur Lipatov, CEO of Rusagro, said:

“In 2Q 2023 Rusagro sales increased in Agriculture and Meat segments. Agriculture segment sales volume boosted as the result of realization of agricultural products transferred from prior periods in anticipation of prices and dollar exchange rate growth and due to late harvesting. Meat segment continues to show rise in sales as the result of production volumes increase both in Primorie after the launch of the pork production cluster, and due to the efficiency increase in the Central region. Sales in Oil & Fat and Sugar segments decreased following the drop in oil world prices, decrease of sugar production volumes as the result of lower sugar content in sugar beet of previous season, and the suspension of the Balakovo oil extraction plant for modernization until September 2023.

Adjusted EBITDA declined across all segments except Agriculture reflecting the pressure of lower selling prices, at the same time Rusagro showed a significant increase in net income and a considerable decrease in net debt by 20%.

At the end of 2Q 2023 Rusagro acquired 50% shares and control over the NMZHK oil and fats production group of companies. Following the acquisition, Rusagro strengthened its market position and became №1 mayonnaises and mayonnaise sauces manufacturer in Russia, and we expect to achieve significant synergies starting from 3Q 2023.”

## Key consolidated financial performance indicators

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
<b>Sales</b>	<b>106,549</b>	<b>127,230</b>	<b>(20,681)</b>	<b>(16)</b>	<b>59,154</b>	<b>65,724</b>	<b>(6,570)</b>	<b>(10)</b>
<b>Gross profit</b> <sup>1</sup>	<b>20,948</b>	<b>32,584</b>	<b>(11,637)</b>	<b>(36)</b>	<b>12,317</b>	<b>17,589</b>	<b>(5,272)</b>	<b>(30)</b>
<i>Gross margin, %</i>	<i>20%</i>	<i>26%</i>	<i>(6) pp</i>		<i>21%</i>	<i>27%</i>	<i>(6) pp</i>	
<b>Adjusted EBITDA</b> <sup>1</sup>	<b>15,606</b>	<b>29,833</b>	<b>(14,228)</b>	<b>(48)</b>	<b>8,466</b>	<b>13,644</b>	<b>(5,178)</b>	<b>(38)</b>
<i>Adjusted EBITDA margin, %</i>	<i>15%</i>	<i>23%</i>	<i>(8) pp</i>		<i>14%</i>	<i>21%</i>	<i>(7) pp</i>	
<b>Net profit for the period</b> <sup>1,2</sup>	<b>13,191</b>	<b>470</b>	<b>12,721</b>	<b>2,706</b>	<b>7,774</b>	<b>(1,493)</b>	<b>9,268</b>	<b>-</b>
<i>Net profit margin %</i>	<i>12%</i>	<i>0%</i>	<i>12 pp</i>		<i>13%</i>	<i>(2%)</i>	<i>15 pp</i>	

<sup>1</sup> Several adjustments were made to the published 1H and 2Q 2022 key financial indicators:

- Gross profit for 1H 2022 was increased by RUB 706 million, Net profit by RUB 565 million to reflect the distribution of depreciation expenses between the quarters of 2022 in Oil and Fat segment, the same indicators for 2Q 2022 increased by RUB 352 million and RUB 282 million correspondingly;
- Gross profit for 1H 2022 was decreased by RUB 383 million, gross profit for 2Q 2022 was decreased by RUB 191 million to reflect the distribution of depreciation costs between lines of financial statements for Meat segment;
- Gross profit and adjusted EBITDA for 1H 2022 were decreased by RUB 325 million, Net profit by RUB 261 million in order to reflect the distribution of costs of Far East project in Meat segment, the same indicators for 2Q 2022 has not changed.

<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.

Note: Since some indicators and percentages in the press release were rounded to the nearest whole number, the sum of the rounded values may not fully match the totals.

## Key financial performance indicators by segments

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June	30 June	Units	%	30 June	30 June	Units	%
	2023	2022			2023	2022		
<b>Sales, incl.</b>	<b>106,549</b>	<b>127,230</b>	<b>(20,681)</b>	<b>(16)</b>	<b>59,154</b>	<b>65,724</b>	<b>(6,570)</b>	<b>(10)</b>
<i>Sugar</i>	23,974	27,102	(3,129)	(12)	14,563	15,770	(1,207)	(8)
<i>Meat</i>	22,649	20,624	2,024	10	11,923	11,366	557	5
<i>Agriculture</i>	11,559	11,105	454	4	5,663	2,919	2,744	94
<i>Oil and Fat</i>	51,399	72,012	(20,613)	(29)	28,042	36,901	(8,859)	(24)
<i>Other</i>	1,005	450	555	123	541	242	298	123
<i>Eliminations</i>	(4,036)	(4,063)	27	1	(1,578)	(1,474)	(105)	(7)
<b>Gross profit, incl.</b>	<b>20,948</b>	<b>32,584</b>	<b>(11,637)</b>	<b>(36)</b>	<b>12,317</b>	<b>17,589</b>	<b>(5,272)</b>	<b>(30)</b>
<i>Sugar</i>	8,114	12,802	(4,688)	(37)	5,298	7,250	(1,951)	(27)
<i>Meat</i>	2,547	(386)	2,933	-	1,403	(1,537)	2,941	-
<i>Agriculture</i>	218	7,706	(7,488)	(97)	992	5,970	(4,978)	(83)
<i>Oil and Fat</i>	11,043	12,796	(1,754)	(14)	5,402	6,010	(608)	(10)
<i>Other</i>	435	49	386	786	269	98	171	175
<i>Eliminations</i>	(1,409)	(383)	(1,026)	(268)	(1,047)	(200)	(846)	(422)
<b>Adjusted EBITDA, incl.</b>	<b>15,606</b>	<b>29,833</b>	<b>(14,228)</b>	<b>(48)</b>	<b>8,466</b>	<b>13,644</b>	<b>(5,178)</b>	<b>(38)</b>
<i>Sugar</i>	6,714	11,328	(4,613)	(41)	4,704	6,649	(1,945)	(29)
<i>Meat</i>	734	1,037	(303)	(29)	287	448	(161)	(36)
<i>Agriculture</i>	1,116	5,319	(4,203)	(79)	1,233	1,145	87	8
<i>Oil and Fat</i>	6,192	9,473	(3,282)	(35)	2,030	4,171	(2,140)	(51)
<i>Other</i>	(655)	(387)	(267)	(69)	(358)	(383)	25	7
<i>Eliminations</i>	1,504	3,064	(1,560)	(51)	570	1,614	(1,044)	(65)
<b>Adjusted EBITDA margin, %</b>	<b>15%</b>	<b>23%</b>	<i>(8) pp</i>		<b>14%</b>	<b>21%</b>	<i>(7) pp</i>	
<i>Sugar</i>	28%	42%	<i>(14) pp</i>		32%	42%	<i>(10) pp</i>	
<i>Meat</i>	3%	5%	<i>(2) pp</i>		2%	4%	<i>(2) pp</i>	
<i>Agriculture</i>	10%	48%	<i>(38) pp</i>		22%	39%	<i>(17) pp</i>	
<i>Oil and Fat</i>	12%	13%	<i>(1) pp</i>		7%	11%	<i>(4) pp</i>	

## SUGAR SEGMENT

In 1H 2023 Sugar segment earned RUB 6,714 million of adjusted EBITDA (-41% y-o-y) with 28% margin (-14 pp y-o-y). The financial results of the Sugar Segment of 1H 2023 compared to 1H 2022 are presented in the table below:

### Sugar segment 1H and 2Q 2023 Financial Results

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
Sales	23,974	27,102	(3,129)	(12)	14,563	15,770	(1,207)	(8)
Cost of sales	(15,860)	(14,301)	(1,559)	(11)	(9,265)	(8,520)	(745)	(9)
<b>Gross profit</b>	<b>8,114</b>	<b>12,802</b>	<b>(4,688)</b>	<b>(37)</b>	<b>5,298</b>	<b>7,250</b>	<b>(1,951)</b>	<b>(27)</b>
<i>Gross profit margin</i>	<i>34%</i>	<i>47%</i>	<i>(13) pp</i>		<i>36%</i>	<i>46%</i>	<i>(10) pp</i>	
Distribution and selling expenses	(1,876)	(1,976)	100	5	(931)	(896)	(36)	(4)
General and administrative expenses	(768)	(802)	34	4	(373)	(394)	20	5
Other operating income/ (expenses), net	221	(314)	535	-	224	(108)	332	-
<i>incl. Reimbursement of operating costs (government grants)</i>	88	138	(50)	(36)	88	138	(50)	(36)
<i>incl. other adjustments to EBITDA (non-recurring items)</i>	62	(410)	473	-	41	(195)	235	-
<b>Operating profit</b>	<b>5,691</b>	<b>9,710</b>	<b>(4,019)</b>	<b>(41)</b>	<b>4,218</b>	<b>5,853</b>	<b>(1,635)</b>	<b>(28)</b>
<b>Adjusted EBITDA</b>	<b>6,714</b>	<b>11,328</b>	<b>(4,613)</b>	<b>(41)</b>	<b>4,704</b>	<b>6,649</b>	<b>(1,945)</b>	<b>(29)</b>
<i>Adjusted EBITDA margin</i>	<i>28%</i>	<i>42%</i>	<i>(14) pp</i>		<i>32%</i>	<i>42%</i>	<i>(10) pp</i>	

In 2Q 2023 compared to 2Q 2022 *Sales* of Sugar segment decreased by 8% mainly due to the decrease in sugar sales volume by 11% down to 233 thousand tons. The reduction in sales volumes is caused by the decrease in production volumes in season 2022/2023 compared to season 2021/2022 due to lower sugar content in sugar beet attributable to bad weather conditions that affected the quality of sugar beet.

In 6M 2023 compared to the same period last year *Sales* of Sugar segment decreased by 12% mainly due to the decrease in sugar sales volume by 13%. Revenue from sale of beet pulp in 6M 2023 decreased by RUB 247 million, revenue from sales of buckwheat and molasses also decreased by RUB 312 million.

### Production and sales volume of sugar in 1H and 2Q 2023

	Six months ended		Variance		Three months		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
Sugar production volume, <i>thousand tonnes</i>	104	104	(0)	(0)	35	49	(13)	(28)
Sales volume, <i>thousand tonnes</i>	381	437	(57)	(13)	233	260	(27)	(11)

*Cost of sales* in 2Q and 6M 2023 increased y-o-y because of the increase in sugar beet and its processing costs per unit of sugar as the result of decrease in sugar beet quality and sugar content.

*Other operating income/ (expenses), net* in 2Q and 6 M 2023 increased mainly due to the positive dynamics of operating forex differences.

## MEAT SEGMENT

In 1H 2023 Meat segment earned RUB 734 million of adjusted EBITDA (-29% y-o-y) with 3% margin (-2 pp y-o-y). The financial results of the Meat Segment of 1H 2023 and 2Q 2023 compared to 1H 2022 and 2Q 2022 respectively are presented in the table below.

### Meat segment 1H and 2Q 2023 Financial Results

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June	30 June	Units	%	30 June	30 June	Units	%
	2023	2022			2023	2022		
Sales	22,649	20,624	2,024	10	11,923	11,366	557	5
Net gain/ (loss) on revaluation of biological assets and agricultural produce	2,272	(700)	2,972	-	945	(1,667)	2,612	-
Cost of sales	(22,374)	(20,312)	(2,063)	(10)	(11,465)	(11,237)	(228)	(2)
<b>Gross profit</b>	<b>2,547</b>	<b>(386)</b>	<b>2,932</b>	<b>-</b>	<b>1,403</b>	<b>(1,537)</b>	<b>2,939</b>	<b>-</b>
<i>Gross profit margin</i>	<i>11%</i>	<i>(2%)</i>	<i>13 pp</i>		<i>12%</i>	<i>(14%)</i>	<i>26 pp</i>	
<i>Gross profit excl. effect of biological assets and agricultural produce revaluation</i>	274	313	(38)	(12)	458	129	329	255
<i>Adjusted gross profit margin</i>	<i>1%</i>	<i>2%</i>	<i>(1) pp</i>		<i>4%</i>	<i>1%</i>	<i>3 pp</i>	
Distribution and selling expenses	(766)	(889)	123	14	(451)	(459)	8	2
General and administrative expenses	(1,217)	(1,029)	(188)	(18)	(616)	(582)	(34)	(6)
Other operating income/ (expenses), net	182	618	(436)	(71)	(133)	471	(603)	-
<i>incl. Reimbursement of operating costs (government grants)</i>	23	14	9	64	4	9	(5)	(54)
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	215	496	(281)	(57)	117	407	(291)	(71)
<b>Operating profit</b>	<b>745</b>	<b>(1,686)</b>	<b>2,431</b>	<b>-</b>	<b>204</b>	<b>(2,106)</b>	<b>2,311</b>	<b>-</b>
<b>Adjusted EBITDA</b>	<b>734</b>	<b>1,037</b>	<b>(303)</b>	<b>(29)</b>	<b>287</b>	<b>448</b>	<b>(161)</b>	<b>(36)</b>
<i>Adjusted EBITDA margin</i>	<i>3%</i>	<i>5%</i>	<i>(2) pp</i>		<i>2%</i>	<i>4%</i>	<i>(2) pp</i>	

Sales of the Meat segment increased by 5% in 2Q 2023 compared to the respective period of 2022 and by 10% in 1H 2023 compared to the respective period of 2022 mainly due to sales volume increase which was caused by the production outputs growth. Positive dynamics was achieved by gradual increase in production capacities to the planned level in the Far East and by growth in production efficiency in the Central Federal District, including the expansion of deboning capacity.

### Production and sales volume of pork products in 1H and 2Q 2023

	Six months ended		Variance		Three months ended		Variance	
	30 June	30 June	Units	%	30 June	30 June	Units	%
	2023	2022			2023	2022		
Pigs production, thousand tonnes in live weight	175	160	15	9	86	83	4	4
Sales volume, thousand tonnes	146	133	13	10	74	73	1	2

*Cost of sales* increased by 2% in 2Q 2023 compared to the respective period of 2022, and by 10% in 1H 2023 compared to the 1H 2022. is mainly because of higher sales volumes.

*Net gain on revaluation of biological assets and agricultural produce* in 2Q 2023 and in 1H 2023 resulted from an increase in fair value for consumable livestock pigs and decrease in costs during the reporting period compared to the respective figures at the beginning of respective periods.

*Other operating expenses* in 2Q 2023 showed negative dynamics mainly due to additional costs caused by the outbreak of African swine fever and one-off gain for the reversal of provision for legal claims in 2022.

## AGRICULTURE SEGMENT

As at 30 June 2023 Rusagro's area of controlled land stands at 674 thousand hectares (31 December 2022: 660 thousand hectares). In 1H 2023 Agriculture segment earned RUB 1,116 million of adjusted EBITDA (-79% y-o-y) with 10% margin (-38 pp y-o-y). The financial results of the Agricultural Segment of 1H 2023 and 2Q 2023 compared to 1H 2022 and 2Q 2022 respectively are presented below.

### Agriculture segment 1H and 2Q 2023 Financial Results

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
Sales	11,559	11,105	454	4	5,663	2,919	2,744	94
Net gain/ (loss) on revaluation of biological assets and agricultural produce	(2,092)	1,651	(3,743)	-	(677)	4,496	(5,173)	-
Cost of sales	(9,249)	(5,049)	(4,200)	(83)	(3,994)	(1,445)	(2,549)	(176)
<b>Gross profit</b>	<b>218</b>	<b>7,706</b>	<b>(7,488)</b>	<b>(97)</b>	<b>992</b>	<b>5,970</b>	<b>(4,978)</b>	<b>(83)</b>
<i>Gross profit margin</i>	<i>2%</i>	<i>69%</i>	<i>(67) pp</i>		<i>18%</i>	<i>204%</i>	<i>(186) pp</i>	
<i>Gross profit excl. effect of biological assets and agricultural produce revaluation</i>	2,310	6,056	(3,745)	(62)	1,669	1,474	195	13
<i>Adjusted gross profit margin</i>	<i>20%</i>	<i>55%</i>	<i>(35) pp</i>		<i>29%</i>	<i>50%</i>	<i>(21) pp</i>	
Distribution and selling expenses	(2,068)	(1,013)	(1,055)	(104)	(1,019)	(353)	(667)	(189)
General and administrative expenses	(780)	(766)	(14)	(2)	(428)	(430)	1	0
Other operating income/ (expenses), net	457	597	(141)	(24)	361	164	197	120
<i>incl. Reimbursement of operating costs (government grants)</i>	457	42	414	975	425	41	384	929
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	(125)	325	(451)	-	(145)	(54)	(91)	(169)
<b>Operating profit</b>	<b>(2,174)</b>	<b>6,525</b>	<b>(8,699)</b>	<b>-</b>	<b>(95)</b>	<b>5,352</b>	<b>(5,447)</b>	<b>-</b>
<b>Adjusted EBITDA</b>	<b>1,116</b>	<b>5,319</b>	<b>(4,203)</b>	<b>(79)</b>	<b>1,233</b>	<b>1,145</b>	<b>87</b>	<b>8</b>
<i>Adjusted EBITDA margin</i>	<i>10%</i>	<i>48%</i>	<i>(38) pp</i>		<i>22%</i>	<i>39%</i>	<i>(17) pp</i>	

In 2Q 2023 in comparison to 2Q 2022 Sales of the Agriculture segment increased by 94% to RUB 5,663 million due to higher sales volume of all crops.

1H 2023 in comparison to 1H 2022 Sales of the Agriculture segment increased by 4% to RUB 11,559 million mainly because of higher sales volume of sugar beet, soybean and sunflower and higher corn sales price, partially compensated by lower sales prices of soybean, wheat and sunflower.

Increase in oil crops sales volume in 1H 2023 and 2Q 2023 as well as increase in sugar beet sales volume in 1H 2023 was caused by sales volume transfer to 1H 2023 due to adverse climate conditions, leading to prolongation of harvesting period to 2023.

Increase in sales of corn in 2Q 2023 in comparison with the same period of prior year is caused by the conclusion of contract in 1Q 2023, with the condition of delivery until the end of August. In 2022, the main sales took place during 1Q.

Sales prices for wheat decreased due to the fall in global wheat prices because of high grain stocks. Prices decrease for oil crops (sunflower and soybean) as well as sugar beet is attributed to the quality of harvest following adverse weather conditions during the prolonged harvest gathering period.

## Sales volumes of crops in 1H and 2Q 2023

Thousand tonnes	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
sugar beet	494	59	435	741	-	-	-	-
wheat	194	194	(1)	(0)	135	115	20	17
soybean	180	116	64	55	94	15	80	549
corn	92	111	(19)	(17)	63	10	53	526
sunflower seeds	56	21	35	170	16	5	10	202

The main reason for the increase in *Cost of sales* is the growth of quantity of goods sold. The increase in *Distribution and selling expenses* for 1H 2023 and 2Q 2023 in comparison with the same periods of the previous year is caused by additional storage and processing costs due to the adverse weather conditions and prolonged harvest period.

*Net gain/(loss) on revaluation of biological assets and agricultural produce* depends on revaluation amounts in opening and closing inventory balances. As agricultural produce matures and at the point of harvest, a gain on revaluation of agricultural produce to fair value less costs to sell is recognized. During subsequent sale, a loss from the revaluation of agricultural products sold in the reporting period is recognized in the amount of the previously recognized gain. Loss in the 1H and 2Q 2023 is associated with the sale of the previous year's harvest. Gain in 1H and 2Q 2022 was caused by the revaluation of growing crops of the new harvest considering higher sales prices anticipated in 2022.

Net gain/(loss) on revaluation of crops and its subsequent realisation do not affect the Adjusted EBITDA figure.

*Reimbursement of operating costs (government grants)* was received in higher amount in 1H and 2Q 2023 as the company received subsidies for grain crops sales, support of elite seed, ameliorants usage.

Change in *Other operating income* except government grants in 1H and 2Q 2023 in comparison with the same periods of 2022 is connected mainly due to the differences relating to one-off gain from the sale of fixed assets and inventories as well as changes in foreign exchange gains/(losses) amount.



## OIL AND FAT SEGMENT

In 1H 2023 Oil and Fat segment earned RUB 6,192 million of adjusted EBITDA (-35 % y-o-y) with 12% margin (-1 pp y-o-y). The financial results of the Oil and Fat Segment for 1H 2023 and 2Q 2023 compared to 1H 2022 and 2Q 2022 respectively are presented below.

### Oil and Fat segment 1H and 2Q 2023 Financial Results

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
Sales	51,399	72,012	(20,613)	(29)	28,042	36,901	(8,859)	(24)
Cost of sales	(40,356)	(59,216)	18,859	32	(22,640)	(30,891)	8,251	27
<b>Gross profit</b>	<b>11,043</b>	<b>12,796</b>	<b>(1,754)</b>	<b>(14)</b>	<b>5,402</b>	<b>6,010</b>	<b>(608)</b>	<b>(10)</b>
<i>Gross profit margin</i>	<i>21%</i>	<i>18%</i>	<i>3%</i>	<i>0%</i>	<i>19%</i>	<i>16%</i>	<i>3%</i>	<i>0%</i>
Distribution and selling expenses	(4,078)	(3,970)	(109)	(3)	(2,172)	(2,166)	(6)	(0)
General and administrative expenses	(1,917)	(1,369)	(548)	(40)	(1,096)	(686)	(410)	(60)
Other operating income/ (expenses), net	(1,950)	(4,125)	2,175	53	(1,372)	(3,139)	1,767	56
<i>incl. Reimbursement of operating costs (government grants)</i>	126	216	(90)	(41)	125	210	(85)	(41)
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	(805)	(3,988)	3,183	80	(103)	(3,090)	2,987	97
<b>Operating profit</b>	<b>3,098</b>	<b>3,333</b>	<b>(235)</b>	<b>(7)</b>	<b>762</b>	<b>18</b>	<b>744</b>	<b>4,025</b>
<b>Adjusted EBITDA</b>	<b>6,192</b>	<b>9,473</b>	<b>(3,282)</b>	<b>(35)</b>	<b>2,030</b>	<b>4,171</b>	<b>(2,140)</b>	<b>(51)</b>
<i>Adjusted EBITDA margin</i>	<i>12%</i>	<i>13%</i>	<i>(1%)</i>	<i>0%</i>	<i>7%</i>	<i>11%</i>	<i>(4%)</i>	<i>0%</i>

In 2Q 2023 in comparison to 2Q 2022 *Sales* of the Oil and fat segment decreased by 24% to RUB 28,042 million due to the decrease in prices on the world market and in sales volume of meal, crude oil, margarine and dry mixes, which was partially compensated by the increase in sales volumes of industrial fats, bottled oil and mayonnaise.

In 1H 2023 in comparison to 1H 2022 *Sales* of the Oil and fat segment decreased by 29% to RUB 51,399 million due to lower global prices and overall sales volumes decrease. Lower sales volumes of crude oil and meal due to difficulties with the vessels shipment caused by ice situation in Astrakhan in January and February 2023 and the suspension of Balakovo oil extraction plant for modernization starting from May 2023.

### Sales volumes of oil and fat and dairy products in 1H and 2Q 2023

Thousand tonnes	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
meal	257	299	(42)	(14)	124	149	(25)	(17)
crude oil	156	200	(43)	(22)	102	108	(5)	(5)
industrial fats	152	141	11	7	76	62	14	22
dry whey mixes	6	8	(2)	(29)	3	4	(1)	(28)
consumer oil&fat products	136	136	(0)	(0)	72	64	8	12
consumer dairy products	8	7	0	6	4	4	1	13

*Cost of sales* in 1H 2023 in comparison to 1H 2022 decreased due to the decline in sales volumes of products. *Cost of sales* decreased more than *Sales* mainly due to reduction of world prices for raw materials.

The growth of *General and administrative expenses* in 1H 2023 compared to 1H 2022 is mainly attributable to higher costs of information and consulting services.

The decrease in *Other operating expenses* is due to lower charity expenses and foreign exchange differences in 1H 2023 compared to the same period in 2022, which was partially compensated by accrual of provision for bad debts.

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

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

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June 2023	30 June 2022	Units	%	30 June 2023	30 June 2022	Units	%
<b>Net cash from operating activities, incl.</b>	<b>32,576</b>	<b>(706)</b>	<b>33,283</b>	<b>-</b>	<b>16,572</b>	<b>4,424</b>	<b>12,148</b>	<b>275</b>
<i>Operating cash flow before working capital changes</i>	15,678	28,447	(12,770)	(45)	8,686	11,302	(2,616)	(23)
<i>Working capital changes</i>	17,509	(27,928)	45,438	-	8,206	(5,982)	14,187	-
<b>Net cash from investing activities, incl.</b>	<b>(11,974)</b>	<b>(3,962)</b>	<b>(8,011)</b>	<b>(202)</b>	<b>(9,684)</b>	<b>(1,696)</b>	<b>(7,989)</b>	<b>(471)</b>
<i>Purchases of property, plant and equipment and inventories intended for construction</i>	(11,818)	(4,627)	(7,191)	(155)	(9,729)	(1,538)	(8,190)	(532)
<b>Net cash from financing activities</b>	<b>5,341</b>	<b>39,140</b>	<b>(33,799)</b>	<b>(86)</b>	<b>12,070</b>	<b>30,214</b>	<b>(18,145)</b>	<b>(60)</b>
<b>Net effect of exchange rate changes on cash and cash equivalents</b>	<b>4,228</b>	<b>(18,995)</b>	<b>23,223</b>	<b>-</b>	<b>2,295</b>	<b>(11,035)</b>	<b>13,330</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>30,172</b>	<b>15,476</b>	<b>14,696</b>	<b>95</b>	<b>21,253</b>	<b>21,908</b>	<b>(655)</b>	<b>(3)</b>

(\*) See Appendix 4

## Debt position and liquidity management

in RUB million	30 June	31 December	Variance	
	2023	2022	Units	%
<b>Gross debt</b>	<b>232,517</b>	<b>233,390</b>	<b>(873)</b>	<b>(0)</b>
<i>Short-term borrowings</i>	172,001	172,352	(351)	(0)
<i>Long-term borrowings</i>	60,516	61,038	(522)	(1)
<b>Cash and cash equivalents, bank deposits and bonds</b>	<b>(152,479)</b>	<b>(133,668)</b>	<b>(18,811)</b>	<b>(14)</b>
<i>Short-term cash, deposits and bonds</i>	(118,507)	(99,697)	(18,810)	(19)
<i>Long-term cash, deposits and bonds</i>	(33,971)	(33,971)	(0)	(0)
<b>Net debt</b>	<b>80,038</b>	<b>99,723</b>	<b>(19,685)</b>	<b>(20)</b>
<i>Short-term borrowings, net</i>	53,494	72,655	(19,161)	(26)
<i>Long-term borrowings, net</i>	26,545	27,067	(522)	(2)
<b>Adjusted EBITDA (LTM<sup>4</sup>)</b>	<b>30,788</b>	<b>45,015</b>	<b>(14,227)</b>	<b>(32)</b>
<b>Net debt/ Adjusted EBITDA (LTM)</b>	<b>2.60</b>	<b>2.22</b>	<b>0.4 pp</b>	

### Net finance income / (expense):

in RUB million	Six months ended		Variance		Three months ended		Variance	
	30 June	30 June	Units	%	30 June	30 June	Units	%
	2023	2022			2023	2022		
<b>Net interest expense</b>	<b>(3,693)</b>	<b>(3,317)</b>	<b>(376)</b>	<b>(11)</b>	<b>(1,768)</b>	<b>(1,803)</b>	<b>35</b>	<b>2</b>
<i>Gross interest expense</i>	(9,264)	(8,428)	(835)	(10)	(4,620)	(3,873)	(747)	(19)
<i>Reimbursement of interest expense</i>	5,570	5,111	459	9	2,852	2,070	782	38
<b>Interest income</b>	<b>4,954</b>	<b>4,348</b>	<b>606</b>	<b>14</b>	<b>2,512</b>	<b>2,040</b>	<b>473</b>	<b>23</b>
<b>Other financial expenses, net</b>	<b>6,179</b>	<b>(19,682)</b>	<b>25,861</b>	<b>-</b>	<b>3,197</b>	<b>(11,797)</b>	<b>14,994</b>	<b>-</b>
<i>Net foreign exchange gains / (losses)</i>	6,484	(19,551)	26,035	-	3,385	(11,723)	15,108	-
<i>Other financial income/ (expenses), net</i>	(305)	(131)	(174)	(133)	(188)	(74)	(114)	(153)
<b>Total net finance income / (expense)</b>	<b>7,439</b>	<b>(18,652)</b>	<b>26,091</b>	<b>-</b>	<b>3,941</b>	<b>(11,560)</b>	<b>15,501</b>	<b>-</b>

*Net debt* decreased at 30 June 2023 compared at 31 December 2022 as a result of an increase in bank balances and bank deposits.

In 1H 2023 Rusagro continued to enjoy benefits from the state agriculture subsidies programme. 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 borrowings with decreased interest rates, given by the banks to agricultural producers. In 1H 2023 IFRS accounts these borrowings 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 expense* of 1H 2022 in the sum of RUB 18,652 million changed to *net finance income* in the amount of RUB 7,439 million as the result of positive dynamics in forex differences.

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- (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) *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:

### *Agricultural:*

Rusagro currently controls one of the largest land banks among Russian agriculture producers, with 674 thousand hectares of land under control located in the highly fertile Black Earth region of Russia (in the Belgorod, Tambov, Voronezh, Kursk, Orel regions) and in the Far East Primorye 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 corn, sunflower seeds and soybeans. These products are partially consumed by the Sugar, Meat and Oil and Fat segments, 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 eleven key brands, such as *EZhK*, *Schedroye Leto*, *Mechta Khozyaiki*, umbrella brand *Ya Lublu Gotovit* (includes *Moskovskiy Provansal*, *Novosibirskiy Provansal* and *Saratovskiy Provansal*), *Rossiyanka* and *Saratovskiy Slivochniy*, *Benefitto*, *Maslava* and *Leto Krasno* (红色夏日), which is sold on the Chinese market. Rusagro also produces dry industrial mixes, cheeses, butter and cream sold under three brands: *Milie*, *Syrnaya Kultura* and *Ya Lublu Gotovit*. Rusagro owns four crushing and two oil & fats plants and leases two milk processing plants. Owning its sunflower and soy oil production allows Rusagro to control the source of the sunflower and soybean oil required to produce oil and fats products.

### *Sugar:*

Rusagro is one of the leading Russian sugar producers (№3 in Russia and №1 on cube white sugar market), producing sugar from sugar beet at nine production sites in four regions. Group produces white and brown sugar sold under the brands *Russkii Sakhar*, *Chaikofsky*, *Mon Café* and *Brauni*. The Sugar segment is vertically integrated and sugar beets are supplied by Rusagro's Agriculture segment, which ensures a consistent supply. The sugar segment also operates a cereal plant and sells buckwheat and rice under the brand *Tyoplye Traditsii*.

### *Meat:*

Rusagro is №3 largest pork producer in Russia. It operates large commercial pig breeding complexes adhering to best practices regarding biosecurity standards, nucleus farms, compound feed plants, slaughterhouses and meat processing plants in Tambov and Belgorod Regions and in the Russian Far East. Since 2016, Rusagro sells retail products under its own brand *Slovo Myasnika* (*Butcher's word*).

## CONFERENCE CALL

Rusagro management is organizing a conference call on Company's 1H and 2Q 2023 financial results for investors and analysts.

### Details of the call:

Date: 7 August 2023

Time: 4:00 PM (Moscow) / 2:00 PM (London)

Subject: ROS AGRO PLC 1H and 2Q 2023 IFRS Financial results

Registration: available up to 3:00 PM Moscow time / 1:00 PM London time on 7 August

[https://us06web.zoom.us/webinar/register/WN\\_nQXkjv0QSNSvWy42GOjg7w#/registration](https://us06web.zoom.us/webinar/register/WN_nQXkjv0QSNSvWy42GOjg7w#/registration)

## 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.*

## CONTACTS

### Alexey Kulchitskiy

Director M&A, IR, ESG

Phone: +7 495 363 1661

E-mail: [ir@rusagrogroup.ru](mailto:ir@rusagrogroup.ru)

**Appendix 1. Consolidated statement of comprehensive income for the Six and Three months ended 30 June 2023 (in RUB thousand)**

	Six months ended		Three months ended	
	30 June		30 June	
	2023	2022	2023	2022
Sales	106,549,362	127,230,280	59,153,906	65,724,120
Net gain / (loss) on revaluation of biological assets and agricultural produce	(965,675)	(1,848,173)	(419,128)	1,249,037
Cost of sales	(84,635,964)	(92,797,796)	(46,417,377)	(49,383,727)
<b>Gross profit</b>	<b>20,947,723</b>	<b>32,584,311</b>	<b>12,317,401</b>	<b>17,589,430</b>
Distribution and selling expenses	(7,354,540)	(7,360,741)	(3,774,048)	(3,731,561)
General and administrative expenses	(4,862,514)	(3,888,980)	(2,682,800)	(2,326,856)
Other operating income/(expenses), net	278,489	(3,503,330)	(512,774)	(2,886,036)
<b>Operating profit</b>	<b>9,009,158</b>	<b>17,831,260</b>	<b>5,347,779</b>	<b>8,644,977</b>
Interest expense	(3,693,364)	(3,317,386)	(1,768,118)	(1,802,674)
Interest income	4,953,569	4,348,186	2,512,334	2,039,794
Net gain / (loss) from bonds held for trading	-	42	-	-
Other financial income/ (expenses), net	6,178,811	(19,682,492)	3,196,917	(11,797,046)
<b>Profit / (loss) before taxation</b>	<b>16,448,174</b>	<b>(820,390)</b>	<b>9,288,912</b>	<b>(2,914,949)</b>
Income tax expense	(3,256,871)	1,290,456	(1,514,557)	1,421,574
<b>Profit for the period</b>	<b>13,191,303</b>	<b>470,066</b>	<b>7,774,355</b>	<b>(1,493,375)</b>
<b>Other comprehensive income:</b>				
<b>Total comprehensive income/ (loss) for the period</b>	<b>13,191,303</b>	<b>470,066</b>	<b>7,774,355</b>	<b>(1,493,375)</b>
<b>Profit / (loss) is attributable to:</b>				
Owners of ROS AGRO PLC	13,194,402	419,901	7,770,662	(1,544,258)
Non-controlling interest	(3,099)	50,165	3,693	50,883
<b>Profit / (loss) for the period</b>	<b>13,191,303</b>	<b>470,066</b>	<b>7,774,355</b>	<b>(1,493,375)</b>
<b>Total comprehensive income/ (loss) is attributable to:</b>				
Owners of ROS AGRO PLC	13,194,402	419,901	7,770,662	(1,544,258)
Non-controlling interest	(3,099)	50,165	3,693	50,883
<b>Total comprehensive income/ (loss) for the period</b>	<b>13,191,303</b>	<b>470,066</b>	<b>7,774,355</b>	<b>(1,493,375)</b>
Earnings per ordinary share for profit attributable to the equity holders of ROS AGRO PLC, basic and diluted (in RR per share)	490.38	15.61	288.80	(57.39)



## Appendix 2. Segment information for the Six months ended 30 June 2023 and for the Six months ended 30 June 2022 (in RUB thousand)

<b>6M2023</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	23,973,640	22,648,603	11,559,185	51,399,022	1,004,700	(4,035,788)	106,549,362
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	2,272,491	(2,092,419)	-	-	(1,145,747)	(965,675)
Cost of sales	(15,860,003)	(22,374,393)	(9,248,747)	(40,356,197)	(569,399)	3,772,775	(84,635,964)
<i>incl. Depreciation</i>	<i>(1,052,138)</i>	<i>(2,413,367)</i>	<i>(959,561)</i>	<i>(1,851,417)</i>	<i>(8,811)</i>	<i>(19,051)</i>	<i>(6,304,345)</i>
<b>Gross profit / (loss)</b>	<b>8,113,637</b>	<b>2,546,701</b>	<b>218,019</b>	<b>11,042,825</b>	<b>435,301</b>	<b>(1,408,760)</b>	<b>20,947,723</b>
Distribution and Selling, General and administrative expenses	(2,643,930)	(1,982,738)	(2,848,308)	(5,995,076)	(1,050,411)	2,303,409	(12,217,054)
<i>incl. Depreciation</i>	<i>(33,778)</i>	<i>(62,539)</i>	<i>(112,643)</i>	<i>(437,660)</i>	<i>(71,488)</i>	<i>19,051</i>	<i>(699,057)</i>
Other operating income/(expenses), net	221,266	181,526	456,647	(1,950,089)	1,841,712	(472,573)	278,489
<i>incl. Reimbursement of operating costs (government grants)</i>	<i>87,768</i>	<i>23,413</i>	<i>456,578</i>	<i>126,345</i>	-	-	<i>694,104</i>
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	<i>62,433</i>	<i>214,983</i>	<i>(125,301)</i>	<i>(804,995)</i>	<i>1,961,579</i>	<i>63,723</i>	<i>1,372,422</i>
<b>Operating profit / (loss)</b>	<b>5,690,973</b>	<b>745,489</b>	<b>(2,173,642)</b>	<b>3,097,660</b>	<b>1,226,602</b>	<b>422,076</b>	<b>9,009,158</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	1,085,916	2,475,906	1,072,204	2,289,077	80,299	-	7,003,402
Other adjustments to EBITDA (non-recurring items)	(62,433)	(214,983)	125,301	804,995	(1,961,579)	(63,723)	(1,372,422)
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(2,272,491)	2,092,419	-	-	1,145,747	965,675
<b>Adjusted EBITDA*</b>	<b>6,714,456</b>	<b>733,921</b>	<b>1,116,282</b>	<b>6,191,732</b>	<b>(654,678)</b>	<b>1,504,100</b>	<b>15,605,813</b>
<b>6M2022</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	27,102,430	20,624,192	11,104,731	72,011,911	450,110	(4,063,094)	127,230,280
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	(699,569)	1,650,641	-	-	(2,799,245)	(1,848,173)
Cost of sales	(14,300,846)	(20,310,679)	(5,049,076)	(59,215,582)	(400,989)	6,479,376	(92,797,796)
<i>incl. Depreciation</i>	<i>(1,181,997)</i>	<i>(2,455,940)</i>	<i>(640,730)</i>	<i>(1,867,096)</i>	<i>(5,008)</i>	<i>(2,294)</i>	<i>(6,153,065)</i>
<b>Gross profit / (loss)</b>	<b>12,801,584</b>	<b>(386,056)</b>	<b>7,706,296</b>	<b>12,796,329</b>	<b>49,121</b>	<b>(382,963)</b>	<b>32,584,311</b>
Distribution and Selling, General and administrative expenses	(2,778,005)	(1,918,243)	(1,778,577)	(5,338,741)	(564,112)	1,127,957	(11,249,721)
<i>incl. Depreciation</i>	<i>(25,488)</i>	<i>(64,349)</i>	<i>(129,044)</i>	<i>(285,588)</i>	<i>(57,924)</i>	<i>2,294</i>	<i>(560,099)</i>
Other operating income/(expenses), net	(313,811)	617,567	597,377	(4,124,909)	(473,926)	194,372	(3,503,330)
<i>incl. Reimbursement of operating costs (government grants)</i>	<i>137,891</i>	<i>14,309</i>	<i>42,463</i>	<i>215,964</i>	-	-	<i>410,627</i>
<i>incl. Other adjustments to EBITDA (non-recurring items)</i>	<i>(410,433)</i>	<i>496,143</i>	<i>325,440</i>	<i>(3,988,030)</i>	<i>(538,999)</i>	<i>675,011</i>	<i>(3,440,868)</i>
<b>Operating profit / (loss)</b>	<b>9,709,768</b>	<b>(1,686,732)</b>	<b>6,525,096</b>	<b>3,332,679</b>	<b>(988,917)</b>	<b>939,366</b>	<b>17,831,260</b>
<b>Adjustments:</b>							
Depreciation included in Operating Profit	1,207,485	2,520,289	769,774	2,152,684	62,932	-	6,713,164
Other adjustments to EBITDA (non-recurring items)	410,433	(496,143)	(325,440)	3,988,030	538,999	(675,011)	3,440,868
Net gain/ (loss) on revaluation of biological assets and agricultural produce	-	699,569	(1,650,641)	-	-	2,799,245	1,848,173
<b>Adjusted EBITDA*</b>	<b>11,327,686</b>	<b>1,036,983</b>	<b>5,318,789</b>	<b>9,473,393</b>	<b>(386,986)</b>	<b>3,063,600</b>	<b>29,833,465</b>

\* Non-IFRS measure

**Appendix 3. Consolidated statement of financial position as at 30 June 2023  
(in RUB thousand)**

	<b>30 June 2023</b>	<b>31 December 2022</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	51,644,566	21,473,030
Short-term investments	81,868,828	91,382,536
Trade and other receivables	17,713,189	24,176,680
Prepayments	4,317,825	13,435,149
Current income tax receivable	168,658	832,423
Other taxes receivable	8,349,532	8,360,935
Inventories and short-term biological assets	90,591,115	78,580,317
Other current assets	5,111,396	4,126,715
<b>Total current assets</b>	<b>259,765,109</b>	<b>242,367,785</b>
<b>Non-current assets</b>		
Property, plant and equipment	136,391,641	121,165,803
Inventories intended for construction	434,082	864,550
Right-of-use assets	7,247,347	6,916,539
Goodwill	2,364,942	2,364,942
Advances paid for non-current assets	4,299,038	5,482,770
Long-term biological assets	2,737,556	3,240,959
Long-term investments and receivables	42,526,511	42,527,657
Investments in associates	488,916	455,916
Deferred income tax assets	4,942,113	5,964,527
Other intangible assets	1,930,510	1,284,263
Other non-current assets	91,350	190,978
<b>Total non-current assets</b>	<b>203,454,006</b>	<b>190,458,904</b>
<b>Total assets</b>	<b>463,219,115</b>	<b>432,826,689</b>

**Appendix 3 (continued). Consolidated statement of financial position as at 30 June 2023 (in RUB thousand)**

	<b>30 June 2023</b>	<b>31 December 2022</b>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Short-term borrowings	172,000,955	172,351,514
Lease liabilities	875,658	863,452
Trade and other payables	18,956,944	17,024,472
Provisions	197,092	137,542
Current income tax payable	509,572	76,061
Other taxes payable	7,004,815	8,149,780
<b>Total current liabilities</b>	<b>199,545,036</b>	<b>198,602,821</b>
<b>Non-current liabilities</b>		
Long-term borrowings	60,515,802	61,038,393
Government grants	11,528,551	11,153,211
Lease liabilities	5,637,017	5,086,897
Deferred income tax liability	3,218,929	2,283,752
<b>Total non-current liabilities</b>	<b>80,900,299</b>	<b>79,562,253</b>
<b>Total liabilities</b>	<b>280,445,335</b>	<b>278,165,074</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	140,037,927	126,843,525
<b>Equity attributable to owners of ROS AGRO PLC</b>	<b>167,887,245</b>	<b>154,692,843</b>
Non-controlling interest	14,886,535	(31,228)
<b>Total equity</b>	<b>182,773,780</b>	<b>154,661,615</b>
<b>Total liabilities and equity</b>	<b>463,219,115</b>	<b>432,826,689</b>

**Appendix 4. Consolidated statement of cash flows the Six months ended 30 June 2023  
(in RUB thousand) – NOT IFRS PRESENTATION (\*)**

	Six months ended	
	30 June 2023	30 June 2022
<b>Cash flows from operating activities</b>		
Profit/(loss) before income tax	16,448,174	(820,390)
<i>Adjustments for:</i>		
Depreciation and amortization	7,003,401	6,713,162
Interest expense	9,335,817	8,427,977
Government grants	(6,536,472)	(5,863,671)
Interest income	(4,953,000)	(4,348,185)
Loss/ (gain) on disposal of property, plant and equipment	(116,880)	(473,166)
Net (gain) / loss on revaluation of biological assets and agricultural produce	965,675	1,848,173
Change in provision for impairment of loans issued	(123)	3,028
Interest expense on leases	133,630	122,595
Change in provision for net realisable value of inventory	591,994	508,561
Change in provision for impairment of receivables and prepayments	1,605,292	35,050
Foreign exchange (gain) / loss, net	(8,171,930)	22,932,796
Lost / (reversal of) harvest write-off	-	5,945
Net (gain) / loss from bonds held for trading	-	(42)
Settlement of loans and accounts receivable previously written-off	(31,379)	-
Change in provision for impairment of advances paid for property, plant and equipment	29,613	(31,224)
Change in other provisions	59,549	(149,060)
Dividend income	(345,499)	-
Loss on disposal of other assets	456	5,162
Gain on SolPro loans redemption	(260,587)	(400,307)
Other non-cash and non-operating expenses, net	(80,095)	(69,178)
<b>Operating cash flow before working capital changes</b>	<b>15,677,636</b>	<b>28,447,226</b>
Change in trade and other receivables and prepayments	2,727,560	(12,932,703)
Change in other taxes receivable	739,260	1,475,217
Change in inventories and short-term biological assets	(364,691)	(11,191,254)
Change in trade and other payables	15,358,946	(2,991,723)
Change in other taxes payable	(951,606)	(2,287,788)
<b>Cash generated from operations</b>	<b>33,187,105</b>	<b>518,975</b>
Income tax paid	(610,788)	(1,225,243)
<b>Net cash from operating activities</b>	<b>32,576,317</b>	<b>(706,268)</b>

**Appendix 4 (continued). Consolidated statement of cash flows the Six months ended 30 June 2023 (in RUB thousand) – NOT IFRS PRESENTATION (\*)**

	Six months ended	
	30 June 2023	30 June 2022
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(11,683,992)	(4,445,855)
Purchases of other intangible assets	(451,098)	(523,970)
Purchases of land lease rights	(15,486)	(16,906)
Proceeds from sales of property, plant and equipment	12,165	451,961
Purchases of inventories intended for construction	(134,198)	(180,927)
Purchases of associates	(33,000)	(71,000)
Dividends received	345,499	377,269
Proceeds from sales of other investments	13,205	-
Other investing activities	(26,672)	447,203
<b>Net cash from investing activities</b>	<b>(11,973,577)</b>	<b>(3,962,225)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	79,094,106	43,447,215
Repayment of borrowings	(111,419,218)	(20,618,379)
Interest paid	(3,238,680)	(3,011,301)
Change in cash on bank deposits	33,286,758	16,108,072
Proceeds from sales of bonds with maturity over three months*	-	140,783
Loans given*	(3,500)	(1,250,617)
Loans repaid*	527,164	(431,958)
Interest received*	6,454,099	4,686,213
Proceeds from government grants	690,780	581,096
Purchases of non-controlling interest	-	(518)
Dividends paid to owners Ros Agro PLC	-	(120)
Repayment of lease liabilities - principal	(50,492)	(511,339)
Other financial activities	-	711
<b>Net cash from financing activities</b>	<b>5,341,017</b>	<b>39,139,858</b>
Net effect of exchange rate changes on cash and cash equivalents	4,227,780	(18,995,338)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>30,171,537</b>	<b>15,476,027</b>
Cash and cash equivalents at the beginning of the period	21,473,029	46,462,179
<b>Cash and cash equivalents at the end of the period</b>	<b>51,644,566</b>	<b>61,938,206</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.