

LETTER FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear shareholders,

The Board of Directors gives an upbeat assessment of Rusagro's performance in 2020. Despite the epidemiological situation in the world and the unstable economic situation in Russia, the Company hit the record high in sales and earnings before interest, taxes and amortisation, which led to a 150% rise in net profit of the Company – up to RUB 24.3 billion. Given the net debt versus adjusted EBITDA ratio of 2.15 and the pre-approved CAPEX plan, I uphold the Board members' recommendation to pay the Company's shareholders 50% of net income as dividends for 2020.

Rusagro's top management demonstrated superior performance in implementing the Company's strategic goals in 2020.

Over the past year, Rusagro has strengthened its position in the Russian market of agro-industrial products by ramping up the production in the Meat and Oil and Fats Businesses, affluently embraced the opportunities offered by growing export sales, successfully coped with the COVID-19 spread control at all production sites, despite limited possibilities of Rusagro's employees to work from home.

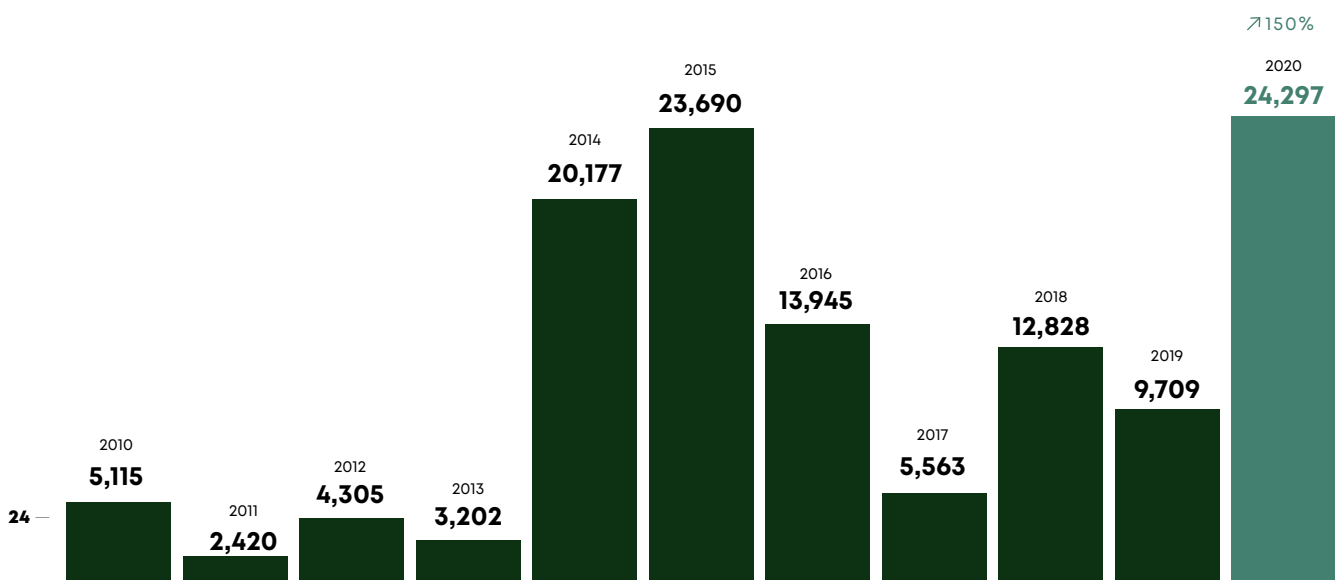
Today the Company is the largest producer of sunflower oil and consumer margarine in Russia, ranks second among Russian producers of industrial fats, mayonnaise and sugar and third among producers of pork. As for the size of agricultural lands under control, Rusagro holds the fourth spot among the top landowners in Russia. The Company is onwards and upwards not only in the industrial goods market (B2B), but yet in the retail segment. Thus, *Russkii Sakhar*, *Chaikofsky*, *Khoroshy (Good)* and *Mon Café* sugar brands of Rusagro amounted to 46% in the white lump sugar market, and *Brauni* brand – 29% in the brown lump sugar market. Brands of oil and fat products hold a significant share in local markets – in the Urals, the mayonnaise brand No. 1 is *Provansal EZhK*, and margarine brand No. 1 is *Schedroe Leto (Generous Summer)*; in the Central Russia, *Moskovsky Provansal* is recognized as the mayonnaise brand No. 1.



Vadim Moshkovich

Chairman of the Board of Directors,
ROS AGRO PLC

Rusagro's historical net profit, RUB mn



With the view to keep market positions and competitive strength, Rusagro commits significant resources to the implementation of the business digital transformation strategy and projects at the intersection of information and biological technologies. In 2020, 21 home selected sugar beet hybrids were listed in the State Register of Selection Achievements Authorised for Use in Russia.

To ensure long-term sustainable growth, Rusagro gives a high profile on working with all stakeholders and transparency of non-financial information about the Company's activities. The approach to sustainable development management, including personnel management, and the Company's performance in this regard is presented in the ESG Report section of this report.

With the achieved business performance and size of assets, growing demand for Russian products and climate changes, Rusagro will fare well and strongly in financial terms over the coming years. The Board of Directors will encourage the payment of non-investment cash to shareholders of the Company. Therefore, the Board decided to pay the largest ever dividends for 2020.

Rusagro's historical dividend payouts for a year, USD mn

