



RECIPE FOR SUSTAINED GROWTH

Annual Report — 2024

CONTENTS

About the Report	3	RESULTS OVERVIEW	49	CORPORATE GOVERNANCE	179
ABOUT RUSAGRO GROUP	4	Agriculture Business	50	Corporate governance system.....	180
Company's profile	6	Combined Oil and Fats Business	70	Compliance system.....	197
Investment case	7	Sugar Business.....	99	Risk management.....	210
Rusagro Group's legal structure	17	Meat Business.....	113	Investor relations	222
History of Rusagro Group	19	Financial review	132	APPENDIX	225
Highlights of 2024	23	SUSTAINABLE DEVELOPMENT	133	International Financial Reporting	
Key results of 2024	24	ESG strategy	134	Standards Consolidated Financial	
STRATEGIC REPORT	29	Sustainable development management system.....	141	Statements for the year ended	
CEO's statement	30	Environmental aspect –		31 December 2024 and Independent	
Business development strategy.....	31	environmental stewardship.....	153	Auditors' Report	226
Analysis of the strategy's results.....	33	Social aspect	161	Contact information	311

ABOUT THE REPORT

The present Annual Report of Rusagro Group PJSC (the ‘Report’) for 2024 contains information about the performance of Rusagro Group (the ‘Company’ or ‘Rusagro’) for the reporting period from 1 January 2024 to 31 December 2024. The Report is published on an annual basis, and previous versions are available [here](#).

Material topics

Rusagro’s management assessed the topics’ materiality by considering stakeholder needs. The management of the Company believes that the information disclosed in the Report will allow for a thorough evaluation of the reporting period’s outcomes. Among other things, this Report includes the strategy progress status as well as operational and financial metrics. The sustainability priorities of Rusagro are given particular consideration.

Boundaries

The Report presents the operating and financial results of Rusagro Group PJSC (parent company) and its subsidiaries, collectively referred to as Rusagro Group, in line with consolidated financial statements under the International Financial Reporting Standards (IFRS).

Standards

The Report has been prepared based on Rusagro’s management accounts and consolidated financial statements for 2024. The Company’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board.

During the preparation of the Report, the following requirements were taken into account:

- Regulations of the Bank of Russia No. 714-P dated 27 March 2020 ‘On Information Disclosure by Issuers of Equity Securities’

- Letter of the Bank of Russia No. 06-52/2463 dated 10 April 2014 ‘On the Corporate Governance Code’
- Letter of the Bank of Russia No. IN-06-28/49 dated 12 July 2021 ‘On Recommendations for Public Joint Stock Companies on how to Disclose Non-Financial Information Related to their Activities’
- Letter of the Bank of Russia No. IN-06-28/102 dated 27 December 2021 ‘On Disclosure of a Report on Compliance with the Principles and Recommendations of the Corporate Governance Code in the Annual Report of a Public Joint Stock Company’
- Moscow Exchange Listing Rules

Audit

The 2024 IFRS consolidated financial statements of Rusagro Group PJSC have been audited by Kept JSC.

Approval of the Report

This Report has been provisionally approved by the Board of Directors of Rusagro Group PJSC on 13 May 2025.

Disclaimer

The Report contains estimations or forward-looking statements regarding operating, financial, economic, social, environmental and other Rusagro’s performance metrics. For various reasons, the events or results presented in subsequent reports may differ materially from those contained in the assumptions or forecasts herein, not least in connection with the changing market

situation, as well as other risks directly related to Rusagro Group PJSC and its subsidiaries. The Company is not responsible for losses or damages that may be incurred by individuals and legal entities acting on the basis of forward-looking statements. In each case, such statements represent only one of many scenarios and should not be considered as the most probable.

In addition to official information concerning Rusagro’s activities, this Report contains data obtained from third parties and sources that Rusagro considers reliable. Nevertheless, the Company cannot guarantee the accuracy of such information, which may be incomplete or abridged.

Presentation of numerical data

The values and percentages presented in the various tables and graphs, as well as in the text of the Report, have been rounded to the nearest whole number or to the nearest decimal fraction, therefore the sum of the numbers may not precisely match the final total. Some percentages presented in tables and graphs, as well as in the text of the Report, are based on values that have not been rounded, and thus they may not precisely match the percentage data calculated using rounded figures.

ABOUT RUSAGRO GROUP

Company’s profile 6

Investment case 7

Rusagro Group’s legal structure17

History of Rusagro Group 19

Highlights of 2024 23



WE GOT CLOSER TO RUSSIAN INVESTORS



#RAGR

New ticker for Rusagro Group PJSC shares on the Moscow Exchange. Trading in the Company's securities started on 17 February 2025.

for more details, see p. 220



STRENGTHENED LEADERSHIP ON THE PORK MARKET



Nº2

Rusagro Group became the second largest pork producer in Russia through an M&A transaction.

for more details, see p. 130



ACHIEVED NEW RECORDS IN OUTPUT AND SALES VOLUME



+23%

The success of separate business segments drove an over 20% year-on-year increase in Rusagro's revenue.

for more details, see p. 24



COMPANY'S PROFILE

Rusagro Group is one of the largest vertically integrated agricultural holdings in Russia. The Company is the industry leader in the nation's meat, sugar, agriculture, and oil and fats sectors. The Company supplies Russian and international markets with its consumer and industrial products.

Mission



Making people's life longer and better

Goal



Our goal is to be the company of first choice for consumers, partners and our employees. We believe that creating high-quality products, solidifying our position in key markets, implementing innovative solutions, and applying the most advanced practices of sustainable growth are the primary means of accomplishing our goal.

Core values

Result



We set ambitious goals and succeed.

Continuous improvement



Every day we make a better job, and every day we become our better selves.

Our people



Successful people are the main driver of our success. We respect individuality, we value expertise and we fulfil our dreams together.

Honesty



We value trust and count on everyone's honesty. Honesty comes before profit.

Teamwork and cooperation



We achieve success together, join forces and value the contribution of every stakeholder.

INVESTMENT CASE

Why invest in Rusagro Group

Ingredient N°1

Vertically integrated business

High levels of raw material self-sufficiency serve as a natural hedging mechanism against changes in the pricing of raw materials and finished goods, as well as a means of increasing margins through cost optimisation.

Ingredient N°3

Product and geographic diversification

Rusagro Group's assets are spread over 15 regions of the Russian Federation, and its four business segments provide products in both the B2B and B2C markets. Major food producers in Russia and abroad recognise us as a reliable partner, and thousands of customers choose our products available on store shelves.

Ingredient N°2

Sustained growth in financial performance

Thanks to a holistic strategic approach to modernising existing facilities and carrying out new major M&As, boosting sales, and fortifying its position in the market, Rusagro Group produces consistent results.

Ingredient N°4

Domestic market leadership and broad export potential

We hold leading positions in the key sectors of Rusagro Group's presence in Russia, with foreign markets accounting for about one-third of sales, and enjoy a capacity for the export flow to grow even more.



VERTICALLY INTEGRATED BUSINESS

Ingredient N°1

Vertical integration lies at the heart of the Rusagro Group business model. The Sugar, Meat, and Oil and Fats Businesses run fully integrated production, while the Agriculture Business provides them with the necessary raw materials.



By streamlining the raw material supply chain and improving quality control throughout the production process, as well as by integrating production, marketing, and logistics expenses, this business structure lowers production costs and increases Rusagro Group's competitiveness. Among other things, the vertically integrated model allows us to accumulate margins within Group Rusagro during the periods of fluctuation in prices for raw materials and finished products.

Production chain



The entire beet crop grown is sent to the Company's **Sugar Business**. The fields' proximity to the production facilities reduces the cost of transportation and logistics. Beet processing produces by-products such as pulp, molasses, raffinade, betaine and filter cake. The pulp and betaine are exported, filter cake is used as fertiliser, and molasses is subject to the desugarisation process to extract additional sugar. Sugar and cereals are marketed under in-house brands. Furthermore, sugar is used by the combined Oil and Fats segment in some sauce recipes.



Some of the grain grown by the Company is sent to feed mills of the **Meat Business**. The breeding facility rears young animals and improves pig breeds, while the reproduction facility produces fattening pigs and replacement pigs for herd renewal. The meat processing plant produces finished products which are sold under in-house brand. Waste products are processed further into feed, thus closing the production cycle.

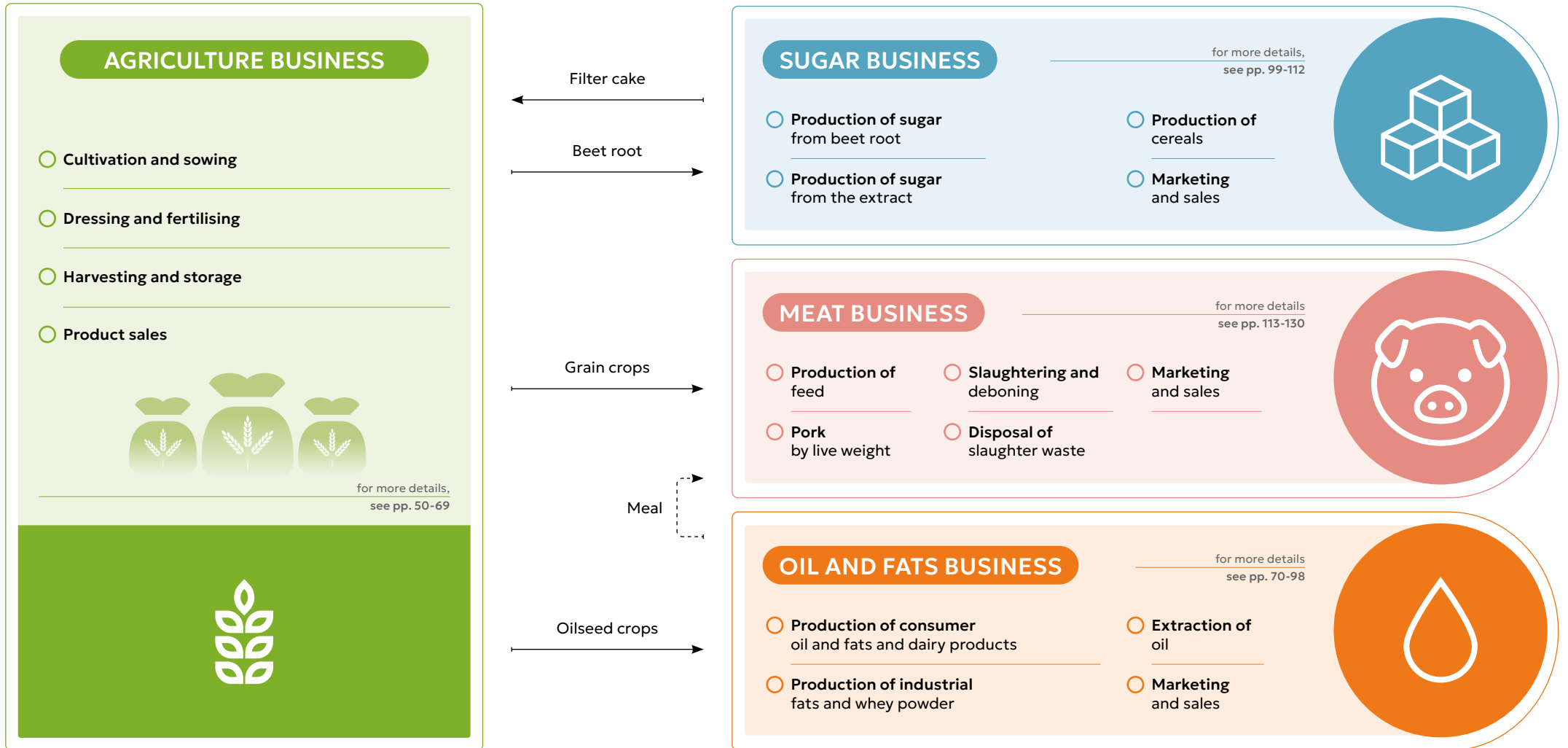


The **Oil and Fats Business** uses soya and sunflower seeds supplied by the **Agriculture Business** to make oil. The oil is then sold in bulk to third-party companies and is used at Rusagro Group's oil and fats plants to produce own branded products. Part of the meal, which is a by-product of the oil extraction process, is used as pig feed in the Meat Business. Industrial fats are used to produce spreads, sauces, cheese products, and soaps.



Other Rusagro Group facilities also produce pasta products. Dairy plants produce dairy products such as whey powder, cheese, butter and cream.

Business model



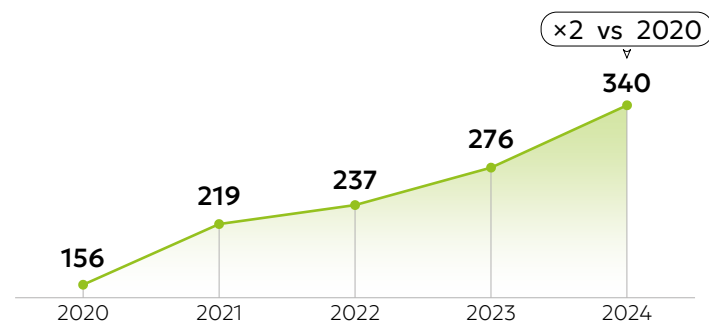
SUSTAINED GROWTH IN FINANCIAL PERFORMANCE

Ingredient N°2

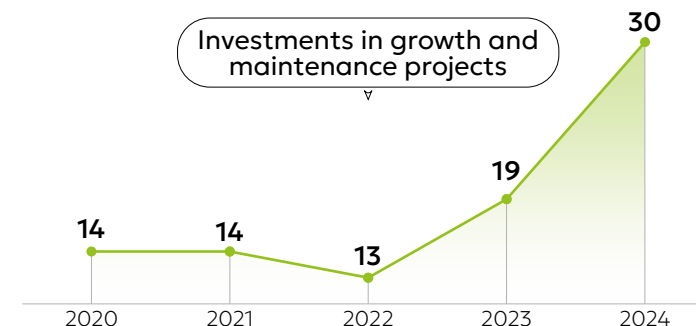
The achievement of the **Development Strategy's** top targets has allowed Rusagro Group to grow steadily.

We are actively expanding our production capacity through mergers and acquisitions, modernisation, and new construction projects. Together with innovation, staff development, and balanced financial management, Rusagro Group's efforts to boost operational effectiveness and enhance its sales portfolio are yielding positive results.

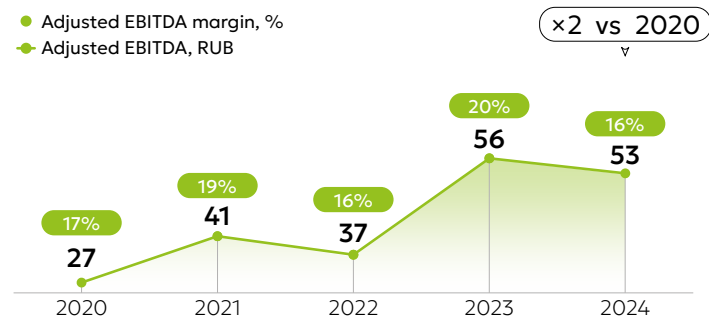
Revenues, RUB bn



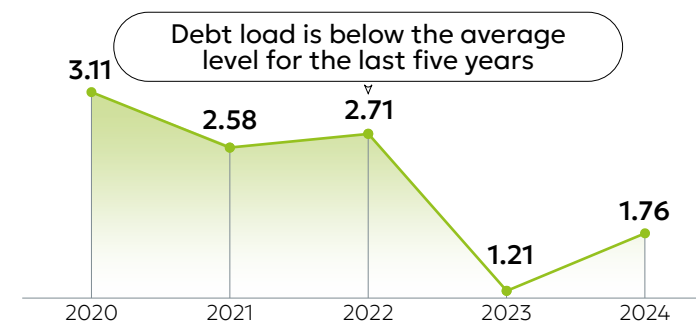
Investments, RUB bn



Adjusted EBITDA /
Adjusted EBITDA margin



Debt load, Net debt /
adjusted EBITDA



PRODUCT AND GEOGRAPHIC DIVERSIFICATION

In addition to providing prospects for business expansion, broad geographic and product diversification enables the Company to optimise sales and logistics while accounting for regional demand for specific product categories. Though Rusagro Group is primarily a raw materials company, with about 75% of its sales coming from the B2B segment, it implements projects to grow the B2C segment and expands the range of products, thus allowing for the addition of more marginal goods to the sales portfolio.

Rusagro Group's assets are located in 15 regions of the Russian Federation, namely, the Belgorod, Tambov, Voronezh, Kursk, Orel, Sverdlovsk, Samara, Ulyanovsk, Saratov, Orenburg, Nizhny Novgorod, Volgograd, Tula Regions, the Republic of Bashkortostan, and Primorsky Territory. The Company is headquartered in the Tambov Region, with a separate division in Moscow.

Business review – key figures

6 OIL EXTRACTION PLANTS

6 OIL AND FATS PRODUCTION PLANTS

46 PIG FARMS

4 MEAT PROCESSING ASSETS

9 SUGAR PLANTS

Ingredient N°3

Structure of production capacities

 **0.8** MN HA
Land holding

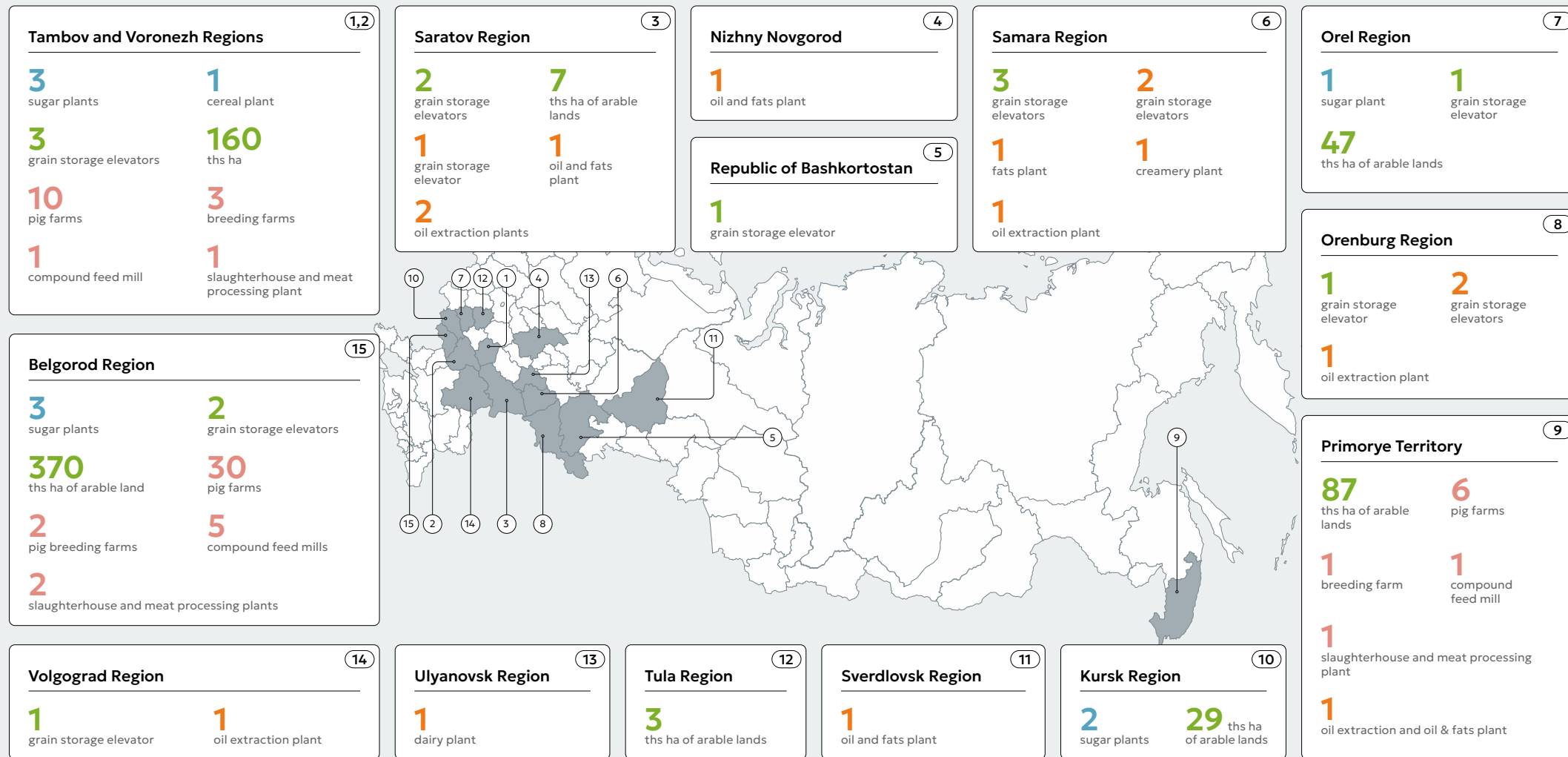
 **1.0** MNTPA
Sugar

 **1.1** MNTPA
Raw oil

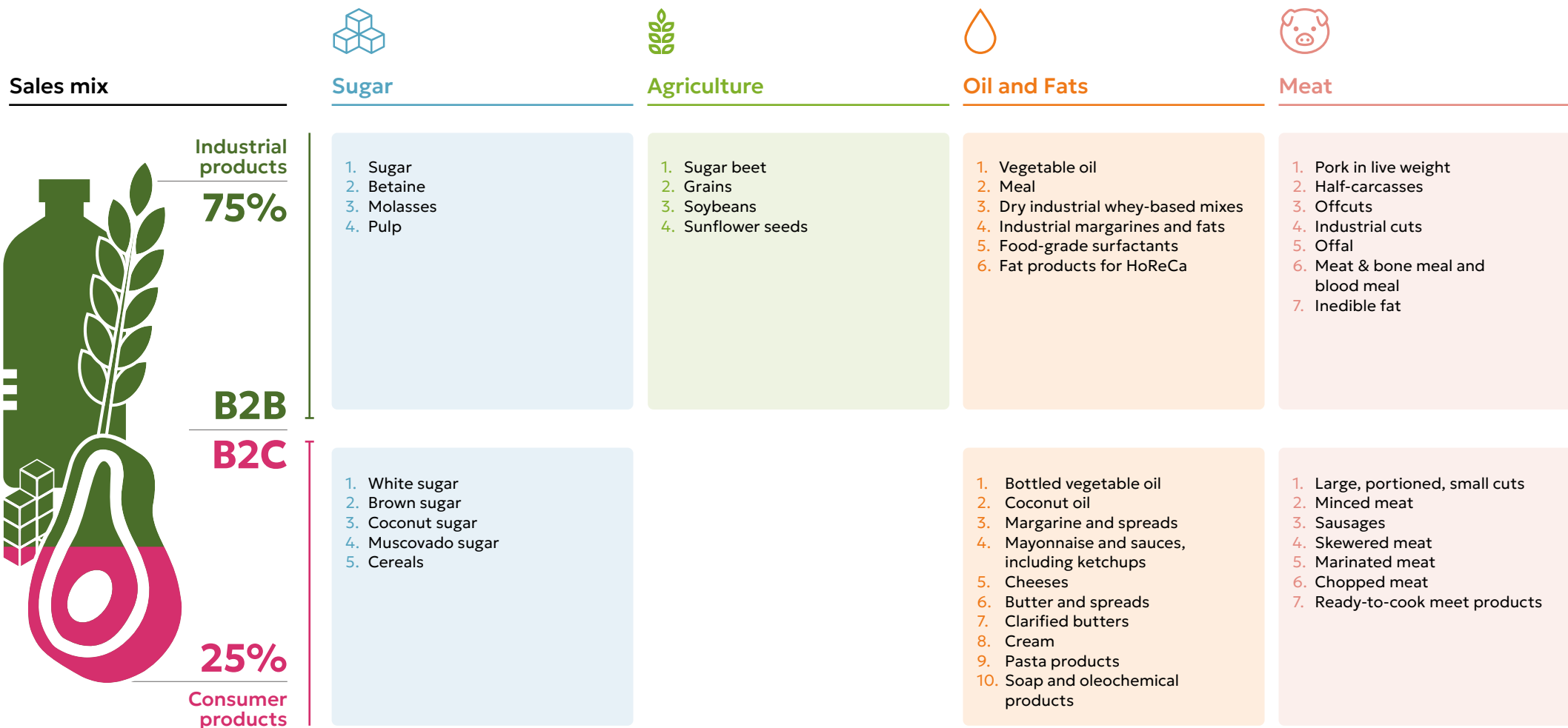
 **0.6** MNTPA
Production of pork in live weight

Geography of assets by segment and region

● Sugar ● Agriculture ● Oil and Fats ● Meat



Rusagro Group products



Rusagro Group brands

OIL AND FATS BUSINESS



РОССИЯНКА



ЛЕТО
КРАСНО



MONPARI



Столичная
горчица

GRANDPRO
BAKING EXCELLENCE

Nutrilactpro



ХОЗЯЮШКА

Delicato



Solpro
Для профессионалов



чудесница

Бутербродное
утро

ОРИГИНАЛЬНОЕ

Санбоочник

SUGAR BUSINESS

Русский
сахар

Хороший
САХАР
быстрорастворимый

Чайкофский
для чая и кофе

БРАУНИ

Mon Cafe

Теплые
традиции

MEAT BUSINESS

-СЛОВО-
МЯСНИКА

DOMESTIC MARKET LEADERSHIP AND BROAD EXPORT POTENTIAL

Ingredient N°4

Along with enhancing product quality and customer experience throughout all interactions, Rusagro Group continuously pursues a strategy to boost production capacity, which produces positive outcomes in all pivotal markets.

Sales mix by market in 2024

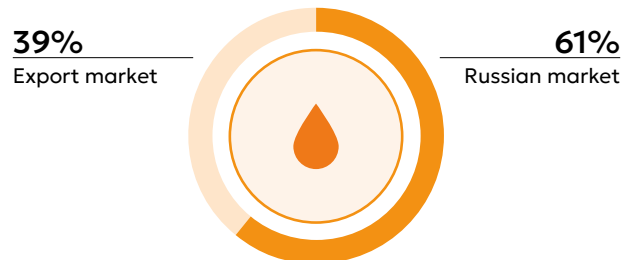
Sugar segment



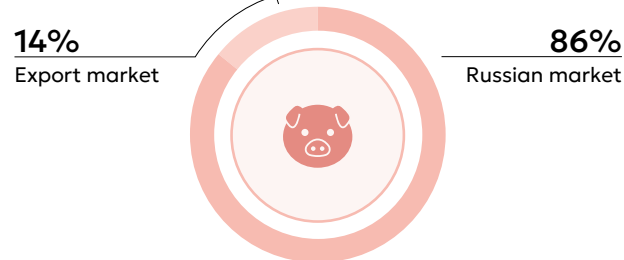
Agriculture segment



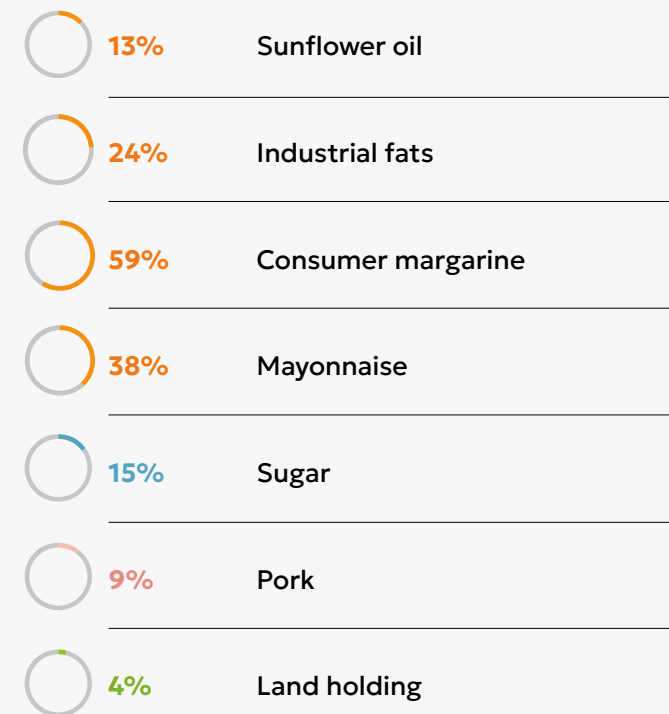
Oil and Fats segment



Meat segment



Russian market share of Rusagro Group by segment



Source: public data, company data

Export footprint

Rusagro Group exports products to 36 countries and territories around the world.

South-West Asia and CIS countries are the Company's main trading partners.



97 RUB BN

Rusagro Group's revenues from exports



28%

share of exports in Rusagro Group's revenues

Export revenues by segment

12 RUB bn

Sugar Business

2 RUB bn

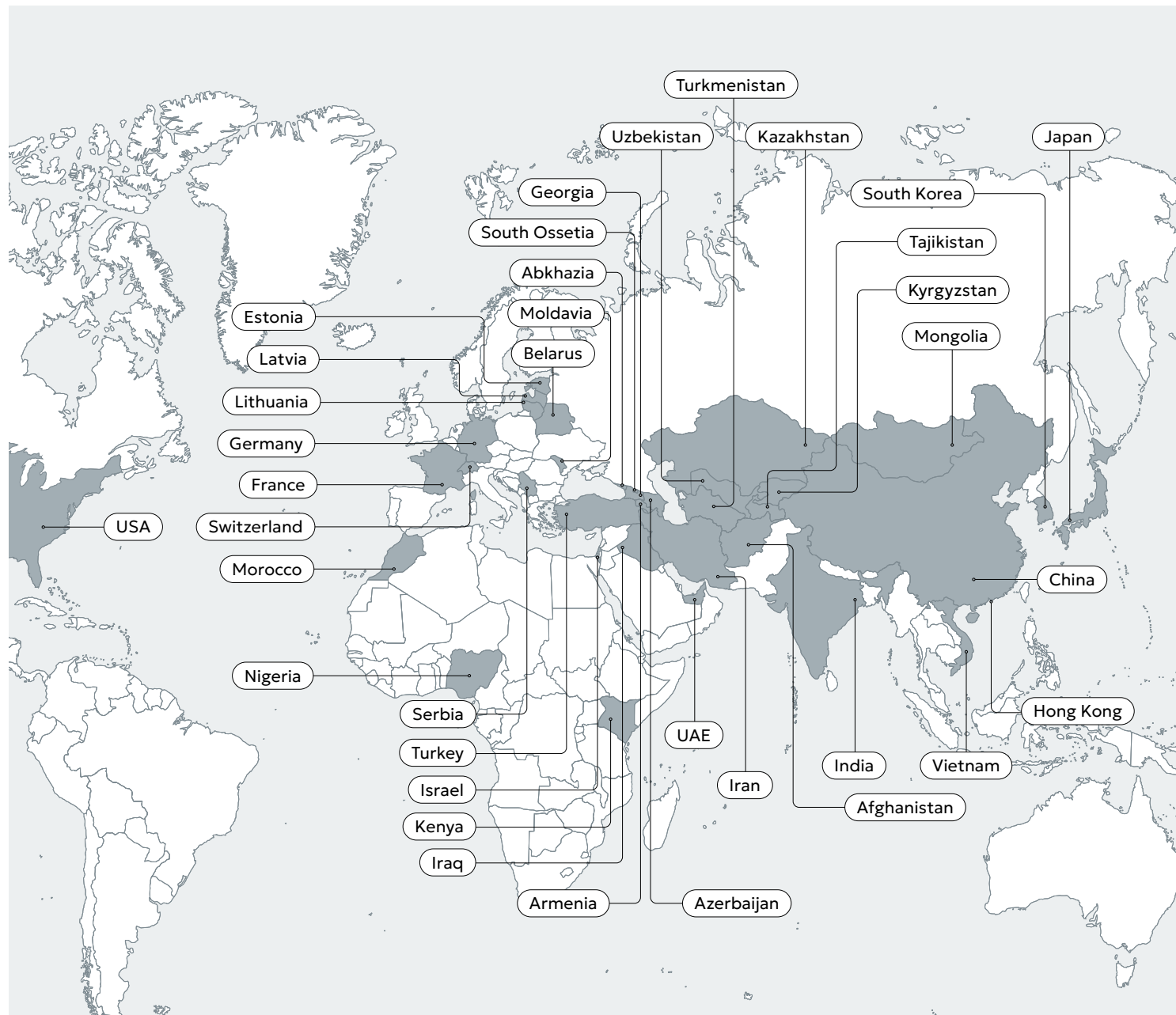
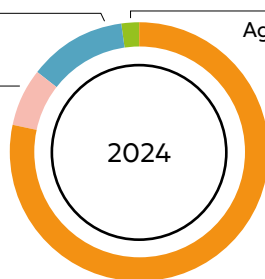
Agriculture Business

7 RUB bn

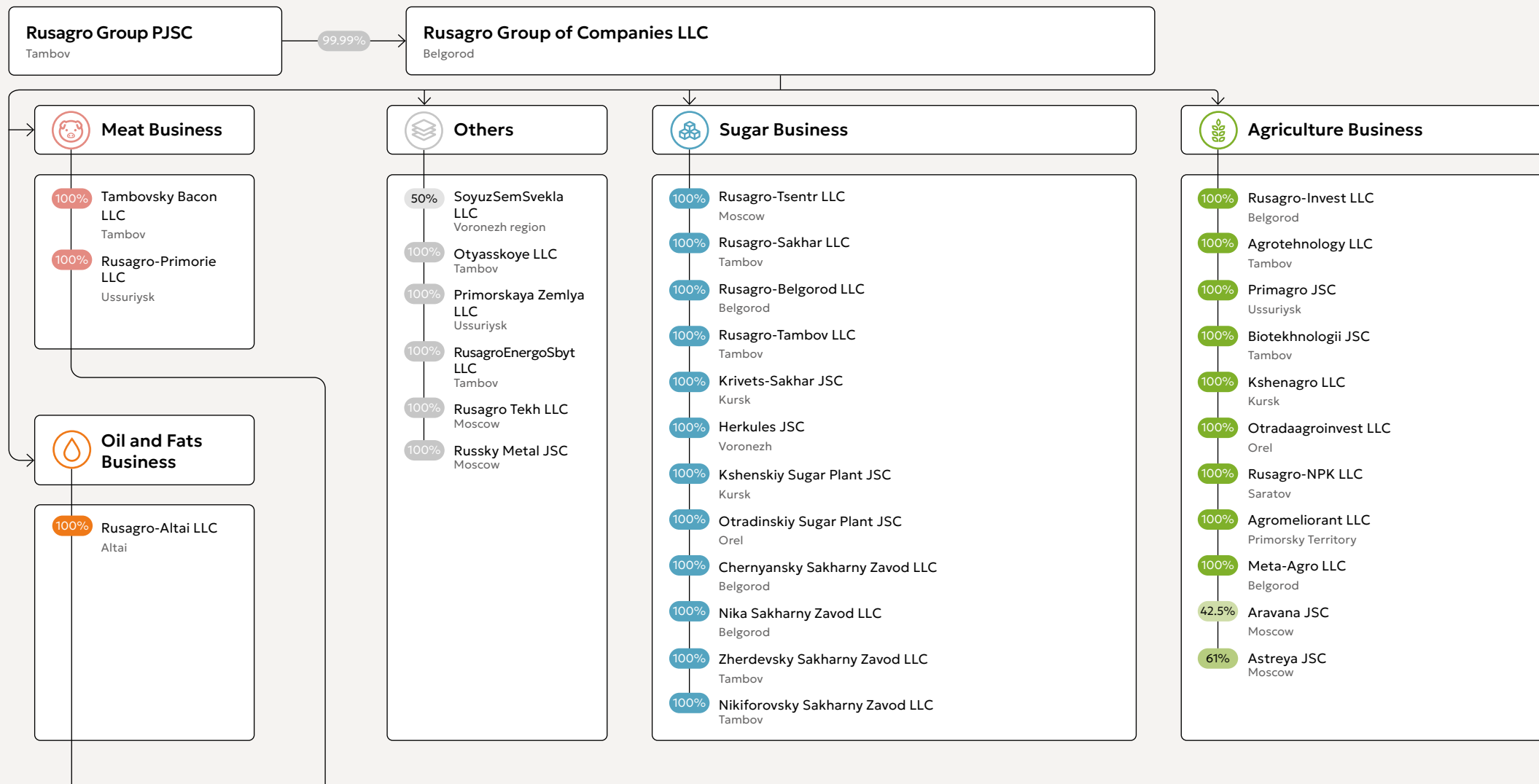
Meat Business

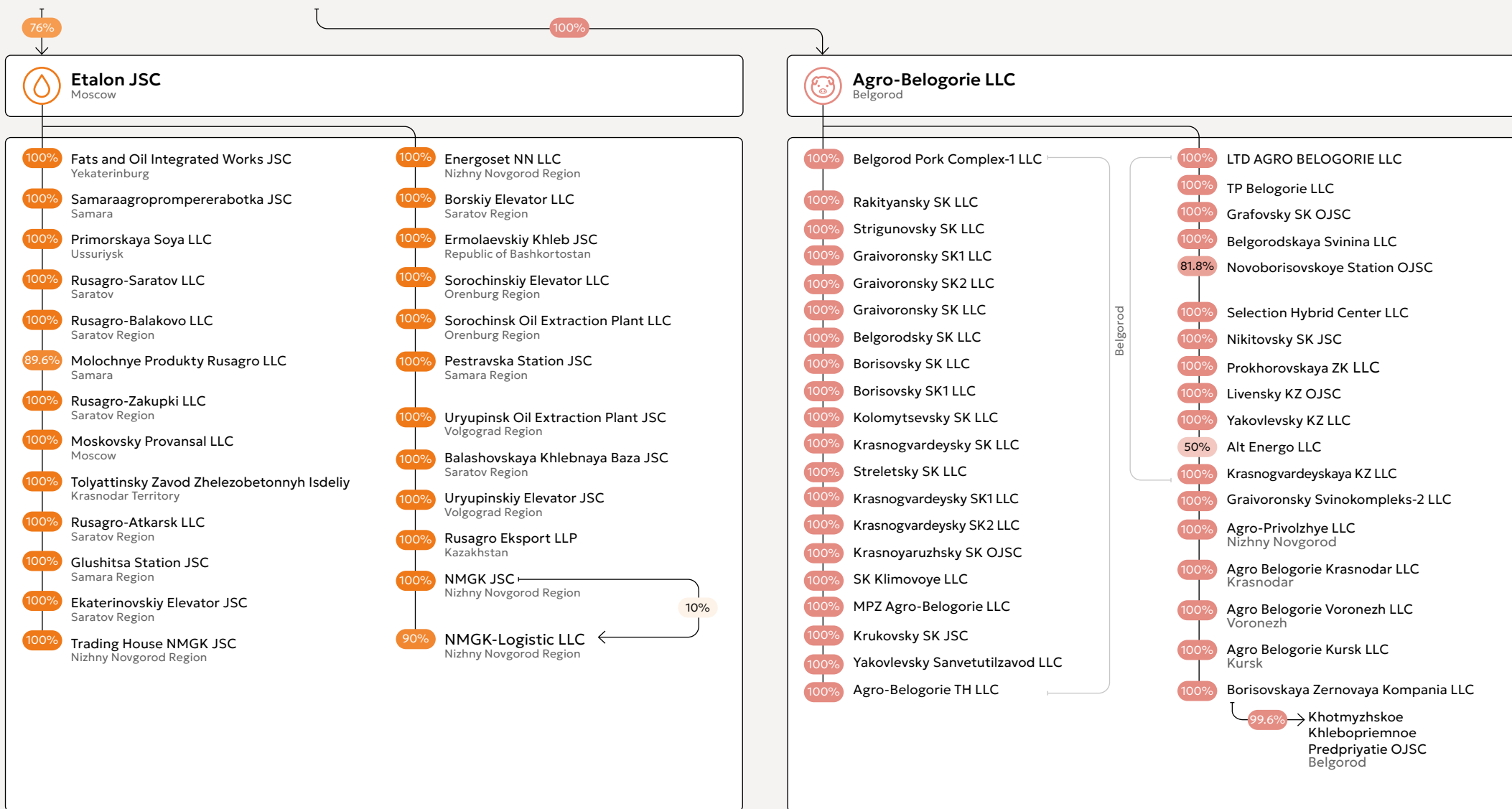
76 RUB bn

Oil and Fats Business



RUSAGRO GROUP'S LEGAL STRUCTURE














HISTORY OF RUSAGRO GROUP

The history of the Company began in 1995 with sugar imports to Russia. Over time, the Company acquired several sugar and oil & fats plants, grain storage elevators, and also amassed its own land holding. Rusagro Group LLC was established in 2003. The Company's development can be broken down into several milestones and key events.

History of Rusagro Group

1997–2002 —————→		2003–2007 —————→
1997–2002 Launch of the Sugar and Agriculture Businesses		2003–2007 Launch of the Oil and Fats Business and the first retail brand
 Rusagro Group	Establishing Rusagro Group LLC in 2003	
 Sugar Business	Acquiring the first sugar plants and launching the sugar production line in the Belgorod Region	Launching the first retail sugar brand – Chaikofsky
 Agriculture Business	Establishing our own land holding for the production of sugar beet and grain crops Purchasing elevators for storage and trade of grains	
 Oil and Fats Business	Purchasing the first oil and fats production asset in Yekaterinburg	
 Meat Business		




	2008–2010 Launch of the Meat Business and expansion of the Sugar Business	2011–2013 Purchase of the first oil extraction plant	2014–2015 Floatation on the Moscow Stock Exchange and launch of a slaughtering sector
 Sugar Business	Expanding the Sugar Segment by acquiring two sugar plants in the Belgorod and Tambov Regions Launching the Mon Cafe and Brauni sugar brands	Commissioning a new packaging line and launching the Russkii Sakhar brand	Modernising sugar plants and increasing the capacity of pulp drying facilities
 Agriculture Business	Expanding the land holding to 380 thousand ha	Expanding the land holding to 463 thousand ha	Expanding the land holding to 504 thousand ha
 Oil and Fats Business		Acquiring an oil extraction plant in the Samara Region in 2011	Modernising the oil extraction plant
 Meat Business		Launching pig farms in the Tambov Region in 2013	Launching a slaughterhouse in the Tambov Region in 2015

2016–2017

Deal with Razgulay

2018–2020

Business expansion and increase in exports


 Sugar Business	<p>Acquiring three sugar plants in the Kursk and Orel Regions, a cereal processing plant, and a land holding from Razgulay</p> <p>Launching the first molasses desugarisation facility</p>	<p>Launching the second molasses desugarisation facility in 2019</p> <p>Exporting sugar products to 34 countries worldwide</p>
 Agriculture Business	<p>Expanding the land holding to 665 thousand ha</p>	<p>Making the first shipments of corn and soybeans to China</p> <p>Exporting agricultural products to 11 countries worldwide</p>
 Oil and Fats Business		<p>Making the first shipments of meal and resuming sales of consumer margarine to China</p> <p>Launching a bottled vegetable oil workshop in the Samara Region and launching a mayonnaise plant in Atkarsk</p> <p>Exporting oil and fats products to 29 countries worldwide</p>
 Meat Business	<p>Launching the first retail meat products brand – Slovo Myasnika (Butcher's Promise) in 2016</p>	<p>Acquiring 100% of KapitalAgro in 2018 and 22.5% in Agro-Belogorie Group in 2019 – producers of pork products in the Belgorod Region</p> <p>Completing the construction of a grain storage elevator and starting deliveries of sows to a breeding farm in the Primorye Territory</p> <p>Exporting pork products to 10 countries worldwide</p>

2021–2022

Innovation and digital transformation

2023

Business expansion

 Rusagro Group	<p>Timur Lipatov appointed Chief Executive Officer of Rusagro Group LLC</p> <p>Establishing of Rusagro Tech LLC, an IT company</p>	<p>Rusagro Group JSC acquired the public status</p> <p>Rusagro Group rated Russia's best agricultural employer by HeadHunter</p> <p>Ros Agro PLC GDRs admitted to trading on the Astana International Exchange (AIX)</p>
 Sugar Business	<p>Sending the first pulp train to China</p> <p>Znamensky Sugar Factory certified to GOST 33980 for organic sugar production</p>	<p>Sugar Business products rated among Russia's top 100</p>
 Agriculture Business	<p>Developing and launching a smart harvest planning system</p>	<p>Acquiring 100% of shares and control over the grain storage elevator of BioTekhnologii JSC</p>
 Oil and Fats Business	<p>Supplying bottled sunflower oil to retail chains in China and opening an oil and mayonnaise shop on an online marketplace</p> <p>Acquiring the 25% stake in Primorskaya Soya, thus consolidating 100% of the company shares</p> <p>Making the first shipment of mayonnaise and sunflower meal to China</p>	<p>Digitising and optimising the sunflower seed logistics of the Oil and Fats Business</p> <p>Making the first combined delivery of sunflower meal and beet pulp to China</p> <p>Closing the acquisition of 50% of shares and control over NMGK Group</p> <p>Rusagro Group's oil and fats products entering the national commodity exchange</p> <p>Upgrading the Balakovo oil extraction plant and increasing its capacity by 33%</p>
 Meat Business	<p>Launching the Rusagro-Primorye compound feed mill during the Eastern Economic Forum</p> <p>Launching the slaughterhouse refuse recycling and meat processing plants by Rusagro-Primorye LLC</p> <p>Successfully passing Mars product quality and safety inspections</p>	<p>Upgrading the compound feed mill in the Belgorod Region and increasing its capacity by 43%</p> <p>Meat processing plant in Borshchevka successfully passing an audit carried out by the Chinese delegation</p>

HIGHLIGHTS OF 2024

Corporate governance



Initiating the distribution of Rusagro Group PJSC shares among shareholders and GDR holders of ROS AGRO PLC

In July 2024, the Government of the Russian Federation listed Rusagro Group PJSC, a subsidiary of ROS AGRO PLC, a Cypriot holding company, as an economically significant organisation. In September 2024, the Arbitration Court of the Moscow Region granted the application of the Ministry of Agriculture of the Russian Federation, thus initiating the distribution of Rusagro Group PJSC shares to shareholders and holders of ROS AGRO PLC GDRs. On 5 December 2024, trading of ROS AGRO PLC GDRs on the Moscow Exchange (MOEX) and Astana International Exchange (AIX) was suspended. The distribution of shares among GDR holders in Russian depositories completed successfully in December 2024.

Technologies



Completing the first and second implementation phases of the 'Field History' smart domestic system

Rusagro Group finished the primary phases of a large-scale project to deploy a domestic agricultural production management system built on GeomirAgro LLC's Field History cloud-based service. Grant funding of the Russian Fund for the Development of Information Technologies under the Digital Economy national project and Rusagro Tech's experience were sought for the successful execution of this landmark project. The first phase involved all-round preparations. The second phase was the most time-consuming and homed in on the development of artificial intelligence modules.

Business



Integrating NMGK into the Oil and Fats Business

After the integration with NMGK's entities, Rusagro's Oil and Fats Business became the Combined Oil and Fats Business. Through the resultant synergies and experience sharing, the Company improved its competitive advantages and solidified its position in the industry.

Exports



Getting export permit and starting pork shipments to China

Tambovsky Bacon LLC, part of Rusagro Group, became one of three Russian production facilities permitted to supply pork and registered with the China Import Food Enterprises Registration (CIFER¹) programme. The trading scope includes containerised offal and large cuts. Rusagro Group's exports to the PRC boosted capacity utilisation and sales volumes, which, coupled with the premium pork market in China, enhanced the Company's financial standing.

Deals



Closing of the transaction to consolidate 100% of shares and control over Agro-Belogorie Group LLC

Rusagro Group consolidated 100% of shares and control over Agro-Belogorie Group LLC. Agro-Belogorie includes 20 pig breeding farms, three compound feed mills, a meat processing facility and a land holding, with all company's assets situated in the Belgorod Region. Through consolidation, Rusagro Group became Russia's second-largest pork producer, while achieving significant synergies in the Group's Meat and Agriculture Businesses.

Production



Increasing the land holding

Rusagro Group's land holding grew to 815 thousand hectares, up 131 thousand hectares year-on-year, owing to the execution of the relevant section of the investment programme, and the M&A transaction. In addition to improving the Agriculture Business's production performance, the expansion of crop growing areas will supply raw materials for other vertically integrated segments.

Meat processing and recycling plant in the Primorye Territory complying with international ISO standards

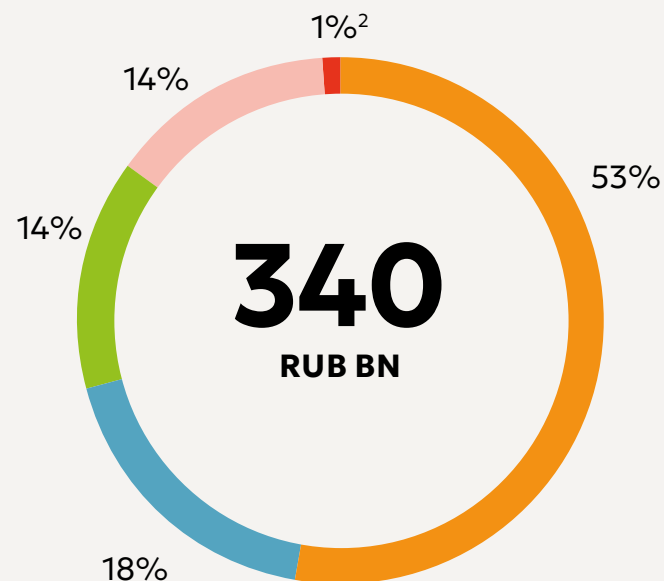
The meat processing and recycling plant in the Primorye Territory was certified to the ISO standard for food safety management. By demonstrating adherence to strict safety regulations and high-quality of products, this successful step is fostering prospects in Asia.

¹ CIFER - China Import Food Enterprise Registration

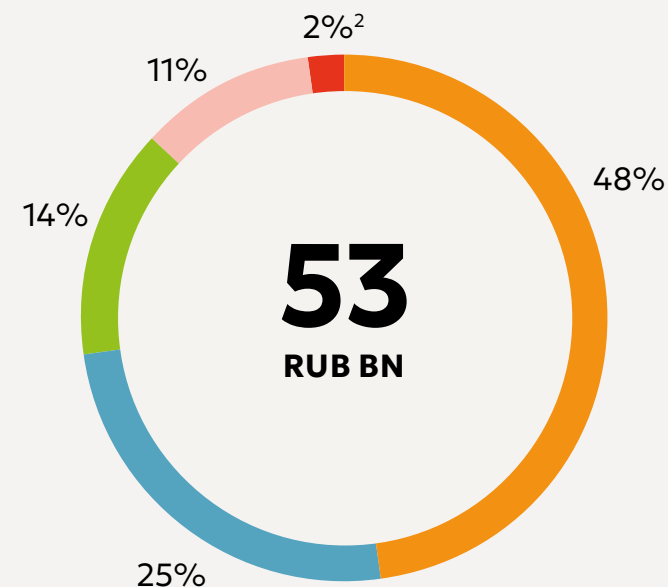
KEY RESULTS OF 2024

-  Oil and Fats Business
-  Sugar Business
-  Agriculture Business
-  Meat Business
-  Agro-Belogorie Group

Revenue mix by business¹



Structure of adjusted EBITDA by business¹



¹ Excluding intersegment eliminations and other income.

² The results of Agro-Belogorie Group are taken into account from the date Rusagro Group PJSC consolidated 100% ownership and control on 12 November 2024 (1.5 months).

OIL AND FATS BUSINESS

193 **+43%**
RUB BN

Revenue¹

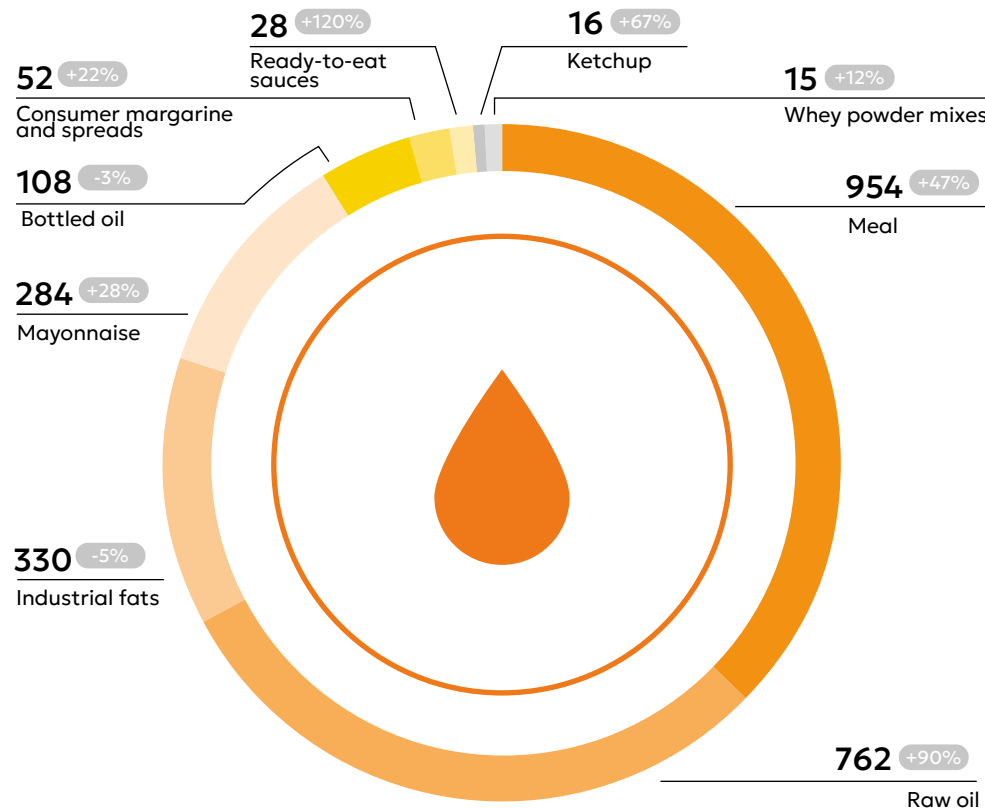
26 **+39%**
RUB BN

Adjusted EBITDA¹

13 **-1 p.p.**
%

Adjusted EBITDA margin¹

Sales mix, ths tonnes



7.1

THOUSAND PEOPLE

Average headcount

Positions in the Russian market



Consumer margarine and spreads



Sunflower oil



Mayonnaise



Industrial fats



Bottled oil

¹ Excluding intersegment eliminations and other income.

MEAT BUSINESS

50 **+4%**
RUB BN
Revenue¹

6 **+22%**
RUB BN
Adjusted EBITDA¹

12 **+2 p.p.**
%
Adjusted EBITDA margin¹

Sales mix, ths tonnes

3 **-87%**

Pork in live weight

31 **-2%**

Offal

112 **-11%**

Large cuts and industrial cuts

54 **+28%**

Semi-finished products

57 **+4%**

Half-carcass



7.7
THOUSAND PEOPLE

Average headcount

15.4 ths people, including the number of employees of Agro-Belogorie Group

Positions in the Russian market



Position in the Russian pork production market²

¹ Excluding intersegment eliminations and other income.

² Taking into account the results of Agro-Belogorie Group.

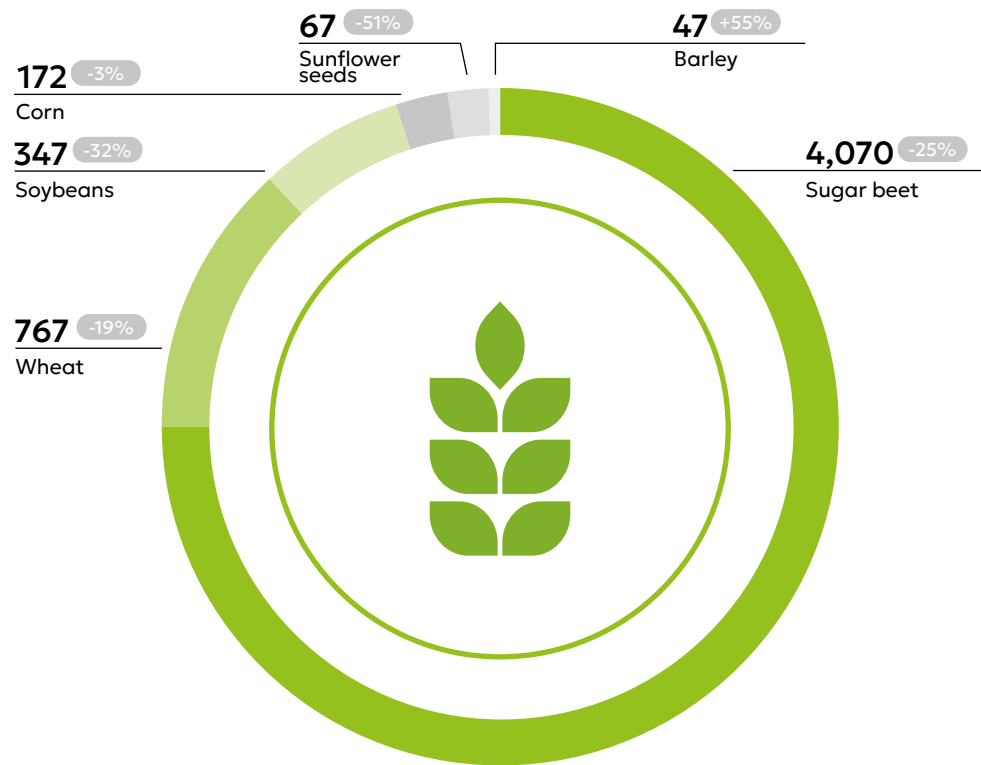
AGRICULTURE BUSINESS

51 **-11%**
RUB BN
Revenue¹

8 **-54%**
RUB BN
Adjusted EBITDA¹

15 **-15 p.p.**
%
Adjusted EBITDA margin¹

Sales mix, ths tonnes



3.9
THOUSAND PEOPLE
Average headcount of employee

Positions in the Russian market

4
Position among Russian landowners

¹ Excluding intersegment eliminations and other income.

SUGAR BUSINESS

68 **+5%**
RUB BN
Revenue¹

14 **-29%**
RUB BN
Adjusted EBITDA¹

20 **-10 p.p.**
%
Adjusted EBITDA margin¹

Sales mix, ths tonnes

19 **-41%**
Betaine

286 **+3%**
Pulp

1,071 **+1%**
Sugar



3.3
THOUSAND PEOPLE
Average headcount

Positions in the Russian market



Cube sugar market player



Sugar producer in Russia

¹ Excluding intersegment eliminations and other income.

STRATEGIC REPORT

Statement from the Chief Executive Officer	30
Business development strategy	31
Analysis of the strategy's results	33



STATEMENT FROM THE CHIEF EXECUTIVE OFFICER



Respected shareholders and partners,

We are delighted to present a detailed report on the 2024 performance of one of Russia's largest agricultural holdings, Rusagro Group PJSC. Last year, Rusagro Group's team focused on attracting Russian investors and creating value through the realisation of key strategic priorities.

A flexible vertically integrated business model and a holistic approach to developing the investment programme in each of Rusagro Group's business segments allowed us to enjoy strong financial results. Over the last five years, the Company's revenue has grown 2.2-fold to RUB 340 billion, while its EBITDA has doubled to RUB 53 billion.

Timur Lipatov
Chief Executive Officer of Rusagro Group LLC

In 2024, Rusagro Group's capital investments totalled RUB 30 billion, up over 50% year-on-year. The major investment projects include building storage infrastructure for sugar beets, upgrading the Atkarsky oil extraction plant, and renewing the fleet of agricultural machinery. Coupled with organic growth projects, the consolidation of 100% ownership and control over Agro-Belogorie Group made us the second largest pork producer in the Russian market. Joining the Rusagro Group will allow leveraging the synergies and improving our standing in the domestic market.

One of the ways Rusagro Group targets to boost its growth is by upgrading its sales portfolio. We are making unceasing efforts to broaden our product range in the B2C segment and expand our presence in the domestic and export markets. As for the latter area, in early 2024, Tambovsky Bacon, which is part of Rusagro Group's Meat Business, was granted a licence to supply pork to China. By the end of last year, the volume of exports of pork products to China exceeded 5 thousand tonnes.

Another highlight was the recognition of Rusagro Group PJSC by the Government of the Russian Federation as an economically significant organisation. The distribution of Rusagro Group shares among investors under Russian law rendered it feasible for Rusagro Group to pay dividends. Listing with the Moscow exchange necessitated the sweeping upgrade of the corporate governance framework to ensure compliance with the best Russian and international practices.

In 2024, energetic efforts were continued across all business segments of Rusagro Group to promote sustainable development goals and to minimise negative environmental impact. Priority is given to conserving water

resources, cutting waste, putting the circular economy into practice, and lowering greenhouse gas emissions. Among the common measures taken are the introduction of modern sewage treatment system and the use of waste incineration to generate own energy.

Human capital development is still one of the strategic objectives and the number one priority for us. In terms of the social component of sustainable growth, Rusagro Group made significant advancements in 2024. Investment in employee training increased. We believe that making investments in our manpower's professional growth immediately augments the Company's market standing.

Throughout the reporting year, Rusagro Group kept refining its own comprehensive system to foster young specialists. This system encompasses both extensive specialised projects and traditional mentorship programmes. Over ten of system initiatives have been launched so far, and the latest noteworthy projects are Rusagro Vector, a new project to fast track the training of young managers who will make the future leadership pool of our Company, and Rusagro Camp, a training programme for young specialist.

We are grateful to every employee and partner for their contribution to the development of the Company. We have ambitious goals ahead of us, and if we work together, we can accomplish even more.

BUSINESS DEVELOPMENT STRATEGY

The key strategic objective of Rusagro Group is to increase shareholder value as part of our ‘Making people’s lives better and longer’ mission.

To achieve this goal, the Board of Directors approved a strategic ‘from field to shelf’ concept in 2008, whose implementation is based on the Company’s vertically integrated business model for food production. The Company so far remains as committed to this concept as it has been in the past.

The growth of shareholder income is due in part to the Company’s increased market capitalisation, as this increase translates into a proportional rise in the value of assets in the investor’s portfolio. Market capitalisation growth is directly or indirectly included in annual KPIs of our key management. This is a way to align the interests of shareholders with the objectives of Company management.

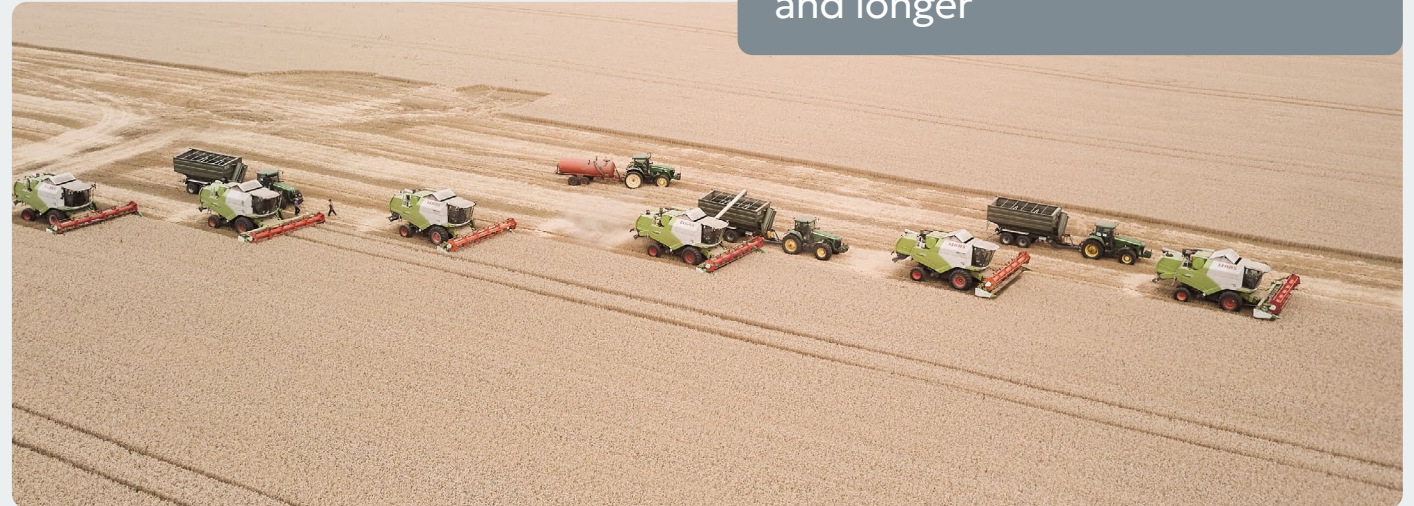
The strategy adopted by Rusagro Group and its constituent business units covers a five-year period and reviewed annually by the Board of Directors, to redirect our efforts in response to changes in the external environment, effectively allocating both financial and human resources. Long-term priorities, well-informed decision-making, and a cautious approach to the investment process that guarantees acceptable risks and a high return on share capital are the cornerstones of the successful delivery of the Company’s strategy.

Rusagro Group’s strategy is a classified document, and its targets are not subject to public disclosure, as this carries significant risks and may impede the Company’s success. The current strategy is based on four key priorities reflecting the main areas of strategic development.

Mission



Making people’s lives better and longer



Key priorities of Rusagro Group's development strategy

Business expansion

1

Rusagro Group is working to increase production volumes and expand operations into other regions across all four business segments in order to maintain our leading position on the market.



This objective is achieved through:

- Organic growth – constructing new production facilities, increasing our land holding, and modernising/expanding our current assets
- Non-organic growth – acquiring other companies and assets, including in new business areas
- Increased market share in the regions where we operate, entry into new Russian regions, and access to new countries through the development of our export operations

Higher efficiency through digital transformation and innovation

2

In this era of technological revolution, the development and application of innovative IT, automation, and biotechnology solutions are increasingly presenting opportunities to improve efficiency, reduce costs, improve product quality, and generate additional income.



This objective is achieved through:

- Introduction of precision farming technology
- Automation of business processes
- Use of advanced methods in biotechnology
- Higher yields and soil fertility

Development of human capital

3

Development of human capital is a crucial instrument in ensuring the Company's sustainable growth.



This objective is achieved through:

- Management of labour efficiency and productivity
- Higher attractiveness of our employer brand
- Faster and better hiring
- Improved quality of our workforce and increased internal hiring

Higher return on sales through increasing sales of retail produce and brands

4

Guided by the 'from field to shelf' concept, Rusagro Group strives to develop more profitable retail products.



This objective is achieved through:

- Deeper processing of produced products and expansion of value-added product line
- Wider product range
- Increased visibility in retail sales channels
- Stronger own brands and their promotion on the consumer market

ANALYSIS OF THE STRATEGY'S RESULTS

Business expansion

Results of the Strategy for 2019–2024

Meat Business

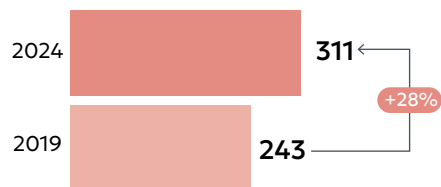


Rusagro Group made investments to increase pork production in the Central Federal District and finish building a vertically integrated cluster in Primorsky Territory in an attempt to hold onto its market share in the gaining market and foster the growth of pork product exports to various destinations.

Last year, the plan to penetrate the Chinese pork industry came to fruition. In early 2024, the Tambovsky Bacon cluster received a licence to export pork products to the PRC.

The second, but no less significant event in 2024 was the consolidation of 100% of shares and control of Agro-Belogorie Group, which allowed us to expand production capacity and become the second largest pork producer in Russia.

Pork production, Rusagro Group, ths tonnes



Pork production, Agro-Belogorie, ths tonnes



Agriculture Business

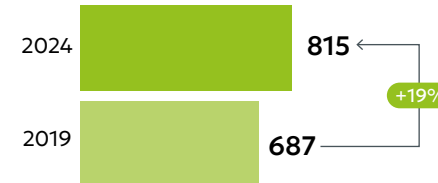


In the past few years, Rusagro Group has concentrated on cutting expenses, streamlining logistics, and enhancing the overall effectiveness of the agricultural segment while also recognising the potential for non-organic growth.

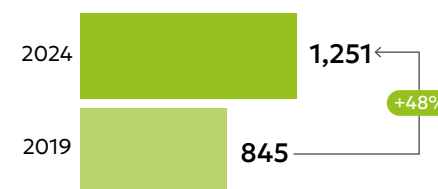
In October 2023, we sealed a deal to acquire 100% of shares and control over the elevator of Biotekhnologii JSC in the Tambov Region, which increased the volume of simultaneous storage of grain by 240 thousand tonnes.

In 2024, the agricultural machinery fleet was substantially renewed, and Rusagro Group's land holding reached a record 815 thousand hectares thanks to land acquisitions and the consolidation of a 100% ownership and control over Agro-Belogorie.

Land area under Rusagro's management, ths ha



Simultaneous grain storage capacity, ths tonnes



Results of the Strategy for 2019–2024

Combined Oil and Fats Business

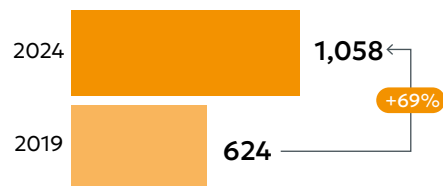
Over the past five years, Rusagro Group has significantly expanded its oil and fats production capacity, becoming a leader in the Russian market.

In 2023, the Company completed the acquisition of a 50% stake in and control over NMGK Group, a leading producer of oil and fat products.

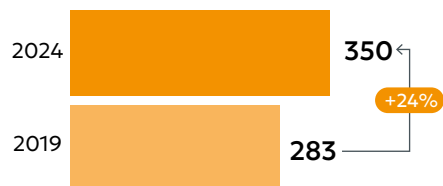
The upgrade of the Balakovo oil extraction plant at the end of 2023 boosted its daily processing capacity by 33% to 2,400 tonnes of raw materials, while also lowering downtime and enhancing operational efficiency. All these combined marked the significant increase in output seen in 2024.

The upgrade of the Atkarsky oil extraction plant, which started in 2024, is underway and will eventually raise processing capacity to 2,400 tonnes of oilseeds per day (+56%). The completion of the project is scheduled for 2025.

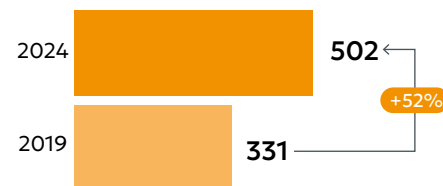
Production of vegetable oil, ths tonnes



Production of industrial fats, ths tonnes



Production of consumer oil and fat products, ths tonnes

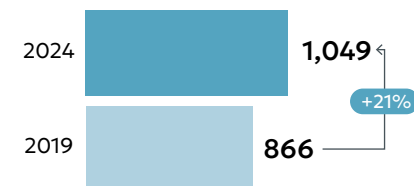


Sugar Business

Over the past five years, Rusagro Group has focused on increasing sugar production volumes.

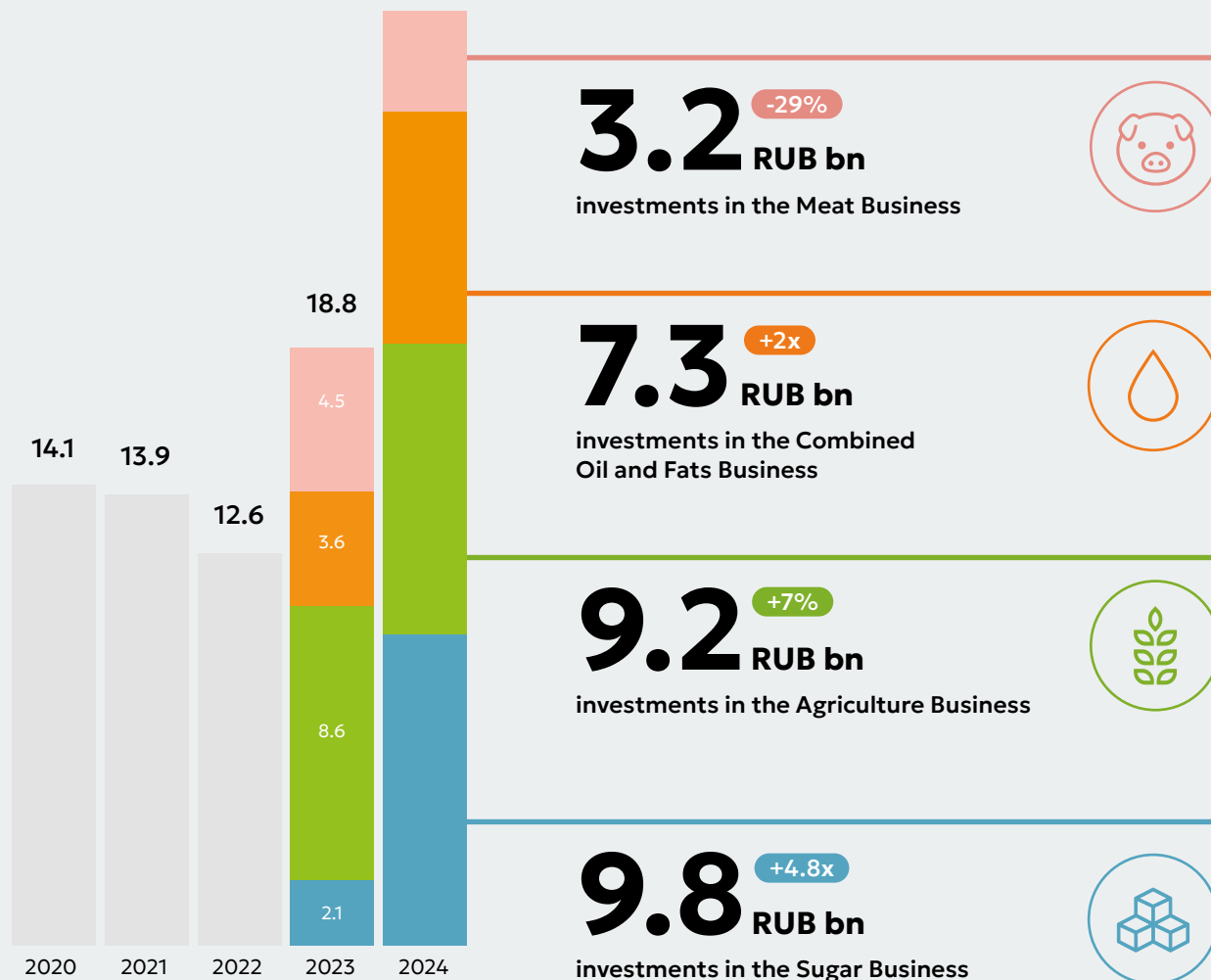
In 2019, a molasses desugarisation plant was commissioned, enabling the production of additional sugar from the by-product remaining after sugar beet processing. A large-scale investment programme in 2024 involved the construction of long-term beet storage systems, which will enable Rusagro Group to increase the number of days of sugar beet processing and thereby boost sugar output.

Production of sugar, ths tonnes



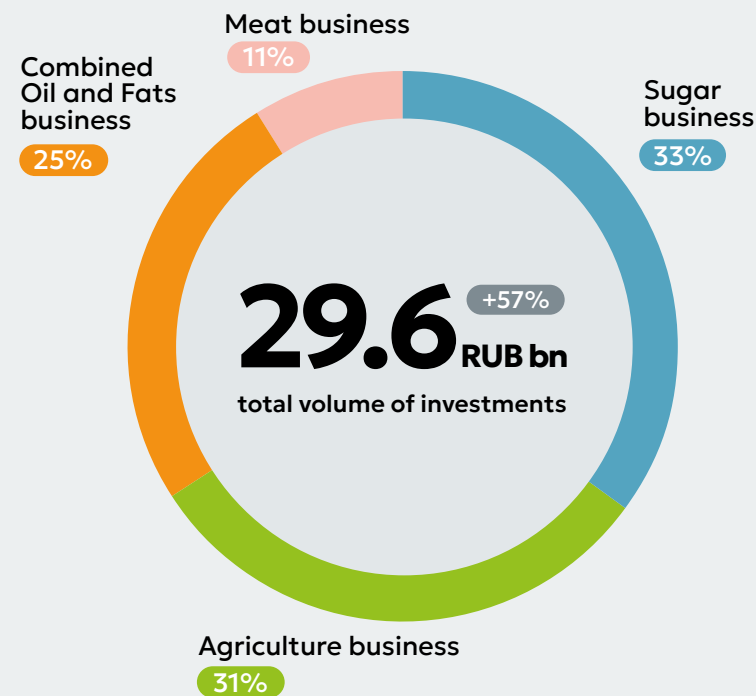
Investment programme

Rusagro Group's capital investments, RUB bn



While delivering its strategy, Rusagro Group invested a record RUB 28.7 billion in development and maintenance projects, 56% more than a year earlier. In 2025, the Company intends to move intensively forward with its investment strategy and expand both organically and through mergers and acquisitions (M&As).

Rusagro Group capital investment by business in 2024



Sugar Business



In 2024, Rusagro Group invested a record RUB 9.5 billion in the development and maintenance of its Sugar Business, almost five times the previous year's level. The bulk of the investment was used to install long-term piled storage systems for beet at nine of the Company's sugar factories, which will extend the sugar beet processing season for Rusagro Group and drive up production volumes, as well as the financial results of the business.

For more details on investment projects in Rusagro Group's Sugar Business, see the Investment section of this segment, [p. 107](#)

Agriculture Business



In 2024, Rusagro Group invested a RUB 8.9 billion in the development and maintenance of its Agriculture segment, up 6% year-on-year. The majority of investment was channelled into renewing the fleet of grain and beet harvesters with new models with higher productivity and enhanced process support, which are required for the execution of innovative projects in conjunction with Rusagro Tech, in particular Autopilot 3.0.

For more details on investment projects in Rusagro Group's Agriculture Business, see the Investment section of this segment, [p. 62](#)

Combined Oil and Fats Business



In 2024, Rusagro invested a RUB 7.1 billion in the development and maintenance of its Combined Oil and Fats Business, twice the level of the previous year. The bulk of the investment was spent on capacity expansion and upgrading of the Atkarsky oil extraction plant, which will boost its processing capacity by 56% to 2,400 tonnes of oilseeds per day, with completion of the project scheduled for the end of 2025.

For more details on investment projects in Rusagro's Combined Oil and Fats Business, see the Investment section of this segment, [p. 87](#)

Meat Business



In 2024, Rusagro Group invested RUB 3.1 billion in developing and maintaining its Meat Business. A major project is underway to expand the capacity of the Primorsky cluster to 75 thousand tonnes per year. Works to expand deboning capacity at the Tambov Region asset were also ongoing in 2024.

For more details on investment projects in Rusagro Group's Meat Business, see the Investment section of this segment, [p. 122](#)

Acquisition of Agro-Belogorie



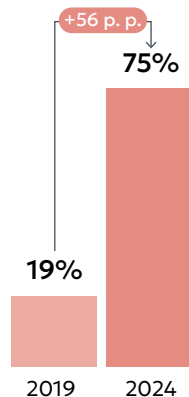
In 2024, Rusagro's Meat Business expanded after acquiring a 100% stake of and control over Agro-Belogorie, whose assets include 20 pig farms, three compound feed mills and one meat processing plant, as well as a land holding of 105 thousand ha in the Belgorod Region. In 2025, Rusagro Group plans to complete its integration with Agro-Belogorie, thus leveraging potential for synergy effects.

Development of retail sales and brands

Meat Business

Following the launch of its own Slovo Myasnika brand at the end of 2016, Rusagro Group has steadily ramped up the production of consumer pork products under this brand, strengthening its recognition and consumer loyalty. 2024 saw a redesign of the brand.

Recognition of the Slovo Myasnika brand in Russia



Position of brands



in the branded semi-finished chilled products category

- СЛОВО-МЯСНИКА

Source: Ntech



Sources: Milward Brown, AC Nielsen

Sugar Business

Rusagro has been a leader in the Russian retail sugar market for many years. The Russkii Sakhar and Chaikofsky brands rank first and second in the Russian white cube sugar market, while Brauni takes first place in the brown cube sugar market. The brands' combined share of the white cube sugar market is 54%, with Brauni taking 32% of the brown cube sugar market.

Position of brands



on the white cube sugar market

Русский сахар



on the white cube sugar market

Чайкофский
для чая и кофе



on the brown cube sugar market

БРАУНИ®



Source: Nielsen

Development of retail sales and brands



Combined Oil and Fats Business


The primary objective of Rusagro Group's Combined Oil and Fats Business is to maintain the brands' leading positions in home regions and to roll out products under the former and new brands.

Position of brands

 on the mayonnaise market ¹



Московский *Саратовский* *Новосибирский*
ПРОВАНСАЛЬ ПРОВАНСАЛЬ ПРОВАНСАЛЬ

 on the mayonnaise market 

 on the consumer margarine market and ghee market **ХОЗЯЮШКА**

 on the mayonnaise market 

 in the mayonnaise-based sauce market 

 on the consumer margarine market 

 on the spread market 

 on the coconut oil market *Delicato*

Source: AC Nielsen

¹ Ya Lublu Gotovit is an umbrella brand that covers products produced both under the Ya Lublu Gotovit brand and its sub-brands.

Digital transformation and innovation

Information technology and innovation

To integrate automation systems and find innovative ways to optimise production processes, a digital transformation strategy has been approved in each business segment of Rusagro Group, forming part of each segment's overall development strategy. For all Company's business segments, the aim of the digital transformation strategy is to increase profits by reducing costs, enhancing risk management, and increasing productivity.

To ensure that strategy milestones are successfully met, all digital projects of business segments were centralised within Rusagro Tech established in 2021. At year-end, Rusagro Tech had 440 employees and was actively developing projects across all business segments of Rusagro Group as well as the Corporate Centre.

A mathematical modelling service was set up in 2023 to support the Company's objectives with regard to working with artificial intelligence and machine learning technologies.



For more details on Rusagro Tech's projects and activities, visit the Company's special website

Rusagro Group's awards and prizes related to digital innovations

ComNews Awards. Best Solutions for the Digital Economy



Best Digital Solution in Agriculture category

In the Best Digital Solution in Agriculture category, the award was given to the Rusagro Field Planning System project, a system for Rusagro Group's Agriculture Business devised by Rusagro Tech and its partner. It helps to carry out agricultural operations within a given timeframe and set priorities for most critical work, which can improve crop yields

Winner of the national Data Award 2024



Category for Business Performance Improvement

Rusagro Tech and its partner won in the Business Performance Improvement category for their project to create an intelligent system that provides recommendations to agronomists on planning various field operations. The Data Award 2024 short-listed 67 companies that presented their innovative projects in different categories

Winner of the Data Fusion 2024 Award



Breakthrough of the Year category

The Strategic Algorithm project of Rusagro Tech won in the Data Fusion section of the Breakthrough of the Year category. The award was given to companies that develop the Data Fusion approach in Russia and optimise their work by processing massive amounts of big data and applying artificial intelligence technologies. The competitive selection was held in four categories

Winner of AgroCode Top 100



Best Digital Service for Agriculture category

Rusagro Tech won in the category for IT services that have made life easier for agribusinesses by improving production efficiency and contributing to the business results of the agro-industrial complex. Rusagro Tech's Strategic Algorithm product became the winner. It helps to determine the optimal crop rotation pattern in the fields in terms of net present value

Rusagro Group's key technology projects in 2024

Group

Implementing a centralised EDMS

Objectives

- Mitigate the risks and consequences of violating local laws and regulations
- Improve the speed of in-process management decision-making
- Reduce costs associated with document management for centralised processes
- Reduce the cost of owning IT solutions for the automation of document management for centralised processes across all business segments
- Consider retiring local business segment EDMS as part of subsequent projects

Progress

TESSA solution selected and implemented

Implementation period

2023–2025

Adopting an HR management system

Objectives

- Reduce the risk of stoppage/disruption of HR processes and increase import independence through the use of a Russian platform
- Maintain the existing approach to the unified master system of HR management
- Improve user experience by increasing solution customisation options

Progress

Mirapolis solution selected and implemented; hyper-support period is underway

Implementation period

2023–2025

Implementing centralised SRM

Objectives

- Improve manageability and reduce transaction costs by automating a single end-to-end seamless procurement process
- Implement automatic consolidation of procurement volumes between business segments
- Implement consolidated reporting for plan-to-actual analysis of the tender decisions across all business segments
- Establish a single software platform to run the Common Service Centre (CSC) for supplier management and procedure-to-pay (P2) processes

Progress

Norbit SRM solution selected and implemented; hyper-support period is underway

Implementation period

2023–2025

Rusagro Group's key technology projects in 2024

Meat Business

Video system to monitor the condition of livestock

Objectives

- Develop a video analytics system and test its precision and performance
- Improve live port production

Outcomes

- Animal count (99% accuracy)
- Detection of animal disease and mortality using thermal imaging (99% accuracy)
- Fasting control, detection of availability/unavailability of feed in feeders (99% accuracy)
- Analysis of comfort zones in holder sheds

Progress

The project was successfully completed. It was decided to further roll out the system to pig farms

Implementation period

2022–2024

Svinofon

Objectives

- Automate production accounting processes
- Enable entry of production accounting data using the mobile app
- Enable prompt receipt of historic data and planned events
- Expand the ability of operators to analyse previous livestock operations and assess physiological state of animals and production metrics

Expected outcomes

- Reduce labour costs
- Improve the speed and accuracy of record keeping
- Improve data analysis capabilities

Progress

The project is being finalised and actively implemented

Implementation period

2023–2026

Access and Identification Organisation System (AIOS)

Objectives

- Ensure the passage and weighing processes of all vehicles with data transfer to the accounting system without human involvement
- Develop and implement of the AIOS at the production site

Outcomes

- Automated passage and weighing of different categories of vehicles (98% of passages)
- Development and successful implementation of the AIOS

Progress

The project was successfully completed. It was decided to roll out the system further

Implementation period

2023–2024

Rusagro Group's key technology projects in 2024

Agriculture Business

Implementation of the Field History platform

Objectives

- Develop and roll out the Field History Cloud Service software into the Agriculture Business IT landscape; integrate internal systems (accounting system, access control and management system, meta algorithm, strat algorithm, lane guidance system) as part of the transition to Russian software and replacement of the foreign Cropwise solution
- Connect 220 users (automated workspaces) to Field History Cloud Service software by 2026

Progress

1st and 2nd stages of the project completed. Implementation done

Implementation period

2023–2025

Monitoring of mineral fertiliser stock flow

Objective

- Expand the existing mineral fertiliser (MF) stock flow process by obtaining information on the weight of MF, identifying MF containers, automating the process of transferring MF to production facilities, and identifying recipients through the neural networks

Progress

The project successfully completed

Implementation period

2022–2024

Autopilot 3.0

Objectives

- Automate agricultural machinery operations in the field
- Increase machinery productivity and reduce fuel and lubricant costs through the use of navigation equipment, RTK-gsm correction, and adoption of the lane guidance parallel driving system

Progress

The project is in its final stage of completion

Implementation period

2023–2025

Rusagro Group's key technology projects in 2024

Agriculture Business

Strategic algorithm

Objectives

- Automate generation of optimal crop rotations combined with a production programme for each field designed to maximise cash flow within a strategic planning horizon, using modelling and optimisation tools

Progress

The project successfully completed

Implementation period

2021–2024

Meta algorithm

Objectives

- Maximise profit by minimising the possibility of lower yields and properly allocating/using resources for technological operations
- Reduce yield losses in the fields during the harvesting period

Progress:

The project successfully completed

Implementation period

2021–2024

Digital farmer

Objectives

- Ensure capacity utilisation
- Develop a programme to increase sunflower production and yield to 17.3 dt/ha and increase the revenue of growers
- Provide agricultural producers with recommended production technologies and access to various financing options
- Generate additional revenue for Rusagro Group by creating new processes and services for other companies
- Generate savings by optimising and automating existing processes

Progress

The project successfully completed

Implementation period

2023–2024

Rusagro Group's key technology projects in 2024

Combined Oil and Fats Business

Digital pricing management and forecasting product based on Big Data

Objectives

- Increase revenue
- Improve product margins

Progress

The project successfully completed

Implementation period

2022–2024

Management of elevator, oil extraction plant, and fats plant

Objectives

- Create a unified digital environment for end-to-end automated management accounting
- Improve production efficiency by reducing the likelihood of downtime, stoppages, and reduced productivity due to a shortage or absence of raw materials

Progress

The project in progress

Implementation period

2023–2026

Implementation of an integrated business planning system for the Combined Oil and Fats Business

Objectives

- Develop a digital model for the following focus areas:
 - Forecasting demand and formulate an optimal sales and inventory plan for finished products
 - Planning finished production
 - Planning marketing and distribution
 - Planning the need for raw materials and supplies and packaging materials at horizons ranging from four weeks to 18 months
- Schedule production

Progress

The project in progress

Implementation period

2024–2027

Rusagro Group's key technology projects in 2024

Sugar Business

Implementation of a yard management system

Objectives

- Minimise the impact of the human factor on the vehicle weighing process
- Digitise weighing data
- Automate the detection of weight deviations from delivery document specifications. Prevent incidents of theft by monitoring the weight of the vehicle and comparing it with the weight of the shipment
- Automatically record the time of key technological operations at the facility

Progress

The project in progress

Implementation period

2022–2025

Mobile version of TOIR (equipment repairs and maintenance) app

Objectives

- Improve the accuracy of information in terms of actual labour intensity and the scope of maintenance and repair work
- Expedite equipment defect reporting
- Reduce repair costs and increase the quality repair work
- Increase labour productivity

Progress

The project successfully completed

Implementation period

2021–2024

Cybersecurity

Being aware of the risks associated with cybersecurity and the repercussions of their potential realisation therefore, Rusagro Group takes advancements in this area seriously. Over the past few years, Rusagro Group has been working with Rusagro Tech to develop and put in place a business-oriented information security system, which was successfully completed in 2024.

For more details on this system, see the Cybersecurity and Data Protection subsection of the Corporate Governance section, [p. 219](#)



Developments and research in 2024

Meat Business



Rusagro Group's Meat Business continuously implements projects to ramp up production capacity and expand the product range, develop 'champion' products and increase market share and exposure of the Slovo Myasnika brand. Efforts are made to review and explore opportunities for generation of additional profits from processing the livestock by-products.

In 2023–2024, our R&D team homed in on the processing of generated waste in a biogas plant to produce electricity and organic fertiliser, representing a synergistic action of three business segments: Meat, Sugar and Agriculture. Using bacteriophages in the treatment plan and feeding *Chlorella* suspension were two novel ways to increase the safety and immunity of piglets.



Oil and Fats Business

In the Oil and Fats segment, Rusagro Group rolls out projects to improve product quality and product development in three areas. Tasked with integrating NMKG into the Rusagro Group system in 2024, the Company's Combined Oil and Fats Business established a R&D function with a single structure and streamlined operating processes. Furthermore, the key existing range of oil and fats products was transferred between the sites of the combined holding company in order to minimise logistics costs for raw material supply and finished product delivery.

Due to the introduction of regulations on the content of glycidyl ethers in the production of edible fats and oils from 2025, Rusagro Group has successfully prepared and implemented effective operating principles for all refining sites of Combined Oil and Fats Business.



Food Service segment

Range of SmartChef sauces for the HoReCa customer-oriented distribution channel

1

The range includes tomato ketchup, cheese sauce, mustard sauce, barbecue sauce and original mustard sauce. They have a rich flavour and are suitable for a wide range of culinary applications

Range of sauces for the restaurant chain

2

The range includes Four Cheese, Sour Cream & Onion, Cheese (cheddar-chorizo), Cheese and BBQ sauces in different forms. The products are gastronomically tailored and designed to guarantee guest satisfaction

Oil and Fats Business



FMCG products segment

Chef's Barbecue Sauce from Astoria brand

1

The sauce was exclusively crafted for the X5 chain in cooperation with Kote Oganezov, a culinary expert. The unique recipe blends elements of traditional gastronomy and modern culinary trends, making the product an optimal choice for serving with meat dishes and snacks

Range of light dressing sauces 'Spicy Basil and Parmesan', 'French Spices and Garlic', 'Honey Mustard' of the Ya Lublu Gotovit brand

2

With reduced fat content (15%) and a natural ingredient-based composition, these sauces are the best choice for salad dressings. They give a balanced flavour without sacrificing the essentials of healthy eating

Ya Lublu Gotovit brand's line of tomato-based cooking sauces

3

Natural sauces with a high content of diced vegetables and spices, with a rich flavour and aroma. Ideal for stewing, roasting and baking of meat and vegetable dishes

Range of 10%, 20%, 33% fat for the B2C segment

4

Natural cream is ideal for both home and professional cooking in HoReCa. They give sauces, desserts and other dishes a rich, creamy texture and deep flavour, ensuring high quality culinary products

Cream soap range of the Monpari brand

5

Premium skincare product. Natural oils and carefully selected ingredients help to cleanse and moisturise the skin, leaving it feeling smooth and soft

Industrial fats segment

Range of speciality fats and cocoa butter substitute for the production of confectionery icing

1

The products deliver stable texture, optimum processing properties and high quality finished products

Specialised fats were crafted for aquaculture feed production

2

The products have a balanced composition, contribute to the nutritional performance of feed and meet industry requirements for quality and safety

Development of human capital

The steady expansion of every business segment within Rusagro Group is largely dependent on the development of human capital.

In 2024, Rusagro Group continued its efforts in human capital development in several key areas:



Over the last five years, the Company's average headcount has grown

by **56%**



to **30.8**
thousand people
in 2024



Attraction of young talent



Internal training systems



Healthcare and motivation

Internal training systems

In 2023–2024, following the transition from SAP SuccessFactors platform to the home-made Mirapolis solution, employees continued fully-fledged training through the Distance Learning System (DLS).

For more details on Rusagro's human capital development results, [see p. 168](#)



RESULTS OVERVIEW



Agriculture Business50

Combined Oil and Fats Business70

Sugar Business.....99

Meat Business113

Key financial results131



AGRICULTURE BUSINESS

Nº4

Rusagro's position among the largest
agricultural land holders in Russia



Overview of the Russian agricultural market in 2024



74 ^{-21%}

MN TONNES

wheat exports from Russia in 2024



WHEAT

82 ^{-11%} **MN TONNES**

wheat harvest in Russia,
2024/2025 season

11.6 ^{+8%} **RUB THS/ TONNE**

average price of wheat
in Russia in 2024



SUNFLOWER

17 ^{-4%} **MN TONNES**

sunflower harvest in Russia,
2024/2025 season

30.0 ^{+24%} **RUB THS/ TONNE**

average price of sunflower
in Russia in 2024



SUGAR BEET

42 ^{-21%} **MN TONNES**

sugar beet harvest in Russia,
2024/2025 season

4.7 ^{+5%} **RUB THS/ TONNE**

average price of sugar beet
in Russia in 2024

Production

Grain crops

Rosstat's preliminary figures indicate that Russia's grain harvest in the 2024/2025 season amounted to 124.9 million tonnes, down 14% year-on-year (–20 million tonnes) from the previous season. Gross wheat harvest was down 11% (–11.5 million tonnes) and barley – down 21% year-on-year (–4.5 million tonnes). The 2024/2025 season also recorded the 20% year-on-year decline in the corn production (–4.4 million tonnes) to RUB 13.2 million.

The Russian crop yields in 2024 were influenced by two simultaneously acting factors. Spring and summer drought in the central and southern regions of the country drove down the yields by 9% year-on-year, while cost optimisation of agricultural producers brought about the reduction in areas under cultivation.

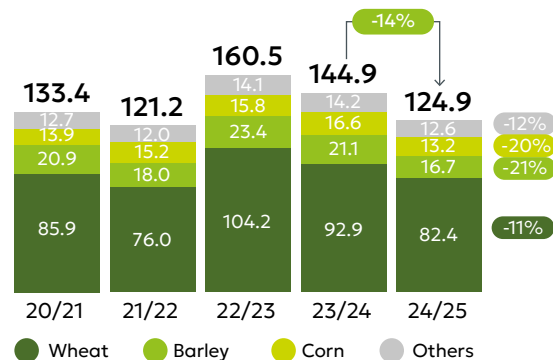


82 ^{-11%} **MN TONNES**
wheat harvest in Russia,
2024/2025 season

¹ Data for the 2024/2025 season is preliminary; other crops include rye, triticale, oats, rice, buckwheat, millet and pulses.

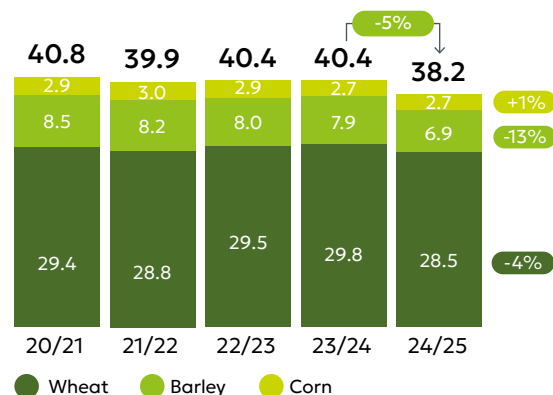
² Data for the 2024/2025 season is preliminary.

Gross yield of grains in Russia¹, mn tonnes



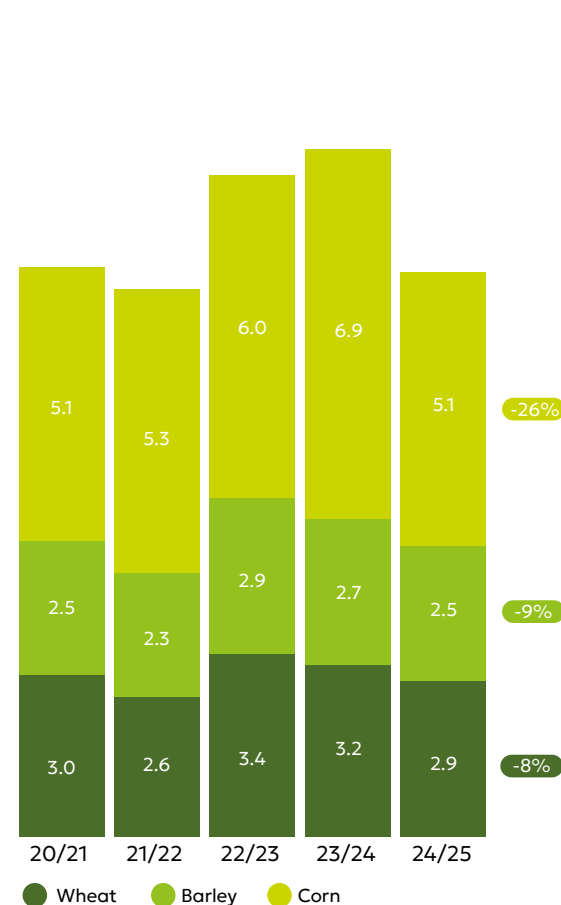
Sources: Rosstat, Institute for Agricultural Market Studies (IKAR)

Area under main grains in Russia², mn ha



Source: Rosstat

Yield of main grains in Russia², t/ha



Source: Rosstat

Production

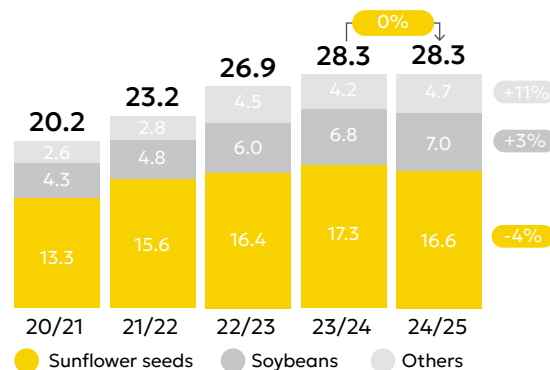
Oilseeds

Rosstat's preliminary data indicates that Russia's overall oilseed crop production for the 2024–2025 season, amounting to 28.3 million tonnes, stayed flat with the 2023–2024 season. An increase of 0.2 million tonnes in soybeans and other oilseeds (+0.8 million tonnes) compensated for the 0.7 million tonnes drop in sunflower harvest in the overall oilseed crop structure.

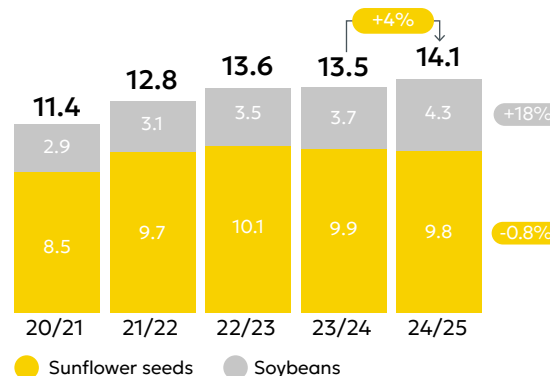
A 4% year-on-year decrease in sunflower yields was mainly attributed to unfavourable weather conditions. Due to the rising demand for vegetable oils, the area under oilseeds grew by 4% during the 2024–2025 growing season, thus increasing the profitability of this produce.



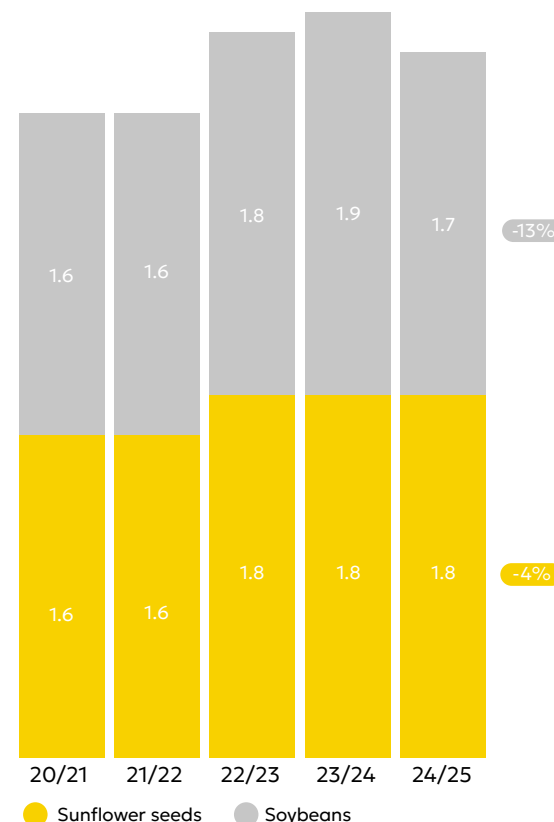
Gross yield of oilseeds in Russia¹, mn tonnes



Area under oilseeds in Russia¹, mn ha



Yield of main oilseeds in Russia¹, t/ha



¹ Data for the 2024/2025 season is preliminary.

Production

Sugar beet

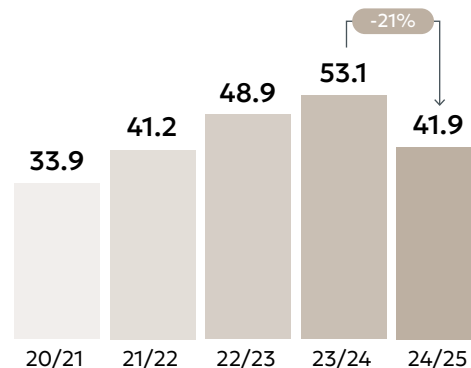
According to preliminary data from Rosstat, the sugar beet harvest in the 2024/2025 season was 41.9 million tonnes, down 21% (~11.2 million tonnes) from the previous season. Weather-related factors, including early-year frosts and a dry summer, were the major causes for a 24% drop in sugar beetroot yields as compared to the 2023–2024 season.

The decreased yields were partially offset by a 10% year-on-year increase in the areas under sugar beet in Russia, incentivised by the improvement of the domestic sugar market conditions.

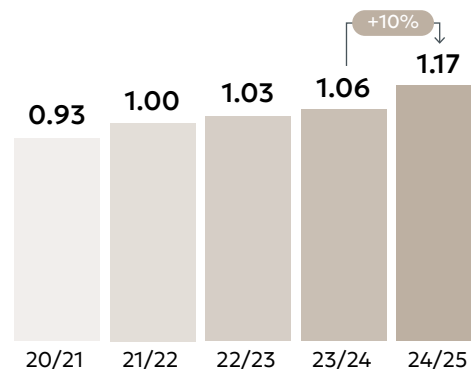


42 -21%
MN TONNES
sugar beet harvest in Russia,
2024/2025 season

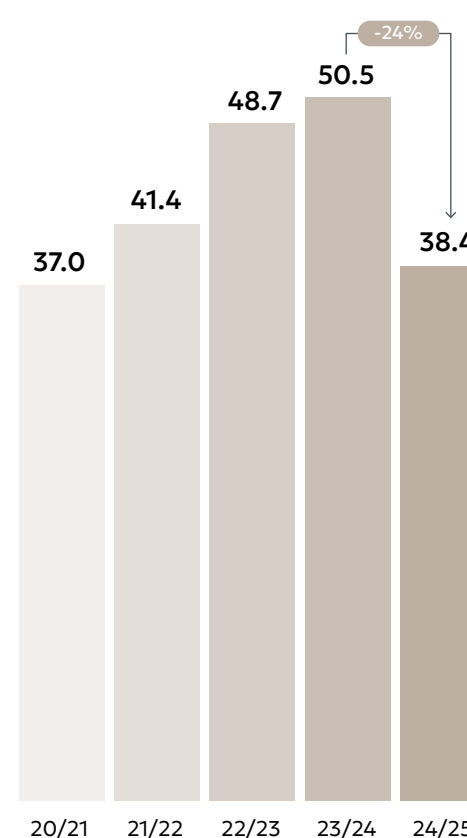
Gross yield of sugar beet in Russia¹, mn tonnes



Area under sugar beet in Russia¹, mn ha



Sugar beet yield in Russia¹, t/ha



¹ Data for the 2024/2025 season is preliminary.

Key players

BEFL, an audit and consulting company, reports that as of August 2024, the five biggest players had 4.6 million hectares of agricultural land under management, up 159 thousand hectares (+4%) over the previous year. The rating is led by Miratorg, Russia's largest meat producer, whose land holding has expanded to 1,221 thousand hectares since the last evaluation. With a land holding of 689 thousand hectares, Rusagro ranked fourth. At year-end 2024, the size of land under Rusagro Group's management totalled 815 thousand hectares, which is 18% more than the rating score and will be taken into account in August 2025 ranking.

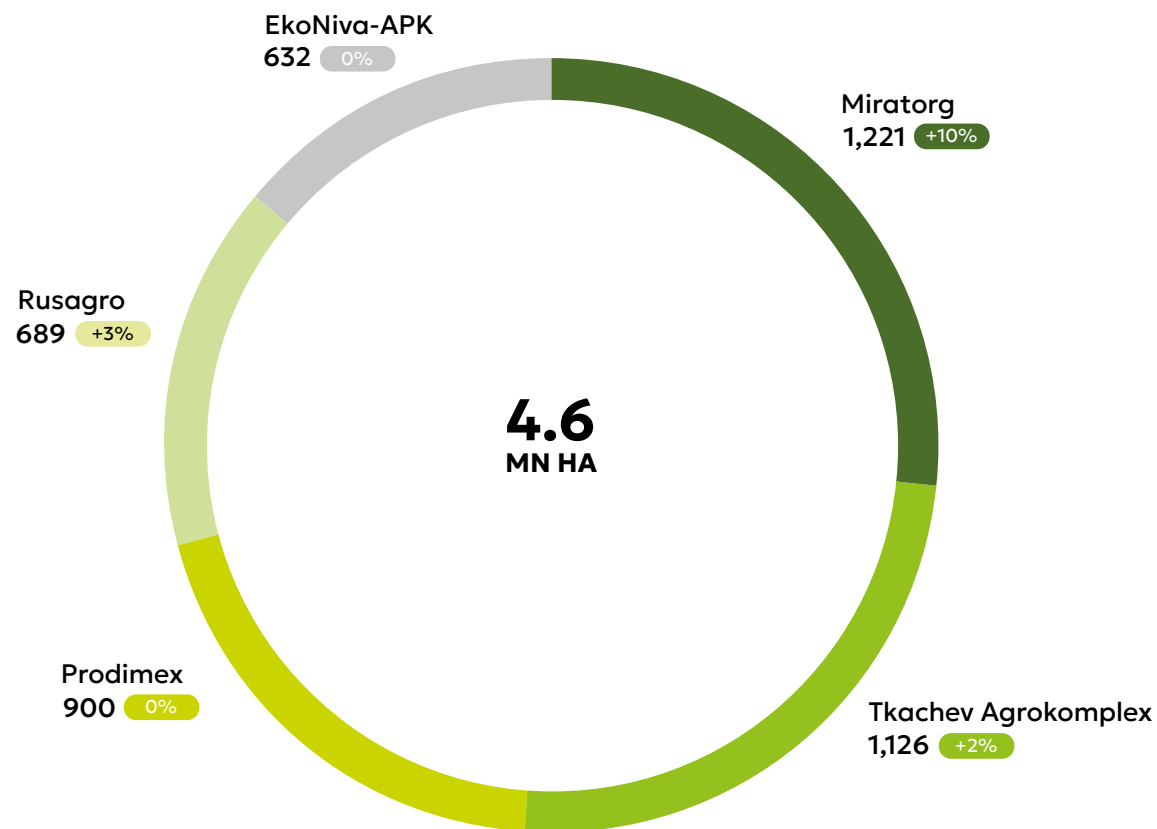
689 THS HA

Rusagro's land holding area as of August 2024

815 THS HA

Land holding as of the end of 2024

Russia's top 5 landowners as of August 2024, ths ha



Source: BEFL

Exports and imports

Exports

In 2024, exports of major crops amounted to 93.1 million tonnes, 23% (–27.7 million tonnes) below the 2023 level. Wheat and barley shipments fell by 21% (–19.5 million tonnes) and 23% (–2.7 million tonnes), respectively, with wheat accounting for the bulk of exports.

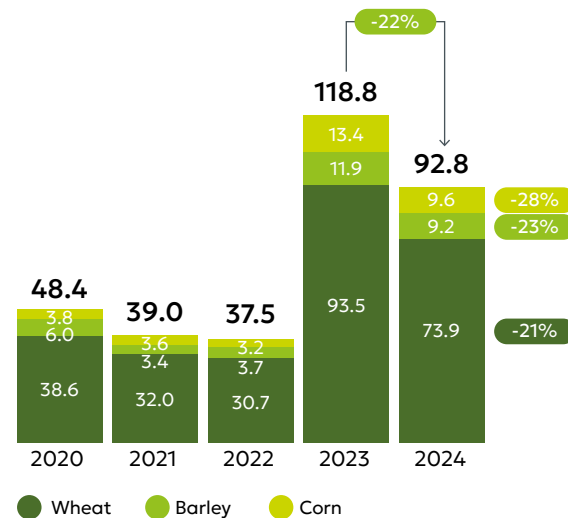
In 2024, Russia's grain export volume decreased by 22% (–26 million tonnes), mostly as a result of lower crop yields brought on by bad weather in several regions of the country. Logistical constraints and average carry-over stocks put additional pressure on grain export volumes. Simultaneously, there are indications that exports can be boosted by improving logistical ties with importing nations that did not previously import Russian grain.

73.9 –21%
MN TONNES

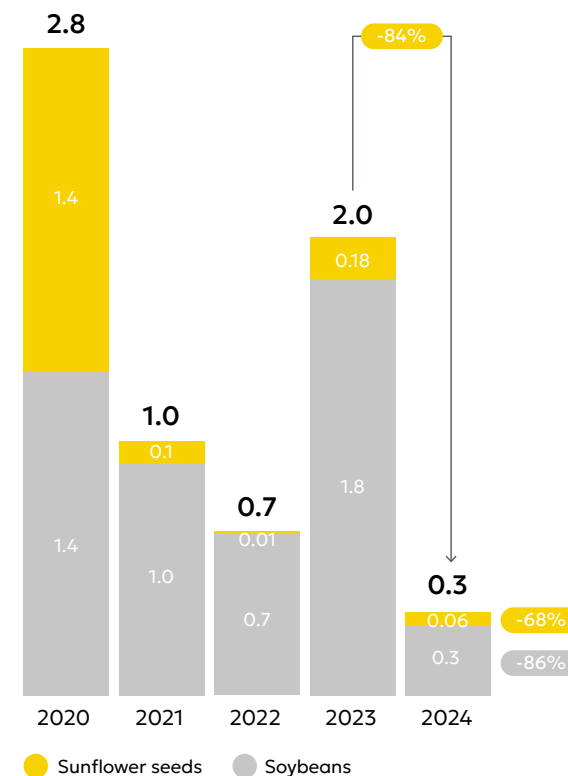
wheat exports from Russia in 2024

With the 84% year-on-year drop, soybean and sunflower exports set a new record low for the last five years (0.3 million tonnes), which was associated with the reduction in the area under sunflower and anomalous weather conditions, both driving down the production of the oil crops. In 2024, duties on exports of sunflower and soybean seeds remained in place, thus also constraining the growth of oilseed exports.

Russian exports of main grain crops¹, mn tonnes



Russian export volume of main oilseed crops¹, mn tonnes



¹ Data for the 2024 season is preliminary.

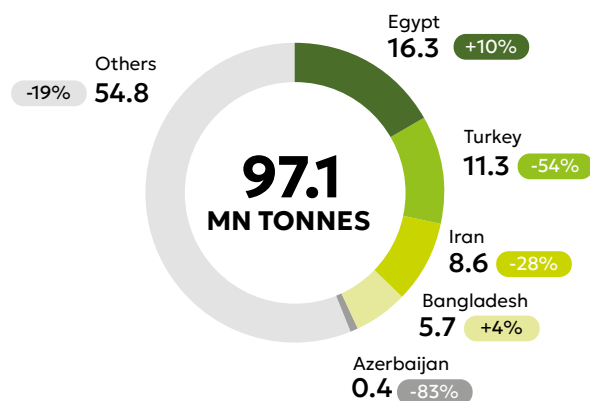
Source: Federal Customs Service of Russia

Source: Federal Customs Service of Russia

Exports

Although the distribution of the top Russian grain importers altered in 2024, the list of these importers stayed essentially the same. With a 10% year-on-year increase in grain imports to 16.3 million tonnes, Egypt topped the list of the biggest buyers of Russian grain. Egypt's share in the volume of Russian grain exports stood at 17%, while the share of Turkey, having been the largest 2023 buyer, accounted for 12%, down 8 p.p., on the back of the two-fold decline in imports from Russia at the segment level. Bangladesh, on the other hand, grew its share from 4% to 6%.

Breakdown of main grain exports by destination in 2024¹, mn tonnes



Source: Federal Customs Service of Russia

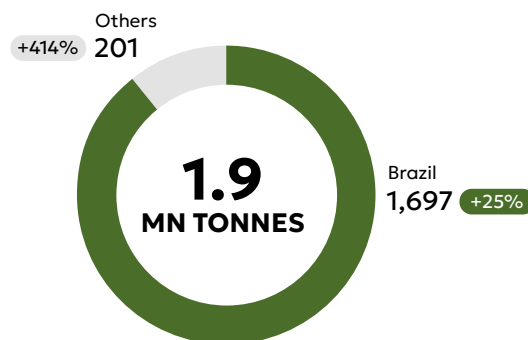
¹ Data for the 2024 season is preliminary.

Import

With 1.4 million tonnes brought into Russia in 2024, down 1% (-20 thousand tonnes) year-on-year, soybean became the main inbound oilseed crop.

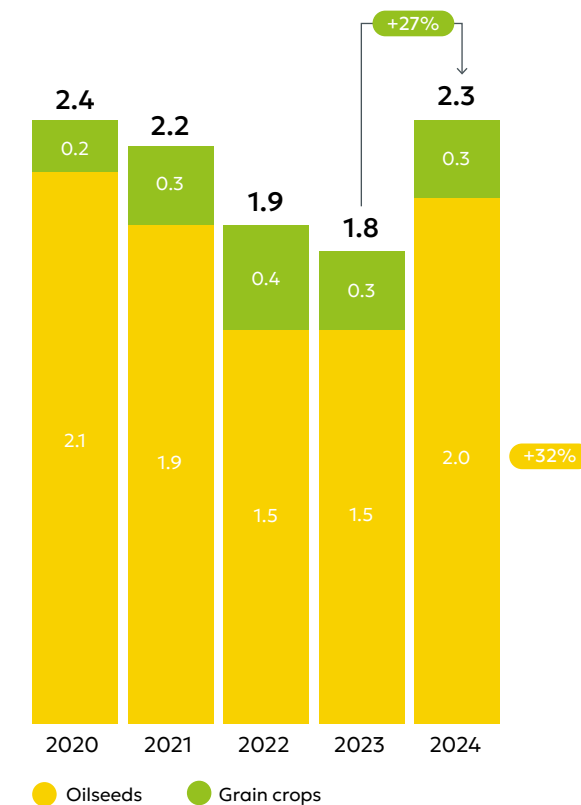
In 2024, no significant change was seen in the volume of imports of grains and oilseeds in Russia.

Breakdown of soybean imports by destinations in 2024¹, mn tonnes



Source: Federal Customs Service of Russia

Russian import volume of main crops¹, mn tonnes



Source: Federal Customs Service of Russia

Prices

Grain crops

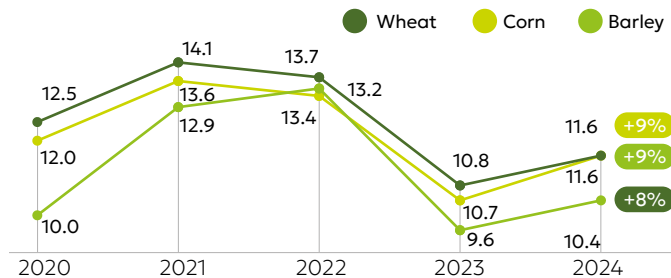
11.6 ^{+8%} RUB THS/ TONNE

Average price of wheat in Russia in 2024
(excl. VAT)

In 2024, the average annual prices of main grain crops resumed their upward trend. Thus, wheat prices in 2024 rose by 8% (to RUB 11.6 thousand/tonne), barley and corn prices went up by 9% (to RUB 10.4 thousand/tonne and to RUB 11.6 thousand/tonne, respectively).

Unfavourable weather conditions in Russia and the Black Sea region as a whole were the main drivers of grain price growth, which in turn led to higher quotes on important markets; the higher export options affected wheat prices on the Russian domestic market.

Grain prices in Russia,
ths RUB/t, excl. VAT



Source: Rosstat

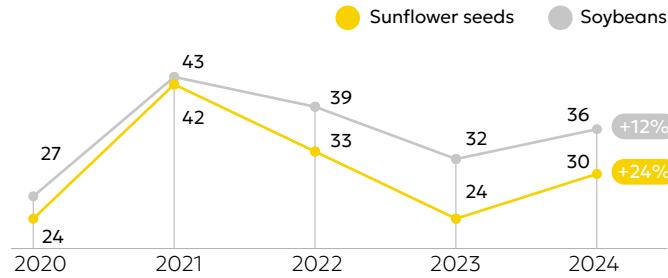
Oilseeds

30.0 ^{+24%} THS/ TONNE

Average price of sunflower in Russia in 2024
(excl. VAT)

Prices for all main oilseed crops started trending upwards in 2024. Average annual prices for soya increased by 12% year-on-year to RUB 36.4 thousand, while sunflower price stood at RUB 30 thousand, showing a year-on-year spike of 24%. The growth was fuelled by a decline in the gross sunflower harvest and an advance in the price of vegetable oil driven by the robust demand in both domestic and international markets. Another boost to the prices was associated with the launch of new soybean processing plants in the Central Federal District.

Oilseed prices in Russia,
ths RUB/t, excl. VAT



Source: Rosstat

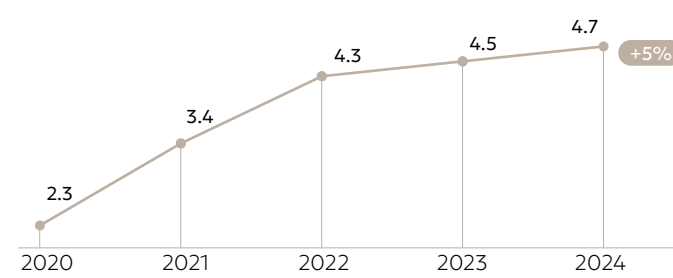
Sugar beet

4.7 ^{+5%} RUB THS/ TONNE

Average price of sugar beet in Russia in 2024
(excl. VAT)

The market price of sugar beets hit a new record high in 2024, rising 5% to RUB 4,700 per tonne, according to preliminary figures from Rosstat. A decline in the crop's yield, steady domestic sugar prices, and rising demand for Russian sugar on the export market all contributed to the advance in sugar beetroot prices in Russia.

Sugar beet prices in Russia,
ths RUB/t, excl. VAT



Source: Rosstat

PERFORMANCE OF RUSAGRO GROUP'S AGRICULTURE SEGMENT

in 2024



815 ^{+19%} THS HA
agricultural land area



5.5 ^{-24%} MN TONNES
agricultural crop sales



8 ^{-54%} RUB BN
adjusted EBITDA of Rusagro Group's Agriculture Business in 2024



N°4
by size of agricultural land holdings in Russia



51 ^{-11%} RUB BN
revenue of Rusagro Group's Agriculture Business in 2024



15 ^{-15 p. p.} %
adjusted EBITDA margin of Rusagro Group's Agriculture Business in 2024

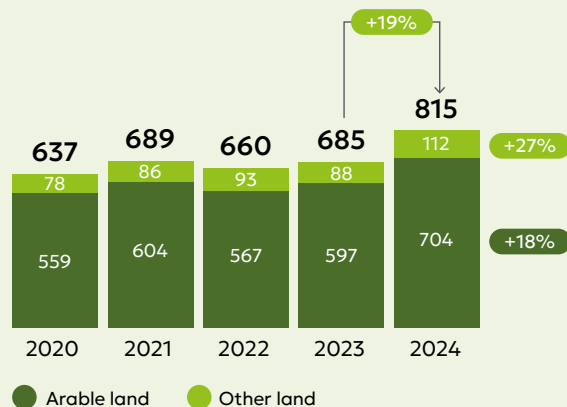
Business overview

By the end of 2024, the total area of land under Rusagro's management grew by 131 thousand hectares (+19%) and amassed 815 thousand hectares. The main driver of area growth in the reporting period was the acquisition of Agro-Belogorie Group's land, encompassing a total of 108 thousand hectares. Another contributor was the purchase of land and shares in Saratov and the Primorsky Territory, along with the purchase of land and shares in Belgorod, Kursk, Orel, and Tambov, which are all within 60 km of the sugar plant zone. As at the end of 2024, the share of arable land stood at 86.4%.

704 ^{+18%} THS HA

Area of Rusagro Group's arable land in 2024

Rusagro Group's land holding area¹, ths ha



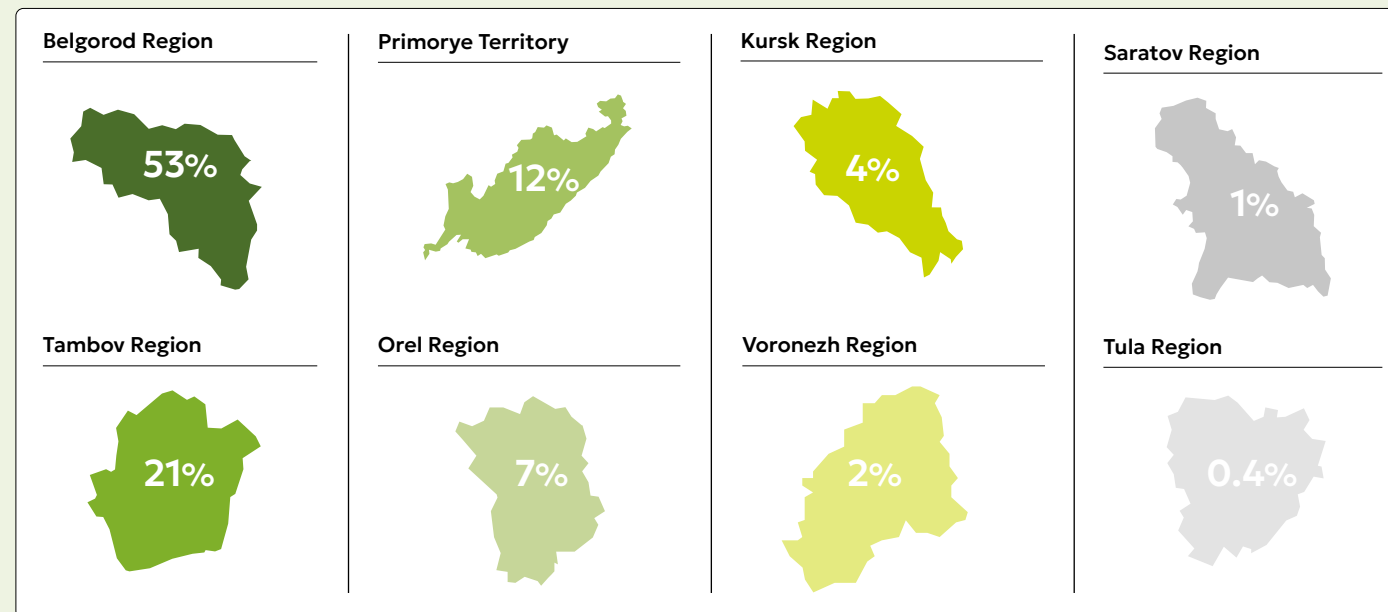
¹ Arable land includes fallows and disused land.

Regional structure of arable land

Most of Rusagro's agricultural land is located in the Central Black Earth Region of Russia, mainly characterised by highly fertile chernozem black soils. The largest areas of arable land are situated in the Belgorod and Tambov Regions – 370 thousand hectares (+40%, or 105.2 thousand hectares) and 147 thousand hectares (+2%, or 2,700 hectares), respectively, by the end of 2024. In the Primorye Territory, the Company's Agriculture Business manages 87 thousand hectares (+1%, or 1 thousand hectares) of arable land.

In addition to the purchase of land from the Agro-Belogorie Group, the region-wise changes in the arable land area were brought about by the inclusion of logged-off and disused land, as well as a new land for which rights were registered in 2023–2024, to the production programme.

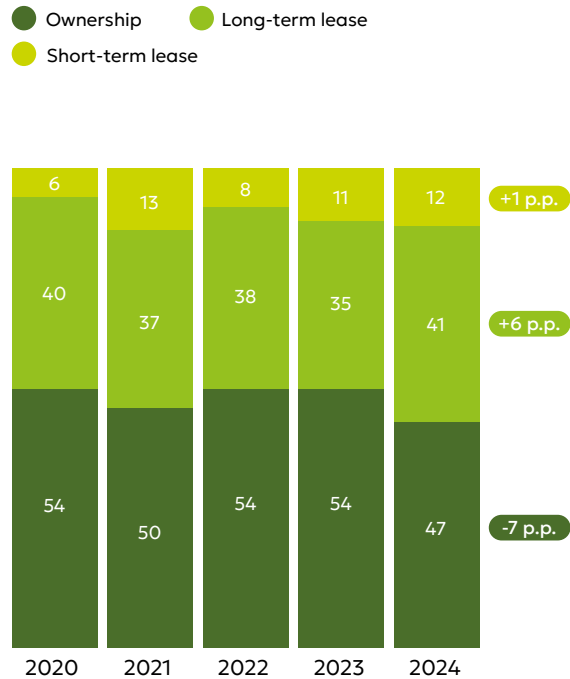
Arable land by region in 2024



Legal structure of land

As of the end of 2024, the Group owned 47% (–7 p.p.) and leased (either for a long term or a short term) more than half of its agricultural land. Changes in the structure of the land holding in 2024 are explained by the conclusion of new short-term lease agreements and acquisition of ownership rights in leased land plots with common ownership.

Legal structure of Rusagro Group's land holding, %



Investments

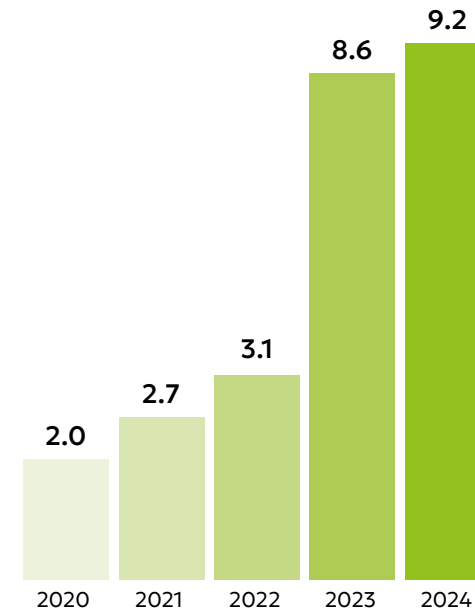
In 2024, Rusagro Group invested a record RUB 9.2 billion in the development and maintenance of its Agriculture segment, up 7% year-on-year. A sizable portion of the investments were used for renovating the fleet of agricultural machinery and infrastructure projects.



9.2 ^{+7%} RUB BN

investments of the Agriculture segment in 2024

Rusagro Group's investments in the Agriculture Business, RUB bn



Major investment projects

Acquisition of beet and grain harvesters (seed planters, cultivators, combine harvesters, loaders)

Objective

Generation of additional income by saving on outsourcing the harvesting manpower for early grain crops, soybeans, rapeseed, sunflower and sugar beet within the established agrotechnical deadlines

3.15

RUB BN
Cost (excl. VAT)

Implementation period

2024

Construction of an irrigation system at Kshenyagro

Objective

Generation of additional margin by increasing crop yields in the irrigated area

0.65

RUB BN
Cost (excl. VAT)

Implementation period

2024

Replacement of machinery and equipment at storage elevators, commodity thrashing-floors and grain yards, construction of weighing facilities

Objective

Receipt, conditioning and storage of produce

Implementation period

2024

Renewal of the fleet of self-propelled agricultural machinery (truck tractors, multi-purpose machines, spraying machines)

Objective

Renewal of the deteriorated agricultural machinery

1.66

RUB BN
Cost (excl. VAT)

Implementation period

2024

Renewal of the fleet of trailed and mounted agricultural machinery (for seed planting and soil preparation)

Objective

Renewal of the deteriorated agricultural machinery

0.41

RUB BN
Cost (excl. VAT)

Implementation period

2024

0.32

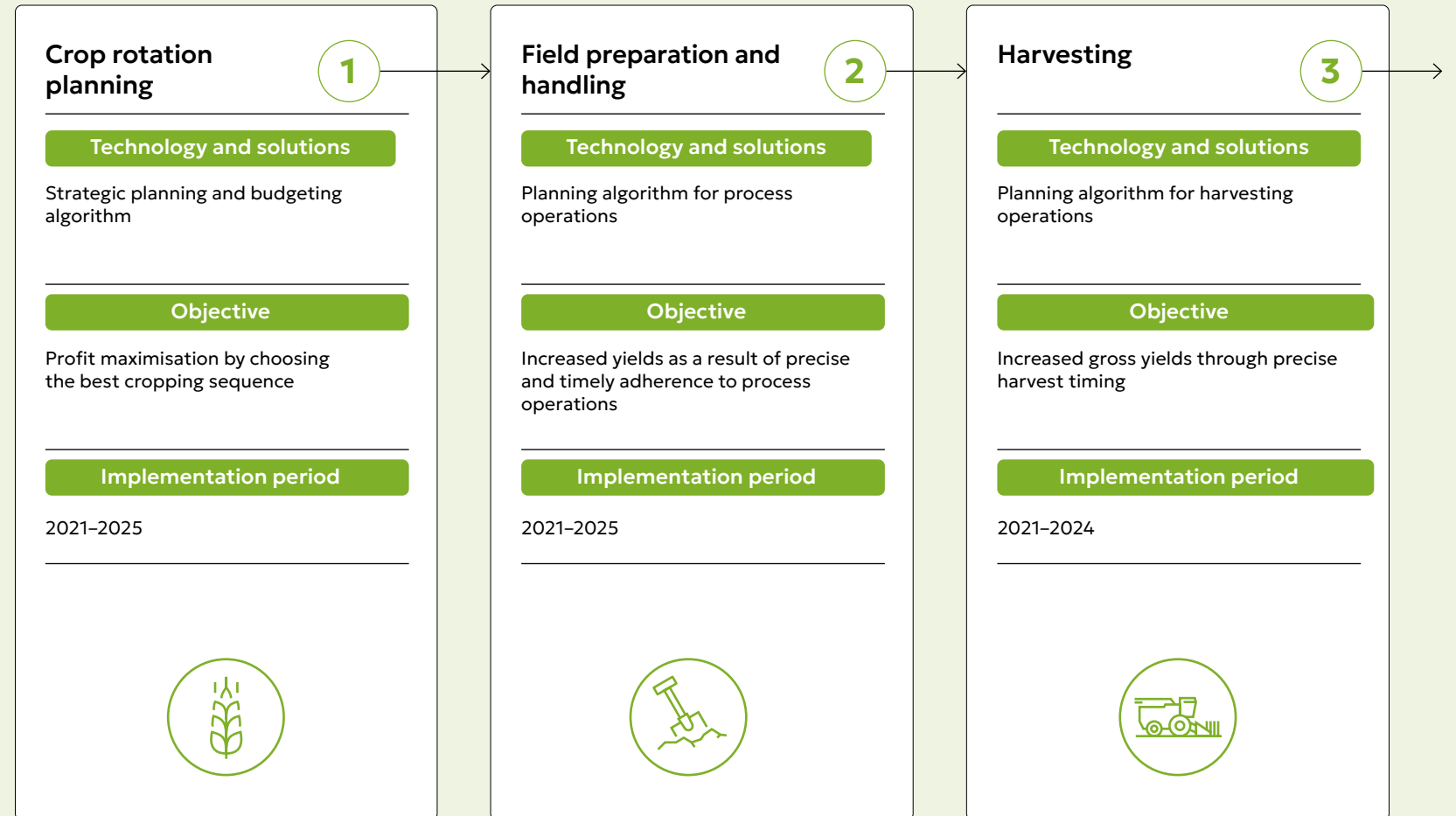
RUB BN
Cost (excl. VAT)

Technology and innovation

Rusagro's Agriculture Business developed a management digital transformation strategy for 2024–2030 to increase efficiency along the entire production chain. The strategy's objectives were achieved in 2024 through the creation of key algorithms for business planning and a suite of artificial intelligence-enabled solutions for agricultural monitoring, recommendations on crop protection solution preparation, finished product flow control, and control over agricultural machinery spares.

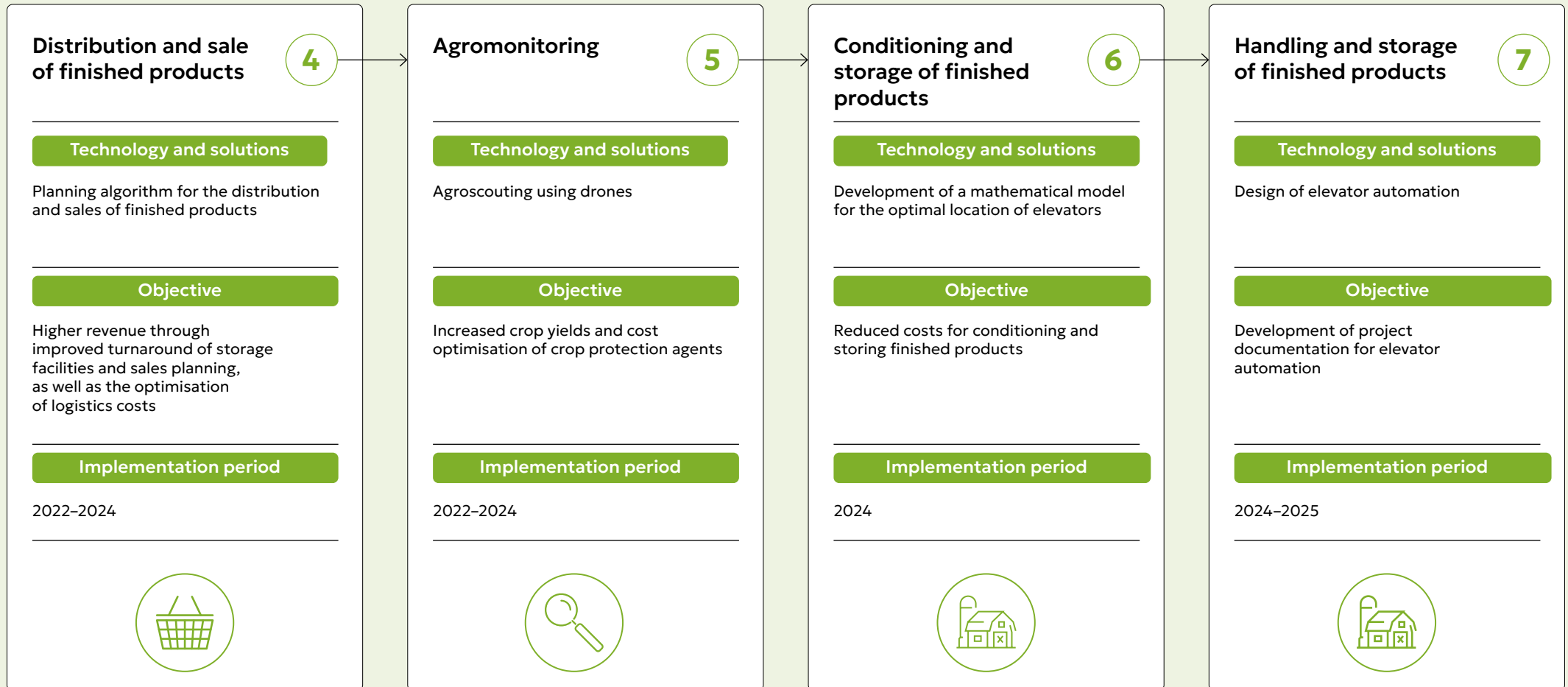
Launched in 2023, the project on substituting the foreign software with the Russian one called 'Field History' and integrating it with important business operations planning algorithms aims to improve the operational and strategic effectiveness of management systems by 2025.

Projects implemented as part of the strategy



Technology and innovation

Projects implemented as part of the strategy



Operating results

Production

5.2 -17% YoY
MN TONNES

Rusagro's gross output based on harvesting results by the end of 2024

704 +18% YoY
THS HA

Rusagro's area under cultivation in 2024¹

Due to adverse natural and climatic conditions in 2024, Rusagro harvested a total of 5,218 thousand tonnes based on the results of the reporting period, which was 1,089 thousand tonnes (-17%) less than a year ago.

For example, gross harvest of wheat was down by 36% year-on-year (-265 thousand tonnes) and barley – down by 56% year-on-year (-17.4 thousand tonnes). Such poor output mainly stems from the exposure

to recurring frosts, which affected and, in some cases, killed the primary shoots, and due to insufficient rain water, the plants were unable to produce enough new shoots to make up for the previous losses. The damage to winter wheat and barley crops necessitated the relevant adjustments to the cropping pattern towards more marginal crops such as soya and sugar beet.

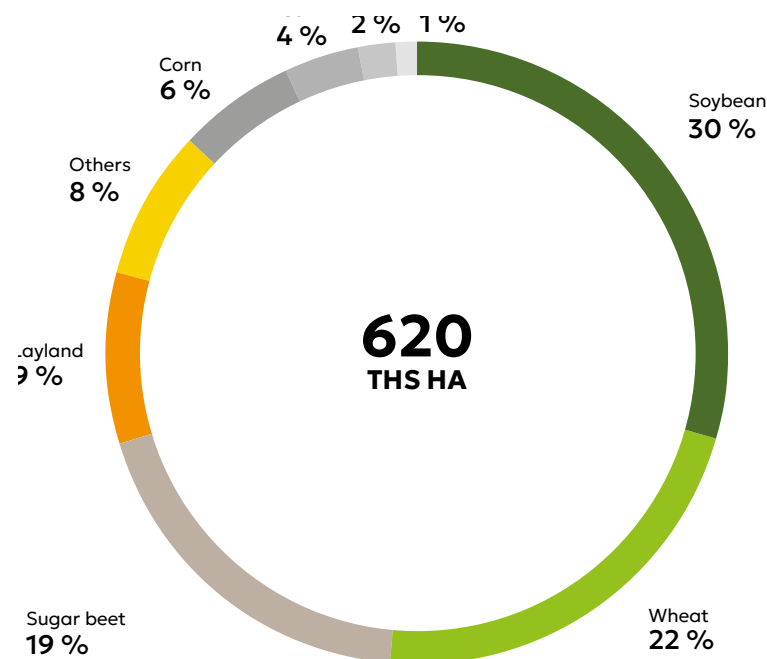
Corn harvest results amounted to 198 thousand tonnes, showing a 32% year-on-year boost, supported by the expansion of the cultivated area in the Primorye Territory and a considerable growth in yields (+48%); the figures bounced back from the previous year, when Hanun typhoon and other natural calamities caused the corn yield to drop.

Gross harvest of soybeans and sunflowers amounted to 287 thousand tonnes (down 19% year-on-year, or -68 thousand tonnes) and 44 thousand tonnes (down 40%, or -29 thousand tonnes), respectively. The decline in sunflower yields was associated with drought and crop damage. Similarly, the output of soybeans in the Central Federal District was affected by drought, whereas the Far Eastern Federal District experienced heavy rainfalls that interfered with the agrotechnical seeding time and rendered any necessary actions impossible due to resultant waterlogging. All of the above required the adjustment in the cropping pattern.

In 2024, sugar beet yields amounted to 36 thousand tonnes/hectare, also showing a negative growth of 28% year-on-year, which can be attributed to spring recurring frosts, going down to -9°C, dust storms, drought and extreme heat of up to 40°C during the year.

Damage was spotted across the entire growing area of the crop. For loss minimisation, additional area was taken out of the fallow for sugar beet as that crop is considered to be the most marginal one.

Rusagro's disposition of crops in 2024²

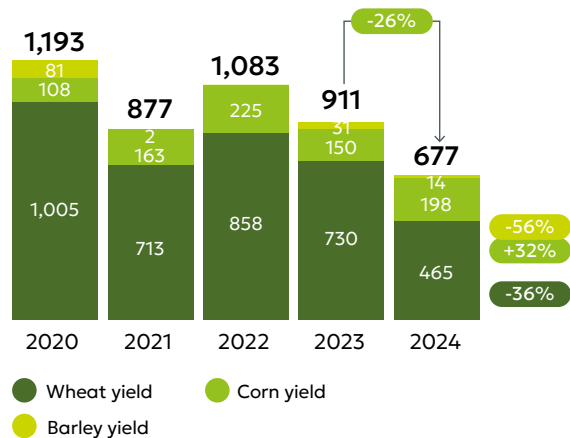


¹ With Agro-Belgorie areable land.

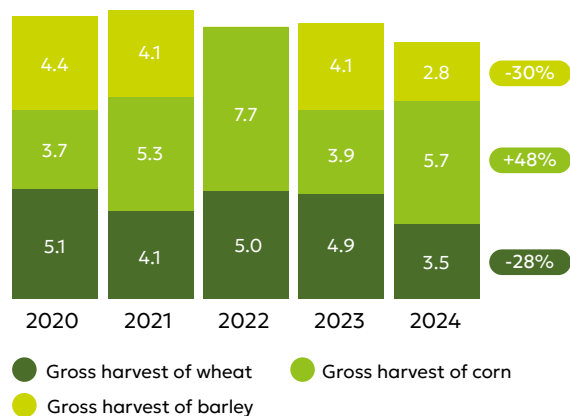
² Without Agro-Belgorie areable land.

Production

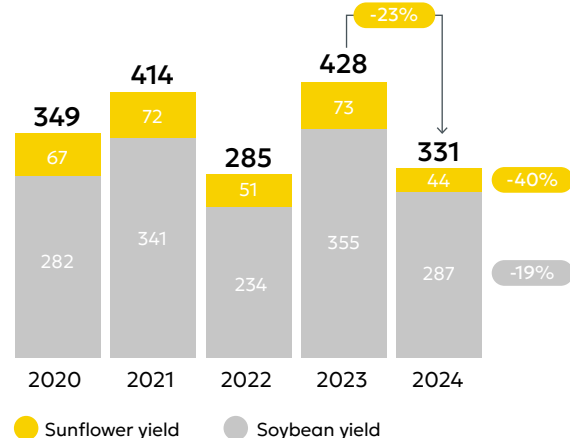
Gross yield of grains, ths tonnes



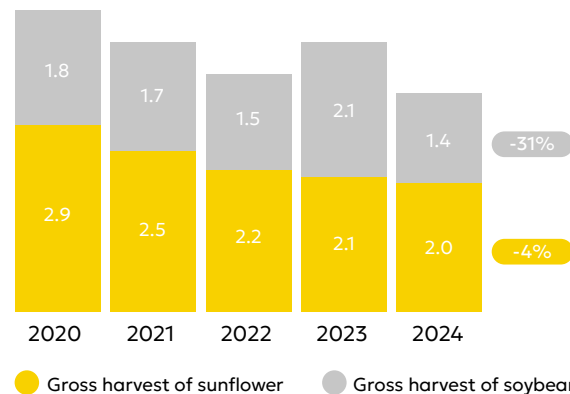
Grain yield, t/ha



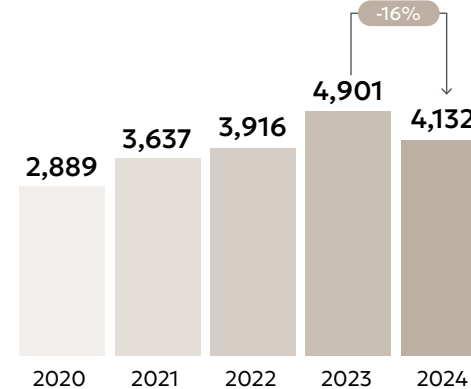
Rusagro's gross harvest of oilseeds, ths tonnes



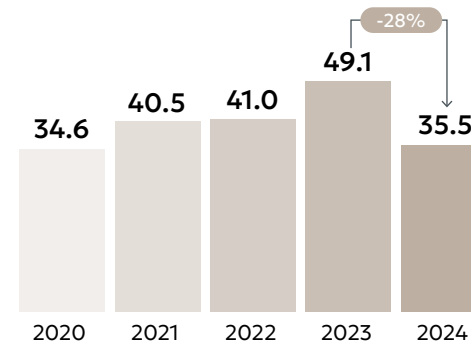
Oilseeds yield, t/ha



Gross harvest of sugar beet, ths tonnes



Sugar beet yield, t/ha



Sales

347 **+187%**
THS TONNES

exports of Rusagro Group's agricultural crops in 2024

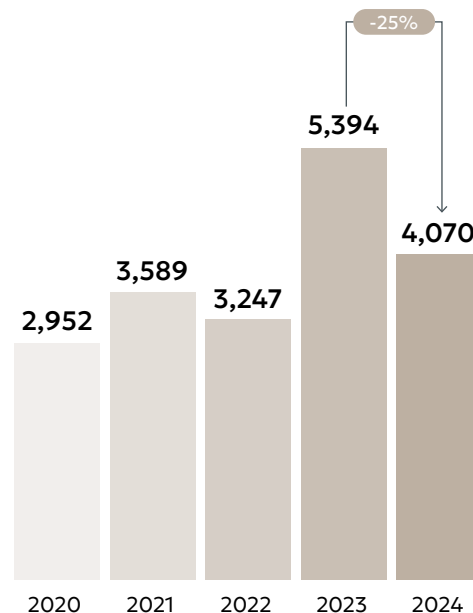
In 2024, the sales volumes of Rusagro Group's Agriculture Business decreased by 24% (–1,722 thousand tonnes) year-in-year and amounted to 5,470 thousand tonnes. Except for barley, sales of key crops exhibited downward trends. Thus, sales volumes of sugar beet totalled 4,070 thousand tonnes, down 25% (–1,324 thousand tonnes) on the back of lower yields due to negative weather and climatic conditions in the 2023/2024 season and lower carry-overs in 2024 compared to 2023. In 2022, the sugar beet harvesting and marketing schedule was shifted to January–February 2023.

Grain sales in the reporting period amassed 986 thousand tonnes, down 14% (–164 thousand tonnes) from the previous year's results. The sales through the trading scheme (launched in 2022) amounted to 312 thousand tonnes, up 184% (+202 thousand tonnes) year-on-year. The negative growth in the wheat sales was caused by diminished yields and lower carry-overs as at the beginning of 2024. Barley sales rose by 55% (+16 thousand tonnes) to 47 thousand tonnes and corn sales dropped by 3% (–5 thousand tonnes).

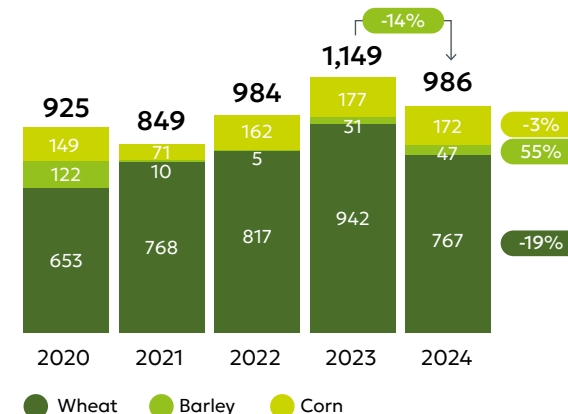
In the reporting year, soybean sales showed a 32% (–164 thousand tonnes) drop due to higher stocks at the beginning of 2023 and diminished yields as a result of unfavourable weather conditions in 2024. Sunflower sales

weakened, falling by 51% (–70 thousand tonnes), due to higher carry-overs in 2023 and the decline in the area under sunflower within the cropping scheme in 2024.

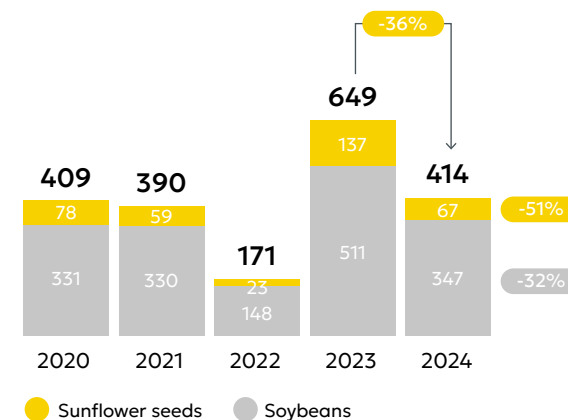
Rusagro Group's sugar beet sales, ths tonnes



Rusagro Group's grain sales, ths tonnes



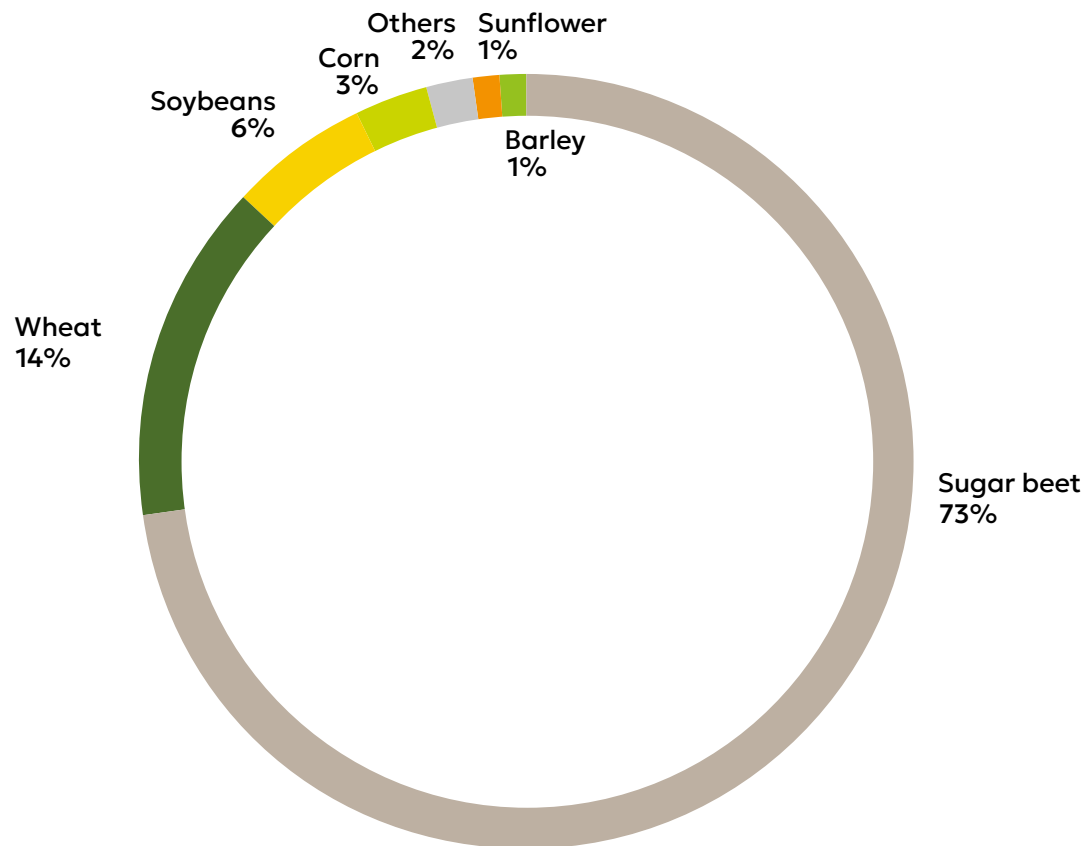
Rusagro Group's oilseed sales, ths tonnes



Sales

A total of 77% of sales in the Agriculture Business were made within Rusagro Group. All sugar beet (100%) is sold to Rusagro Group's sugar plants. A portion of grain goes to the Meat Business to be made into feed.

Rusagro's sales mix in 2024

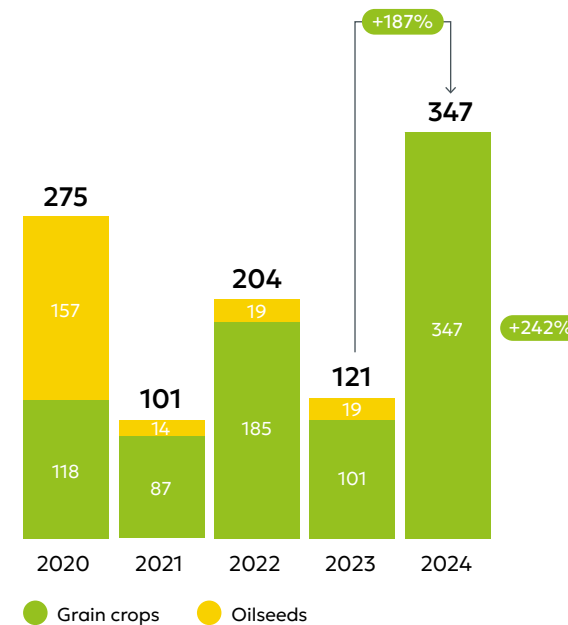


Exports

In 2024, Rusagro exported 347 thousand tonnes of agricultural products, which is 3 times more than a year earlier. International agreements with African nations provided access to a new market and helped reach a record exports, especially of grains.

Wheat shipments increased 3.7 times (+184 thousand tonnes) to 250 thousand tonnes, while corn sales to the foreign market amounted to 94 thousand tonnes, which is 2.8 times (60 thousand tonnes) more than the previous year.

Export volume of Rusagro's agricultural products, ths tonnes



Financial results

50.7 **RUB BN** -11%

revenue of Rusagro Group's Agriculture Business in 2024

7.7 **RUB BN** -54%

adjusted EBITDA of Rusagro Group's Agriculture Business in 2024

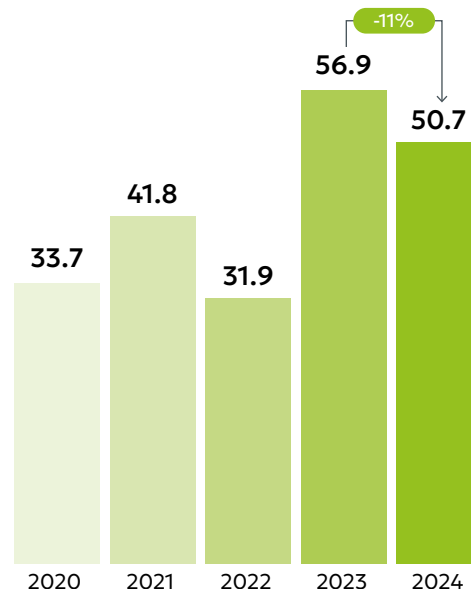
15% -15 p.p.

adjusted EBITDA margin of Rusagro Group's Agriculture Business in 2024

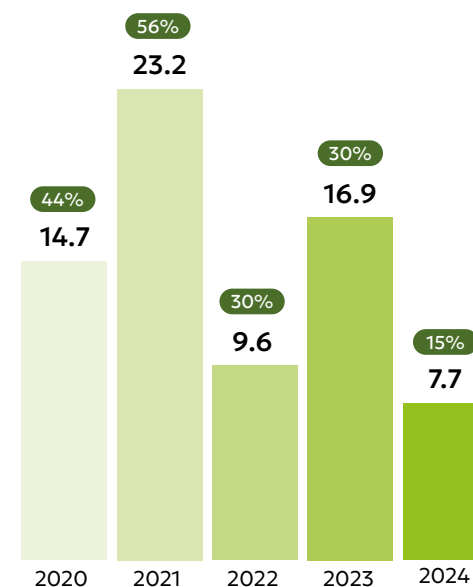
Revenue from the Agriculture Business decreased by 11% year-on-year to RUB 51 billion. Revenue performance was affected by unfavourable weather conditions in 2024, which drove down the gross harvest of major crops. Sales of soya and wheat declined on the back of the climate factor and lower incoming stocks at the beginning of 2024. Sales of sugar beet also saw a drop due to lower yields. Sunflower sales decreased, in part due to a shrinking sowing area within the crop rotation scheme in 2024.

Adjusted earning before interest, taxes, depreciation and amortisation (EBITDA) was down 54% year-on-year to RUB 8 billion, mainly as a result of lower yields of all major crops, partially offset by higher agricultural produce prices. Business EBITDA margin stood at 15% (-15 p.p.).

Revenue of Rusagro's Agriculture Business, RUB bn



EBITDA and EBITDA margin of the Agriculture Business, RUB bn



Adjusted EBITDA
Adjusted EBITDA margin, %



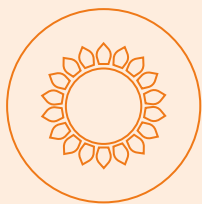
COMBINED OIL AND FATS BUSINESS

Nº1

Rusagro Group's position among sunflower oil producers in Russia in the 2023/2024 season



Overview of the Russian oil and fats market in 2024



7.8 +17% YoY
MN TONNES

production of crude sunflower oil in Russia
in 2023/2024 season

1.5 +7% YoY
MN TONNES

industrial fats production in Russia in 2024

1.9 +5% YoY
MN TONNES

Bottled vegetable oil production in Russia in 2024

75.1 +14% YoY
THS RUB / TONNE

average price of crude sunflower oil in Russia in 2024

211 +7% YoY
THS TONNES

production of consumer margarine and spreads
in Russia in 2024

925 +3% YoY
USD / TONNE

average global price of palm oil in 2024

13 +0.7% YoY
%

Rusagro's share in crude vegetable oil production

Production

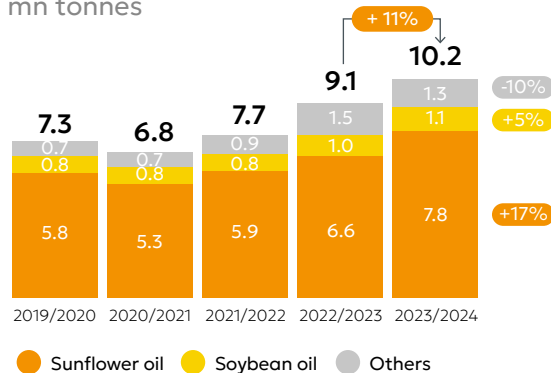
Crude vegetable oil

In the 2023/2024 season, vegetable oil production in Russia grew by 11% year-on-year to 10.2 million tonnes, mainly driven by a 17% increase in sunflower oil production to 7.8 million tonnes. The unprecedented gross yield of sunflower in 2023, coupled with the large quantity of incoming carryovers allowed for higher domestic capacity utilisation. Other growth factors were high demand and higher selling prices of oil on the export market. For 2024 calendar year, Russia produced 7.9 million tonnes of sunflower oil, up 14% year-on-year.

7.8 **+17% YoY**
MN TONNES

production of crude sunflower oil in Russia
in 2023/2024 season

Crude vegetable oil production in Russia,
mn tonnes



Source: APK-Inform, Rosstat

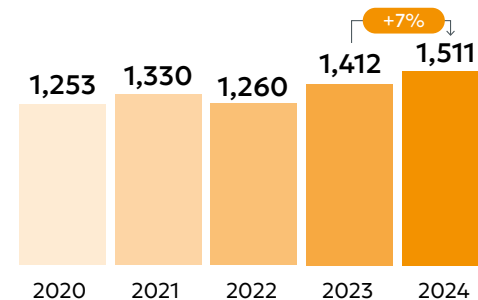
Industrial fats

Production of industrial fats in Russia in 2024 increased by 7% year-on-year to 1.5 million tonnes. The domestic market's growing demand from consuming sectors and the rise in finished product exports were the primary drivers of industrial fats output. The increased consumption of industrial fats in the Russian market is backed by higher per capita demand for confectionery products and the expansion of the HoReCa and ready-to-eat food segments.

1.5 **+7% YoY**
MN TONNES

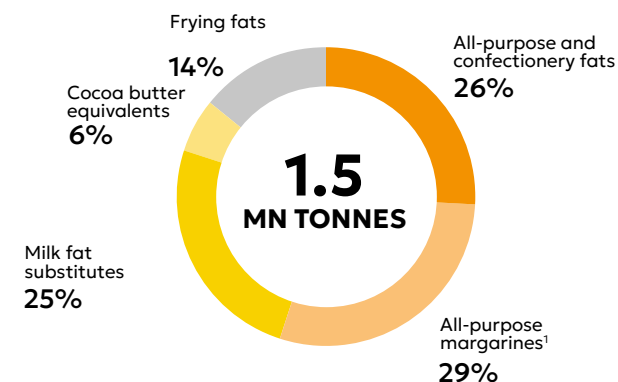
industrial fats production in Russia in 2024

Industrial fats production in Russia,
thn tonnes



Sources: Russian Fat and Fats Union, Federal Customs Service, Rusagro estimates

Structure of industrial fats production in Russia in 2024



Sources: Russian Oil and Fats Union, Federal Customs Service, Rusagro estimate

¹ Including margarines for puff pastry and specialist margarines.

Consumer products

3.4 +4% YoY
MN TONNES

production of consumer oil and fats products in Russia in 2024

Consumer oil and fats products

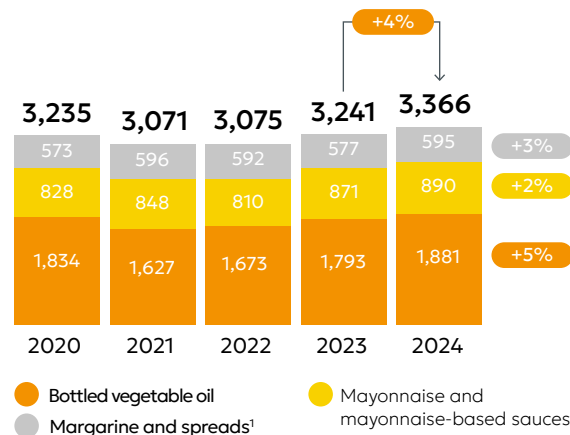
Russia demonstrated an upward trend in the production of all key categories of consumer oil and fats products in 2024.

Due to higher export demand, the output of bottled vegetable oil rose by 5% year-on-year (+88 thousand tonnes) and amounted to 1,881 thousand tonnes.

Production of mayonnaise and mayonnaise-based sauces in 2024 increased by 2% year-on-year to 890 thousand tonnes, mainly as a result of growing cross-border sales and higher output in the HoReCa segment. Expanding consumer base, the popularity of quick cooking, and the growing need for an assortment of flavours all contributed to the further growth of mayonnaise-based sauces.

Spreads, a less expensive alternative to butter, were the main driver of the 3% year-on-year growth in output in the Margarines & Spreads category, amounting to 595 thousand tonnes.

Production of consumer oil and fats products in Russia, ths tonnes



Sources: Rosstat, Federal State Statistics Service of Russia, BusinessStat, Rusagro estimates

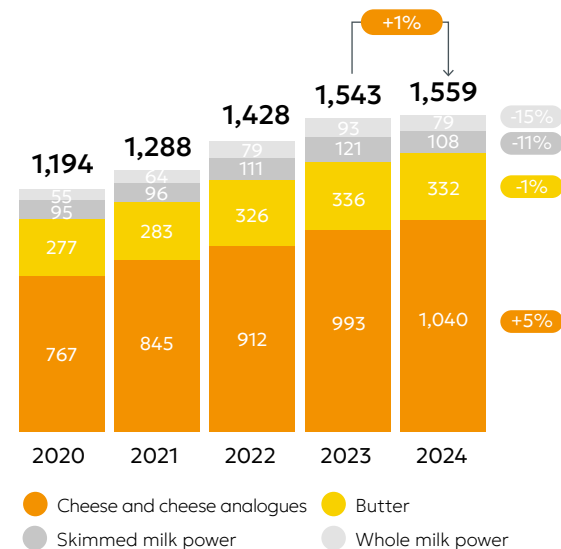
Consumer dairy products

Total output of dairy products in Russia increased by 1% year-on-year to 1.6 million tonnes.

Cheese emerged as a growing segment of dairy products in 2024. Production of cheese and cheese products grew by 5% year-on-year to 1,040 thousand tonnes, driven by rising real household earnings, the growing trend towards precooked foods and short order cooking and, as a result, an expanded product mix. The strongest growth was seen in soft cheeses, up 16% year-on-year.

Butter production in the reporting year totalled 332 thousand tonnes, down 1% year-on-year. In 2024, skimmed milk powder and whole milk powder production volumes decreased by 13% year-on-year.

Production of consumer dairy products in Russia, ths tonnes



Sources: Milknews based on the data from the Federal State Statistics Service of Russia and analysis by the National Milk Producers' Union

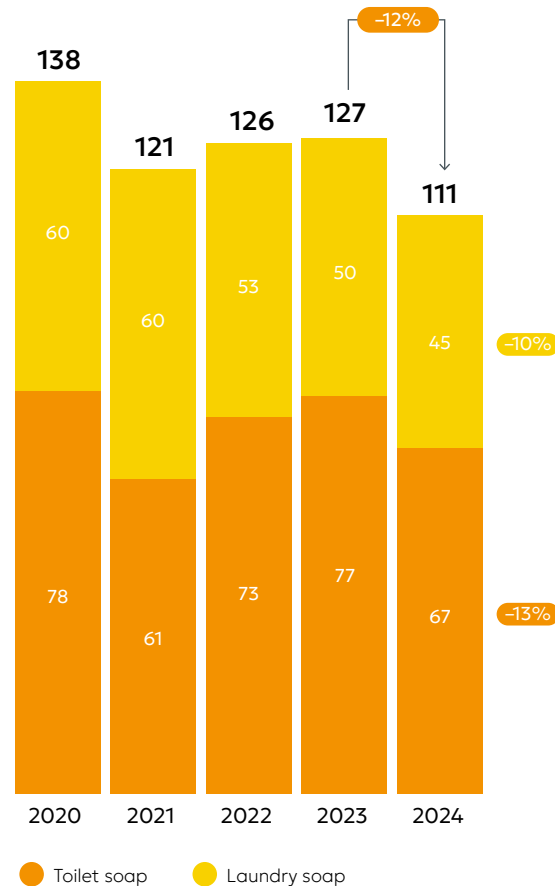
¹ The volume accounts for all types of margarines and spreads, including B2B segment.

Soap

In 2024, the production of bar soap in Russia decreased by 12% to 111 thousand tonnes, with bat toilet soap accounting for 67 thousand tonnes. Production of toilet soap declined by 13% year-on-year. A decline in export demand and the exit of several foreign businesses that had previously been active in the Russian market were the main causes of the 2024 decline in bar soap production.

111 **-12% YoY**
THS TONNES
 soap production in Russia in 2024

Bar soap production in Russia¹, ths tonnes



Source: Rosstat

¹ Includes projections for the 4th quarter of 2024.



Key market players

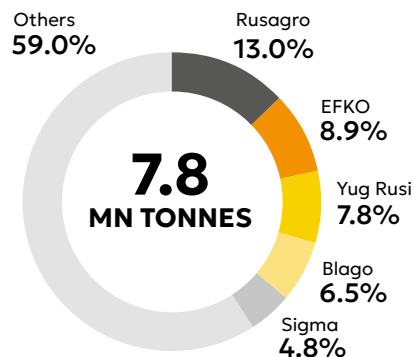
Crude sunflower oil



Rusagro Group's position among sunflower oil producers in Russia in 2023/2024 season

Five major players accounted for about 41% of crude sunflower oil production in Russia in the 2023/2024 season. According to the Oil and Fats Union and the Group's estimates, with a 13.0% share, Rusagro continues to hold the top spot on the list of the biggest producers. EFKO moved up to second place with a share of 8.9%, while Yug Rusi took third place with an estimated share of 7.8%.

Major crude sunflower oil producers in Russia in the 2023/2024 season



Sources: data of the Russian Fat and Fats Union, Rusagro estimates

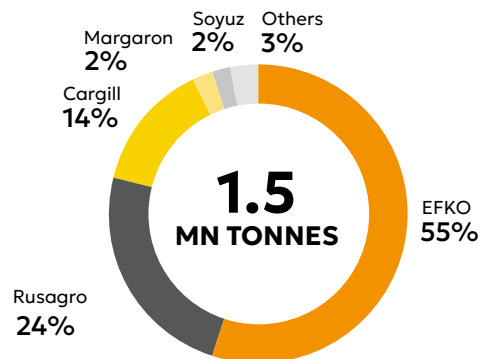
Industrial fats



Rusagro Group's position among industrial fat producers in Russia in 2024

As a traditional market leader, EFKO held an estimated 55% (+2.2 p.p. year-on-year) of the Russian industrial fats market throughout the reporting period. Rusagro Group retained second place with a 24% share (down 5.8 p.p.). Cargill's share fell by 1.7 p.p. and totalled 14%, thus placing it to third place.

Major players on Russia's industrial fats market in 2024



Sources: Russian Fat and Fats Union, Federal Customs Service, Rusagro estimates

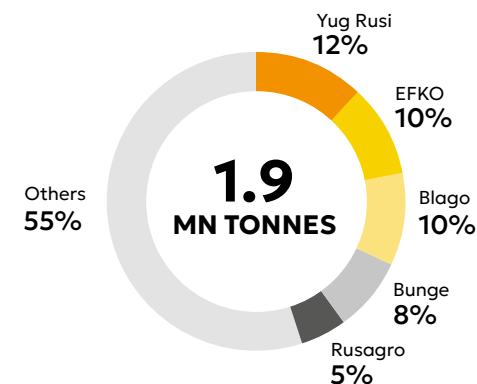
Bottled oil



Rusagro Group's position among bottled vegetable oil in Russia in 2024

Five players account for 45% of bottled vegetable oil output in Russia in 2024. A year earlier, the figure stood at 53%. The largest producer is Yug Rusi, which holds a 12% share in Russian production (down 4.1 p.p.). With a share of 5% (-0.5 p.p.), Rusagro Group ranks fifth in the sector. Due to the expansion of smaller businesses through exports and the rise in small business participation in Russia's traditional trade channel, the share of large players in total production is decreasing.

Major producers of bottled vegetable oil in Russia in 2024



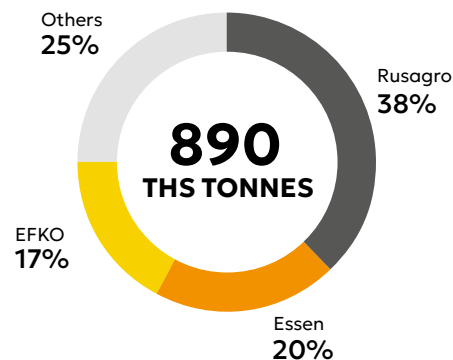
Mayonnaise



Rusagro Group's position among mayonnaise producers in Russia in 2024

In 2024, Rusagro retained its leading position in the mayonnaise market, with a 38% share in total production. Essen came in second place with a 20% share, while EFKO was third with a 17% share. The market is generally competitive, including in terms of pricing, but the shares of the leading companies have not changed.

Major mayonnaise producers in Russia in 2024



Sources: Russian Fat and Fats Union, AC Nielsen, Rusagro estimates

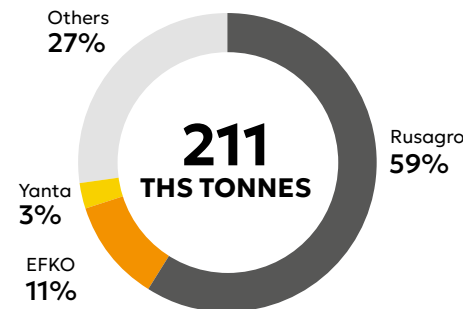
Consumer margarine



Rusagro Group's position among consumer margarine producers in Russia in 2024

Rusagro is the leader among Russian consumer margarine producers, with a 59% share in 2024 (down 2 p.p. year-on-year). EFKO, which increased its share by 4.4 p.p. due to the expansion of distribution through retail chains and active promotions, came second with a share of 11%. The third place went to Yanta, whose share decreased by 0.4 p.p. and accounted for 3%.

Major consumer margarine producers in Russia in 2024



Sources: Russian Fat and Fats Union, AC Nielsen, Rusagro estimates

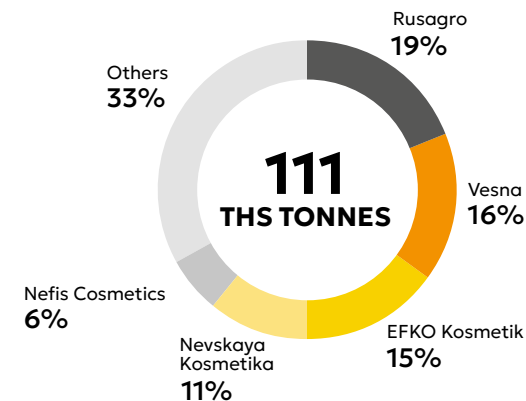
Soap



Rusagro Group's position among bar soap producers in Russia in 2024

Due to higher retail sales and expanded distribution, Rusagro maintained its position as the industry leader in the manufacturing of bar toilet soap in 2024, increasing its share of the total output by 2.2 p.p. year-on-year to 19%. Vesna remained in second place with a 16% share (-0.4 p.p. year-on-year). Third place went to EFKO Kosmetik, which share continued to grow and reached 15.5% (up 1.5 p.p. year-on-year) on the back of increased retail sales related to the development of its own brand.

Major producers of bar toilet soap in Russia in 2024



Sources: Russian Fat and Fats Union, Rusagro estimates

Exports and imports

Crude sunflower oil

Exports

4.7 **+32% YoY**
MN TONNES

crude sunflower oil exports from Russia
in the 2023/2024 season

61 **+7 p.p. YoY**
%

share of crude sunflower oil exports from Russia from
output in the 2023/2024 season

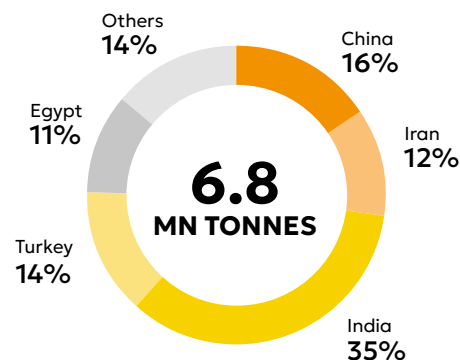
For the 2023/2024 season, crude vegetable oil exports increased
by 20% year-on-year to 6.8 million tonnes, mainly driven
by shipments of crude sunflower oil.

In the 2023/2024 season, crude sunflower oil exports from Russia
reached a record 4.7 million tonnes (+32% year-on-year) due to huge
production volumes, while domestic consumption remained
stable. Sunflower oil output improved on the back of growing total
sunflower supply and capacity expansion.

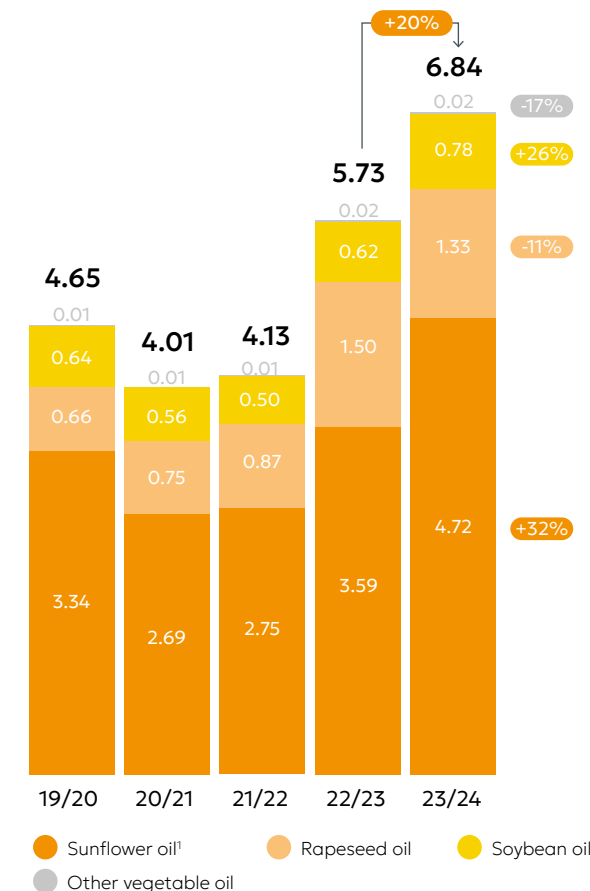
A rise in shipments to Egypt and India was the primary factor
driving the boost in exports. Russian sunflower oil exports
to India for the 2023/2024 season surged 129% year-on-year
to 1,650 thousand tonnes due to growing domestic demand
for vegetable oils and a favourable pricing environment for Russian
sunflower oil relative to other competing oils in the Indian market.
Russia has become one of the largest suppliers of sunflower oil in this
area. Egypt also ramped up its imports of Russian sunflower oil
in the 2023/2024 season, raising its purchase of Russian sunflower
oil by 90% year-on-year to 496 thousand tonnes.

Meanwhile, there was a 28% year-on-year decline in Russian
sunflower oil exports to Iran, to 546 thousand tonnes, compared
to the previous season following a temporary ban on sunflower
oil imports in the country. It was found that Iran has resumed
purchasing Russian sunflower oil within the quota at the end of 2024.

Crude vegetable oil exports from Russia by destination, mn tonnes



Crude vegetable oil exports from Russia by product in 2024



¹ Without bottled sunflower oil.

Sources: Federal Customs Service of Russia, TBI, IKAR

Sources: Federal Customs Service of Russia, TBI

Crude vegetable oil

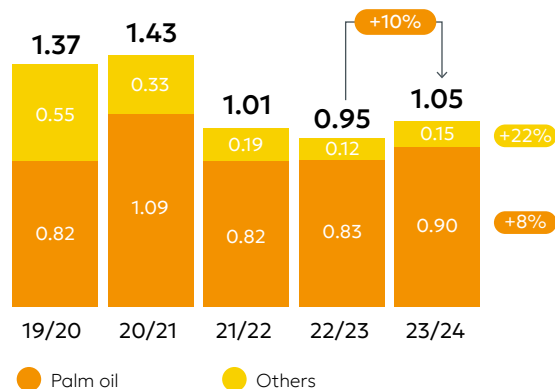
Imports

0.9 **MN TONNES** **+8% YoY**

imports of palm oil to Russia in the 2023/2024 season

Driven by higher domestic consumption, imports of crude vegetable oil in the 2023/2024 season grew by 10% year-on-year to 1.1 million tonnes. Over the last few years, Russia's palm oil imports have remained stable at an average of 0.9 million tonnes. Indonesia has traditionally been the main supplier of these products (98% of total imports).

Crude vegetable oil imports to Russia, mn tonnes



Sources: Federal Customs Service of Russia, TBI

¹ Including margarines for puff pastry and specialist margarines.

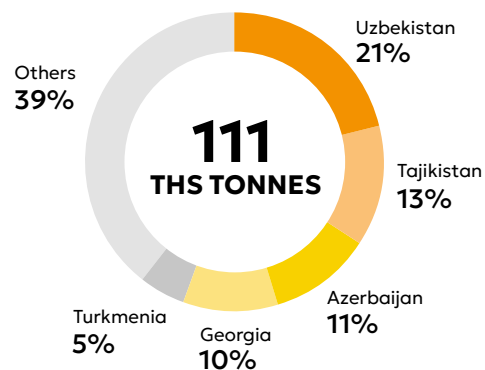
Industrial fats

Exports

In 2024, Russia exported 111 thousand tonnes of industrial fats, which is 37% (+30 thousand tonnes) above the 2023 level. The positive developments are largely attributable to the growth in exports of margarines and milk fat substitutes, exports of which reached 33 thousand tonnes (+51%) and 36 thousand tonnes (+41%) respectively.

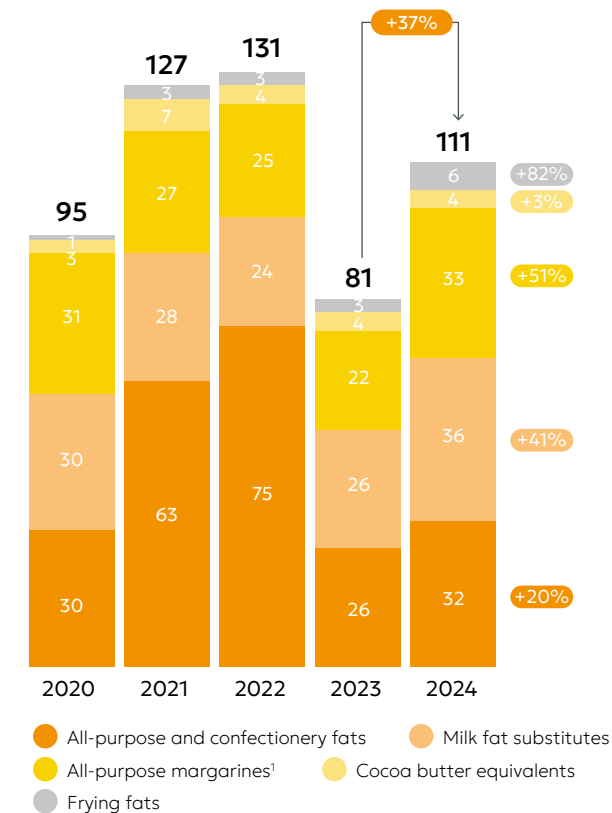
Uzbekistan, Tajikistan, Azerbaijan and Georgia remain the key export destinations. Population expansion and consumption culture result in higher exports of both finished products and raw materials for production.

Industrial fats exports by destinations in 2024



Source: Federal Customs Service of Russia

Industrial fats exports from Russia, ths tonnes



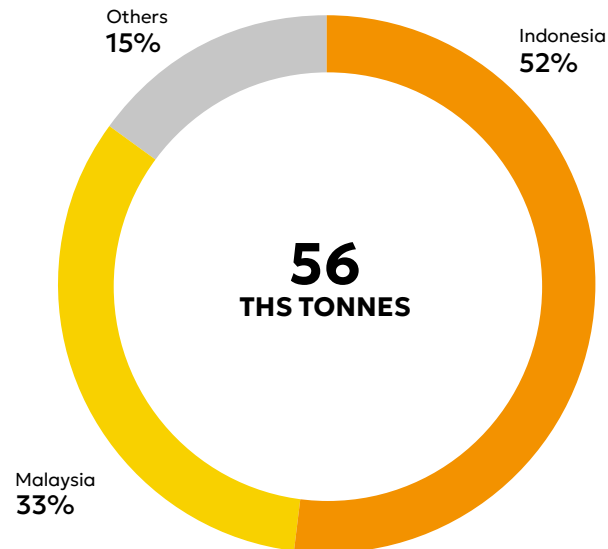
Sources: Russian Oil and Fats Union, Federal Customs Service of Russia, Rusagro estimates

Industrial fats

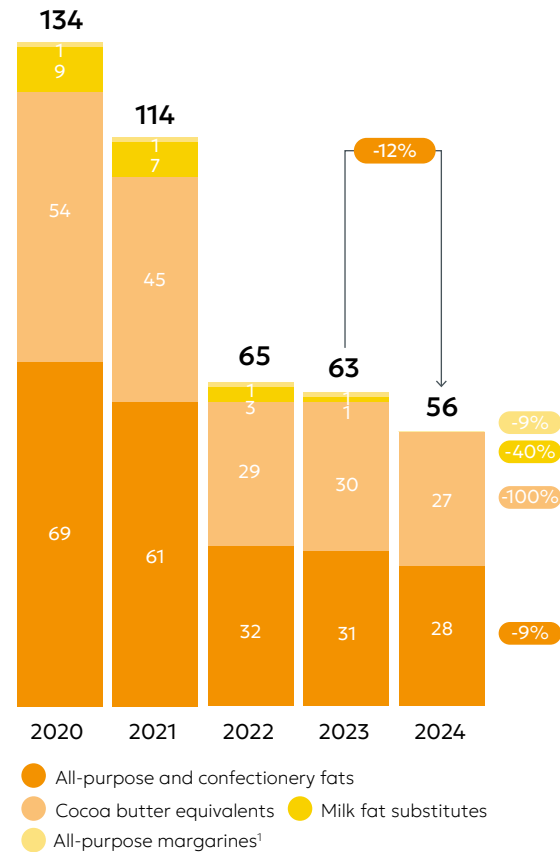
Imports

Imports of industrial fats in Russia in 2024 showed a 12% year-on-year decline to 56 thousand tonnes, including 28 thousand tonnes (-6% year-on-year) of all-purpose fats and 27 thousand tonnes (-9%) of cocoa butter equivalents. About half of the volume (52%) was imported from Indonesia and another third (33%) from Malaysia. Imports of industrial fats are declining due to rising domestic production.

Industrial fat exports into Russia by destination in 2024



Industrial fat imports into Russia by product, ths tonnes



Source: Federal Customs Service of Russia

¹ Including margarines for puff pastry and specialist margarines.

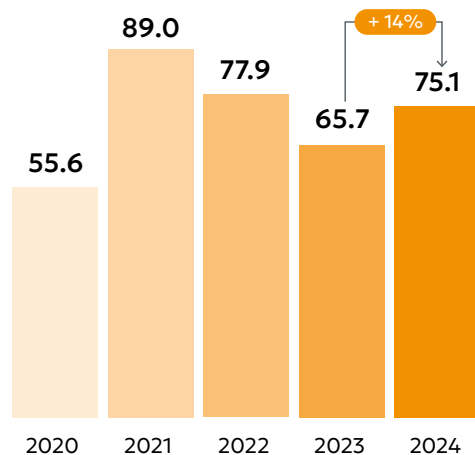


Prices

Crude sunflower oil

In 2024, the expansion of the export options and changes in the exchange rate had an impact on domestic prices. The average price for crude sunflower oil in Russia increased by 14% year-on-year to 75.1 thousand RUB/tonne.

Average market prices for crude sunflower oil in Russia, ths RUB/tonne, excl. VAT

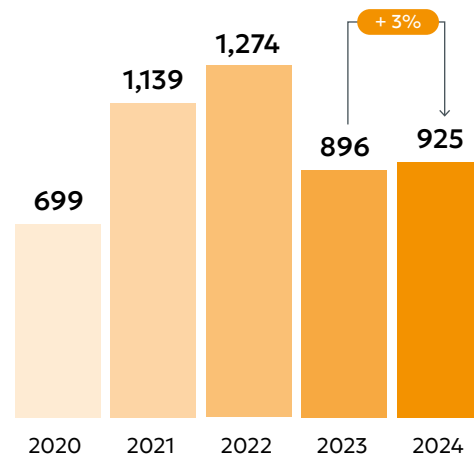


Source: IKAR

Palm oil

In comparison to the prior period, the average global palm oil price for 2024 increased by 3% to 925 USD/tonne. The shift in the global balance in the second half of 2024 is what drives price dynamics: a decrease in the output of other oils as a result of the unfavourable weather caused demand to rise, which in turn raised the price of palm oil.

Average global palm oil market prices, USD/tonne



Source: APK-Inform



Consumer products

Consumer oil and fats products

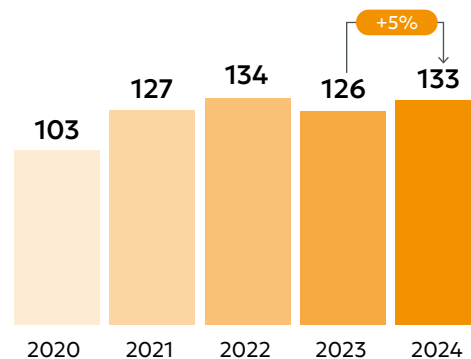
In 2024, the average annual prices for consumer oil and fats products were trending upwards. The price of bottled sunflower oil rose by 5% year-on-year to 133 RUB/kg, while the price of mayonnaise went up by 4% year-on-year to 233 RUB/kg on the back of cost inflation.

Consumer margarines and spreads saw price increases of 223 RUB/kg (+5% year-on-year) and 320 RUB/kg (+7% year-on-year), respectively, as a result of rising prime costs, particularly the price of palm oil. Spreads' increased reliance on dairy costs and positioning as a butter substitute in 2024 caused their price to rise more quickly.

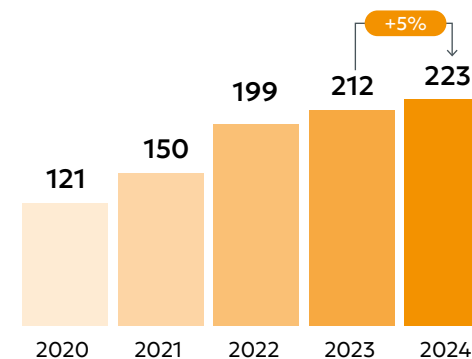


Average prices for consumer fats and oil products in Russia, RUB/kg, excl. VAT

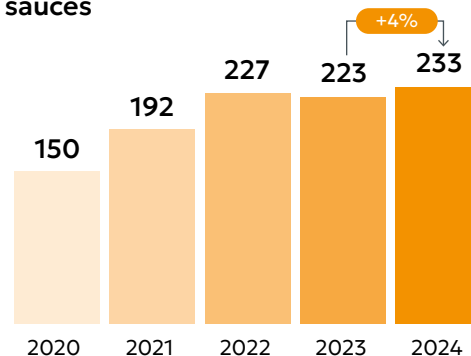
Bottled vegetable oil



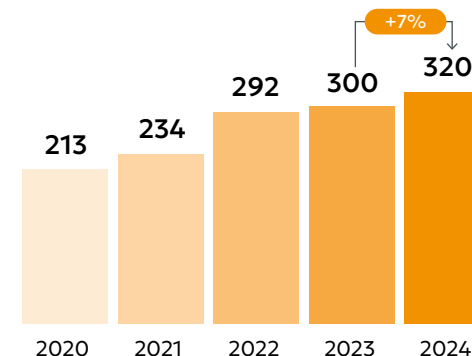
Consumer margarine



Mayonnaise and mayonnaise-based sauces



Spreads

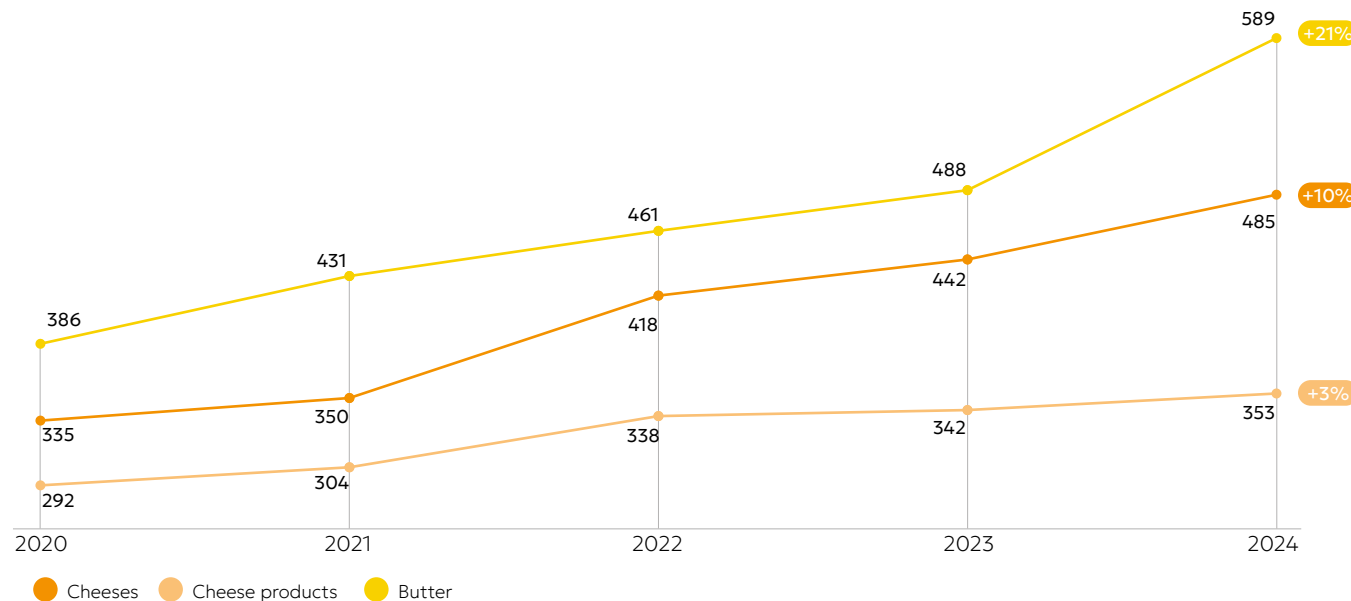


Consumer dairy products

Average annual prices for cheese and cheese products reached 485 RUB/kg (+10% year-on-year) and 353 RUB/kg (+3% year-on-year), respectively. Butter price was 589 RUB/kg (+21% year-on-year).

In the reporting period, the price of whole milk powder (WMP) grew by 5% year-on-year to 368 RUB/kg, while the price of skimmed milk powder (SMP) decreased by 10% year-on-year to 214 RUB/kg.

Average prices for consumer dairy products in Russia, RUB/kg, excl. VAT

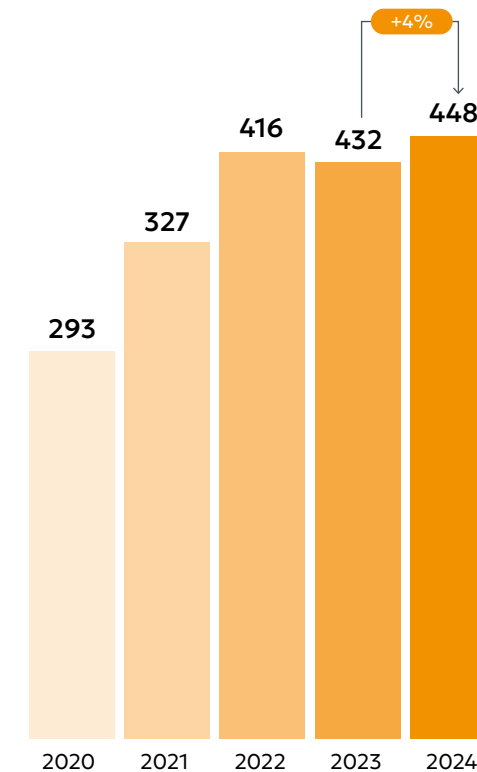


Sources: Rosstat, AC Nielsen

Bar soap

In 2024, the average annual price for bar toilet soap continued to grow and totalled 448 RUB/kg (+4% year-on-year). Higher expenses for logistics and raw materials were the main causes of the increase.

Average prices for bar soap in Russia, RUB/kg, excl. VAT



Source: AC Nielsen

Performance of Rusagro's Combined Oil and Fats Business in 2024



2,447 +53% YoY
THS TONNES

Rusagro Group's production of industrial oil and fats products in 2024



2,062 +46% YoY
THS TONNES

sales of Rusagro Group's industrial oil and fats and dairy products in 2024



26 +39% YoY
RUB BN

adjusted EBITDA of the Combined Oil and Fats Business in 2024



502 +25% YoY
THS TONNES

Rusagro Group's production of consumer oil and fats products in 2024



504 +22% YoY
THS TONNES

sales of Rusagro Group's consumer oil and fats and dairy products in 2024



13 -1 p. p. YoY
%

adjusted EBITDA margin of the Combined Oil and Fats Business in 2024



193 +43% YoY
RUB BN

revenue of the Combined Oil and Fats Business in 2024



7.3 2x YoY
RUB BN

investments of Rusagro Group's Combined Oil and Fats Business in 2024

Business review

Saratov Region



- Atkarsky Oil Extraction Plant
- Balakovsky Oil Extraction Plant
- Saratovsky Oil and Fats Plant



- Kalininsk
- Pugachev
- Samoilovka
- Stepnoye
- Rtischevo
- Petrovsk
- Saltykovka
- Komsomolsky
- Arkadak
- Khvalynsk
- Balashov
- Yekaterinovka

Samara Region



- Bezenchuksky Oil Extraction Plant
- Koshkinsky Butter and Cheese Plant



- Alekseevka
- Pokhvistnevo
- Bolshaya Glushitsa
- Borsky
- Pestravka

Sverdlovsk Region



- Yekaterinburgsky Oil and Fats Plant



- Ermolaevo

Nizhny Novgorod Region



- Nizhny Novgorod Oil and Fats Plant



- Primorskaya Soya Oil Extraction Plant and Oil and Fats Plant

Volgograd Region



- Uryupinsk Oil Extraction Plant



- Sorochinsk Oil Extraction Plant
- Buguruslan
- Totskoye
- Sorochinsk

Republic of Bashkortostan



- Ermolaevo

Primorsky Territory



- Primorskaya Soya Oil Extraction Plant and Oil and Fats Plant

Orenburg Region



- Sorochinsk Oil Extraction Plant
- Buguruslan
- Totskoye
- Sorochinsk

Oil extraction

Rusagro's total sunflower processing capacity in 2024 was 7,500 tonnes of oilseeds per day, up 63% over the last five years. This performance was attained through the upgrade of the Balakovsky Oil Extraction Plant. The plant's capacity increased by 33% to 2,400 tonnes of raw materials per day once the project was finished in November 2023. The NMGK Group's consolidation in mid-2023 resulted in a further boost in sunflower processing capacity, adding 2,300 tonnes of oilseeds per day.

In annual terms, the maximum capacity of sunflower seed processing was 2.5 million tonnes per year, which, depending on the level of oil content of raw materials, makes it possible to produce up to 1.1 million tonnes of crude vegetable oil and 1.1 million tonnes of meal over the same period.

In addition, Rusagro owns a soybean processing plant in the Far East with a maximum capacity of 179 thousand tonnes of soybeans per year, which produces up to 18 thousand tonnes of soybean oil and 75 thousand tonnes of soybean meal per year. Rusagro has a total of six plants processing oilseeds into oil and meal.



2.5

MN TONNES

Total sunflower processing capacity

Storage and recycling

Rusagro's Combined Oil and Fats Business owns 13 elevators with a storage capacity of 662 thousand tonnes of sunflower. The Company also leases ten third-party elevators with a storage capacity of 231 thousand tonnes of sunflower. The elevators can also be used to store grain crops.



893

THS TONNES OF GRAIN

Total storage capacity under the Group's management

Production of oil and fats products

Due to the implementation of efficiency enhancement projects, particularly one to shorten the equipment warm-up time in Saratov, Rusagro's total industrial fats production capacity was roughly 495 thousand tonnes per year in 2024, up 7 thousand tonnes year-on-year.

The production capacity of consumer products at the end of 2024 was 832 thousand tonnes per year, including 215 thousand tonnes of bottled oil, 482 thousand tonnes of mayonnaise and mayonnaise-based sauces, 103 thousand tonnes of consumer margarine and spreads, as well as 33 thousand tonnes of toilet and laundry soap.

4

PLANTS

for the production of industrial fats and consumer oil and fats products

2

DAIRY PRODUCTION PLANTS

Production of dairy products

Rusagro's estimated milk processing capacity at its butter and cheese plant is 270 tonnes of milk per day. In terms of industrial dry mixes, the total annual production capacity is 17 thousand tonnes. Milk is purchased from private farms in Ulyanovsk and Samara regions and in Tatarstan. The product line includes cheese and cheese products, butter and spreads, cream and powdered products. The plant specialises in the production of cheese and cheese products made with rennet. Butter and cream are by-products of this process, as are powdered mixes made from cheese whey.

Brands

The product portfolio of Rusagro's Combined Oil and Fats Business has four segments: sauces, liquid oils, solid fats, soaps, and dairy products. The key sauce brands are Ya Lublu Gotovit, Mechta Khozyaiki, Provansal EZhK, Ryaba, Astoria, and Sdobri, while the key margarine brands are Schedroe Leto, Chudesnitsa, and Khozyayushka. Ya Lublu Gotovit is an umbrella brand that incorporates three local brands of mayonnaise (Moskovsky Provansal, Saratovsky Provansal, and Novosibirsky Provansal). Under the Astoria brand, the Company markets sauces, ketchup, and pasta, as well as a baby soap, Moi Malyshe.

Other brands are: Rossiyanka, BENEFITTO, Maslava, and Leto Krasno (oils); Saratovsky and Slivochnik (margarines); Zhar Pechka, Buterbrodnoye Utro, Kremlyovskoye and Alpiisky Lug (spreads); Olivyez and Nezhny (mayonnaise); Milye and Syrnaya Kultura (milk products); Khozyayushka Toplyonaya (cream-vegetable melted mixture); Delicato (coconut oil). Product innovations: Hungry Panda plant-based drinks. Soap: Retsepty Chistoty, Monpari, Dushistoye Oblako, and Originalnoye.

The Leto Krasno special brand has been created exclusively for the Chinese market.



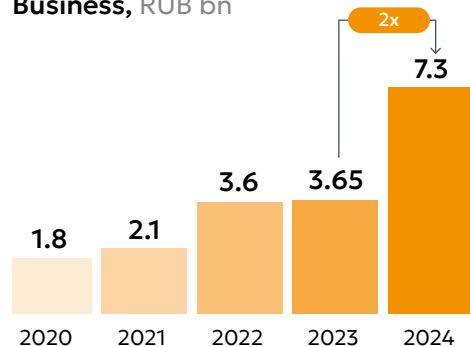
Investments

In 2024, Rusagro invested a record RUB 7.3 billion in the development and maintenance of the Combined Oils and Fats Business, which is more than double the amount invested last year. Most of the funds were used to expand and upgrade the Atkarsky Oil Extraction Plant, which will increase the plant's daily processing capacity by 56% to 2,400 tonnes of raw materials, as well as to automate the processes of group packing of products.

7.3 ^{2x} RUB BN

Rusagro Group's investments in the Combined Oil and Fats Business in 2024

Rusagro Group's investments in the Combined Oil and Fats Business, RUB bn



Major investment projects

Expansion of Atkarsky Oil Extraction Plant

Goal

To increase processing capacity to 2,400 tonnes/day

Implementation period and location

December 2024
Atkarsk

3.90

RUB BN

Costs in 2024 (excl. VAT)

Development

Renewal of the grain truck fleet

Goal

To reduce the cost of sunflower seed transportation

Implementation period and location

December 2024
Key sites

0.66

RUB BN

Costs in 2024 (excl. VAT)

Development

Relocation of production facilities of the oil and fats plant

Goal

The final stage of the project was completed, to robotise group packaging

Implementation period and location

December 2024
Atkarsk

0.13

RUB BN

Costs in 2024 (excl. VAT)

Development

Technology and innovation

In 2022, Rusagro's Oil and Fats Business approved an updated digital transformation strategy for 2023–2029. The fundamental basis of the updated strategy is that IT solutions should contribute to the Company's sustainability and improve its profit margins. The IT team's work is aimed at optimising costs and improving productivity through the use of advanced automation systems and digital solutions.

The focus in 2024 has been:



On creating a centralised, stable IT systems architecture that can be aggressively scaled up



On digitalising end-to-end business processes, from the purchase of raw materials (sunflower) to sales of the finished oil and fat products, including all cycles, both core production (processing, production) and ancillary processes (logistics, storage, pricing, customer service, repairs)

Business chain stage

Strategic planning

1

Technology and solutions

The Strategic Algorithm, a virtual model of Russia's fats industry that contains: oilseed-cultivating districts and municipalities, transportation routes, oilseed crop storage and processing facilities, production centres, distribution routes, and consumption volumes of products made from fats (oil, mayonnaise, sauces, dairy)

Objectives

- To increase efficiency of management processes in terms of production and sales, logistics, and purchasing by modelling the behaviour of all market participants and optimising our own activity

Implementation period

2022–2025

Production of oil and fats products

2

Technology and solutions

System for optimising the planning of production and delivery of oil and fats products

Objectives

- To increase product output
- To lower production/ logistics costs

Implementation period

2023–2025

Product storage and logistics

3

Technology and solutions

Single set of systems: warehouse management system (WMS), yard management system (YMS), and transport management system (TMS)

Objectives

- To deliver faster and more reliable warehouse operations
- To cut transport costs

Implementation period

2020–2025

Pricing

4

Technology and solutions

Digital product that uses Big Data to predict and manage pricing and promotional activity

Objective

- To increase sales revenues and volumes, as well as product margins

Implementation period

2022–2025

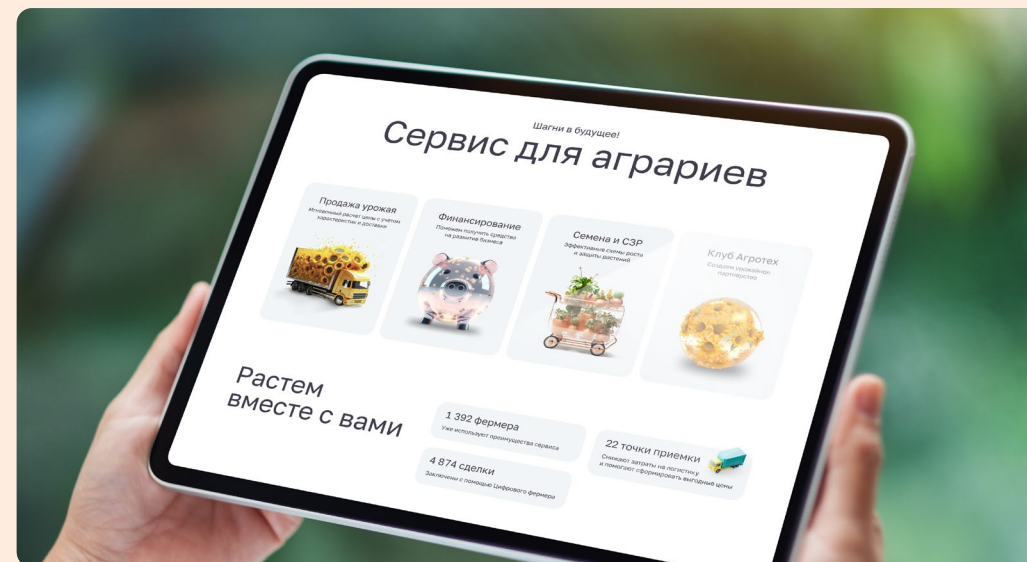
Partnership projects of Rusagro's Oil and Fats Business

Digital Farmer



In 2021, Rusagro Group successfully launched its flagship project – the Digital Farmer app. This is a single architectural solution that brings different IT solutions together into one app to automate our work with farmers. By the end of 2023, over three thousand agricultural producers in every region where the Oil and Fats Business operates were using the app. 90% of all purchases are now made via Digital Farmer.

Users believe this additional way of communicating saves them time and makes selling their agricultural products simpler. With this digital service, suppliers can order transport, carry out sales and purchases with a digital signature, exchange information on supplies and professional recommendations, and receive real-time analytics. One of the vital services provided is Agricultural Support, which gives farmers access to professional support in the run-up to sowing, thereby increasing their sunflower yield.



Operating results

Production

Industrial oil and fats products

In 2024, sunflower processing volume grew by 54% year-on-year (+848 thousand tonnes year-on-year) to a record 2,411 thousand tonnes. The growth was mainly attributable to the consolidation of NMKG Group, as well as the full-year effect following the completion of the upgrade of the Balakovskiy Oil Extraction Plant.

As a result, 2024 also saw record performance in two major industrial product categories: crude oil and meal. Rusagro's crude vegetable oil production surged by 55% year-on-year (+397 thousand tonnes) to 1,114 thousand tonnes, while meal production climbed by 51% (+332 thousand tonnes) to 983 thousand tonnes.

In the reporting period, 68 thousand tonnes (–5% year-on-year) of soybeans were processed, producing 12 thousand tonnes (+1% year-on-year) of soybean oil and 51 thousand tonnes (–3% year-on-year) of soybean meal.

Amid a limited import supply of palm oil, Rusagro's industrial fats output declined by 7% year-on-year (–27 thousand tonnes year-on-year) to 350 thousand tonnes.

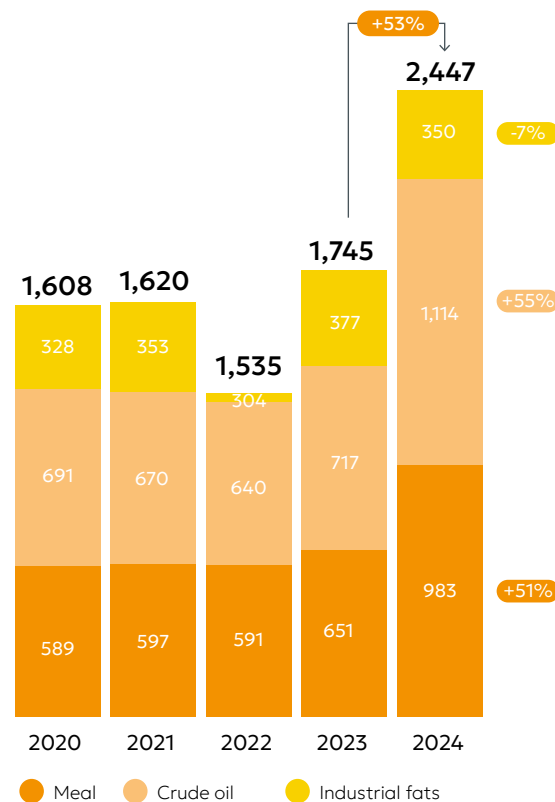
2,447

+53% YoY

THS TONNES

Rusagro Group's production of industrial oil and fats products in 2024

Production of industrial products of Rusagro Group's Oil and Fats Business, ths tonnes



Consumer oil and fats products

At year-end 2024, Rusagro's output of oil and fat consumer products increased by 25% and amounted to 502 thousand tonnes (+101 thousand tonnes), compared to 2023. Production of bottled oil remained virtually unchanged at 98 thousand tonnes (-1% year-on-year). At the same time, output of mayonnaise and mayonnaise-based sauces grew by 37% year-on-year (+89 thousand tonnes year-on-year) to 332 thousand tonnes on the back of a full-year effect following the consolidation of NMGK Group. Production of consumer margarines and spreads grew by 14% year-on-year (+6 thousand tonnes year-on-year) and amounted to 50 thousand tonnes.

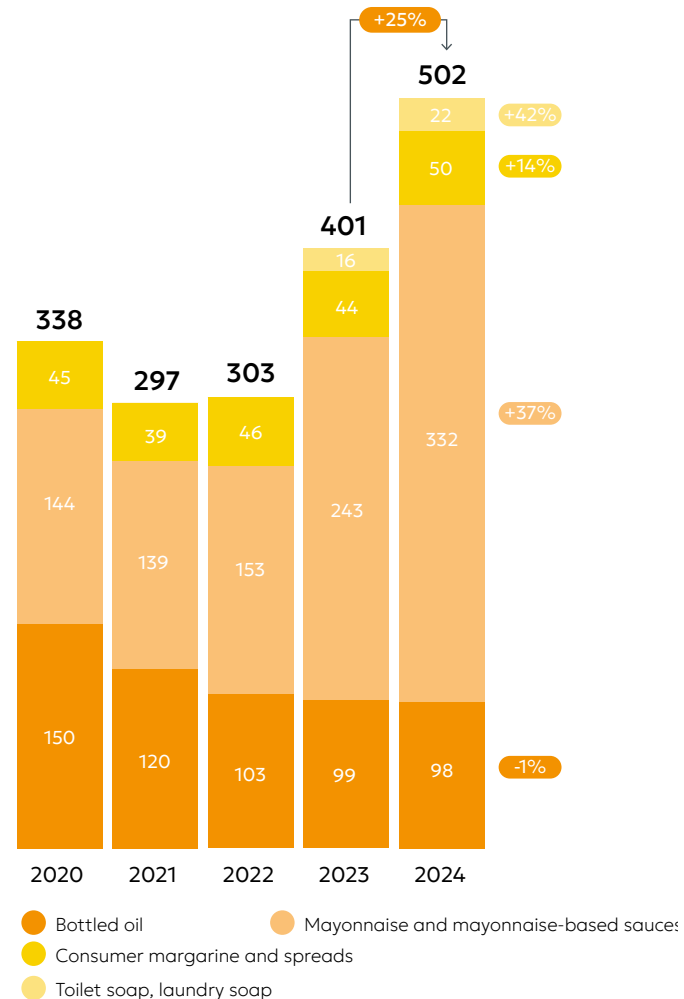
In 2024, Rusagro also increased bar soap production by 42% year-on-year (+7 thousand tonnes year-on-year), with output totalling 22 thousand tonnes.

502

+25% YoY
THS TONNES

Rusagro Group's production of consumer oil and fats products in 2024

Production of consumer oil and fats products of Rusagro Group, ths tonnes



Sales

Industrial oil and fats and dairy products

In 2024, Rusagro's sales of industrial oil and fats and dairy products surged 46% year-on-year (+649 thousand tonnes year-on-year) to a record 2,062 thousand tonnes. Following higher production volumes and increased export demand, sales of crude vegetable oil jumped by 90% year-on-year (+360 thousand tonnes year-on-year) to 762 thousand tonnes. Sales of meal also posted a significant growth of 47% year-on-year (+306 thousand tonnes year-on-year), reaching 954 thousand tonnes. Sales of industrial fats declined by 5% year-on-year (-18 thousand tonnes) to 330 thousand tonnes, in line with the terms of logistical restrictions on palm oil imports.

In the industrial dairy market, Rusagro's sales of whey powder mixtures increased by 12% year-on-year to 15 thousand tonnes.

2,062 THS TONNES

+46% YoY

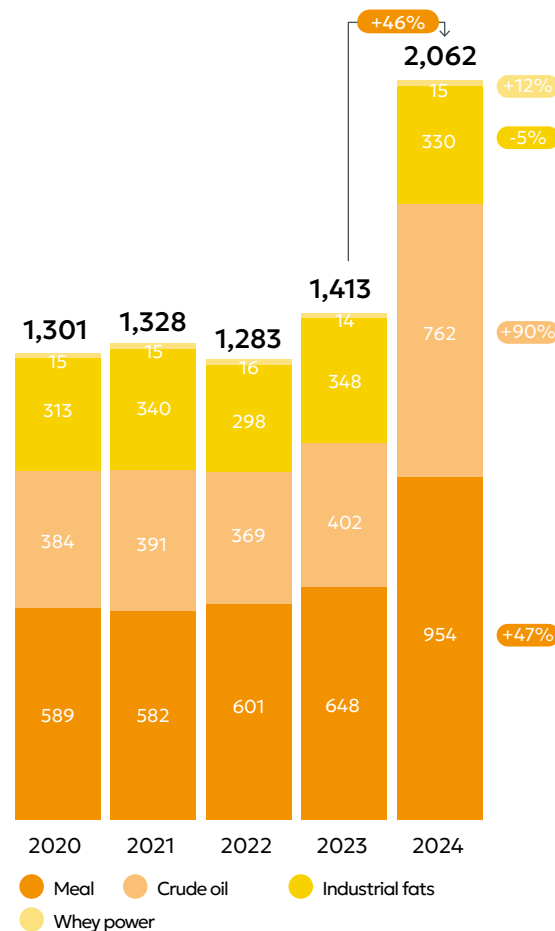
sales of Rusagro Group's industrial oil and fats and dairy products in 2024

762 THS TONNES

+90% YoY

Rusagro Group's crude vegetable oil sales in 2024

Sales of industrial oil and fats and dairy products of Rusagro Group, ths tonnes



Consumer oil and fats and dairy products

In 2024, sales volumes of consumer oil and dairy products grew by 22% year-on-year (+89 thousand tonnes year-on-year) to 504 thousand tonnes. The key growth driver was sales of mayonnaise and mayonnaise-based sauces, up 28% year-on-year to a record 284 thousand tonnes, fuelled by higher production. This performance was also achieved through the growth of our key brands such as Ya lublu gotovit, Ryaba and Astoria as a result of expanding our presence in retail chains.

Sales of consumer margarines and spreads also increased by 22% year-on-year (+9 thousand tonnes year-on-year) to 52 thousand tonnes, spurred by improved sales performance on the export route.

Due to the expansion of distribution of the EZhK and Astoria brands, Rusagro's ketchup sales also increased in the reporting period, up 67% year-on-year (+6,000 tonnes year-on-year) and amounted to 16 thousand tonnes. The Ready-to-Eat Sauces category showed the highest growth, with sales of these products up 120% year-on-year (+15 thousand tonnes year-on-year) to 28 thousand tonnes.

Sales of consumer dairy products totalled 17 thousand tonnes (+1% year-on-year). Reflecting the production movements, sales volume in the bottled oil category decreased by 3% year-on-year (-4 thousand tonnes year-on-year) to 108 thousand tonnes.

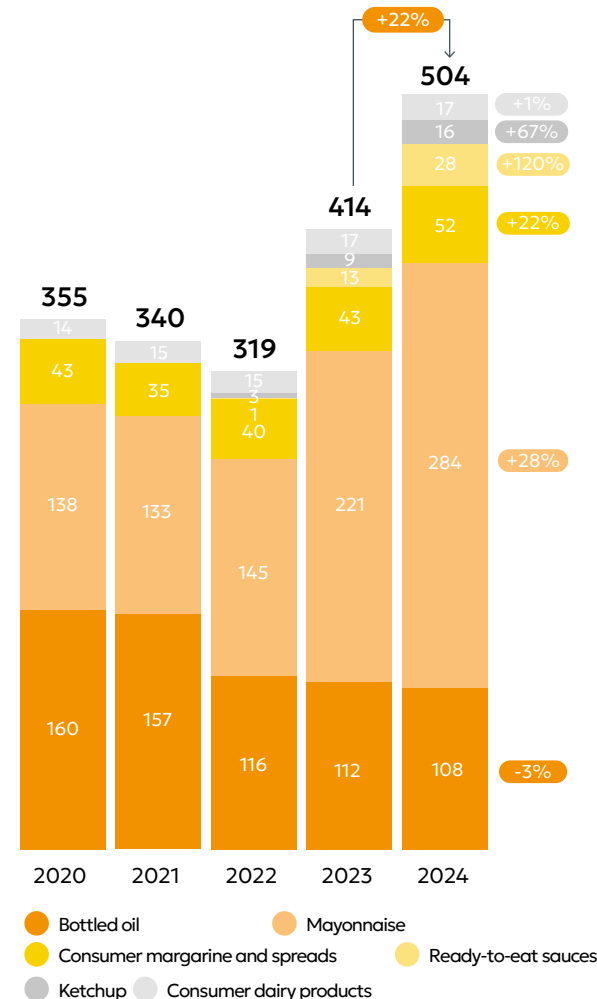
504

+22% YoY

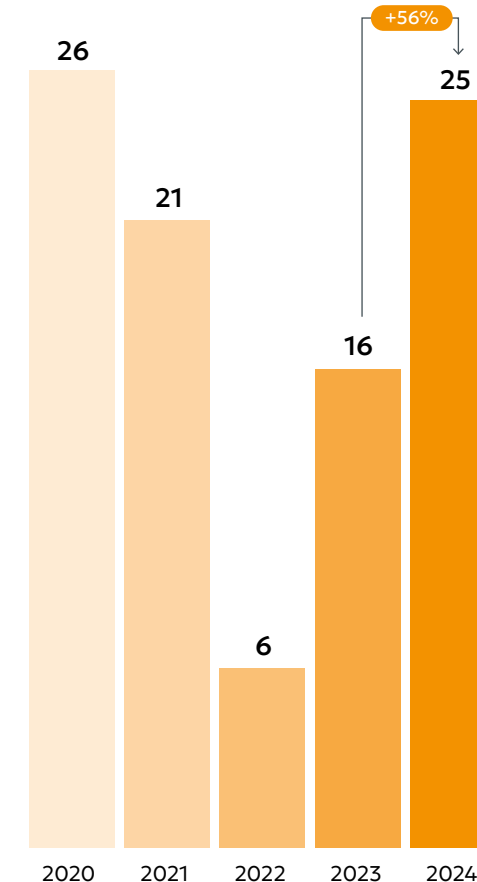
THS TONNES

sales of Rusagro Group's consumer oil and fats and dairy products in 2024

Sales of consumer oil and fats and dairy products of Rusagro, ths tonnes



Sales of bar soap and oleochemical products, ths tonnes

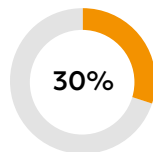


Product portfolio

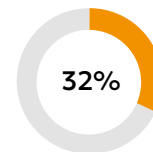
In 2024, 16% (-1 p.p.) of oil and fats products sales and 30% (-2 p.p.) of Rusagro's Oil and Fats Business revenue came from the consumer segment. Rusagro's oil and fats products have long held top spots in both domestic markets and the Russian market as a whole in a number of categories.

Rusagro's market share in product segments in the Russian market in 2024¹

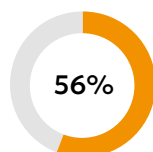
30% -0.1 p. p.
Mayonnaise



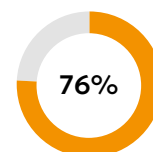
32% -1.8 p. p.
Mayonnaise-based sauce



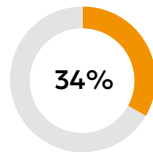
56% -7.7 p. p.
Margarine



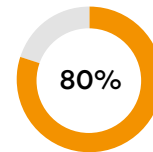
76% -2.5 p. p.
Cream-vegetable melted mixture



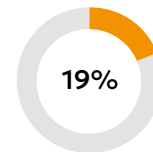
34% +11 p. p.
Spread



80% +3.0 p. p.
Coconut oil



19% +1.2 p. p.
Bar toilet soap



Spreads and margarines



A programme to promote spreads as a healthier option compared to its substitutes (especially butter) was developed and partially implemented during the reporting year.

Dairy and oil and fats products



All vegetable and healthy lifestyle products in Rusagro's portfolio were united under one Hungry Panda brand.

Soap



As part of its integration with NMGK Group, Rusagro overhauled its product portfolio and optimised production in 2024 by combining various product lines under a single brand and then reallocating production lines.

Other products



Decisions taken include the withdrawal of pasta from the range due to reduced production efficiency.

¹ Accounting for the full year 2023 for NMGK.

New products in the consumer segment

Mayonnaises



In the mayonnaise and mayonnaise-based sauces market, Rusagro updated its line of mayonnaise for two brands at once.

Mayonnaise Provansal with lemon juice



Mayonnaise with quail eggs



Mayonnaise Provansal



Mayonnaise Provansal with sour cream



Mayonnaise Provansal with mustard



Mayonnaise benefit of oils



Classic Mayonnaise Provansal



Mayonnaise Provansal with lemon juice



Margarines

In the margarine products market, Rusagro launched a new cream-vegetable melted mixture of the Khozyayushka brand in the form of two product items.

Soap

In the soap market, Rusagro entered the cream soap market for the first time with the launch of a line of four product items of non-liquid cream soap under the Monpari brand: classic, with collagen, with hyaluron, and with propolis. At the end of 2024, a range of non-liquid cream soaps under the 'Retsepty Chistoty' brand was also launched in three product items: 'Mango and Melissa Extract', 'Chocolate and Peony Extract', 'Grapefruit and Pomegranate Extract'. Non-liquid cream soap has a number of advantages over its liquid alternative, as well as over regular soap, that make it a popular choice for skincare and provide a more comfortable experience.

Export of industrial oil and fats products

In 2024, exports of industrial oil and fat products surged 88% year-on-year to 1.1 million tonnes, mainly due to production growth and steady export demand, with exports accounting for 52% of total B2B product sales. The crude oil and meal segment was the main contributor to the increase in overseas shipments, up 125% year-on-year (+413 thousand tonnes year-on-year) and 54% year-on-year (+117 thousand tonnes year-on-year) respectively. Growth was driven by production expansion due to the consolidation of NMGK Group and increased capacity at the updated Balakovsky Oil Extraction Plant.

The share of European countries in meal exports has continued to decline in light of trade restrictions, with this being a key destination, 46% of total meal exports in 2024. On the back of the Turkish market's declining production, shipments of meal to this country grew, increasing from 2% in 2023 to 24% in 2024. Driven by growing demand for raw materials for feed production, shipments of meal to China also saw an increase, reaching a share of 29%.

1.1 **+88% YoY**
MN TONNES

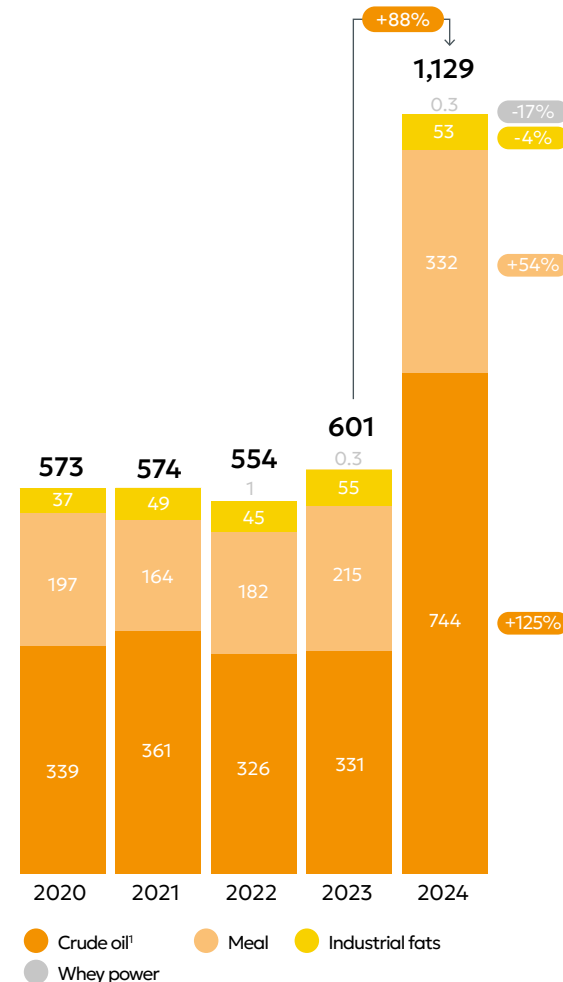
exports of Rusagro Group's industrial oil and fats products in 2024

744 **2.25x YoY**
THS TONNES

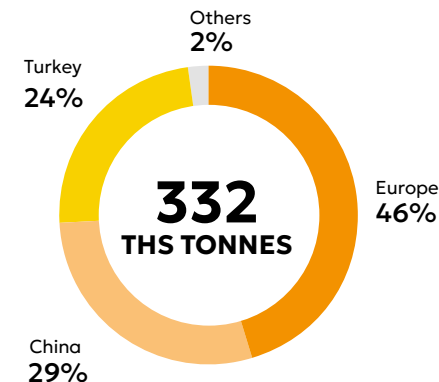
Rusagro Group's crude oil exports in 2024

¹ No bottled oil included.

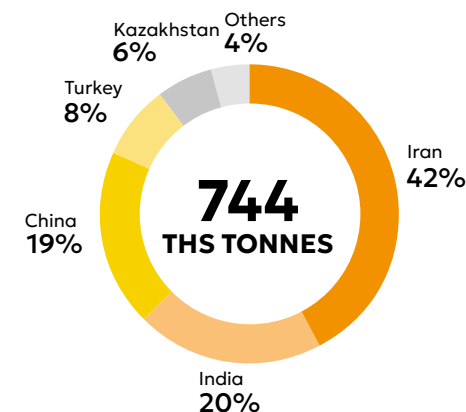
Rusagro Group's exports of industrial oil and fat products, ths tonnes



Rusagro Group's exports of meal by destination in 2024



Rusagro Group's exports of crude oil by destination in 2024



Exports of consumer oil and fats products

Exports of consumer products increased by 6% year-on-year to 124 thousand tonnes, mainly from higher supplies of HoReCa products in the context of the growing catering market in the CIS countries. The share of exports in total sales of consumer oil and fats products reached 25%.

In 2024, Rusagro's exports of consumer margarines and spreads grew by 7% (+2,000 tonnes) to 30 thousand tonnes thanks to improved sales efficiency and optimisation of the sales portfolio following integration with NMGK Group.

Mayonnaises and mayonnaise-based sauces category also showed export growth of 12% year-on-year (+3,000 tonnes) to 29 thousand tonnes. This became possible due to the strengthening of the product portfolio by NMGK brands, as well as the expansion of the Company's presence in the markets of neighbouring countries.

Due to production reductions and sales portfolio optimisation, Rusagro's bottled oil exports fell 12% year-on-year (–6,000 tonnes year-on-year) to 42 thousand tonnes during the reporting period.

With Central Asian countries continuing to hold leading positions, there were no significant changes in the exports of B2C products.

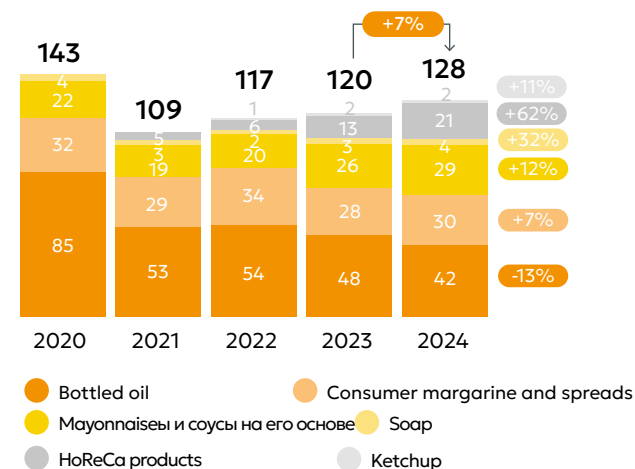
124 **THS TONNES** **+6% YoY**

exports of Rusagro Group's consumer oil and fats products in 2024

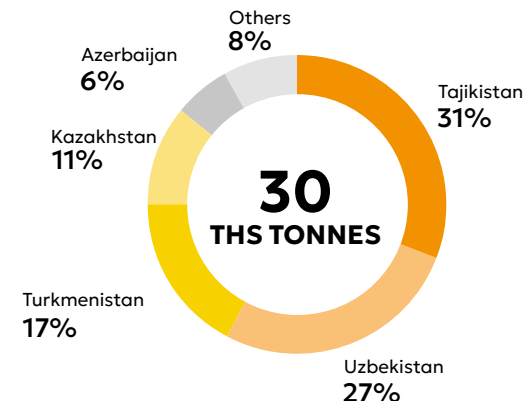
29 **THS TONNES** **+12% YoY**

Rusagro Group's exports of mayonnaise and mayonnaise-based sauces in 2024

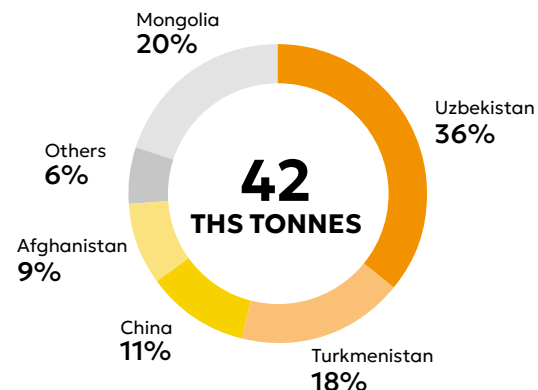
Rusagro Group's exports of consumer oil and fats products, ths tonnes



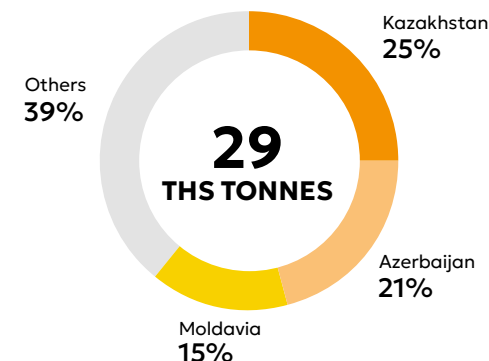
Rusagro Group's exports of consumer margarine and spreads by destination in 2024



Rusagro Group's exports of bottled oil by destination in 2024



Rusagro Group's exports of mayonnaise and mayonnaise-based sauces by destination in 2024



Financial results¹

193.3 **RUB BN** +43% YoY

revenue of Rusagro Group's Combined Oil and Fats Business in 2024

25.5 **RUB BN** +39% YoY

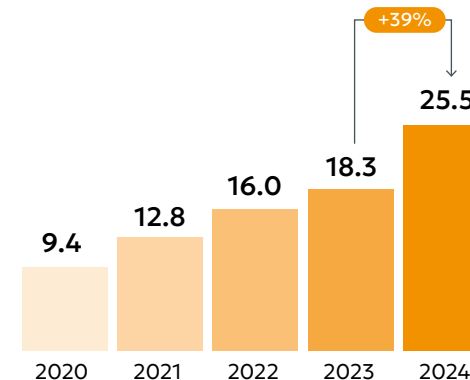
adjusted EBITDA of Rusagro Group's Combined Oil and Fats Business in 2024

13% -1 p. p. YoY

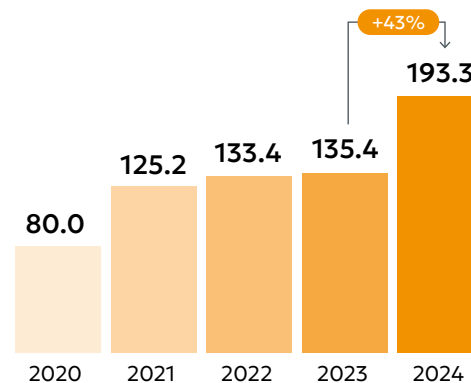
adjusted EBITDA margin of Rusagro Group's Combined Oil and Fats Business in 2024

In 2024, Rusagro's Combined Oil and Fats Business revenue climbed by 43% (+RUB 58 billion) to a record RUB 193 billion. The main causes of this outcome were increased production volumes brought about by the consolidation of the NMKG results and the full-year effect after the Balakovsky Oil Extraction Plant was upgraded. The EBITDA margin of the Combined Business remained virtually unchanged at 13%. Positive sales volumes and prices drove a 39% year-over-year increase in adjusted EBITDA to RUB 26 billion (+RUB 7 billion), which was offset by an increase in cost of sales.

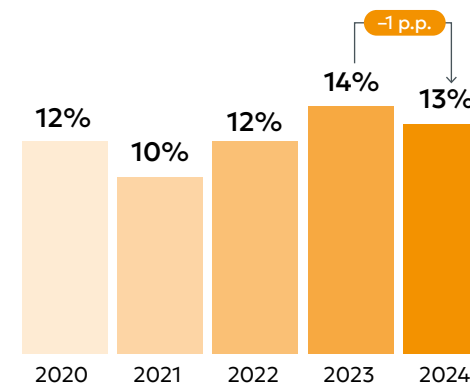
EBITDA of Rusagro Group's Combined Oils and Fats Business, RUB bn



Revenue of Rusagro Group's Combined Oils and Fats Business, RUB bn



EBITDA margin of Rusagro Group's Combined Oil and Fats Business



¹ The performance results for the Oil and Fats Business Segment differ from previous publications as since 2023 the results of the Oil and Fats Business and NMKG Group exclude intra-segment operations.



SUGAR BUSINESS

Nº2

Rusagro Group's position among sugar
producers in Russia



Overview of the Russian sugar market in 2024



43.9 -3%
MN TONNES

volume of processed sugar beet in Russia in 2024

15.4%

Rusagro Group's share in Russian sugar production in 2024

6.7 +0.3%
MN TONNES

sugar production in Russia in 2024

999 +51%
THS TONNES

sugar exports from Russia in 2024

273 +43%
THS TONNES

sugar imports to Russia in 2024

Production

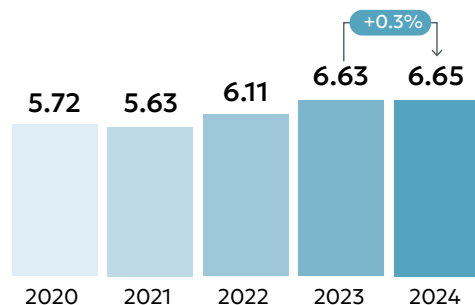
6.7 +0.3%
MN TONNES

sugar production in Russia in 2024

The Union of Sugar Producers of Russia reported that with 6.7 million tonnes produced in 2024, sugar production remained nearly flat with the last year's level (+0.3% year-on-year). Carryover balances as of 31 December 2024 total 4,014 thousand tonnes, up 1% over figures at same date in 2023.

In 2024, the sugar production season started on 1 August and is expected to end in the third decade of March 2024.

**Sugar production in Russia for calendar year¹,
mn tonnes**



Source: Union of Sugar Producers

¹ Sugar output data include sugar produced from molasses and raw sugar.

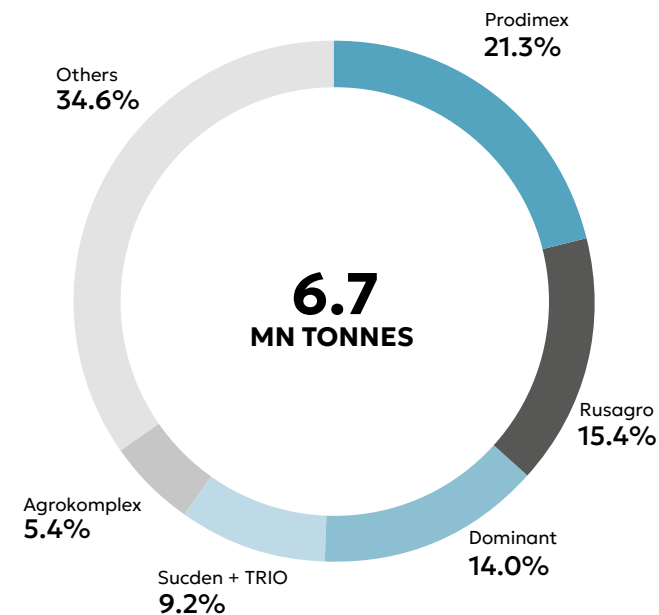
Key market players

N°2

Rusagro's position among sugar producers in Russia in 2024

At the end of 2024, the five largest companies in Russia accounted for 65.4% of total sugar production. The share of Prodimex that holds the leading position on the market climbed to 21.3% (+0.8 p.p. year-on-year) in the reporting period. The second-largest sugar producer is Rusagro with a 15.4% share of the market (+0.6 p.p. year-on-year). With the share of 14.0% (−0.6 p.p.), Dominant retained its third place. The changes in the total sugar production market shares of the companies over the reporting period were due to differences in the volume of the sugar beet harvest in the regions where the companies operate.

Largest sugar producers in Russia in 2024¹



Source: Union of Sugar Producers

Exports and imports

Exports

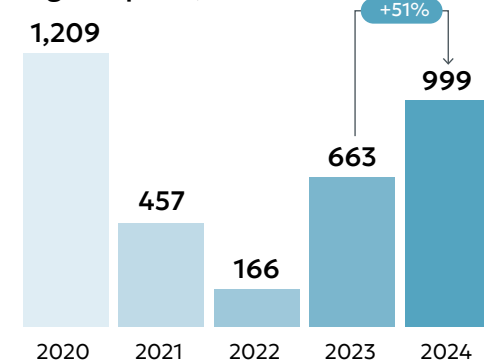
Sugar exports from Russia surged by 51% year-on-year to 999 thousand tonnes. Cross-boarder sales of sugar was boosted by output growth and strong demand in the Central Asian market, particularly in Kazakhstan and Uzbekistan.

Exports to CIS countries totalled 991 thousand tonnes, up 51% (+334 thousand tonnes) year-on-year. Exports to non-CIS countries in 2024 amounted to 7 thousand tonnes, up 22% year-on-year. Kazakhstan has historically been the biggest consumer of Russian sugar; during the reporting period, the country imported 480 thousand tonnes (+65% year-on-year, or +189 thousand tonnes) of this product. The second largest buyer in 2024 was Uzbekistan, which boosted its supplies from Russia by 138% year-on-year (+153 thousand tonnes) to 263 thousand tonnes.

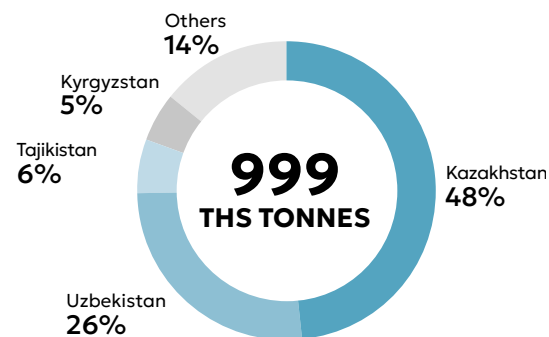
999 **THS TONNES** **+51%**

sugar exports from Russia in 2024

Sugar exports, ths tonnes



Sugar exports by destination in 2024

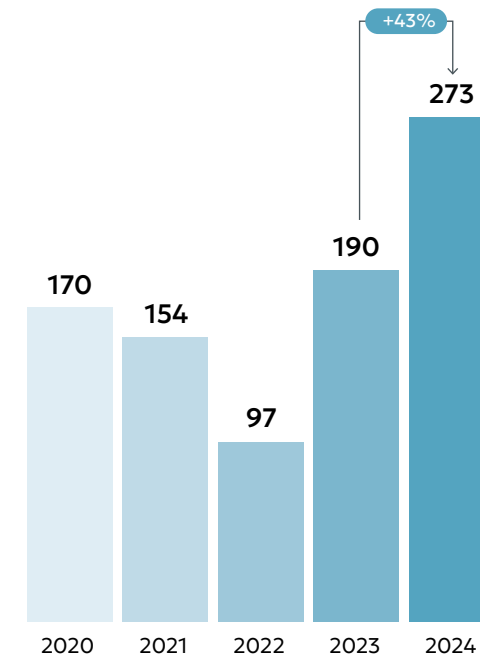


Source: Federal Customs Service of Russia

Imports

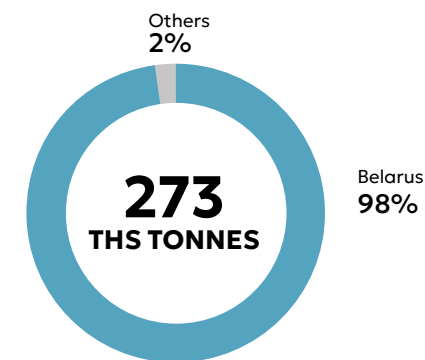
In 2024, Russia's sugar imports went up by 43% year-on-year and totalled 273 thousand tonnes. Nearly all of the sugar that was imported came from the Republic of Belarus.

Sugar imports, ths tonnes



Source: Federal Customs Service of Russia

Sugar imports by destination in 2024



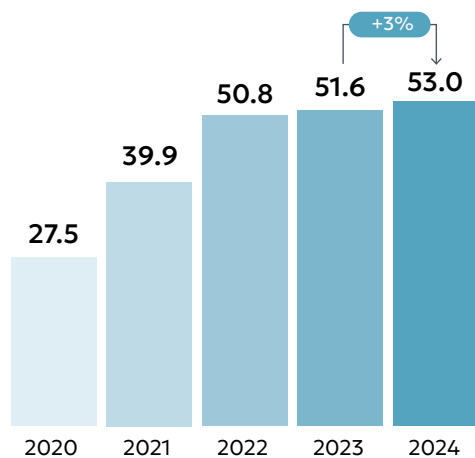
273 **THS TONNES** **+43%**

sugar imports to Russia in 2024

Prices

The average annual price of sugar according to the Krasnodar price index in 2024 was RUB 53.0/kg, excluding VAT, up 3% year-on-year. At the root of the positive price movements were high exports and stable domestic sugar consumption.

Average sugar prices in Russia according to the Krasnodar sugar price index, RUB/kg (excl. VAT)



Source: Institute for Agricultural Market Studies (IKAR)

53.0 +3% RUB/KG

average sugar price in Russia in 2024 excl. VAT



Performance of Rusagro's Sugar Business in 2024



1,049 +13%
THS TONNES
sugar output in 2024



67.9 +5%
RUB bn
revenue of Rusagro's Sugar Business
in 2024



13.6 -29%
RUB bn
adjusted EBITDA of Rusagro Group's Sugar
Business in 2024



1,071 +1%
THS TONNES
sugar sales in 2024



20% -10 p.p.
adjusted EBITDA margin of Rusagro
Group's Sugar Business in 2024

Business overview

Tambov Region



- Znamensky plant
- Nikiforovsky plant
- Zherdevsky plant

Belgorod Region



- Chernyansky plant
- Nika plant
- Valuisky plant

Kursk Region



- Krivetsky plant
- Kshensky plant

Orel Region



- Otradinsky plant

9 RUSAGRO'S SUGAR PLANTS

1 MN TONNES

Rusagro's sugar production capacity, including sugar produced from molasses

Rusagro's Sugar Business is represented by nine sugar plants located in Tambov, Belgorod, Kursk, and Orel Regions in close proximity to the areas where the Company's Agriculture Business cultivates sugar beet. In Tambov Region, the Company operates the Znamensky, Nikiforovsky, and Zherdevsky sugar plants; in Belgorod Region – the Chernyansky, Nika, and Valuisky plants; in Kursk Region – the Krivetsky and Kshensky plants; and in Orel Region – the Otradinsky plant.

At the end of 2024, the maximum sugar beet processing capacity of Rusagro's plants was 53.4 thousand tonnes of sugar beet per day.

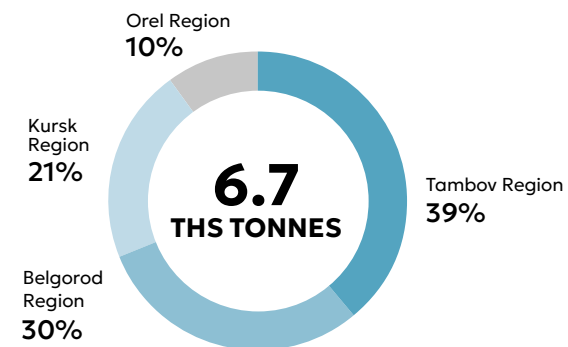
Depending on the amount of sugar content of the sugar beets, the Company can produce roughly 900 thousand tonnes of sugar during the season (August to July), excluding sugar production from molasses.

Pulp and molasses are the main by-products of Rusagro's sugar beet processing. The sugar plants process the pulp into granules and sell it on to third-party companies, while the molasses is used to produce betaine and additional sugar. The Company has two desugarisation facilities – at Znamensky and Chernyansky sugar plants – with a combined processing capacity of 327 thousand tonnes of molasses per season, allowing for extra production of 120 thousand tonnes of sugar and 30 thousand tonnes of betaine per year and thus making Rusagro one of the world leaders in the production of this amino acid.

Other assets

The Company's assets include JSC Gerkules cereal plant, which is a large grain-processing facility with its own packaging line. The plant produces buckwheat and crushed buckwheat for B2B channel and packaged buckwheat and rice – for B2C channel.

Rusagro sugar plant capacity by region in 2024



Brands

The Company's product portfolio includes five sugar brands of different price brackets: Russkii Sakhar, Chaikofsky, Brauni, Mon Café and Khoroshy, as well as the Tyoplye Traditsii brand (producing both cereals and sugar).

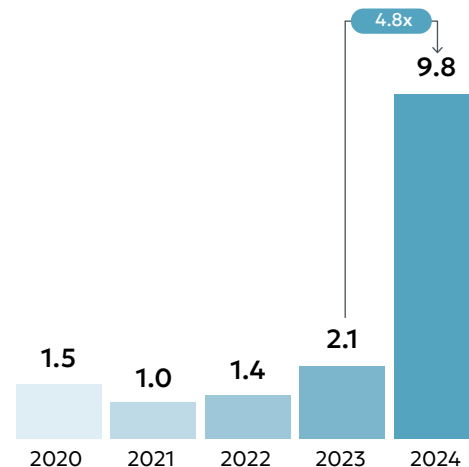


The brand's product line is regularly reviewed to capitalise on new opportunities and satisfy consumer demand in a dynamic market. In 2024, 13 new sales units of biscuits were introduced: five SKUs of sugar biscuits, four SKUs of sandwich biscuits, two SKUs of short-dough biscuits (orange-cinnamon, peanut-cocoa), two SKUs of short-dough biscuits with filling (strawberry, chocolate-nut filling).

Investments

In 2024, Rusagro invested a record RUB 9.5 billion in the development and maintenance of its Sugar Business, almost five times the previous year's level. A key project in the Sugar Business was the installation of long-term beet clamp storage systems, which will extend the sugar beet processing season, boost operational efficiency and bring about other additional benefits for the business.

Rusagro's investments in the Sugar Business, RUB bn



9.8 +4.8x RUB BN

investments of the Sugar Business in 2024



Major investment projects

Introduction of long-term beet clamp storage systems

Goal

To reduce beet storage losses through the use of advanced technologies

To extend the sugar beet processing season by 20 days, which will drive up sugar production and EBITDA of the Sugar Business

Implementation period and location

January 2024 – July 2025

9 production sites

3.5

RUB BN

Costs in 2024 (excl. VAT)

Development

Design and installation of unloading system with beet cleaning

Goal

To increase sugar output in plants due to lower sugar losses and less molasses generated

To reduce equipment wear and tear and improve the overall efficiency of the production process

Implementation period and location

January 2024 – July 2025

8 production sites

0.5

RUB BN

Costs in 2024 (excl. VAT)

Development

Improvement of Sugar Business buildings (1st stage)

Goal

To improve shop-floor working conditions by carrying out interior renovations of administrative offices, forefront and roofing repairs, and repairs of in-plant asphalted roads

Implementation period and location

January 2024 – August 2024

9 production sites

0.5

RUB BN

Costs in 2024 (excl. VAT)

Maintenance

Upgrade of the production infrastructure of sugar plants

Goal

To improve the condition of concrete beet clamp storage fields, water channels, roads and access routes to sugar beet storage stations

To increase efficiency and productivity of sugar beet storage stations during harvesting

Implementation period and location

January 2024 – July 2025

9 production sites

0.5

RUB BN

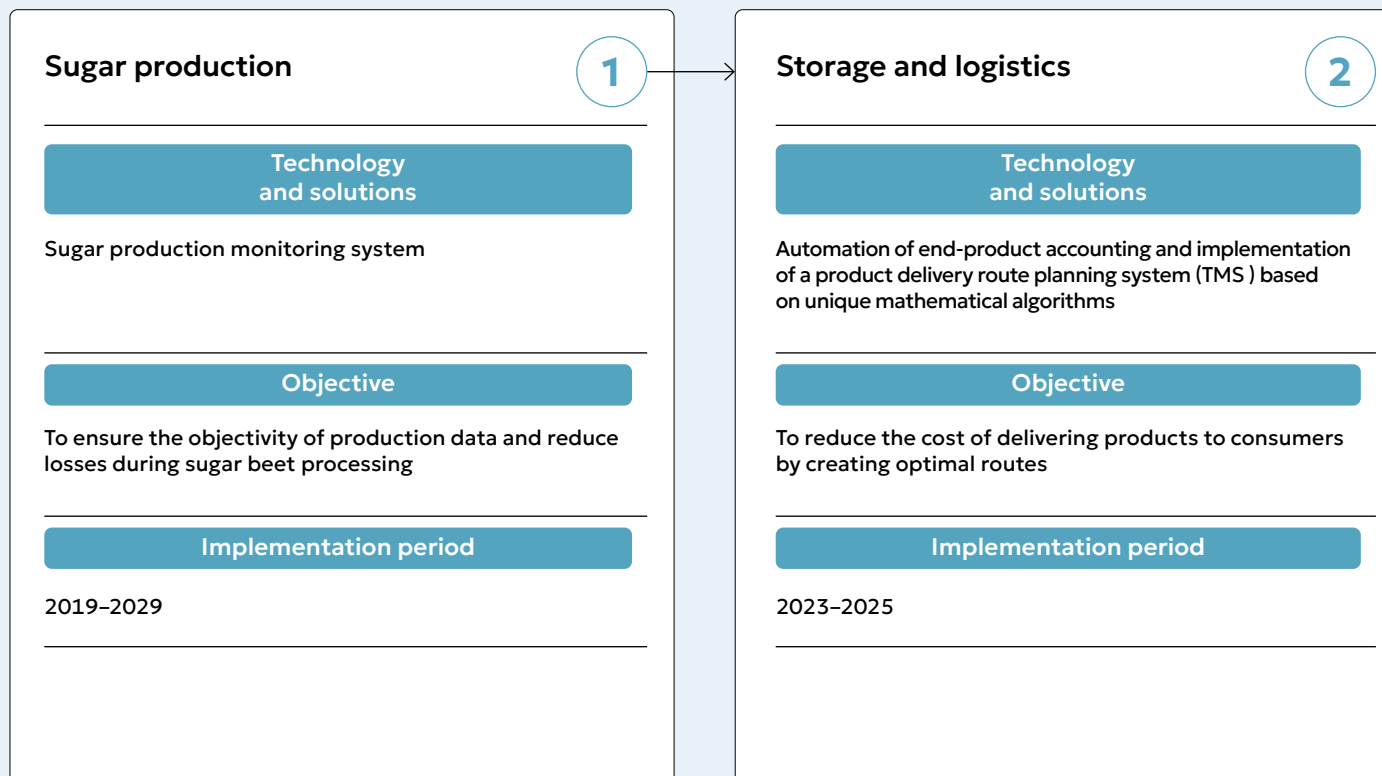
Costs in 2024 (excl. VAT)

Maintenance

Technology and innovation

Rusagro's strategic objective for its Sugar Business is to reduce sugar losses at all stages of beet sugar production. To achieve this, we apply best practices and solutions from the Industry 4.0 stack, ranging from physical devices to bioengineering solutions. At the centre are production of products and their storage and logistics. An innovative project in the area of raw material management was completed in the reporting period.

Projects being implemented as part of the strategy



Implemented projects of Rusagro's Sugar Business

Automated beet purchasing and plant logistics management system

Goal:
 To reduce losses and increase the accuracy of sugar beet carryover stock management

Operating results

Production

In 2024, the volume of sugar beet processed by Rusagro's plants increased by 15% year-on-year to 6.6 million tonnes, with 4.8 million tonnes supplied from the fields of the Company's Agriculture Business. The processing volume of own raw materials grew by 19% year-on-year.

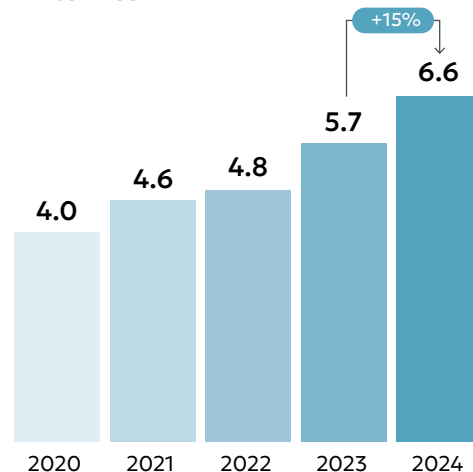
Sugar production improved by 13% year-on-year, reaching 1,049 thousand tonnes of sugar (+121 thousand tonnes). This figure includes 103 thousand tonnes (~13% year-on-year) of sugar that was produced from molasses obtained from the 2023/2024 sugar beet processing season, as well as molasses purchased externally. In addition, 247 thousand tonnes of sugar (+10% year-on-year) were produced from third-party sugar beet purchased from farmers.

The higher output of sugar in January–February 2024 is caused by higher beet harvesting in the 2023 season as compared to the previous year. The sugar production in August–December 2024 rose as a result of an earlier start of processing and higher sugar content of the new season's beet crop. Based on last year's results, the sugar content of sugar beet was 18.1%, up 0.5 p.p. year-on-year.

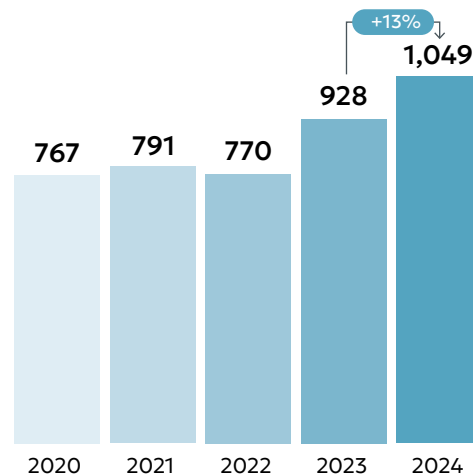
1,049 +13%
THS TONNES

Rusagro Group's sugar production in 2024

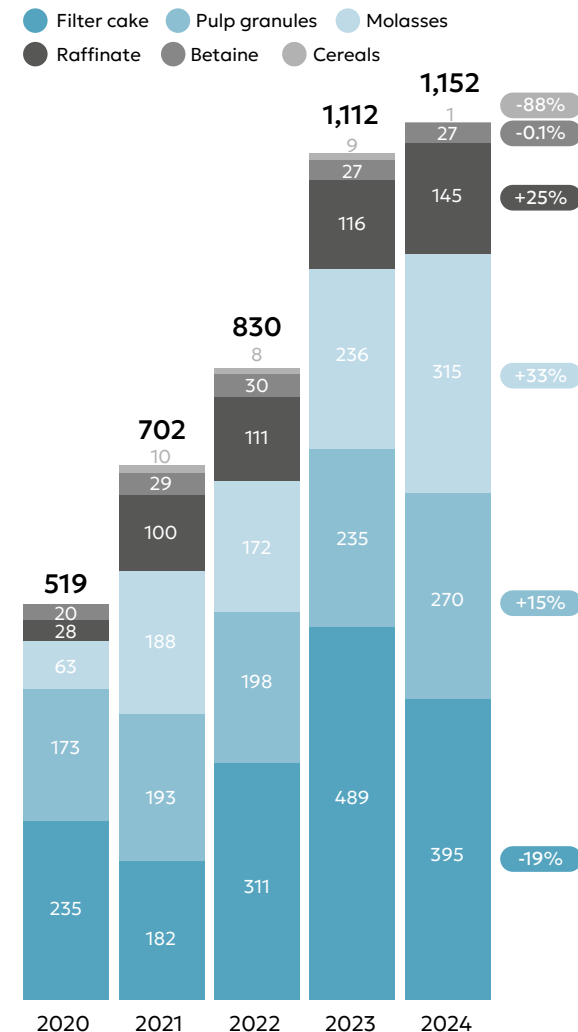
Sugar beet processed by Rusagro Group, mn tonnes



Rusagro Group's sugar production, ths tonnes



Other products produced by Rusagro Group's Sugar Business, ths tonnes



Sales

1,071 ^{+1%} **THS TONNES**
Rusagro sugar sales in 2024

Sales

Rusagro's sugar sales in 2024 grew by 1% year-on-year to 1,071 thousand tonnes (+6,000 tonnes). In the context of the temporary prohibition on Russian sugar exports from May to August 2024, sales volume expanded more slowly than production; however, this was counterbalanced by a rise in shipments at the conclusion of the reporting period under the sales plan.

Sales also included 286 thousand tonnes of pulp (+3% year-on-year) and 113 thousand tonnes of raffinade (+150% year-on-year), an increase in sales resulting from higher production volumes. Yet, sales of betaine and cereals fell to 19 thousand tonnes (-41% year-on-year) and to 2,000 tonnes (-60% year-on-year) accordingly.

Brands

In 2024, sugar sales under own brands totalled 162 thousand tonnes, up 17% year-on-year. The consumer segment (B2C) accounted for 15% of sugar sales and 21% of sugar sales proceeds.

During the reporting period, Russkii Sakhar and Chaikofsky brands continued to occupy first and second places in the Russian white cube sugar market, while Brauni again dominated the brown cube sugar market.

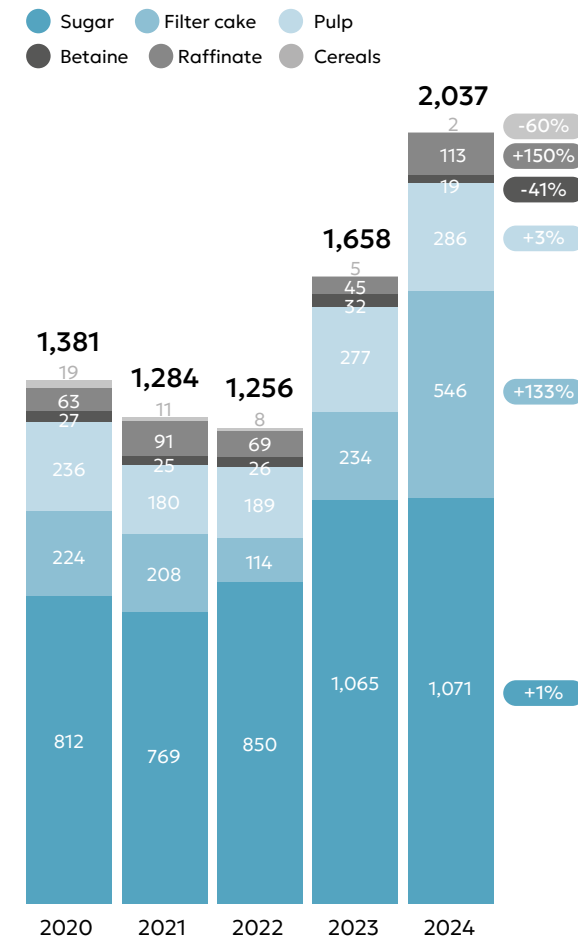
According to the AC Nielsen research for December 2024, the combined market share of Rusagro's three sugar brands (Russkii Sakhar, Chaikofsky, Mon Café) in the white cube sugar market was 53.5% (-0.8 p.p.). The Brauni brand, Rusagro's only brand in the brown cubesugar market, had a 32% share.

According to Tiburon, the Russkii Sakhar and Chaikofsky brands again demonstrated a high level of recognition in 2024. The Russkii Sakhar brand recognition rose by 4 p.p. and reached 89%, the Chaikofsky brand stood at 59% (-2.0 p.p.). At year-end, loyalty to the Russkii Sakhar brand remained flat at 50%, while loyalty to the Chaikofsky brand dropped to 24% (-1.0 p. p.).

162 **THS TONNES**
sales of branded sugar products

54%
Rusagro's total share in the white cube sugar market

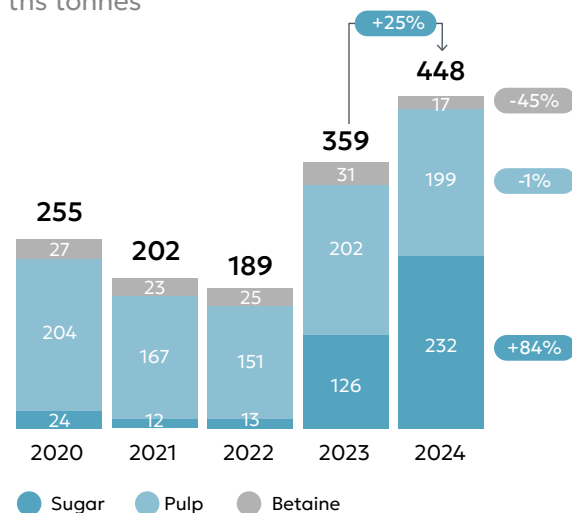
Sales of Rusagro sugar plant products, ths tonnes



Exports

In 2024, the Sugar Business exports grew by 25% year-on-year, reaching a 10-year high of 448 thousand tonnes. Sugar exports jumped by 84% year-on-year and reached 232 thousand tonnes, mainly driven by the expansion of the supply channel to Uzbekistan and Kazakhstan. With 199 thousand tonnes, export volumes of pulp remained virtually unchanged. More than half of the betaine produced was sold abroad.

Exports of Rusagro Group's Sugar Business, ths tonnes



448 +25%
THS TONNES

exports of Rusagro Group's Sugar Business in 2024



Financial results

67.9 **RUB BN** +5%

revenue of Rusagro's Sugar Business in 2024

13.6 **RUB BN** -29%

adjusted EBITDA of Rusagro Group's Sugar Business in 2024

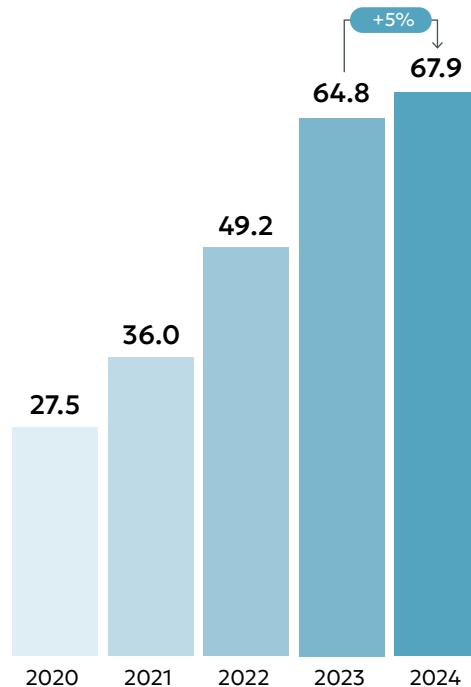
20 **%** -10 p.p.

Adjusted EBITDA margin

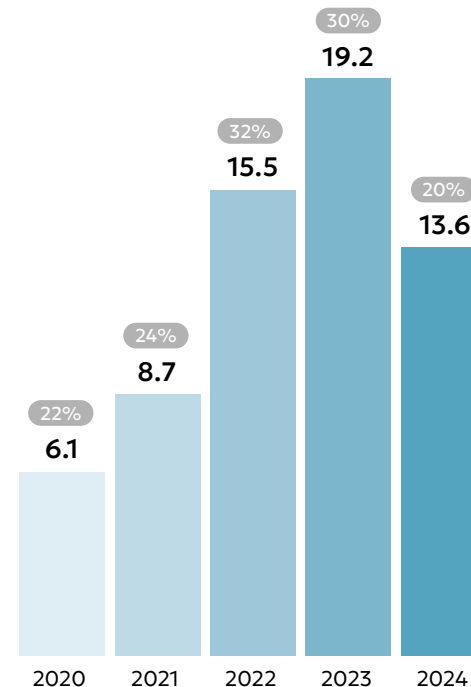
Revenue from the Sugar Business increased by 5% year-on-year to RUB 68 billion, driven by higher sugar sales volumes and positive price movements on the Russian market. Adjusted EBITDA dropped by 29% to RUB 14 billion, mainly due to higher

beet costs in sugar production in the first half of 2024, as well as higher equipment maintenance and payroll costs. Business EBITDA margin stood at 20% (-10 p.p. year-on-year).

Revenue of Rusagro Group's Sugar Business, RUB bn



EBITDA and EBITDA margin of Rusagro Group's Sugar Business, RUB bn



Adjusted EBITDA
Adjusted EBITDA margin, %



MEAT BUSINESS

Nº2

Rusagro Group's position among live-weight
pork producers in Russia¹

¹ With Agro-Belogorie Group's results.



Overview of the Russian pork market in 2024



4.9 +4% MN TONNES
pork production in Russia in 2024

117 +8% RUB/KG

average price of pork in live weight in Russia in 2024
excl. VAT

300 +36% THS TONNES

pork exports from Russia

9.1 +3.5 p.p. %

Rusagro's share in Russian pork production in 2024

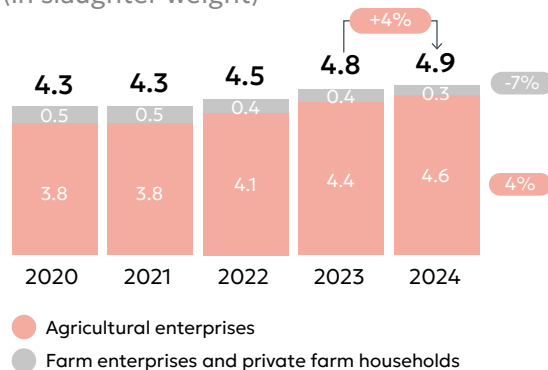
5 +120% THS TONNES

imports of pork products into Russia

Production

In 2024, pork production increased by 4% year-on-year and amounted to 4.9 million tonnes. Agricultural organisations stepped up their production by 4% year-on-year (+194 thousand tonnes in slaughter weight), while peasant farm enterprises and private farm households reported the continued downward trend, down 7% year-on-year (–26 thousand tonnes). On the back of growing capacity of the major market players, the number of small and medium-sized agricultural businesses continue to decline.

Pork production in Russia, mn tonnes
(in slaughter weight)



Source: Rosstat, Rusagro estimates

4.9 +4%
MN TONNES
pork production in Russia in 2024

Key market players

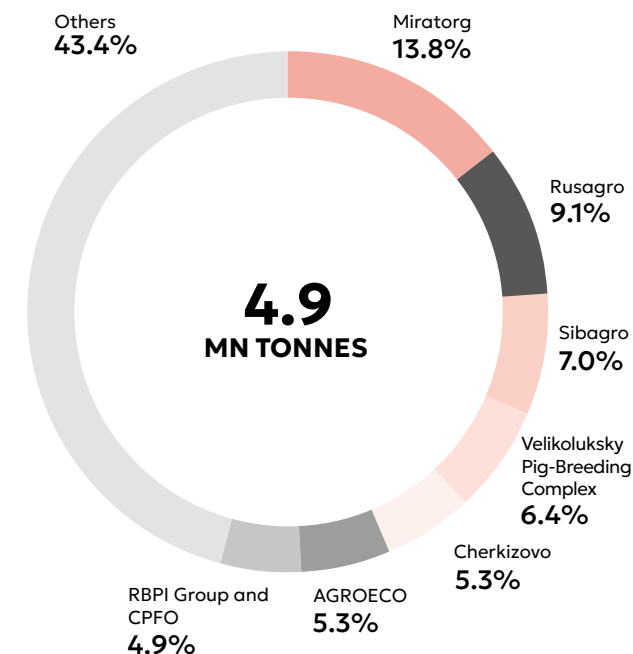
The market's leading companies showed an increase in production volumes as at the end of 2024. The top 20 companies accounted for 74% of total pork production in Russia.

The consolidation with Agro-Belogorie Group at the end of the reporting year increased the market share of Rusagro Group to 9.1% (+3.5 p.p.), thus taking it up to the second spot in the pork producer ranking. Combined pork production of Rusagro's Meat Business and Agro-Belogorie Group totalled 569 thousand tonnes for the full year 2024.

With the output volumes boosting to 869 thousand tonnes (+65 thousand tonnes) and its share of pork production rising to 14% (+0.6 p.p.) in 2024, Miratorg Agricultural Holding still remains the market leader. The share of Sibagro JSC rose by 0.8 p.p. and totalled 7%. Velikoluksky Pig-Breeding Complex LLC also showed a higher output and accounted for a market share of 6.4% (+1.2 p.p.).

9.1% +3.5 p.p.
Rusagro Group's share in Russian pork production in 2024

Largest pork producers in Russia in 2024¹,
mn tonnes (in commercial live weight)



Sources: Rosstat data, National Union of Swine Breeders estimates, public data

¹ Company shares are estimated against the pork production by all categories of farms in Russia.

Exports and imports

Exports

300 +36% **THS TONNES**

pork exports from Russia in 2024

39%

Belarus' share in exports of pork products from Russia

5 **THS TONNES**

imports of pork products in Russia

Structure of pork products exports from Russia



79%
pork

21%
pork offal

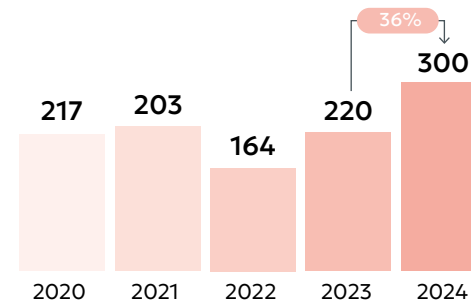
In 2024, exports of pork (half-carasses, large cuts, industrial cuts and semi-finished products) and pork offal from Russia went up by 36% year-on-year and amounted to 300 thousand tonnes (+80 thousand tonnes).

With its share in total exports of pork products totalling 39% (-2 p.p.), the Republic of Belarus retained its position as Russia's largest importer of pork products in 2024. That said, imports of pork products from Russia rose by 28% year-on-year to 116 thousand tonnes due to a lack of supplies from Europe. As a major processor and supplier of finished products, Belarus imports both Russian raw materials for meat processing plants and Russian meat for sale.

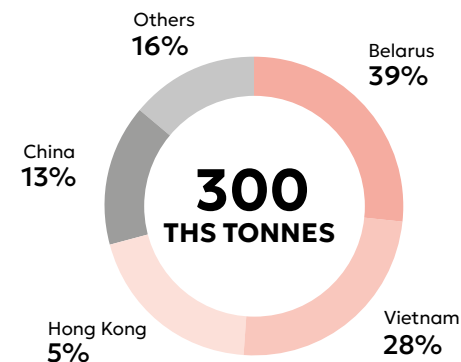
Vietnam accounted for 28% of all pork and pork offal shipments. In 2024, exports in this direction amounted to 83 thousand tonnes, which is 7% less than the previous year's figures.

A significant development during the reporting year was the renewal of economic relations between China and Russia in the area of pork exports, which accounted for 13% of total exports. At the end of February 2024, shipments of pork from Russia to China resumed after China lifted the ASF-related restrictions that had been imposed on Russia since 2008 and the Chinese competent body certified three Russian companies. When initially the exports were primarily by-products, near the end of the year, the range of supply expanded to include brisket meat.

Russian exports of pork and pork offal¹, ths tonnes



Pork and pork offal exports in 2024 by destinations¹



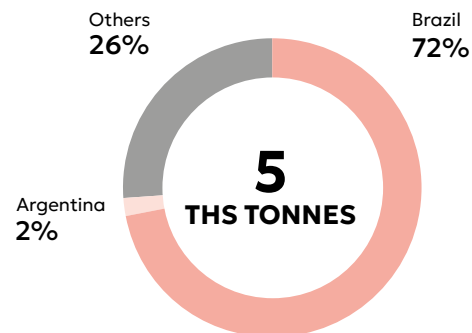
¹ Pork includes half carcass, large cuts, industrial cuts and semi-finished products.

Imports

The successful development of national production allowed minimising the amount of pork imported into Russia in recent years, and variations in their absolute amounts are negligible when compared to domestic supply and demand. Pork prices on the Russian market are among the lowest in the world.

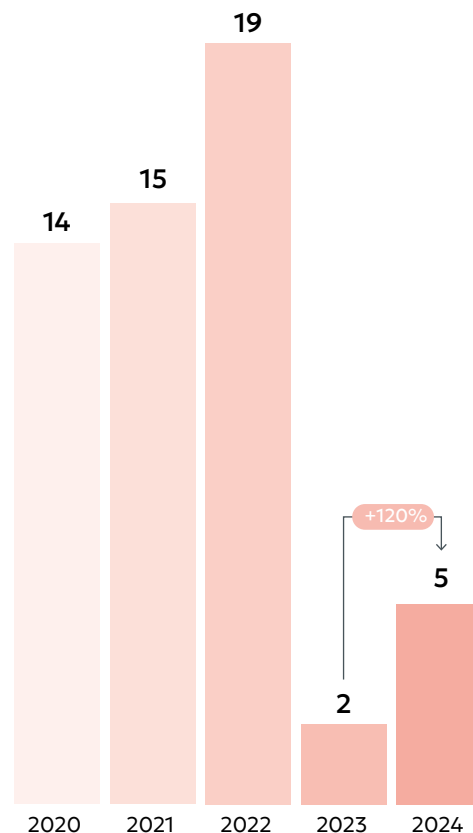
Being one of the world's biggest producers and exporters of meat, Brazil is able to provide premium goods at affordable costs. Despite Russia's rising meat consumption, Brazil remains a dependable partner in terms of food security.

Pork and pork offal imports in 2024 by destinations¹



¹ Pork includes half carcass, large cuts, industrial cuts and semi-finished products.

Pork and pork offal imports¹, ths tonnes

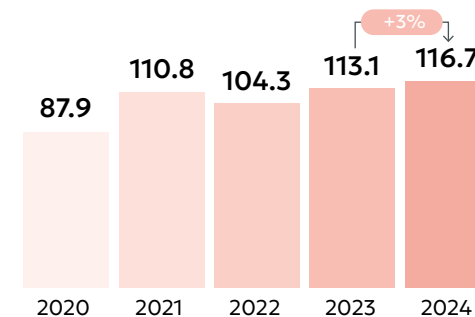


Sources: Federal Customs Service of Russia, Customs Service Mutual Trade Data

Prices

In 2024, the average market price for live pigs went up by 3% and reached 116.7 RUB/kg, excl. VAT. The restricted market supply of chicken at the beginning of the year pushed up a demand for pork as its substitute. The resultant increase in the pork prices was mainly observed the first half of 2024. The recovery in domestic production and imports of chicken, as well as higher mid-year pork production and stock building rebounded the prices in the second half of 2024.

Average market prices for pork in live weight in Russia, RUB/kg, excl. VAT



Source: Global Monitoring

117 ^{+3%} RUB/KG

average price of pork in live weight in Russia in 2024 excl. VAT

Performance of Rusagro's Meat Business in 2024

In order to provide a more nuanced picture, the operating results of Rusagro's Meat Business and Agro-Belogorie Group are presented separately and for the full reporting year. As 100% ownership and control of Agro-Belogorie was acquired on 12 November 2024, the financial results of the Group and Rusagro's Meat Business include 1.5 months of Agro-Belogorie's.



N°2

producer of live pork
in Russia in 2024¹



311

-7%

THS TONNES

production of pork in live weight in 2024



257

-8%

THS TONNES

sales of pork products in 2024



50.2

+4%

RUB BN

revenue of Rusagro Group's Meat
Business in 2024



6.1

+22%

RUB MN

adjusted EBITDA of Rusagro Group's Meat
Business in 2024



12%

+2 p.p.

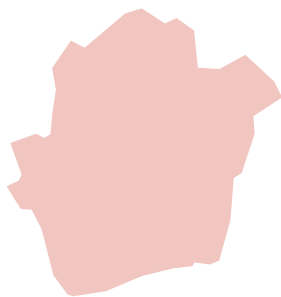
adjusted EBITDA margin of Rusagro
Group's Meat Business in 2024

¹ N° 2 producer of pork in live weight, taking into account the results of Agro-Belogorie Group.

Business overview

Rusagro's Meat Business is represented by three vertically integrated clusters: two clusters in Central Russia – in Tambov and Belgorod Regions, and one in the Russian Far East – in Primorsky Territory. The cluster in Primorsky Territory was put into service in 2021. Each cluster comprises in-house breeding farms, livestock rearing sites, a compound feed mill, a slaughterhouse and a meat processing plant, and a slaughterhouse waste recycling plant.

Tambov Region



10 pig farms



3 pig breeding farms



1 compound feed mill



1 slaughterhouse and meat processing plant

Belgorod Region



10 pig farms



2 pig breeding farms

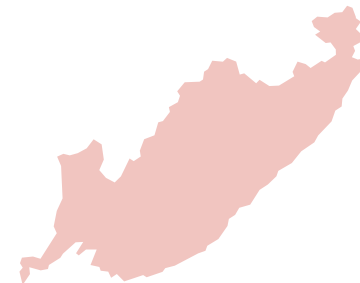


1 compound feed mill



1 slaughterhouse and meat processing plant

Primorsky Territory



6 pig farms



1 breeding farm



1 compound feed mill



1 slaughterhouse and meat processing plant

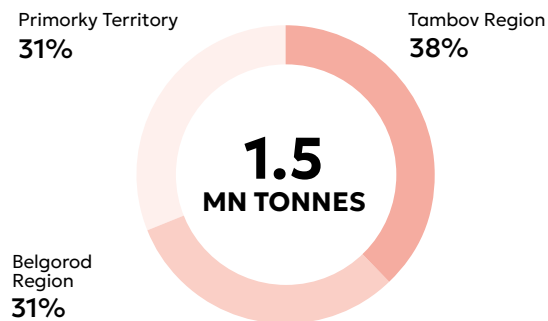
Compound feed production

Livestock feed demand is fully covered by three Rusagro compound feed mills with an annual production capacity of about 1.5 million tonnes, including 1 million tonnes in Central Russia and 0.5 million tonnes in the Primorsky Territory.

For all processing cycles, the mills are equipped with granulated animal feed production lines. The production technology laboratories conduct chemical, technical and bacteriological analyses with a high degree of accuracy.

The storage capacity of the elevators in 2024 totalled 280 thousand tonnes, including 120 thousand tonnes in Primorsky Territory. Moreover, the Meat Business has grain storage sleeves with a total storage capacity of 380 thousand tonnes. With in-house storage facilities, the Company can purchase ingredients at the most optimal time when prices are low.

Rusagro Group's herd of productive sows by region in 2024



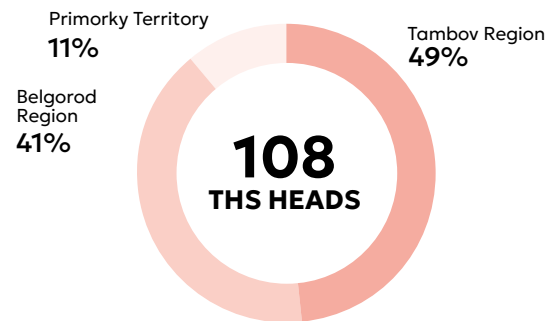
Livestock rearing

Rusagro operates 26 commercial pig breeding complexes and six breeding farms for herd reproduction. As of year-end 2024, the total number of productive sows totalled about 108 thousand heads.

The Company's pig farms operate to international standards, employing the latest science and technology in pig breeding and feeding. These are up-to-date, highly automated, and environmentally friendly enterprises, which closely observe the biosecurity requirements and have a manure removal and waste handling system in place.

Rusagro makes the point of obtaining official Russian and international certifications from independent supervisory and auditing bodies. For example, Rusagro's site in Tambov was among three sites nationwide to have passed the Chinese certification for exporting products to the PRC, while the meat processing and recycling plant in Primorsky Territory received certificates of compliance of the food safety management system with the ISO 22000:2018 international standard.

Rusagro Group's compound feed production capacities by region in 2024



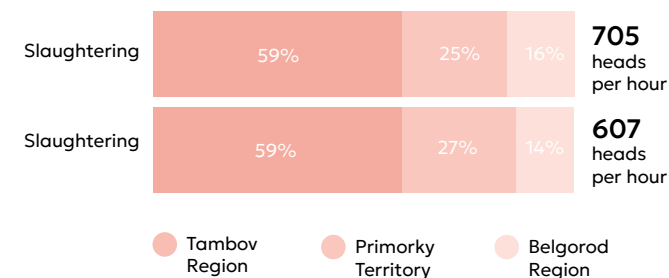
Slaughterhouse and meat processing

Rusagro's slaughtering and meat processing plants cover all stages of processing and production of finished goods: slaughter line, deboning shop, a chilled semi-finished products shop, offal production shop, and slaughterhouse waste recycling shop.

The main categories of products include half-carasses, large and small cuts, chilled semi-finished products and offal. The Meat Business has the food safety management system in place to drive out risks at all production stages and adheres to the technical regulation on meat safety. The bulk of animals sent to slaughter in 2024 came from the Company's own pig farms (97%, flat with the 2023 figure).

The slaughterhouse waste recycling shop ensures deep processing of slaughter and deboning waste. Blood is used to produce blood meal; carcasses of died-off livestock, as well as offcuts, bones and rejects are made into meat & bone meal, and feeding or industrial fat. Some of these products are formulated into feed, and some are sold to other companies.

Rusagro Group's slaughtering capacities by region in 2024



Brands

The Company has been selling the meat products under its own trademark – Slovo Myasnika – since 2016 and has achieved high levels of brand recognition, ensuring the steady growth of its market share and consumer loyalty.

The brand's diverse product range is regularly re-examined to drive new opportunities and meet demand in a evolving market.

Moreover, Rusagro is expanding its healthy nutrition offering. The brand's assortment includes products that can be steamed (cutlets, meat balls), as well as baking products (the marinated foods line).



New products launched in 2024

Sicilian sausages



Greek-style pork



Souvlaki



Home-made cutlets



Three-meat sausages



Home-style pork



Marinated steaks



Meat balls

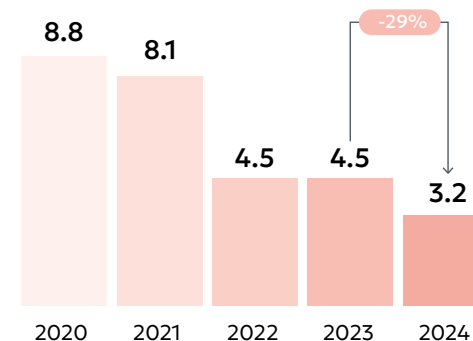


Investments

Rusagro invested a total of RUB 3.2 billion in the Meat Business in 2024, placing the strongest focus on the development-oriented projects. Works were continued to expand the Primorsky cluster's annual capacity to 75 thousand tonnes of pork products. As for the Tambov Region, works were underway to increase daily deboning capacity to 4,900 carcasses and to build a frozen product warehouse.

Funds allocated for the maintenance of the existing capacity of the Meat Business were used for the improvement of operational efficiency and the purchase of breeding nucleus at the pig farms in the Primorsky cluster.

Rusagro Group's investments in the Meat Business, RUB bn



3.2 RUB BN

Rusagro Group's investments in the Meat Business in 2024

Major investment projects

Expansion of deboning capacity to 4,900 carcasses/day and construction of a frozen product warehouse

Goal

10% increase in deboning capacity, synchronisation of the packing and deboning operations, and reduction of renting costs for frozen products warehouses

0.3 RUB BN
costs in 2024 (excl. VAT)

Development

Implementation period and location

February 2025
Tambov Region

Construction of new adapters and increase in the area of current animal transfer points

Goal

Adaptation of replacement stock prior to their introduction into a commercial multiplier under herd disease conditions, mitigation of animal disease outbreaks and, consequently, risks of lower production performance

0.1 RUB BN
costs in 2024 (excl. VAT)

Maintenance

Implementation period and location

August 2025
Tambov Region

Construction of a full-fat extruded soya production line

Goal

Cost reduction of the feed basket by processing soya into full-fat soya for further feed production

0.1 RUB BN
costs in 2024 (excl. VAT)

Development

Implementation period and location

August 2025
Tambov Region

Upgrade of feeding and housing systems at production sites

Goal

Improved performance of production infrastructure and reduced risks associated with animal injuries

0.2 RUB BN
costs in 2024 (excl. VAT)

Maintenance

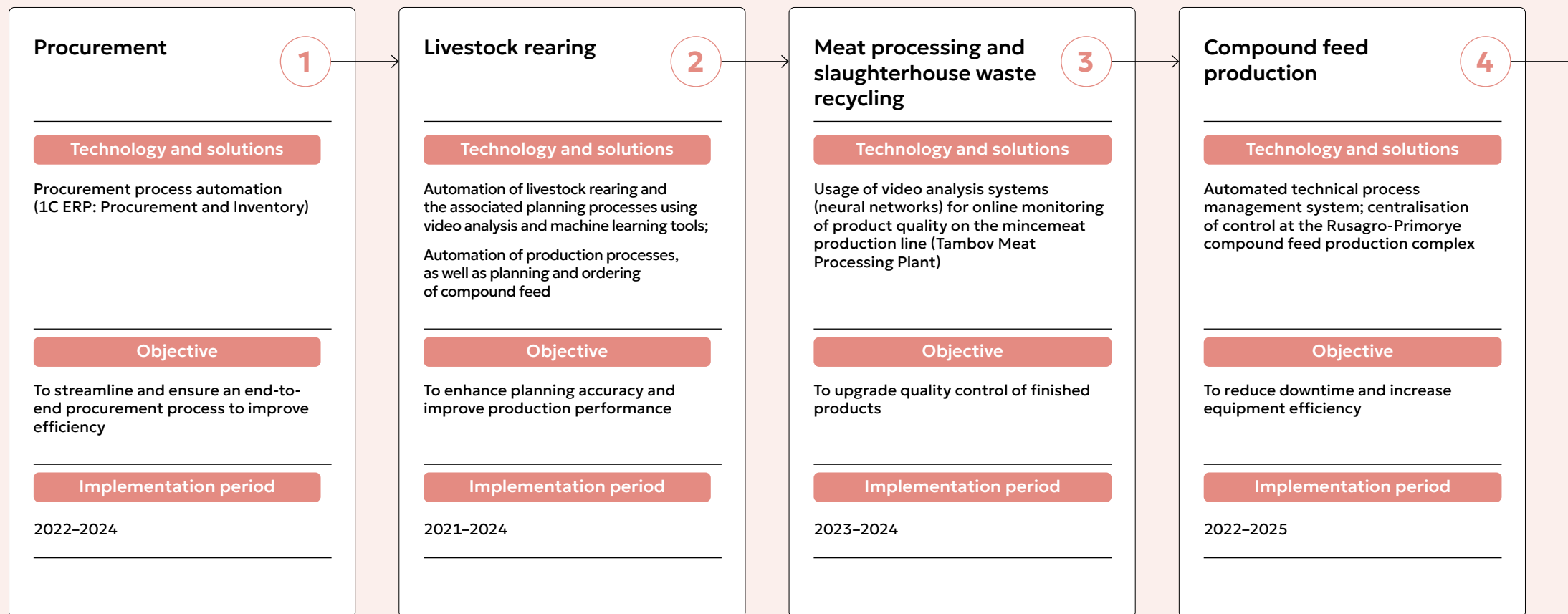
Implementation period and location

April 2025
Tambov Region and Belgorod Region

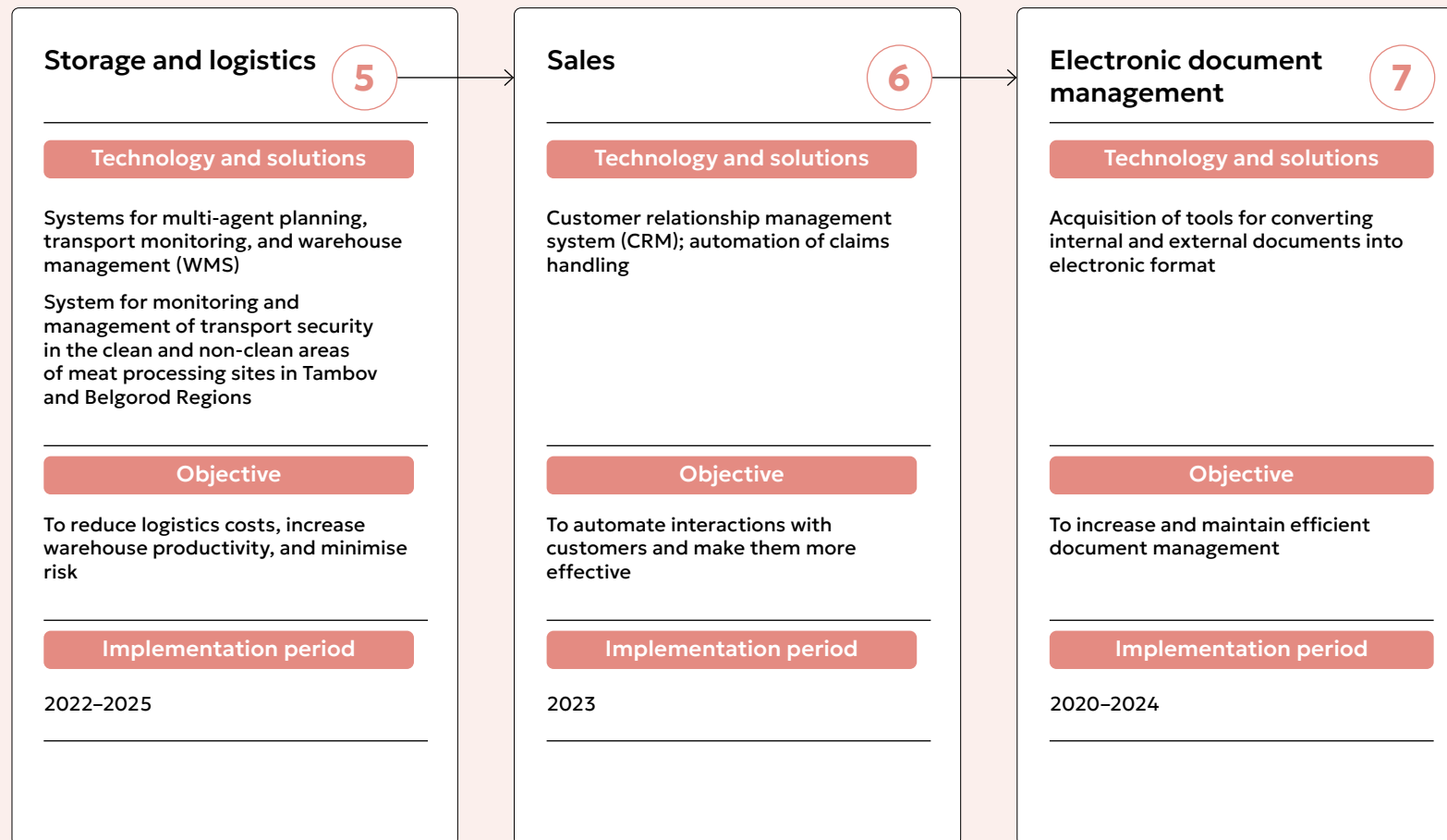
Technology and innovation

In 2023, the Meat Business approved a Digital Transformation Strategy to upgrade the digital maturity of the business. There can be distinguished seven priority groups of projects related to the various stages of the business chain and aimed at automating the key business processes of the Meat Business.

Projects being implemented as part of the strategy



Projects being implemented as part of the strategy



Product innovations

Rusagro Group's Meat Business continuously implements projects to ramp up production capacity and expand the product range, develop 'champion' products and increase market share and exposure of the Slovo Myasnika brand. Efforts are made to mature further opportunities for generation of additional profit from livestock by-products.

In 2023–2024, our R&D team homed in on the processing of generated waste in a biogas plant to produce electricity and organic fertiliser, representing a synergistic action of three business segments: Meat, Sugar and Agriculture. Using bacteriophages in the treatment plan (a substitute for antibiotics) and feeding Chlorella suspension were two novel ways to increase the safety and immunity of piglets.

Operating results

Production

In 2024, Rusagro's marketable livestock totalled 2.5 million heads. The bulk of the live stock for slaughter was supplied from our own production sites (97%). Marketable pork production totalled 311 thousand tonnes, down 7% (~23 thousand tonnes) year-on-year. The ASF outbreak in Primorye in 2023 caused production to decline, however this was somewhat countered by higher output in the Central Federal District as a result of better breeding methods, which allowed raising the average weight of the animals.

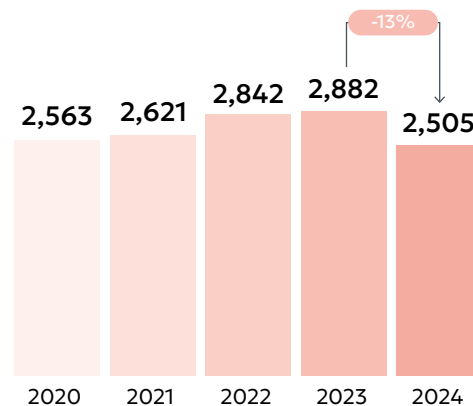
311 **THS TONNES**

Rusagro's pork production in live weight in 2024

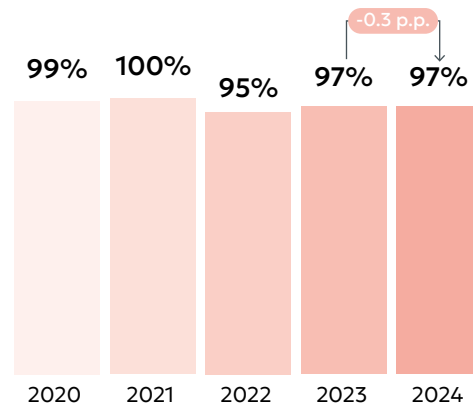
97%

share of own live pork in the processing volume in 2024

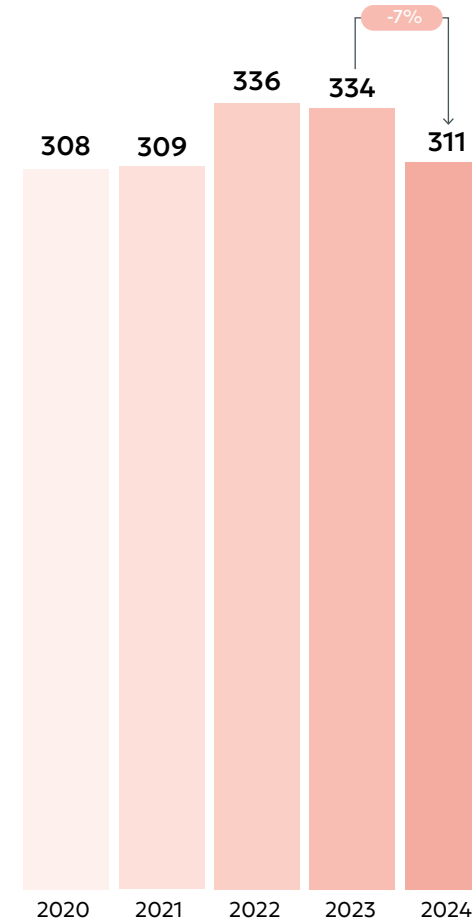
Rusagro Group's actual marketable pig stock, ths heads



Share of Rusagro Group's own live pork



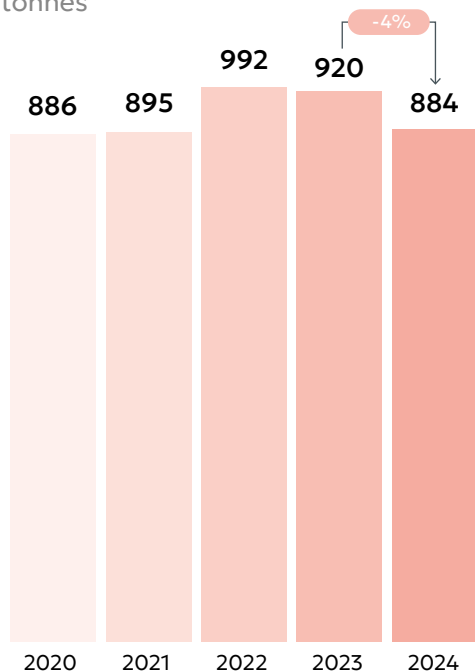
Rusagro Group's pork production for slaughter in live weight, ths tonnes



Production

Feed production in 2024 decreased by 4% year-on-year (-36 thousand tonnes) to 884 thousand tonnes due to a number of objective reasons, one of them being the suspension of the feed mill in Shebekino due to its close proximity to the SMO zone. In the Primorsky cluster, the feed production was driven down by the ASF outbreak in 2023 that entailed livestock reduction.

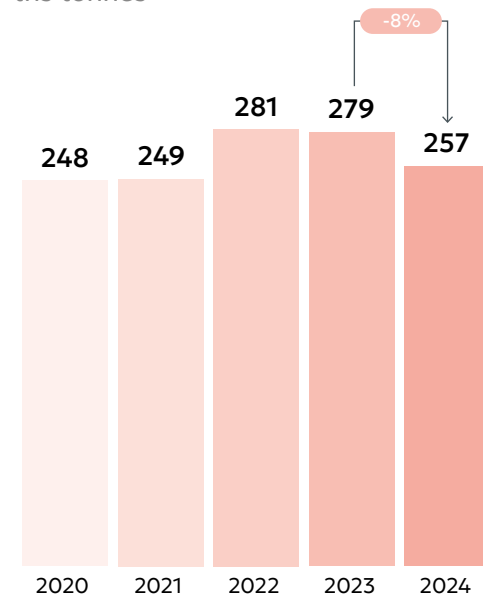
Rusagro Group's compound feed production, ths tonnes



Sales

Based on 2024 results, sales volumes decreased by 8% (-22 thousand tonnes) and totalled 257 thousand tonnes.

Sales volumes of Rusagro Group's pork products¹, ths tonnes

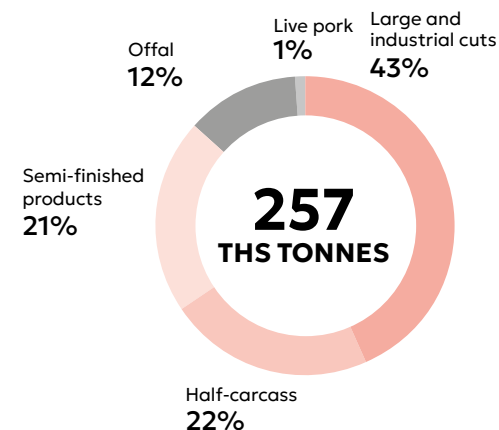


257 THS TONNES

Rusagro Group's pork products sales in 2024

Live pork sales declined by 87% year-on-year to 3,000 tonnes due to a reduction in marketable stock and higher output of high value-added products. Thus, sales in the half-carass segment increased by 2,000 tonnes, or 4% year-on-year, and amounted to 57 thousand tonnes. Even though large-cut sales fell by 11% year-on-year to 112 thousand tonnes, there was an increase in sales of semi-finished products, which received an additional boost from the expansion of distribution channels, launches of new products, redesign and a new brand TV campaign.

Rusagro Group's meat product sales in 2024



¹ Data includes sales volumes of live pork, half-carasses, large cuts and industrial cuts, semi-finished products, offal and slaughterhouse waste products.

Consumer products

The consumer segment (excluding export sales) accounted for almost 40% of proceeds in 2024.

As part of its retail market penetration strategy, Rusagro continued to improve the position of its own Slovo Myasnika brand of meat products in the Russian market. Sales of branded products rose by 19% and amounted to 44 thousand tonnes in 2024. According to Ntech's sales analysis of the chilled branded pork category in the largest federal retail chains, the Slovo Myasnika brand's market share grew by 3.4 p.p. in the reporting year and now stands at 17.6%, which can be attributed to the growth in the Skewered meat, Delicatessen, Marinades categories. The brand enhances loyalty by 1 p.p. by persistently high quality, active expansion of the product range and high retail market penetration, as well as ongoing trade marketing activities. According to Millward Brown, brand (prompted) awareness was up to 75% throughout Russia and 85% in the Central Federal District.

Apart from that, it is important to note that new products made up over 20% (+10 p.p.) of the brand's sales, excluding large cuts, which illustrates the significant, 100% incremental contribution of new products to sales. Furthermore, the Slovo Myasnika brand revamped its communication suite and label design in 2024 to strengthen brand image perception and boost actual sales.



Market place in its category

Position of the Slovo Myasnika brand on the Russian market



17.6%

Market share in its category



75%

Level of brand recognition (country-wide)

Sources: Ntech, Milward Brown



Exports

34 ^{+31%} THS TONNES

exports of Rusagro Group's meat products in 2024

8 COUNTRIES

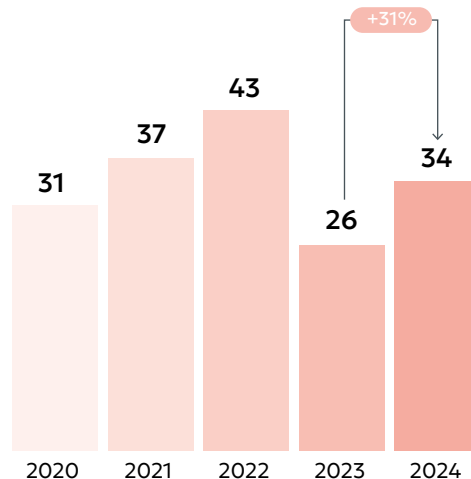
Export destinations of Rusagro Group's meat products in 2024

In 2024, Rusagro Group increased meat exports by 31% year-on-year to 34 thousand tonnes (+8,000 tonnes), representing 13% of total sales of the Meat Business. The bulk of exports (65%) accrue to the large cuts and industrial cuts category, followed by offal as the second largest export category (21%).

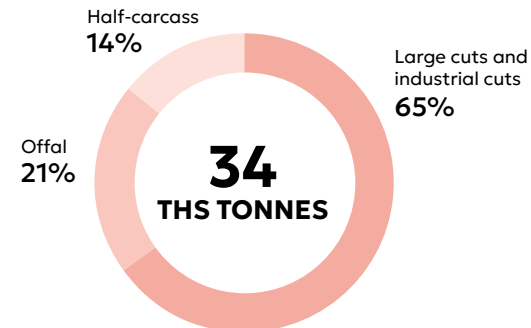
As is customary, the Republic of Belarus was the main sales destination of pork products in the reporting period, accounting for 66% of the total sales volume (23 thousand tonnes). The demand from Belarus was driven by the constraints associated with the domestic production and import supply from the EU. Vietnam received 14% of the export volume (4,800 tonnes).

Due to Rusagro Group's re-entry into the Chinese market, this region has emerged as a leader in terms of Russian exports. The deliveries to this country, mainly offal, amounted to 5,600 tonnes, or 16% of total exports. China offers a large prospective market for pork at premium prices (as compared to Russia).

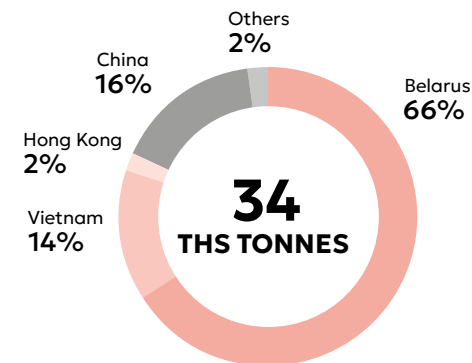
Exports of Rusagro Group's meat products in 2024, ths tonnes



Rusagro Group's meat products exports by product in 2024



Exports of Rusagro Group's meat products by destination in 2024



Financial results

50.2 ^{+4%} RUB BN

revenue of Rusagro Group's Meat Business in 2024

6.1 ^{+22%} RUB BN

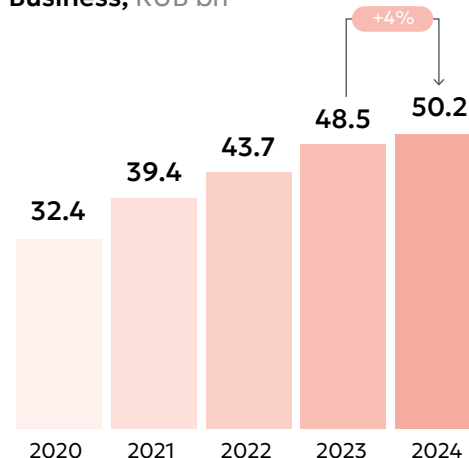
adjusted EBITDA of Rusagro Group's Meat Business in 2024

12% ^{+2 p.p.}

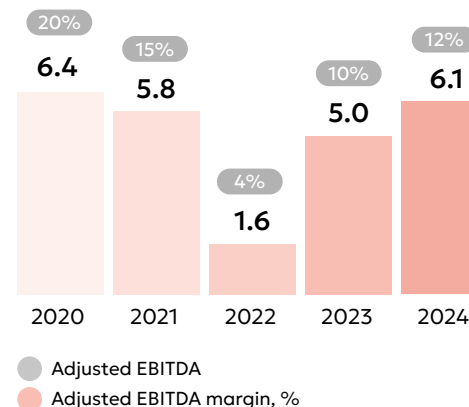
adjusted EBITDA margin of Rusagro Group's Meat Business in 2024

Revenue from the Meat Business increased by 4% year-on-year to RUB 50 billion on the back of higher selling prices amid growing demand in the Russian market and competition between pork and chicken meat, partially offset by lower sales as production in Primorye recovered. Adjusted EBITDA grew by 22% year-on-year to RUB 6 billion, driven by revenue growth in 2024 and the after-effects of ASF in Primorye in 2023. EBITDA margin improved to 12% (+2 p.p. year-on-year).

Proceeds from Rusagro Group's Meat Business, RUB bn



EBITDA and EBITDA margin of Rusagro Group's Meat Business, RUB bn



Agro-Belogorie Group

In 2024, Rusagro's Meat Business grew after acquiring a 100% stake of and control over Agro-Belogorie, whose assets include 20 pig farms, three compound feed mills and one meat processing plant, as well as a land holding of 105 thousand ha in Belgorod Region. Agro-Belogorie had 7,689 employees at the end of the year.

Operating results

Production

2.2 ^{-1%} MN HEADS

Agro-Belogorie's actual marketable pig stock in 2024

258 ^{-2%} THS TONNES

Production of pork in live weight in 2024

Sales

240 ^{-2%} THS TONNES

Agro-Belogorie's pork products sales in 2024

724 ^{-4%} THS TONNES

Agro-Belogorie's compound feed production in 2024

100%

share of own live pork in the processing volume in 2024

8 ^{+38%} THS TONNES

Agro-Belogorie's exports of meat products in 2024

Financial results¹

4.4 RUB BN

Agro-Belogorie's revenue in 2024

1.1 RUB BN

Adjusted EBITDA of Agro-Belogorie in 2024

24%

Adjusted EBITDA margin of Agro-Belogorie in 2024

¹ The results of Agro-Belogorie Group are taken into account from the date Rusagro Group PJSC consolidated 100% ownership and control on 12 November 2024 (1.5 months).

KEY FINANCIAL RESULTS

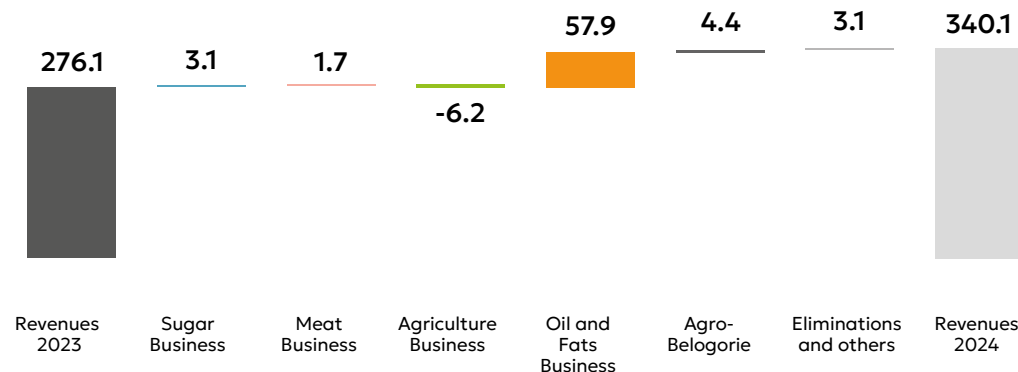


FINANCIAL REVIEW

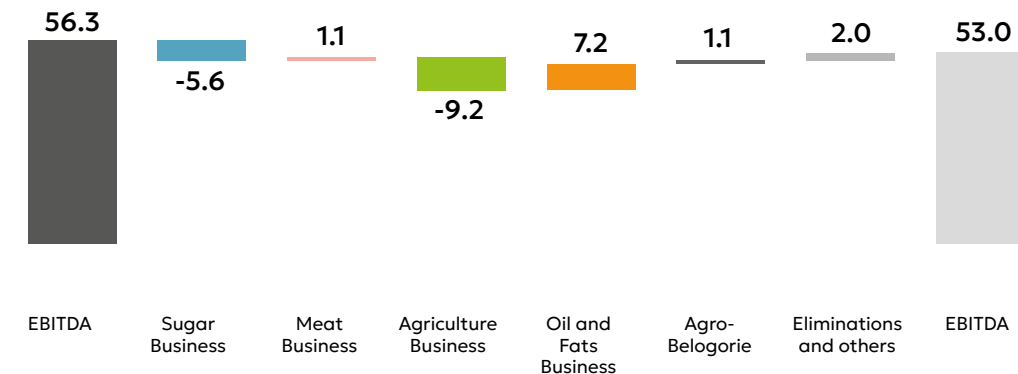
Analysis of financial performance



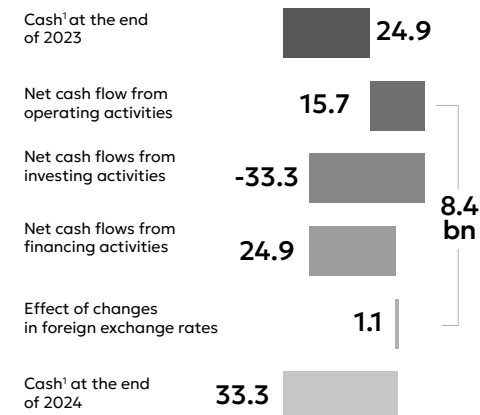
Rusagro Group's revenue evolution by business in 2024, RUB bn



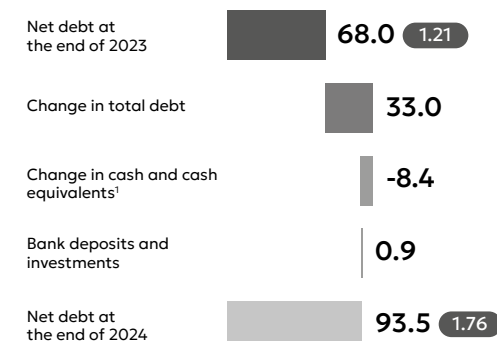
Rusagro Group's EBITDA evolution by business in 2024, RUB bn



Change in Rusagro Group's cash flows in 2024, RUB bn



Net debt of Rusagro Group, RUB bn



● Net debt / EBITDA

For more details on Rusagro Group's financial statements, see the [Appendix to the Annual Report](#), as well as to the individual sections of segment financial results

¹ Including their equivalents and short-term investments.

SUSTAINABLE DEVELOPMENT



ESG Strategy	134
Sustainable development management system.....	141
Environmental aspect – environmental stewardship	153
Social aspect	161

ESG STRATEGY

Description

Rusagro Group is working on a sustainability strategy in order to ensure its steady growth, generate more value for all stakeholders, and improve the transparency of non-financial disclosures about its business activities. Rusagro Group seeks to minimise its environmental impact, while promoting careful use of natural resources, taking care of its staff and clients, helping out the community, and creating responsible business practices.

Assuring the Company's long-term success and attaining high economic performance today require the ability to integrate internal processes with global trends pertaining to sustainability and responsible business behaviour.

Since 2023, Rusagro Group has been actively involved with ANO National Alliance for Social and Environmental Responsibility, Corporate Governance and Sustainable Development.

Field-to-shelf concept



Rusagro Group's field-to-shelf concept represents a full cycle of production and sales, from the cultivation of primary produce to their sale to end consumers in the B2B and B2C segments, which emphasises the Group's high level of vertical integration. The underlying idea is to oversee every step of the production process in order to optimise consumer transparency, minimise expenses, and guarantee the best possible product quality.

Rusagro is a member of alliances



The list of founding members of the National ESG Alliance can be found here

Group's sustainability principles and commitments

Three basic principles



Minimising the negative environmental impact



Creating positive externalities for society



Adhering to stringent standards of sound corporate governance

Sustainable development approach

As for sustainability management, Rusagro focuses on six areas.

1 Combating the global climate change

2 Transitioning to a closed-loop economy model

3 Utilising sustainable agriculture practices

4 Caring for its employees and local communities in the regions of the Company's presence

5 Taking care of consumer health through strict quality control and product safety

6 Observing business ethics and conduct standards, creating responsible supply chains

Combating the climate change



According to the latest data for 2022, the share of the agro-industrial sector in total greenhouse gas emissions has decreased to 29.7%¹ vs 38% in 2000. In absolute terms, emissions generated by the agricultural sector amounted to 16.2 billion tonnes of CO₂-equivalent, 10% above the 2000 level. When considering the issue on a worldwide scale, atmospheric CO₂ concentrations have been rising more quickly in recent years, with 2023 setting a record for CO₂ growth (+2.8 parts per million). Over the past 20 years, CO₂ concentrations have increased by 11.4%².

Future temperature increases are guaranteed by the long lifetime of CO₂ in the atmosphere, which will further intensify its impact on the global climate. Rising sea levels, glacier melting, and high recurrence rates of extreme weather events like floods, forest fires, and droughts are all consequences of global warming. Changes in temperature, ozone depletion, lack of water and nutrients could adversely affect crop yields and therefore jeopardise the food security of the Company's sales regions and its economic performance.

As a responsible company, Rusagro Group acknowledges that anthropogenic greenhouse gas emissions are largely caused by the agriculture sector, which is why the Company makes every possible effort to ensure that its climate strategy responds to all current challenges related to global climate change and encompasses measures aimed to control greenhouse gas emissions and to improve cleaning equipment and production processes.

¹ Greenhouse gas emissions from agrifood systems. Global, regional and country trends, 2000–2022.

² World Meteorological Organization, 2024.

Closed-loop economy



Limited natural resources and the growing amount of waste generated pose a serious risk to the long-term sustainability of the economy. The planet's capacity to replenish its resources is already greatly outstripped by annual human consumption, and meanwhile generated waste is ruining the environment by seriously harming water supplies, fragile ecosystems, and soil health. Water, fertile land, phosphorus, and fossil fuels are among the resources that are particularly important to the agricultural sector. Reducing excessive consumption of water, fossil fuels and phosphate fertilisers will not only help reduce the negative environmental impact, but will also ensure the sustainability of business in the future.

The Company's focus in this area is on minimising waste generation, optimising water use, and looking for ways to incorporate the closed-loop economy's tenets into its operations.

Sustainable agriculture



To meet the food needs of present generations in a way that does not deprive future generations of the same opportunity, agribusinesses now need to take steps to integrate the principles of sustainable agriculture. Rusagro Group is doing its part in this area. By reducing the detrimental effects on soil health, this approach will prevent premature soil depletion. Moreover, a more caring attitude towards fragile ecosystems will be beneficial for the overall level of environmental well-being in the regions where the Company operates and will improve the lives of local communities.

Sustainable development approach

Rusagro Group's agricultural activities are based on an adaptive-landscape farming system, which involves ensuring agrolandscape sustainability and restoring soil fertility. In plan an optimal amount of products, the Company considers market demands, available natural and production resources, and environmental factors.

Caring for employees and supporting local communities



Rusagro Group's employees are one of its most valuable assets. Attracting and retaining skilled talent in the agricultural sector is a certain challenge for any business today. The Agriculture sector requires relevant adjustments to stay a desirable and esteemed workplace and satisfy the evolving interests, goals, and needs of prospective workers. To fit the times, Rusagro Group concentrates on developing internal human capital in order to improve the attractiveness of its own brand for agricultural specialists. The Company builds an innovative and inclusive environment that is conducive to the development of career and professional potential. Being consistent with its mission of improving people's quality of life, Rusagro orchestrates its activities in a way that maximises positive externalities in the regions where it operates through the investment of resources and comprehensive all-round support for the social development of local communities. The Company's charitable projects and social investments cover the promotion of education and hosting of cultural and sporting events.

Product quality



Consumers of our products are among our most important stakeholders, and it is therefore crucial for Rusagro Group to ensure the safety of the food products it produces and supplies. Maintaining high standards of product quality control is a pre-requisite of higher customer satisfaction.

All of the Company's business segments have quality control services responsible for the safety of their products, and all production sites are also certified for compliance with international quality management and food safety standards.

Animal welfare



For the Rusagro Group, protecting animal welfare in the Meat Business is of crucial importance. The Company makes sure that animal housing and management conditions remain humane at all stages of production. To this end, the Company employees practices that ensure the so-called 'five freedoms of animals', which include the freedom from hunger and thirst, freedom from pain, injury and disease, freedom from fear and distress, freedom from discomfort, and freedom to express normal behaviour.

Business ethics and anti-corruption



High standards of business conduct and ethics, as well as compliance of the Company's operations with all legal regulations within the framework of applicable law, are essential components of modern responsible business. Rusagro Group's activities are aligned with the internal Code of Business Ethics and Conduct,

which is binding for all employees and suppliers. In addition, the Company closely monitors the compliance with applicable laws and actively addresses any issues related to corruption and fraud.

Responsible supply chains



Both the Company and its suppliers must adhere to responsible business practices to have a sustainable value-added chain for Rusagro Group's products. In order to guarantee that its products have as little adverse effect on the environment and society as possible, Rusagro Group employs a continuous improvement model in supply chain management, ensuring the transparency of procurement processes, assessing ESG risks, selecting responsible suppliers and automating the procurement procedures.

Sustainable development approach

Strategic priorities



Organic and non-organic business growth



Boost in sales of B2B and B2C products



Higher representation in external commodity markets



Innovation and digitalisation



Development of human capital

Group's key ESG priorities



Environment

To minimise the negative environmental impact

For this purpose, the Company:

- Employs sustainable agriculture methods
- Safeguards the soil health
- Mitigates emissions of greenhouse gases and pollutants
- Cuts down energy consumption and improving energy efficiency
- Optimises water use to lessen the strain on water supplies
- Minimises pollution by effluents
- Reduces waste generation



Society

To create positive external effects for society, improve the attractiveness of the employer brand and social development of the regions of presence

For this purpose, the Company:

- Provides training for employees and facilitating their career growth
- Creates safe working environment
- Upholds equal rights and opportunities
- Offers social support and financial motivation
- Increases employee engagement
- Supports and develop local communities through investment of resources



Corporate governance

To ensure sound and sustainable corporate governance

For this purpose, the Company:

- Provides a transparent ownership and management structure of the Company
- Discloses non-financial information in a timely manner
- Actively engages with investors and shareholders
- Enforces business ethics and applicable laws
- Builds responsible supply chains

Group's approach to sustainable development

The UN Sustainable Development Goals (SDGs), together with other international frameworks and best practices for sustainable development reporting in Russia and around the world, are the key reference points for Rusagro Group's sustainable development strategy.

Mid-term plan



As part of its medium-term climate strategy development programme, Rusagro Group is closely monitoring the evolution of both Russian and international standards in the field of non-financial reporting and is evaluating the possibility of incorporating them into its own reporting system. Through these efforts, ESG risk management will become more transparent and stakeholders will receive more comprehensive and reliable information on the Company's environmental impact and related sustainable development initiatives.

Foundational documents

1 Sustainable Development Goals of the United Nations (UN)

2 Letter of the Bank of Russia dated 12 July 2021 'On Recommendations for Public Joint Stock Companies on how to Disclose Non-Financial Information Related to their Activities'

3 Order of the Ministry of Economic Development of Russia dated 1 November 2023 'On Approval of Methodological Recommendations for the Preparation of Sustainability Reporting'



Letter from the Bank of Russia

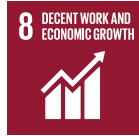


Order of the Ministry of Economic Development of Russia

Rusagro and UN SDGs



The Group is committed to creating new jobs in the regions where it operates and offers fair and decent remuneration for its employees. The Company upholds international human rights and labour standards, and under no circumstances uses forced or child labour



As a producer of key mass-consumption agricultural products, Rusagro Group aims to provide consumers with quality food at reasonable prices and is aware of its role in ensuring national food security



The Group cares as much about the health of its employees as it does about the health of its consumers. In addition to adhering to strict product safety regulations and implementing a thorough staff health protection programme, the Company also produces commodities that encourage healthy living



The Company's programme of support to local communities and social development in the regions of presence covers charitable projects aimed to foster the development of educational infrastructure and to hold various educational events.

Furthermore, the Group allocates substantial resources towards the training and professional advancement of its own staff members



The Company pursues a zero-tolerance towards all kinds of discrimination, seeing diversity as a source of inspiration and opportunity



Rusagro and UN SDGs



Although the regions of Rusagro Group's presence are free of any risks associated with the scarcity of water resources, the Company applies itself to optimise water consumption and minimise pollution with effluents.

The Company rolls out the water recirculation and reuse systems and automates water consumption metering systems. Concurrently, the Company takes measures to improve quality of effluents



As part of its efforts to lower atmospheric emissions, the Group always sets up dust and gas collection equipment as well as air purification systems. Another focus area of the Company's measures covers the energy consumption reduction and energy efficiency improvement efforts



Rusagro Group aims to be a pioneer in the application of advanced technology in its sector and therefore invests heavily into the creation and use of cutting-edge IT, automation, and product innovation solutions. Enhancing crop yields and soil fertility, automating business procedures, and using precision farming technology are the Company's top priorities in this area



All of Rusagro Group's business segments are exploring opportunities to incorporate the closed-loop economy principles, reduce the waste generation and reuse resources. Most production waste or by-products are reused to create highly processed products or to extract valuable resources

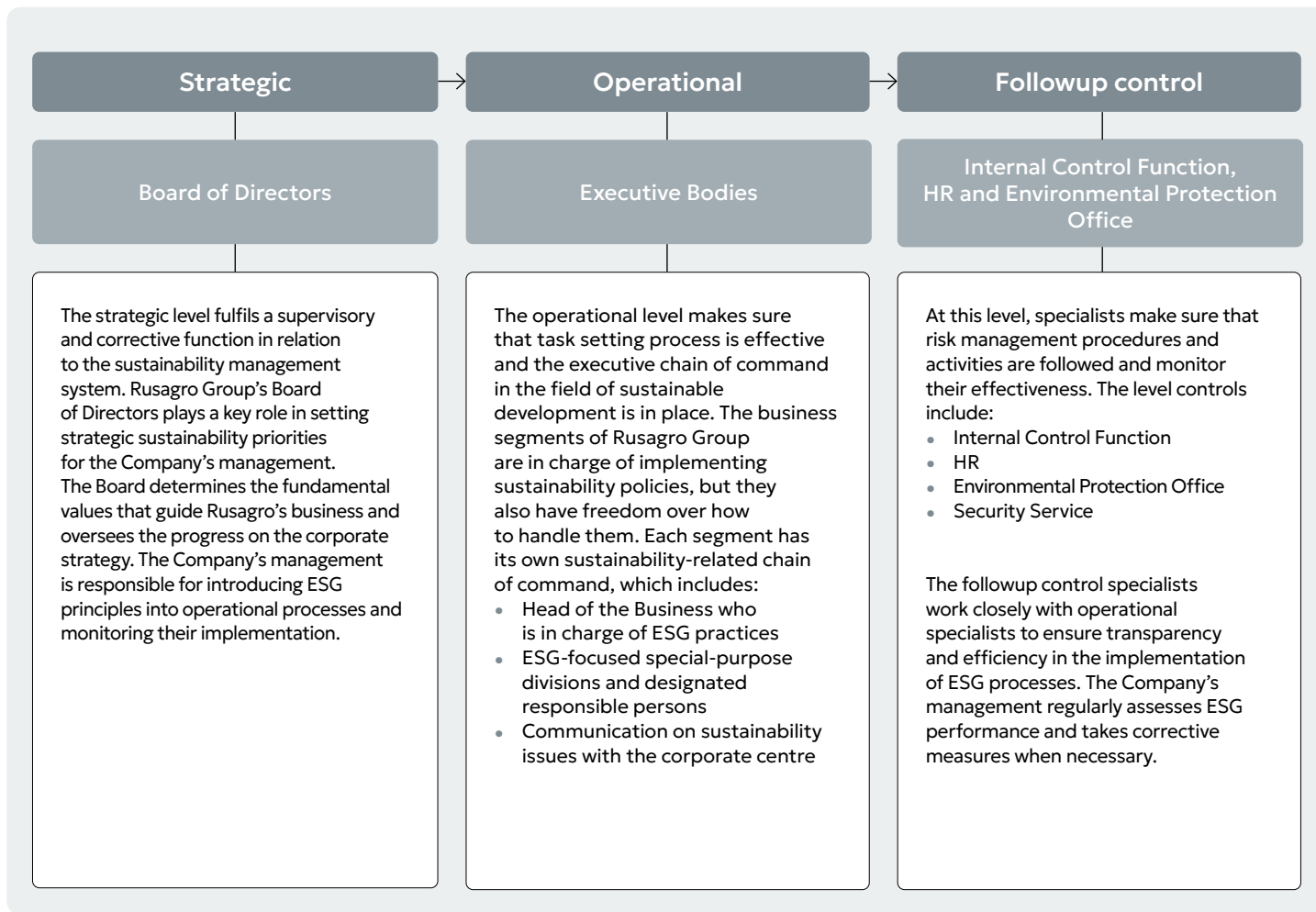


As guidelines for using fertilisers, Rusagro Group applies the regulations that provide for environmental safety measures aimed to exclude soil contamination. The Company's approach to land management also implies land reclamation and reintroduction of lands, careful soil cultivation methods, as well as crop rotations that are optimal for maintaining soil quality

SUSTAINABLE DEVELOPMENT MANAGEMENT SYSTEM

Description and structure of the sustainable development management system

Areas for Rusagro's sustainable development



Environmental aspect – environmental stewardship

- Soil conservation
- Climate change
- Waste management
- Energy management and energy efficiency
- Water management





Social aspect




- Personnel management and training system
- Human rights
- Occupational health and safety
- Engagement with local communities
- Animal health and welfare
- Development of regional infrastructure
- Stakeholder engagement
- Supply chain and responsible partnership
- Product quality




Corporate Governance

- For more details on corporate governance, see the Corporate Governance section of the Annual Report, [p. 180](#)

Stakeholder engagement




Stakeholders	Key interests	Interest serving measures	Communication channels / engagement form
 Shareholders and investors	<ul style="list-style-type: none"> • Delivery of the Group development strategy • Financial stability and operational efficiency • High quality of corporate governance • Regular payment of dividends • Risk management, including in the area of sustainable development • Innovations and introduction of new technology 	<ul style="list-style-type: none"> • Transparent dividend policy • Disclosure of Company-related information in accessible and comprehensible formats • Corporate reporting • Corporate website • Comments for media publications • Seminars, presentations, conferences, exhibitions 	<ul style="list-style-type: none"> • Messages to email ir@rusagrogroup.ru • Messages through the Telegram channel and VKontakte group • Rusagro TV corporate television • Face-to-face and business meetings with investors and investment analysts • Anonymous feedback form • Social media for retail investors: Telegram, Tinkoff Pulse • Collaboration with bloggers
 Management	<ul style="list-style-type: none"> • Implementation of planned initiatives, including in the area of sustainable development • Financial and operational stability • Financial and non-financial compensation • Development of internal human resource 	<ul style="list-style-type: none"> • Corporate reporting • Integrated corporate portal • Corporate interaction channels • Seminars, conferences, exhibitions • Business meetings and presentations 	<ul style="list-style-type: none"> • Internal strategy sessions and meetings • Meetings of the Board of Directors and top management • Corporate newsletters • One-on-one meetings and negotiations • Feedback through the performance appraisal system • Corporate events
 Creditors	<ul style="list-style-type: none"> • Financial stability • Strict commitment to high standards of business ethics • Effective risk management 	<ul style="list-style-type: none"> • Corporate reporting • Corporate website • Publications in mass media and on the Internet • Seminars, conferences, exhibitions • Business meetings and presentations • Anonymous feedback form • Obtaining credit ratings 	<ul style="list-style-type: none"> • Regular meetings and negotiations with representatives of creditors • Disclosure of information through the corporate website and reporting
 Suppliers, partners	<ul style="list-style-type: none"> • Financial stability and operational efficiency • Labour protection and safety of production processes, employee healthcare • Strict commitment to high standards of business ethics • Information security and data protection • Safety and quality of work and services 	<ul style="list-style-type: none"> • Long-term contracting • Transparency of procurement and tender processes • Integration of the principles of sustainable development and environmental friendliness into production processes 	<ul style="list-style-type: none"> • Corporate website • Seminars, conferences, exhibitions • Business meetings and presentations • Anonymous feedback form • Cooperation agreements

Stakeholders	Key interests	Interest serving measures	Communication channels / engagement form
 Employees	<ul style="list-style-type: none"> • Labour protection and safety of production processes • Comfortable and decent working conditions • Human resource development • Respect for human rights • High salary and non-financial compensation • Effective feedback 	<ul style="list-style-type: none"> • Competitive pay and comprehensive social benefits • Help with competence and career development • Holding of cultural and sporting events • Implementation of the programme for the psychological well-being of employees • Collection of feedback and employee opinion testing 	<ul style="list-style-type: none"> • Rusagro's Vestnik newspaper • «Your Idea Works» Programme • Email newsletters and well-developed corporate portal with an anonymous report option • Rusagro TV corporate television • Direct communication lines with the Chief Executive Officer and meetings of the management team with employees • Rusagro Vector leadership development programme
 B2B and B2C customers	<ul style="list-style-type: none"> • Safety and quality of products supplied and services provided • Development of logistics infrastructure • Effective communication and feedback • Integration of ESG aspects into the supply chain 	<ul style="list-style-type: none"> • Engagement based on long-term co-operation, mutual benefit, respect, trust, honesty and fairness • Prevention of corruption and bribery • Wide range of products in different price segments • Recognisable brands with a high level of loyalty and trust of the end consumer • Broad regional presence and smooth-running logistics channels 	<ul style="list-style-type: none"> • Company-wide hotline • E-mail • Anonymous feedback form on individual brand websites • Electronic document exchange • Corporate website
 Society	<ul style="list-style-type: none"> • Creation of jobs and development of local infrastructure • Participation in solving social problems of the region • Preservation of ecological balance and no significant effect on nature • Support for cultural and educational initiatives 	<ul style="list-style-type: none"> • Charitable projects to support education and development of personal and vocational skills for socially disadvantaged children • Cultural, sporting and environmental events • Annual disclosure of information on the Company's social and environmental impact • Monitoring of regional media and the Internet to control bad publicity, publication and distribution of Company news 	<ul style="list-style-type: none"> • Public accounts on social networks • Public telephone lines • E-mail • Corporate website

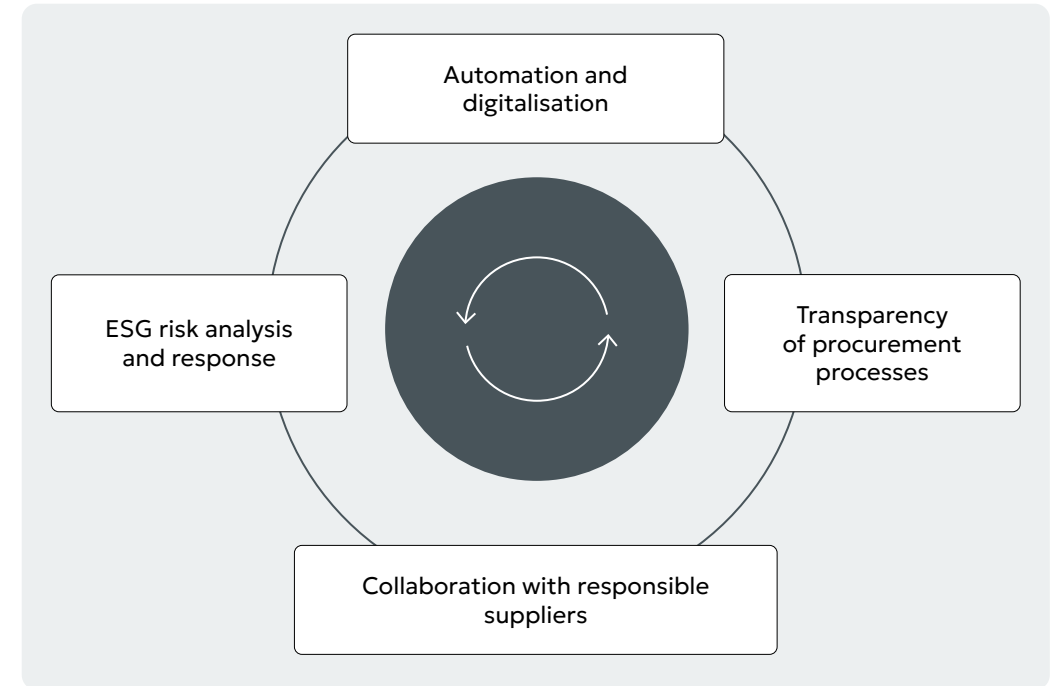
Stakeholders	Key interests	Interest serving measures	Communication channels / engagement form
 <p>Experts and NPOs</p>	<ul style="list-style-type: none"> • Development of a management system for sustainable development aspects • Social and charitable projects in the regions of presence • Measures for environmental protection and GHG reduction • Awareness-raising activities, including on environmental issues • Safety and quality of work and services 	<ul style="list-style-type: none"> • Corporate reporting • Corporate website • Publications in mass media and on the Internet • Seminars, conferences, exhibitions • Anonymous feedback form • Joint implementation of sustainable development projects 	<ul style="list-style-type: none"> • Thematic forums • Partnership agreements and joint initiatives • Feedback through surveys and public consultations • Publications in professional communities
 <p>Regulator, state and executive authorities</p>	<ul style="list-style-type: none"> • Compliance with laws and regulations • Contribution to food security • Contribution to the development of the national economy • Fulfilment of tax and social obligations • Participation in government initiatives and programmes 	<ul style="list-style-type: none"> • Disclosure of information as required by law • Participation in public discussions of projects to amend Rules for providing state support and regulating markets for food and agricultural products • Accountable use of state support funds allocated to the Company under the existing programmes 	<ul style="list-style-type: none"> • Reporting • E-mail • Electronic document exchange
 <p>Educational and research organisations</p>	<ul style="list-style-type: none"> • Support for research and innovative development • Hands-on training and careers opportunities for students • Joint development of technology and new materials • Popularisation of science and engineering education 	<ul style="list-style-type: none"> • Organisation of internships and traineeships for students • Funding of scientific projects and research • Establishment of joint laboratories and research centres • Joint conferences and workshops 	<ul style="list-style-type: none"> • Academic and industry conferences • Direct interaction with universities and research institutes through memorandums and agreements • Online platforms for collaboration and data sharing

Supply chain management system and responsible partnership

Rusagro Group is committed to responsible co-operation with suppliers and supply chain transformation. Rusagro recognises the importance of creating a responsible supply chain and therefore has been raising sustainability standards by engaging with suppliers, regularly updating Rusagro Group's Tender Regulations across all business segments, and by optimising procurement activities.

Destination	Description
 Procurement planning	<ul style="list-style-type: none"> Business segments follow a category-wise procurement strategy All procurements are divided into strategic and operational, thus optimising the procurement process Launched in 2021, the Group's Procurement Competence Centre ensures centralised procurement for business segments
 Supply process management	<ul style="list-style-type: none"> The business segments carry out a tender to identify of the winning supplier Specialists in charge of procurement in the Company's business segments control deliveries and oversee transactions based on tender results In-house transport and hired transport services are in charge of transportation The APLEX digital platform is used to choose logistics companies, enabling the Company to evaluate commercial bids and choose the best one The Company's business segments are members of the Carrier Charter, which supports the conduct of honest business without impropriety
 Product storage	<ul style="list-style-type: none"> The business segments make sure storage facilities are running trouble-free and continuously Traffic safety departments give safety briefings and take preventive measures such as driver safety training, as well as supervise motivational and non-motivational programmes Energy accounting in warehouses is handled by the relevant technical services

Continuous improvement model for supply chain management



Documents that guide Rusagro Group in improving its supply chain management system

Internal

- Rusagro Group's Tender Regulations
- Code of Business Conduct and Ethics (under preparation, its approval scheduled for 2025)
- Anti-Corruption Policy (under preparation, its approval scheduled for 2025)
- Procurement Strategy

External, international

- UN Global Compact
- Universal Declaration of Human Rights
- UN Guiding Principles on Business and Human Rights
- Conventions of the International Labour Organization

Priorities in supply chain management and sample KPIs

Financial performance

1

- Costs saving
- Inventory and payables turnover
- Stock size

Operational efficiency

2

- Timeliness of procurement procedures
- Timeliness of provisions
- Cycle length from application to contract or payment

Business satisfaction

3

- Satisfaction surveys

Training and development

4

- Staff competency assessment
- Share of employees with more than three years' experience in procurement management
- Number of training days per employee

Integrating ESG into supply chain management

To create the equal competitive conditions for all participants

- Ensuring transparency in the procurement process, impartiality in the selection of contractors, fair competition

To reduce the risk of transactions with unreliable suppliers

- Identifying unreliable suppliers to be removed them from the shortlist of possible counterparties during the procurement phase

To put stronger emphasis on supply chain sustainability

- Increasing costs considered against sustainability criteria
- Achieving ESG goals
- Achieving the required sustainability score by the strategic suppliers (e.g., according to Eco Vadis)

Supplier selection and engagement

Rusagro Group follows **specific criteria** when choosing suppliers and assessing offers of cooperation:

- Compliance with the statement of work
- Supplier category
 - major suppliers
 - suppliers of critical goods and services
 - irreplaceable suppliers
- Quality of materials and services provided by the supplier
- Financing proposal
- Compliance with the Group's ESG requirements
- Business reputation, including supplier's cases of fraud and corruption
- Absence of tax debts

The supplier selection criteria may vary to meet the specifics and peculiarities of each business segment. An electronic trading platform, where electronic bidding via a tender system occurs, is used to choose a supplier. Tendering outside electronic trading platforms is allowed only if tender funds are below the established limits.

Digitalisation and automation

Rusagro Group strongly supports process design solutions allowing to optimise processes in supply chain management.

Digital Farmer platform



In 2021, Rusagro Group successfully launched the Digital Farmer application to automate the management of raw material suppliers. Many agricultural producers are already using the application.

The objective of the platform is to simplify and improve the quality of Rusagro's interaction with farmers, make the processes more transparent, convenient and faster for all participants in the supply chain.

Transition to the TESSA platform



In collaboration with TESSA, Rusagro Group initiated a complete shift to electronic document management at the beginning of 2024. The technology will consolidate a geographically dispersed Company's data and process into a single digital circuit. Covering the entire holding, the project aims to improve the efficiency of document flow operations within the Group and with its counterparties, while simultaneously reducing paper and ink usage.

Risks in the supply chain

Non-compliance of processes throughout the supply chain with legislation and agreements

The Company has a unified Tender Regulations in place that define the basic requirements for the bidding process. The objectives of the regulations are to fulfil the principle of competitive procurement, ensure transparency of the logistics process and reduce supply costs.

Reputational damage due to working with an unreliable supplier

The supplier screening process involves supplier background check through SPARK if run by the Security Service and through the Agribusiness Charter if run by the Procurement Department staff. If the results obtained show high risks, the supplier is blocked.

Product quality and consumer safety

Product quality management system

Rusagro Group considers satisfaction and safety of its customers and consumers to be among its top priorities. Each of the Company's business segments established its own product management and quality control framework to achieve high relevant performance results. The quality control services assess all categories of finished products in order to ensure that they do not have a negative impact on the consumers' health.



Meat Business



The Food Quality and Safety Policy of the Company serves as a guideline for the management of product quality in the Meat Business. The quality control system includes four components, namely, veterinary service, quality control and assurance service, standardisation and certification function, and claims collection and processing function. The Company's veterinary service makes sure that animals are medically fit for food production, examines finished products and draws up veterinary reports. The quality control service

is responsible for quality control of all finished products. The quality management systems at the production sites in Tambov and Belgorod Regions are certified to ISO 22000 and FSSC 22000. Claims management involved the collection of quality complaints from customers and their investigation together with the logistics and production departments.

BRAMS digital monitoring system



Since 2021, Rusagro has been utilising a digital monitoring system for the hygienic state of production and non-production areas of the BRAMS facility at its pig breeding facilities in Tambov and Belgorod Regions.

Quality control system for finished products



With the support from Rusagro Tech, the Company uses a machine vision system (neural networks) for the online quality control of finished products on the production line at Tambov Meat Processing Plant

Oil and Fats Business



The Quality Department of the Oil and Fats Business follows the provisions of the following internal documents: Quality and Product Safety Policy, Integrated Quality Management System Manual, Non-conforming Product Management and Food Safety Management System Manual (HACCP). All production sites are certified to ISO 9001 standard, and Yekaterinburg, Saratov and Atkarsk plants are also certified to FSSC 22000 standard. Saratov Fats Plant has RSPO and ISCC certification. The Quality Department of the Oil and Fats Business is also directly involved in screening the Company's suppliers to ensure the quality of products purchased.

Full automation



of raw material reception process

Sugar Business



The Quality Service in the Sugar Business is responsible for the coordination of all product quality assurance activities and the development of the quality management system. This structure is applicable for all production sites. The Head of Security coordinates activities of the Quality Service at the business segment level, while the site quality manager oversees quality control activities at separate production sites and supervises a plant chemical engineer (in charge of laboratory control) and a quality specialist (in charge of certification and incoming inspection). All plants have a food safety management system compliant with FSSC 22000 standard, and all production sites are certified by an external certification and auditing service provider. Compliance audits are carried out once a year and recertification audits – once every three years. The fodder safety management system is based on the GMP+ standard: seven plants are certified for pulp production and two plants – for betaine production.

Rolling-out



of the monitoring system for critical production parameters to all sugar plants

Agriculture Business



The product quality management issues in the Agriculture Business are covered by the Company's Commercial Function, reporting directly to the General Director of the Agriculture Business. The Commercial Function operates to Customs Union technical regulation 015/2011 'On Grain Safety', Rusagro's Quality Policy, instructions for quantitative and qualitative accounting of grain and its derivatives, incoming quality control, drying and cleaning, storage of finished products, and regulations for crop production outgoing inventory. As for product quality management and control, the Commercial Function has four focus areas: laboratory control, assurance of system requirements for storage conditions, accompanying documentation and standardisation.

Priorities of the Quality Management System

Meat Business



- Fulfilment of the requirements of external stakeholders
- Quality as a competitive advantage
- High level of customer service
- Certification of meat processing plants in export markets
- Cost-effective quality service
- Centralisation of the quality service

Agriculture Business



- Internal auditing of grain storage elevators in terms of product quality
- Examination of the requirements and prerequisites for integrating express analysers at storage sites into a single FOSS network
- Consideration of replacing manual quality control methods with automated equipment
- Reproducibility of quality indicators at all stages of the production process and during supplier and customer interactions
- Uploading of data into the Federal Grain Inspection Service system

Sugar Business



- Development of the food and feed safety system and improvement of product quality
- Measurement efficiency improvement (through automation and statistical analysis methods)
- Focus on meeting customer specifications
- Focus on improving the production culture and bringing it to lean manufacturing standards

Oil and Fats Business



- Quality improvement of products
- Implementation of an operational efficiency plan
- Realisation of the site automation project
- Staff development and staff interchangeability

Feedback system

One of the most important tools for raising the calibre of the products supplied is effective customer communication. For this reason, every business segment of Rusagro Group gives careful consideration to customer complaints and requests.

Meat Business



In the Meat Business, claims management falls under the jurisdiction of the Customer Service Department, which structurally belongs within the Logistics Department. The common tools employed by the Customer Service Department to collect and process claims include a hotline, common email and feedback forms on the product brands' websites. To facilitate more effective analysis and processing, all calls and reports are digitally recorded. Every month, the Department compiles an analytical report on complaints that have been filed.

Oil and Fats Business



The Operations Support Service, which is part of the Operations Directorate of the business segment, is responsible for customer relations in Rusagro's Oil and Fats Business. The claims management of the Operations Support is compliant with ISO 10002 and involves processing the return requests, customer complaints and other customer reports. Available feedback options are through website, e-mail, postal service or telephone.

Sugar Business



The Sugar Business uses telephone and email communication to interact with its customers. Electronic document exchange is a preferred and widespread way of interaction with network customers. Feedback from retail customers is collected centrally: product packaging contains contact information, including email address, website address and office telephone number. At least once a year, the Sugar Business carries out an automated customer satisfaction survey.

Agriculture Business













The Commercial Function of the Agriculture Segment is also responsible for communications with customers and partners, usually via postal service.

Risk management in the Quality Management System

In pursuance of greater customer and consumer satisfaction, Rusagro Group closely monitors emerging risks relating to product quality and tailors appropriate measures to prevent or minimise them.

Key risks to product quality and safety

Risk	Management measures	
Meat Business		
Product spoilage before the end of the actual shelf life declared by the producer	Sanitisation of production sites Procedures to improve sanitary conditions in the workplace Control over process-related parameters	
Sugar Business		
Increased sugar temperature at the outlet of the production line due to insufficient cooling capacity and inadequate sugar storage conditions in warehouses increase the likelihood of caking of the finished product	Repair and upgrade of sugar cooling systems at the plants Installation/upgrade of air conditioning systems in warehouses	
Agriculture Business		
Poor quality of produce	Enhanced incoming quality control of products – inspection of each vehicle	
Unsatisfactory condition of parties to be conditioned	Periodic control	
Deterioration of long stored batches	Periodic control at storage locations	
Poor quality of product shipped	Enhanced incoming inspection of products shipped – inspection of each vehicle	

Risk		Management measures
Oil and Fats Business		
	Risks related to the government and regulators <p>Changes in industry-specific legislation in consumer countries</p> <p>Lack of knowledge and non-compliance with laws and regulations due to outdated external and internal documentation</p> <p>Punitive sanctions or blockage of products made</p>	<p>Continuous monitoring and tracking of possible changes in legal and regulatory requirements</p> <p>Updating of regulatory documents to accommodate the changing requirements, using the latest versions of standards, regulations</p> <p>Timely notification of interested departments of forthcoming changes in requirements</p>
	Supplier-related risks <p>Assignment of ineffective and inefficient corrective actions</p> <p>Failure to implement preventive and corrective actions or to develop and implement ineffective corrective actions</p> <p>Re-occurrence of non-conformities, release of non-conforming products into free circulation</p>	<p>Quality control of purchased products, including by third-party accredited laboratories, at prescribed intervals</p> <p>Continuous quality control of products by internal and external control bodies</p> <p>Periodic testing of finished products by third-party accredited laboratories</p>
	Personnel-related risks <p>Supply of products purchased that do not meet quality and safety standards</p> <p>Release of substandard products into free use with or without endangering the health of consumers</p> <p>Harm to the health of the consumer and the likelihood of damage to the Company's image and reputation</p>	<p>Recording of planned corrective actions</p> <p>Continuous follow-up of the corrective actions</p> <p>Monthly monitoring of the effectiveness of preventive and corrective actions</p>
	Risks associated with partners and outsourcing <p>Bioterrorism and sabotage</p> <p>Release of substandard products into free use with or without endangering the health of consumers</p>	<p>Entrance coded locks at the production workshops</p> <p>Video surveillance</p>
	Risks related to the internal control system <p>Inadequate internal control system</p> <p>Release of substandard products into free use without endangering the health of consumers</p>	<p>Reconsideration of the monitoring frequency as necessary</p> <p>Video surveillance</p>
	Customer-related risks <p>Cross-contamination related to return of products that are overdue for sale</p> <p>Harm to the health of the consumer and the likelihood of damage to the Company's image and reputation</p>	<p>Reception of returned products for storage in a separate warehouse for isolation and subsequent disposal purposes</p>

ENVIRONMENTAL ASPECT – ENVIRONMENTAL STEWARDSHIP

Rusagro Group's production activities have an impact on various components of the environment. Following Russian legal requirements, industry best practices, and a continuous search for ways to enhance production methods, the Company takes steps to lessen its adverse environmental impact.



Main objectives



To save all types of resources



To reduce waste generation, discharges and emissions



To reuse raw materials and supplies



To shift to a closed-loop economy

Key principles



Principle of compliance with legal and regulatory requirements and standards



Principle of consistency in addressing environmental security



Principle of preventing adverse effects on people and the environment



Principle of full disclosure on environmental protection and environmental safety activities

Management structure and environmental protection regulations

Environmental management runs through all levels of the Company. Operations management lies within the purview of environmental specialists who are supervised by middle managers and site directors.

At certain production facilities, senior management's key performance indicators (KPIs) take into account how well environmental protection efforts are working in relation to the statutory compliance by minimising the amount of possible financial penalties.

KPIs are also set for Rusagro Group's individual employees: for example, for environmental specialists in relation to the amount of resources used and waste generated, the number of violations and relevant corrective actions.

The environmental objectives are realised through the business development strategy. The Oil and Fats Business has the Environmental Policy in place as a collection of best practice examples. Detailed requirements for environmental management are contained in the Company's by-laws such as regulations, instructions and plans.

Environmental compliance controls

Regular industrial environmental control is an essential element of the environmental management system. The results of internal checks are used to draw up corrective action plans, with the appointment of responsible persons.

Contractors are also subject to the environmental compliance control. For this purpose, the Company's business segments developed the regulations on tender procedures and the regulations on safe works performance by contractors at the customer's site.

At certain Rusagro Group's enterprises, the environmental management system also includes internal environmental audits as an additional tool for verifying the environmental compliance and for assessing the current state of the management system.

Environmental training and development of employees

Rusagro seeks to continuously improve the skills of its environmental protection team by giving them the field-specific training related to certain environmental aspects. Employees of the Company's environmental services also regularly participate in professional community meetings, round tables and conferences to exchange experience and to shape agenda on current environmental issues.

In order to develop the environmental safety competencies of other employees, the Company organises relevant training events, in particular, training in hazardous waste management programmes. To promote the culture of careful attitude to resources and to prevent the environment pollution, Rusagro Group conducts special campaigns, including waste paper collection, waste collection and cleaning of the grounds.

Consideration of environmental risks at the design stage of facilities

The standard for capital construction investment projects in the Meat Business covers environmental requirements not only for construction companies, but also for the originators of design documentation, and stipulates that all stages of any project are to be witnessed by an environmental protection specialist. This practice ensures that the design documentation is reviewed in a timely manner in order to incorporate necessary environmental requirements and appropriate amendments, thus avoiding the risk of environmental violations in the future.

Environmental risk management

Environmental risk management builds on a regular review of production processes and related environmental aspects carried out by Rusagro Group's environmental staff on a monthly basis. The relevant action plan is prepared for risk management and delivered through industrial environmental control programmes.



Sustainable agriculture

Rusagro Group recognises the responsibility and importance of its contribution to food security, quality and availability.

The Company's agricultural activities are governed by adaptive landscape farming projects based on science-based principles, stipulating agrolandscape stability and soil fertility recovery achieved through planning optimal quantity and quality of agricultural products, taking into account the existing environmental and economic factors of the region, market demand, as well as available natural and production resources.

Digital tools for monitoring plant health



The Company's initiative for computer-aided monitoring of plant health and growth involves the use of Cropio, a digital service for remote monitoring of farming lands, which allows for operational satellite monitoring of crop area condition, observation of plants growing and accumulation of analytical data on changes in the condition of fields for further forecasting and planning of agricultural operations

The key methods used by the sustainable agriculture

- 1 Multi-cropping in the crop rotation system
- 2 Use of cover (green manure) crops
- 3 Mulching of the soil surface
- 4 Application of mineral and organomineral fertilisers, Satellite monitoring of the crops condition

Soil conservation

Land resources are one of Rusagro Group's most important assets. Farming is a factor that affects soil and land resources the most, especially in terms of physical stress to soils and landscapes, soil fertility and chemical and biological impact. The impact on soils from the operations of Rusagro's other business segments mainly relates to the operation

of equipment and machinery, construction works on production sites, and area contamination with waste generated before the Company acquired the said areas.

Rusagro Group's focus areas pertaining to soil conservation

Control over compliance with soil conservation regulations and regular monitoring of soil conditions at facility boundaries to assess the potential spread of pollution

Development of plans and instructions for conducting activities in compliance with soil protection regulations, including certain technical regulations for fertiliser use

Development of reclamation programmes for disturbed lands, stipulating timeframes and necessary resources, in case of land contamination

Application of sustainable agriculture methods

Prevention of soil pollution and disturbance

Fertility project



The aim of Rusagro's Fertility Project is to maintain and improve soil fertility. The project provides for variable-rate application of mineral and organic fertilisers and also involves seeding perennial legume grasses in selected fields for two to three years to let the soil rest

Soil protection in using manure-based fertilisers



In order to improve soil quality, Rusagro uses organic manure-based fertiliser, but in case of violation of process operations, there may be a negative impact on the environment. To drive out soil pollution risks, there are process-related regulations, which set out the necessary environmental safety measures. Wash-out of manure is prevented by relevant preparatory and preventive measures, and ammonia emissions into the atmosphere are minimised through a closed manure application method

Depollution of soils



Long-standing soil pollutions with fuel oil and sulphur at the sugar plants predates the acquisition of the assets by the Company. Depollution of soils includes a thorough survey of the grounds and subsequent reclamation of the contaminated sections

Contribution to climate change

Boiler houses, which run the heat and power generation facilities and heat the production buildings, are one of Rusagro Group's primary sources of air pollution emissions, such as greenhouse gases (GHG), nitrogen and sulphur oxides. As for the Agriculture, Sugar and Oil & Fats segments, a significant volume of emissions comes from dust emissions generated during grain harvesting and sugar beet and sunflower seeds processing, whereas in the Meat Business, emissions are mainly represented by volatile organic compounds such as methane, carbon dioxide and ammonia.

Approach to managing climate impacts and air emissions

The management of emissions and climate impacts encompasses a number of important process-related and organisational aspects of the production, such as energy resources and energy efficiency management system, emissions and effluents treatment methods, which are all connected with the impacts on air quality and the climatic conditions. Work is also underway to align the calculation methodology of GHG emissions with global best practices.

Below are the key initiatives towards the reduction of atmospheric emissions

Streamlining processes and upgrading production equipment

Conducting regular industrial environmental control

Improving the efficiency of gas-cleaning and dust-removal equipment

Obtaining an integrated environmental permit (IEP) for Tambovsky Bacon LLC



Throughout 2024, the slaughterhouse in the Tambov Region and the meat processing plant in Belgorod Region owned by Tambovsky Bacon LLC, part of Rusagro, completely revised and edited all environmental documentation regulating the environmental impact of the facilities, while also monitoring the environmental compliance. These efforts made the production facilities more environmentally friendly and allowed avoiding multiple increases in pollution fees due to the introduction of multiplying factors at the beginning of 2025 for non-IEP plants

Comprehensive emission abatement measures



The problem of reducing air emissions at meat processing plants is approached in a holistic way, for example, manure removal processes employ compounds that can reduce the content of ammonia, hydrogen sulphide and methylmercaptan in emissions. Pig farms keep on improving their microclimate and climate control systems, and new facilities are built using energy-saving technology

Emission treatment system of the molasses desugarisation facility at Chernyansky sugar plant



The molasses desugarisation process involves the emission of pollutants, such as ammonia. Since 2021, Chernyansky sugar plant has been using a specialised treatment system to reduce these emissions. In 2021, the design efficiency of ammonia removal was at least 90%, as confirmed by measurements by an independent laboratory

Energy management and energy efficiency

As Rusagro Group's assets are mainly represented by industrial facilities, they consume significant amounts of energy resources, with the Sugar Business being the largest consumer, and the Agriculture Business – the smallest one.

Energy management system

Rusagro Group's business segments have standards in place to ensure that the activities are carried out in line with the energy management system requirements. They also draw up and regularly review energy strategies that set targets for energy management.

Measures to reduce energy usage and improve energy efficiency fall under the following focus areas:

- Accounting, metering of energy consumption and control over technological processes, including through means of automation
- Replacement of energy-intensive equipment with energy-saving one and transition to in-house power generation
- Repair and regular maintenance of equipment to improve energy efficiency

Impacts on water resources

Surface and ground water bodies are mainly exposed during water withdrawal and effluents discharge.

Approach to managing impacts on water resources

Rusagro Group works towards smaller exposure of water bodies and makes each and every efforts to reduce withdrawals from water bodies and improve the quality of effluents discharged.

Measures to improve the efficiency of resource consumption cover the following focus areas:

- Introduction of water recycling and reuse systems, including reuse of treated effluents
- Automation of water consumption processes to control the withdrawals, consume water exactly as needed and identify and repair leaks in a timely manner
- Controls and monitoring of water consumption, identification of water misuse

Enterprises in the Oil and Fats Business, as well as the Sugar Business discharge effluents into surface water bodies. The Sugar Business stopped using two discharge points as a result of the reduced water consumption. In the Meat and Agriculture segments, effluents are only discharged to public utility service systems.

Measures to improve the quality of effluents cover the following focus areas

- Introduction of a system for recording and analysing incoming information on effluents quality
- Quality inspection of artesian groundwater
- Construction of new and update of existing local treatment facilities at production sites

Construction of a complex of wastewater treatment facilities at the production site of Molochnye Produkty Rusagro LLC

The existing wastewater treatment facilities were commissioned in 1972 and could not be used any longer. In order to ensure wastewater treatment, a new modern wastewater treatment plant with a physical and chemical purification unit is to be built in Koshki village.

In 2024, the design of construction of treatment facilities, expert examination of design documentation and installation of two underground grease traps are completed

Impact on water resources

Managing the risk of non-compliance with effluents quality standards



The Oil and Fats Business runs the pre-project inspections of industrial and domestic wastewater collection and treatment systems with the purpose to evaluate the actual condition and operating characteristics of the effluents treatment facilities and assess their real performance. The results gained are used to tailor optimal technical solutions for the elimination of the existing shortcomings

Construction of local treatment facilities at the production site of Rusagro-Saratov LLC



Commenced in 2024, the construction of local treatment facilities will ensure that wastewater is treated to the prescribed levels in order to reduce the fees for exceeding established limits paid to the wastewater disposal organisation.

The design of construction of treatment facilities and expert examination of design documentation were completed in the reporting period

Upgrade of local treatment facilities at the production site of Zhirovoy Kombinat JSC



Commenced in 2024, the upgrade of local treatment facilities at the production site in Ekaterinburg will ensure wastewater treatment in order to reduce fees paid to the wastewater disposal organisation by meeting the wastewater composition requirements.

The design stage of the upgrade was completed in the reporting period

Waste management

For Rusagro Group, waste management is an important environmental factor. The key issue here is not the type of waste (the bulk of which falls within non-hazardous IV and V classes) but the amount of such waste (which proved to be rather significant due to specific nature of production processes). For example, the Agricultural Business's facilities generate a large volume of husk from sunflower seeds, while the sugar plants produce lime defecate, which is a by-product of beet juice treatment. Hazardous waste mainly includes mercury lamps, lead batteries and waste oil products, which are handed over to specialised contractors for further disposal.

Approach to waste management

The aims of the Company's waste management efforts are to minimise waste generation, align the production activities with waste management regulations, and to be in constant search for alternative uses of waste and reuse of materials and raw materials generated during such activities.

The waste management efforts cover the following focus areas:

- Reuse of waste and application of the principles of the closed-loop economy in waste management
- Waste generation and movement recording and waste management enforcement

To promote the rational use of recyclable materials and waste management, the Oil and Fats Business has been introducing a unified waste management system at its production sites: one contractor covers collection, transportation and treatment of hazardous waste, while the other one deals with the entire cycle of collection, preparation and disposal of recyclable waste. The Meat Business screened the recyclables market and identified the most demanded types of waste, as well as purchased new containers for waste separate collection. The Agriculture Business started collecting plastic packaging and waste paper at all its sites and appointed employees responsible for this process.

Improving the waste management system


Returning sugar beet washing sludge to economic turnover


As a result of the development of a new technology for the production of nutrient-rich soil based on the sludge formed after washing sugar beet roots, the Sugar Business registered the Sila Chernozemya brand of nutrient-rich soil, which is used for growing ornamental and agricultural crops, forming a fertile layer and improving soil structure. The technology reduces sugar plant waste, has environmental benefits and can be easily adopted in agricultural production across the country.

Externally acknowledged as promising, this technology will allow millions of tonnes of nutrient-rich soil to be returned every year to economic turnover across the federal sugar industry

Salvaging of industrial by-products


Rusagro has a widespread practice of by-products recycling, which gains additional benefits and minimises the negative environmental impact.


For example, the Company sells lecithin from the oil refining process to the food and pharmaceutical industries. 

Lime defecate from the beet juice refining process is used as an organomineral fertiliser for soil acidification. Defecate was certified as a fertiliser and excluded from the total amount of waste generated, resulting in a reduction of waste generation in the Sugar Business 

Improving the waste management system

To promote the rational use of recyclable materials and waste management, the Oil and Fats Business has been introducing a unified waste management system at its production sites: one contractor covers collection, transportation and treatment of hazardous waste, while the other one deals with the entire cycle of collection, preparation and disposal of recyclable waste.

The Meat Business screened the recyclables market and identified the most demanded types of waste, as well as purchased new containers for waste separate collection. 

The Agriculture Business started collecting plastic packaging and waste paper at all its sites and appointed employees responsible for this process 

Leveraging the best available technologies

New pig farms in Tambov Region rolled out a technology of manure separation into solid and liquid fractions, which accelerated the organic fertiliser maturation process and allowed to register it as certified fertilisers under Fitovit-1, Fitovit-2 and Fitovit-3 brands. Thus, pig manure was excluded from the total amount of waste in 2021, resulting in a 2.5 times drop in the volume of waste directed to landfilling

SOCIAL ASPECT

Human resources management

Human resources management system

Rusagro Group's main asset is its unique human capital, the development of which is one of the Company's four strategic goals. Highly skilled and dedicated teams led by experienced management is a mainstay of the business.

The Company provides decent working conditions, competitive and fair remuneration, and guarantees social benefits, while establishing an environment of motivation and innovation and focusing on staff professional growth. The Company is also committed to offering equal opportunities to bolster personal and professional empowerment of its employees.

Documents regulating the Group's HR management activities

- Compensation & Benefits Policy
- Regulations on Annual Bonus Payments
- Compensation and Benefits Policy
- Employee Performance Management Procedure

Risk management activities

- Labour efficiency and productivity management
- Improvement of employer brand appeal
- Faster and better recruitment
- Promotion of in-house training systems and talent development
- HR process automation

HR Management organisation chart

Department of Human Resources Management

- Office of Performance Management
- Office of Staff Sufficiency Management
- Office of Training and Development
- Office of Internal and External Communications
- HR Business Partners
- Administrative Office

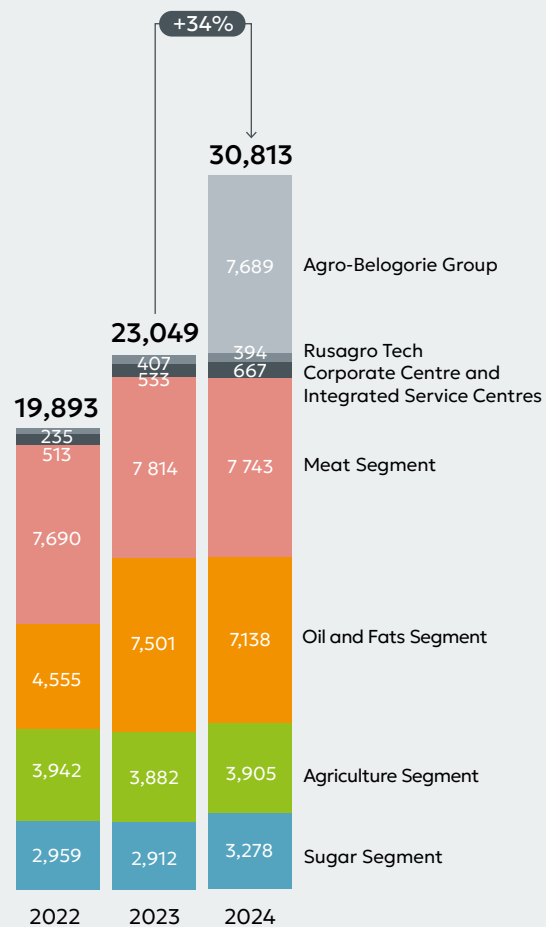
Two Integrated Service Centres

Digital transformation

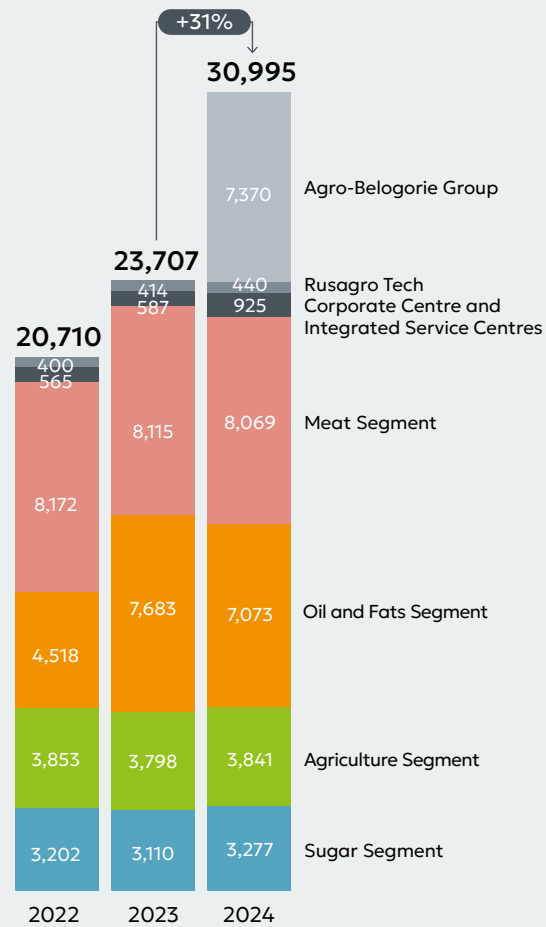
From 2020 to 2022, Rusagro Group utilised SAP SuccessFactors, a unified cloud-based HR management platform. The platform was a master system for HR data and helped to centralise and streamline all processes of the HR management cycle. After SAP's withdrawal from the Russian market and through import substitution processes, the Company selected the Mirapolis solution as a new framework for HR process management and started its integration 2023. The team of specialists from Rusagro Tech's general corporate projects group and the Group's Human Resources and Organisational Development Department put in a great deal of effort to prepare each stage of integration so that the transition would be as seamless, quick, and easy for users as possible.

Workforce structure

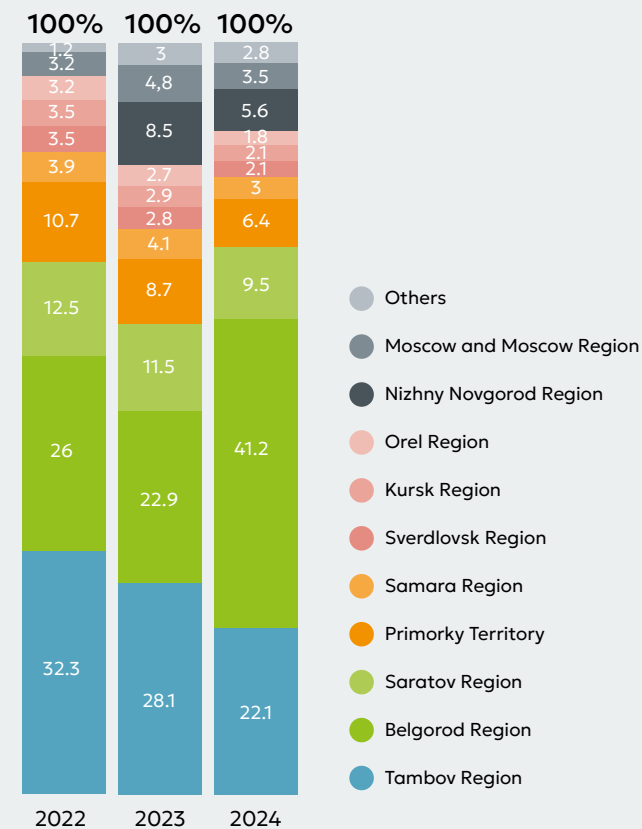
Average headcount¹, people



Headcount at the end of the year¹, people



Share of employees by region², %



¹ The data is based on the management accounts of Rusagro Group PJSC.

² Together with Agro-Belogorie.

Recruitment process

Rusagro's success is a result of the concerted efforts of over 30 thousand employees. In order to ensure sustainable growth, the Company devotes significant resources to attracting new talent and developing their potential by creating an innovative and inclusive environment.

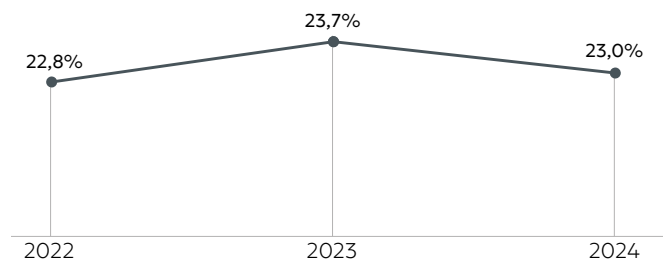
Rusagro does not tolerate any form of discrimination in employment and looks into professional skills, experience and qualifications of prospective hires in process of recruitment. The Company promotes transparent employment relations, decent wages and extended social benefits.

The Company turns its focus on creating a comfortable environment for the successful start-up of newcomers, for example, welcome training sessions to help new employees through the onboarding process and find their way into Rusagro in less time. The Company favours a holistic approach to onboarding new employees using automation tools and artificial intelligence.

Staff turnover

Rusagro Group's average turnover rate¹ was 23%, down 0.7 p.p. year-on-year, which is not uncommon among agribusiness companies, given the seasonal nature of staff employment.

Staff turnover at Rusagro Group



Employer brand

Building a strong employer brand for Rusagro Group is essential to the Company's long-term success in an environment of fierce competition for talents.

Rusagro Group as an employer by 2024/2025 results

Rusagro Group is one of the best companies to start a career in agribusiness ★

The Group received the prestigious Changellenge Best Company Award 2025 (an annual rating in the area of employer brand development). The research is based on an online survey of <8,000 high-potential (HiPo) young specialists from the country's leading universities and shows how they feel about leading employers in Russia and worldwide in the reporting period.

Among the top businesses in the agro-industrial sector, Rusagro is ranked second right away after making its debut in the ranking. In total, the survey had 200 organisations evaluated by respondents

¹ Calculated as an arithmetic average of the turnover rates in the four business segments.



Employer brand

Rusagro Group in the golden category of the rating of corporate Telegram channels



The Group's main Telegram channel @rusagro_group entered the 'golden' category of the rating of corporate Telegram channels about career and HR, combining the best practices of internal and external HR communication. The rating takes into account the average number of post views and gives an indication of how effective career channels are. The channels with an average number of views from 2,000 to 5,000 made it to the Gold category.

Rusagro-Primorye is a holder the Star of the Far East award in the Best Employer category



The jury praised the Company's performance in key areas:

- Human capital development and job creation
- Educational programmes in cooperation with leading universities in the region
- Attraction of qualified specialists, including through state support programmes
- Social responsibility and comprehensive measures for the well-being of employees

Attracting young talent, internships and co-operation with educational institutions

The rapid pace of urbanisation and the preconceived biases of young people towards agriculture make attracting young talent a major challenge for Rusagro. When working with young people, the HR team strives to be innovative and make use of contemporary tools.

For several years, the Company has been successfully running 'The Field of Your Development' apprenticeship project and dual training programmes with regional educational institutions, where young people can gain hands-on experience and knowledge from leading experts. The Company extends an invitation to participate to students and graduates of specialised secondary and higher educational institutions. Seasoned Rusagro Group's mentors oversee programme participants and help them master new hands-on skills.

Internship videos







Since 2021, Rusagro Group has been using innovative internship videos to draw in young jobseekers that value career advancement, a strong company culture, and innovations. The videos highlight the benefits and digital transformation of agribusiness, helping to break down young people's stereotypes about agriculture.

Agrarian Detective podcast series



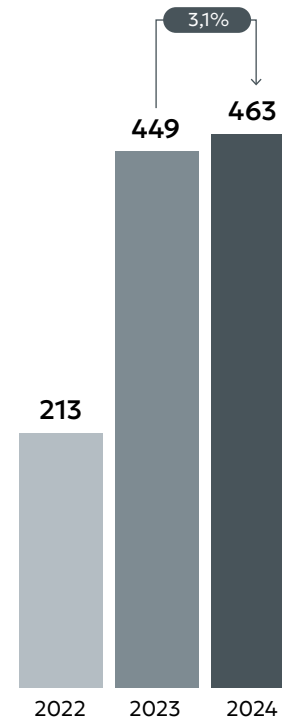
The Company launched a novel project called Agrarian Detective in 2024 that was intended for a young audience. This is a series of podcasts that talks about the agricultural industry, revealing its importance, innovativeness, and prospects. Podcasts are hosted on the platforms of leading aggregators such as YandexMusic, VK, podcasts.apple.com, etc.

Rusagro Group's youth-oriented programmes

Programme	Description	Results
Higher education institutions		
Leadership programme 	Russia's first leadership programme in the agribusiness industry to increase the number of high-potential employees and ensure leadership succession	<p>In 2024, candidates were selected from among students and graduates of higher education institutions (through the analysis of education, academic performance, achievements, analytical case study, assessment of managerial potential).</p> <p>A total of 48 people were enrolled</p>
Additional training for university students 	Improving the level of education of students graduating in specialised areas in the regions of presence	<p>In 2024, 93 students were enrolled from six universities.</p> <p>In 2023 – 62 people from five universities</p>
Field of Your Development Internship for senior students and graduates	Internships for students and graduates with the possibility of re-location directly in production. Providing talent pool for specialist positions	2023–2024: annual enrolment of up to 200 students and university graduates under 27 years of age
Secondary specialised educational institutions		
Training and attraction of students of secondary specialised educational institutions 	<p>Opening of field-specific areas in partner colleges, increase of admission figures.</p> <p>Vocational guidance, contracts on employer-sponsored education</p>	From 2022 to 2024, the programme was in place in the Meat Business. The programme is scheduled to be scaled up to all business segments in 2025
Schools		
Training in agro-technology classes 	<p>Popularisation of agricultural professions and the opportunity to get quality education in the places where employees live.</p> <p>Recruitment of motivated students for company-sponsored training at higher and secondary education institutions</p>	In 2024, two agro-classes were opened in Chernyanka, Belgorod Region. The Company scheduled creating agro-classes in 2025–2028 in areas of compact settlement of its employees

In 2024, the focus of work has shifted to universities and colleges relevant to the Company's business lines. The Youth Department has been centralised, internship programmes have been further developed and their number has increased. In the reporting period, the enrolment of Rusagro Camp participants also increased, and the scope of scholarship support for students was expanded. The Company has the classrooms of key higher education institutions regularly renovated and equipped with the required equipment.

Number of people participating in Rusagro Group's internships, people



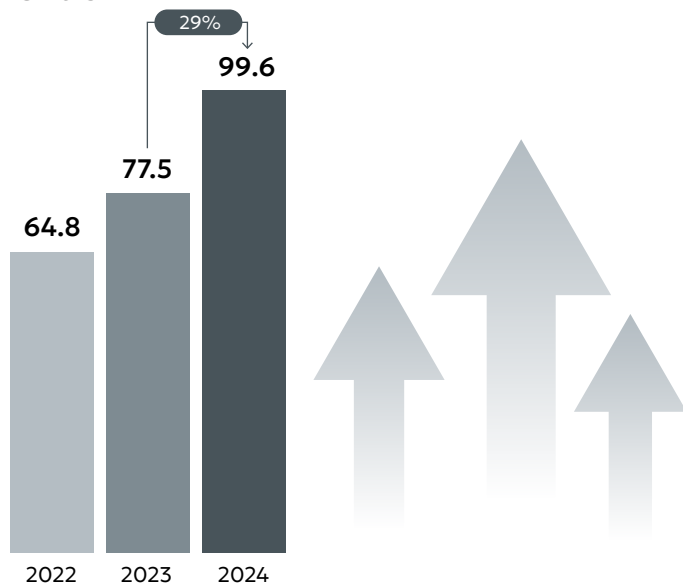
Retention and motivation

Remuneration and incentive system

Rusagro Group works towards unlocking the personal and professional potential of each employee, while continuously reviewing and improving the employee incentive system.

The Company maintains a system of transparent and understandable labour remuneration and compensation. The Group guarantees employees a competitive salary. The main components and procedure for bonuses are set out in the regulations on annual bonuses for employees developed for each of the Company's segments.

Average monthly salary across Rusagro Group, RUB ths



The Company has a hotline with the accounting department for payroll, sick pay, holiday pay, etc.

The Company has both tangible and intangible incentives in place, offering the employees an extensive social benefits package, including:

- Voluntary health insurance (VHI)
- Option to include relatives in the corporate VHI programme on favourable terms
- Reimbursement of food expenses and provision of home-raised products

- Commuting to and from work by corporate transport, provision of high-quality workwear
- Health resort treatment and reimbursement of medicinal drugs

The Company provides equal benefits to all full-time employees at their primary place of employment. Young professionals may qualify for housing allowance from the Company. Rusagro strives to promote a culture of health and well-being for employees and their families through the With Care for Everyone programme.

Provision of housing for employees of the Combined Oil and Fats Business

The Combined Oil and Fats Business joined the federal programme on integrated development of rural areas to build housing for its employees. The aim of the programme is to create comfortable living and working conditions for employees in rural areas so that they feel like staying to live and work where they were born and brought up. The Company plans to build publicly co-financed flats in Koshki, Bezenchuk, Atkarsk and Ekaterinovka settlements. Housing will be provided to 125 employees in need under a social rent contract for the duration of their employment with Rusagro Maslo. Construction is scheduled for 2025–2026

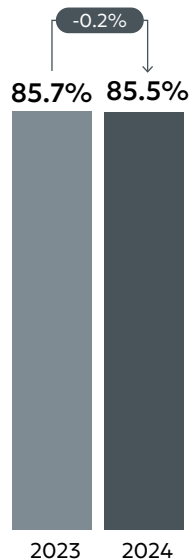
Fair Games sports festival

Rusagro held its annual corporate sports festival 'Fair Games' in September 2024 in Tambov. The aim of the event was to strengthen corporate spirit, unite teams and promote a healthy lifestyle among employees. The festival was attended by more than 2,500 fans and athletes from different business segments of the Company. The festival programme included competitions in mini-football, volleyball, tug of war, relay races, mile run, long jump, marksmanship and chess. The festival was held under the motto 'LEADERSHIP, ENERGY, TEAM'

Employee engagement and satisfaction

Employee engagement and satisfaction scores for 2024 show an engagement rate of 85.5%, remaining almost unchanged from last year.

Employee engagement rate



Engagement score is calculated according to Happy Job method with an employee reach of more than 90% of the total workforce.

Following the survey, focus groups are held with employees to develop a plan for specific improvements. Based on the findings, the following priority areas for improvement were identified:

Balance

Reducing stress levels in the workplace, achieving work/life balance, promoting a culture of physical and psycho-emotional well-being

Careers

Expanding opportunities for growth and development

Working conditions and remuneration

Improving the comfort of working conditions, development of the Company's social infrastructure. Transparency of remuneration and provision of benefits to employees

Staff training and development

Rusagro Group has a unique training and development system in place that consolidates information, accumulated knowledge and experience to meet production and management challenges. The Company places a high priority on creating high-quality training and assessment materials for staff

members. These materials present information in a concise manner, cutting down on the amount of time needed to learn it and enabling staff members to put their knowledge into practice right away for productive and error-free work.

Six components of Rusagro's training and development system

- 1 Introduction of standard operating procedures (SOPs)
- 2 Schools for line managers and specialists
- 3 Distance learning (DL) system
- 4 External training
- 5 Mentoring institution
- 6 In-house coaching institution

Staff training and development

Introduction of standard operating procedures



In order to save the time needed for new mass production employees to adjust and train, Rusagro Group has been implementing standard operating procedures (SOPs) since 2023. The project started in the Meat and Agriculture Businesses and, from 2024 it is implemented in all segments.

Distance learning and external training



The Company also makes arrangements for external training: having employees passing in courses and attending professional conferences, inviting external speakers and coaches.

A Distance Learning System (DLS) is a platform for employees to gain new knowledge and improve their skills (Rusagro Group's employees are actively engaged in this process). In 2024, Mirapolis has replaced the DLS in SAP SuccessFactors.

Mentors and in-house coaches



The Company annually compiles a rating of internal coaches, which is based on the assessment made by trainees and an expert panel. The assessment covers three criteria: preparation of training material and its presentation, comprehensibility of information presentation, and use of group dynamics techniques and methods.

In recent years, Rusagro Group has focused on on-the-job training through a mentor-trainee system. The number of in-house mentors was increased through new assets and highly skilled employees who are ready to mentor new hires or employees looking to upgrade their skills.

Schools for line managers and specialists



Starting from 2023, the Group is paying special attention to the creation of specialised training programmes for line managers. The first programme, the Farm Manager Academy, was launched in 2023 in the Meat Business. In 2024, an 'Agronomist School' and a 'Site Manager School' were established in the Agriculture Business, and a 'Master School' – in the Oil and Fats Business. The 'School of Technical Leadership', a training programme designed to improve staffing security by selecting and developing employees capable of filling key technical positions, has been centrally launched.

Respect for human rights

Rusagro Group is aware of its responsibilities as to human rights and is committed to respecting human rights throughout its production chain. The Company does not use forced or child labour and strictly complies with the laws of the Russian Federation and other countries where it operates, as well as with international human rights and labour standards as set out in the International Bill of Human Rights, the UN guiding principles on business and human rights, and the declarations and conventions of the International Labour Organization. The Company provides a safe working environment, training and development opportunities, and guarantees recognition and fair remuneration. Rusagro obeys the requirements of the Russian Labour Code regarding the minimum notice period in relation to significant changes in the Company's activities, namely no later than two months prior to the commencement of the relevant activities.

Inclusion

The Group does not tolerate any form of discrimination, recognises the benefits of diversity and fosters a corporate culture of equal opportunity. The Company realises that equality leads to growth and perfects an environment where employees can show their true self, freely express their opinions and innovate. The Company strengthens the leadership competencies of local community representatives.

Occupational health and safety

Labour protection system

Improving safety culture and creating a healthy and safe working environment is one of Rusagro's priorities.

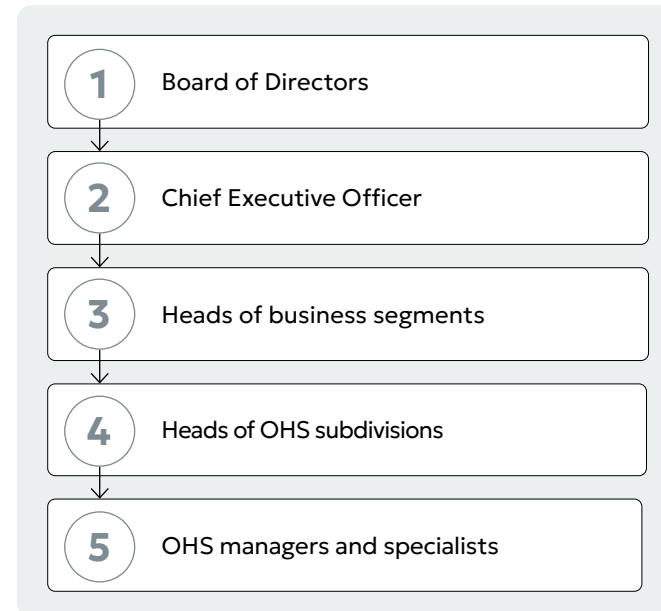
In order to reduce injury rates and maintain the health and well-being of employees, the Company has an Occupational Health and Safety Management System (OHSMS) in place, which complies with all statutory requirements and covers employees in all business segments.

The Company closely monitors compliance with accepted standards, conducts regular staff training and implements numerous health and safety initiatives. Each business segment has its own occupational health and safety (OHS) policies and standards, and makes sure they are complied with. Key internal documents include:

- Regulations on the Occupational Safety Management System
- Regulations on Contractors
- Regulations on In-process Control at Hazardous Production Facilities
- Bonus Plan
- Risk Assessment Standard
- Standard for Accident Investigation

Rusagro Group's management is actively involved in health and safety management processes and ensures multi-stage control over compliance with safe labour practices and regulations. General directors of business segments are involved in comprehensive and targeted inspections and actively engaged in occupational safety committees and panels. The Company has a multi-level OHS reporting system. Each business segment has its own OHS Service, comprising line managers and safety specialists.

OHS chain of command



Annual assessment of occupational health and safety



In 2024, 172 workplaces in Rusagro Group LLC were subject to a special assessment of labour conditions for 2023 by a chartered professional. It is concluded that labour conditions at all workplaces comply with state statutory requirements for occupational health and safety.



The OHS assessment results for 2024 can be found here

Risk assessment and injury prevention

In the OHS management, Rusagro Group follows a risk-based approach, conducting regular procedures for identifying and assessing the risks of accidents and injuries to employees as required by laws and internal documents.

The Company continuously enhances its risk control and management system and seeks to comply with recognised international standards and methodological recommendations.

Assessing employees' relevant knowledge and competences and offering further OHS training

Setting up OHS committees

Introducing KPIs for managers that are linked to injury rates

Enabling managers to cancel bonus for employees who fail to comply with health and safety requirements

The Company understands that injury prevention is a mandatory way forward to safer working conditions. The Oil and Fats segment and Agriculture segment identify and reassess new risks once a year, the Meat Segment – once every three years and the Sugar Segment – once every five years. In case of an incident, the risk review is initiated immediately after its occurrence.

Establishment of health and safety committees in the Oil and Fats Business


























Since 2021, the Oil and Fats Business has standing occupational health and safety committees chaired by the business' top managers: the Production Site Committee (meetings are held monthly) and the Central Committee (meetings are held quarterly). All key members of the committees have been trained on external training programmes



Management of key occupational injury risks

Rusagro Group takes regular measures to manage occupational injury risks, strengthen in-process control, and introduce new tools to investigate accidents and assess related risks, as well as to give safety training in management and involvement of line personnel.

Risk	Risk management	Business segment
Risk of employee injury due to fires	Control of condition and timely maintenance of electrical equipment Spacing control of combustible materials	
Risk of injury due to exposure to moving machinery	Maintenance of safety guards and shields	
Risk of electrical injuries	Condition monitoring and timely maintenance of electrical equipment, earthing	 
Risk of injury to an employee due to a fall from a height / slip or trip	Condition monitoring and timely maintenance of guardrails and stairwells, marking, upkeep of lighting	   
Risk of worker injury from contact with animals	Purchase of upgraded personal protective equipment	
Risk of injury when working with tools and equipment	Training of employees in safe working practices Purchase of upgraded personal protective equipment and intrinsically safe tools	   
Risk of injury to the employee when moving around the area	Marking, sign-boarding and posting of area traffic patterns	   
Risk of injury as a result of spontaneous inflammation of dry pulp	Emergency response training of employees	
Risk of injury as a result of inflammation of flammable dusty industrial premises	Installation of emergency shutdown devices and alarms	
Risk of injury due to exposure to moving vehicles	Training of employees in safe working practices	   

Safety culture

One of the Group's top priorities is creating a culture of safety. The Company has a number of initiatives in place to engage employees in safety issues and raise their awareness.

The Company provides mandatory free-of-charge occupational safety training for employees and contractors to ensure that they have the necessary knowledge and skills to perform their professional tasks safely. Employees undergo various OHS training and online courses and are trained by internal and external specialists. Rusagro Group strives to ensure that managers are immersed in employee training and knowledge testing processes, so the Company has a practice of behavioural safety audits, where a manager not only checks that an employee has overalls and personal protective equipment, but also assesses their understanding of their responsibilities in terms of safety before and during work.

By taking part in surveys, internal audits, and safety panels, employees contribute to creating a safe working environment. Every employee can report health and safety hazards, if any, either personally to their supervisor or through available communication channels. Beyond that, employees have a chance to point out a potentially hazardous area of the workplace during a special assessment of working conditions.

Online courses on occupational health and safety in the Meat Business



Employees and especially business process managers in the Meat segment shall take online courses on occupational health and safety. Knowledge gained are tested through quizzes on occupational safety, hazard identification and risk assessment, reporting hazardous situations, and others. Managers who failed training and testing are suspended without pay.

Emergency preparedness and response

Emergency response and management is a key ingredient of the occupational health and safety management system. Rusagro understands how important it is to be prepared for and able to respond to crisis situations, and therefore pursues an emergency risk management and prevention approach and has emergency response provisions in place, including procedures for setting up command centres, emergency prevention commissions and business resilience commissions. All emergency action plans are coordinated with the regional EMERCOM authorities and are subject to regular reviews.

Regular practical drills are conducted to train staff in effective and quick response to emergencies. Moreover, the employees are trained in correct operation of a hazardous industrial facility, staff evacuation and response to abnormal situations.



Employee health

Health resort treatment for employees



The Sugar Business of Rusagro Group organised a health resort treatment programme for its employees with the aim to support and promote their health. The opportunity was available to full-time employees with a maximum of one year of service, who have a relevant medical advice and a health resort card. Employees had a variety of sanatoriums to choose from – from Tambov to Crimea, where they received comprehensive treatment and had a proper rest. Employees of the Company expressed satisfaction with the high calibre of care and range of procedures, as well as the beneficial effects of sanatorium therapy on their health. The programme demonstrates the Company's concern for the well-being of its employees and promotes employee loyalty

Rusagro Group's physicians and medical rooms



As part of the With Care for Everyone programme, which aims to provide the access to medical treatment at workplaces, Rusagro's productions site have medical rooms and an information platform for personnel health management (in place since 2021). The Group's employees have the opportunity to seek medical advice from a general practitioner at any time convenient for them.

Another information and prevention activities included telemedicine, Holter monitoring and screening for inflammatory diseases and cancer

Enabling sporting activities



The Company supports employees' sporting hobbies. In every area where the Holding conducts business, corporate sports teams have been formed in mini-football, volleyball, athletics, and other sports. The Company finances the rental of gyms for employee training, coaching services, purchase of workout gear and equipment, and participation in tournaments of regional and federal corporate sports leagues

With Care for Everyone flagship programme



With an eye towards the psycho-emotional and physical health of employees, Rusagro Group introduced the With Care for Everyone programme oriented to developing a culture of safety and maintaining staff well-being in all business segments through regular training events, access to free medical and psychological assistance, continuous improvement of working conditions and many other things.

Focus areas of the programme

Raising the level of knowledge

- Formation of an informed attitude to one's health and finances
- Development of family and adolescent psychology

Filling the digital database

- Creation of a unified database on employee health
- Equipment of medical rooms with automated complexes

Creating a comfortable working environment

- Improvement of labour conditions
- Career counselling

Improving the quality of health services

- Creation of an environment for early diagnosis of diseases
- Creation of an environment for early diagnosis of diseases
- Regular medical check-up

Employee health

Through the introduction and development of initiatives to maintain not only physical but also emotional, financial, intellectual, and other forms of human health, the Company keeps an eye on the well-being of its personnel.

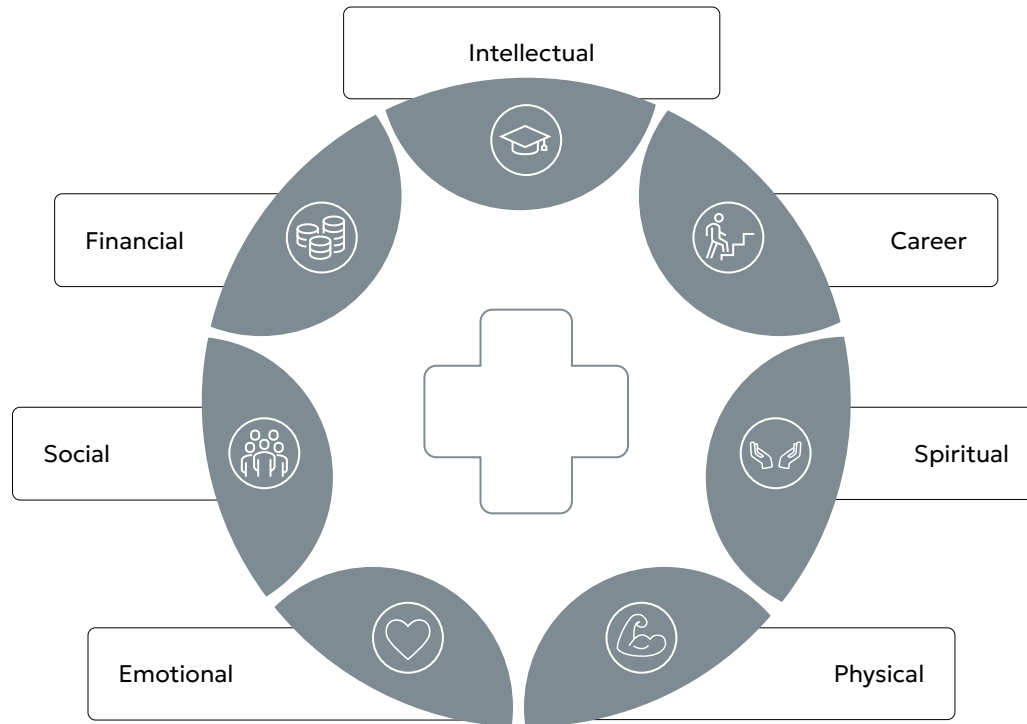
As for the physical health of employees, the Company organises regular medical check-ups and specialist diagnostics, offering them VHI, health resort treatment and high-quality medical care. Employees can also access telemedicine services and seek medical help from special first aid rooms located directly at the facilities.

Rusagro strongly supports healthy lifestyles and encourages employees to join in a variety of corporate activities aimed at maintaining their health and well-being, which include:

- Health days with specialised medical consultations
- Themed marathons (Stop Smoking, Maintain a Healthy Body Mass Index, etc.)
- Online webinars on emotional, spiritual and physical health
- Vitamin days

Additionally, the Company takes steps to prevent occupational illnesses linked to chemical service, such as giving mandatory training and providing personal protection equipment.

Health



School of Health marathon for PrimAgro employees



PrimAgro, part of Rusagro Group, organised a 21-day online health marathon for its employees with the aim to build healthy-living habits. As part of the marathon, participants were given daily healthy tasks, recommendations, and chat support, while keeping health diaries and receiving counselling from a medical advisor who monitored their performance and provided diagnosis and treatment if necessary. As a result, employees learnt about proper nutrition, sleep, water consumption, got to know how to distribute physical activity, lost weight and mastered breathing exercises

Engagement with local communities. Charity

As a socially responsible company, Rusagro Group makes a tangible contribution to the development of the regions where it operates and supports local communities. In 2015, the Group's Board of Directors adopted a Charity Programme, covering many ongoing social projects. The main focus is on improving education and supporting local educational institutions. All of the Company's business segments have their own community development and support initiatives.

Charity promotion campaign 'One Rouble – Plenty of Help'



NMGK (part of Rusagro Group) joined the Magnit chain's charity promotion 'One Rouble – Plenty of Help' in the Year of the Family. The aim of the campaign is to raise funds to support families with children with disabilities. NMGK donated one rouble from each sold package of soap of its brands, while Magnit raised RUB 25 million and doubled this amount to fund charity programmes

Educational programmes

The Group follows the principles of strategic investment and heavily contributes to the advancement of education in the regions of presence. Rusagro Group gives the charitable grants to schools to set up laboratories and purchase equipment for company-relevant tests and experiments. Part of the funding is used to train teachers on how to work and teach using the new equipment.

Holding of cultural events

Another equally-important block in the development of local communities is the maintenance of their cultural identity. Rusagro Group tries to actively participate in the social life of local communities and holds various cultural events for them.

Cooperation with autonomous non-profit organisations (ANO)

Apart from providing immediate assistance to local communities, the Group aims to collaborate with non-profit organisations in the areas of presence and carry out charity endeavours together.

Infrastructure development

Infrastructure development in the Znamensky District of the Tambov Region



In order to improve living conditions and provide access to modern resources for rural residents, Rusagro, as a key partner of the district, allocated RUB 15 million to overhaul six socially important facilities under the integrated rural development programme. The project renovated a school, two kindergartens, a central library, a stadium and a House of Culture, as well as landscaped the surrounding areas

Infrastructure development in Manturovsky District, Kursk Region



In 2024, the local school's grounds were landscaped and a new playground was created in the Manturovsky District of Kursk Region thanks to Rusagro's assistance

Animal health and welfare

Rusagro Group is continuously improving its approach to animal management. Animal welfare is directly linked to product quality, human health and the sustainable development of the Meat segment. The Group's employees place a high priority on the humane treatment of animals, from breeding and feeding to transport and slaughtering. The Company develops practices that promote each of the five animal freedoms. Site managers, superintendents, veterinarian services, and the director of production are all in charge of managing animal welfare.



The five freedoms of animals

Freedom from hunger and thirst

All animals are kept indoors with automatic fodder and water supply systems programmed to meet their individual physiological needs. Self-sufficiency in feed reaches 100% – the Company does not use feed obtained from regions with high or extremely high basic water stress. The site have primary and backup artesian wells that deliver the necessary amounts of water; instances where the animals' water supply is interrupted are excluded.

Freedom from fear and distress

The conditions that animals are raised in have a big impact on preventing the development of stress. Therefore, Rusagro creates a suitable micro-climate in the animal housing, provides balanced nutrition and pays special attention to changes in housing regimes.

Freedom from pain, injury or disease

Rusagro's employees observe animals on a daily basis to promptly identify signs of disease or injury and take the necessary response measures. The Company creates the necessary housing and transportation conditions to reduce injuries to pigs.

Freedom to express normal behaviour

Pigs are social animals, forming bonds with each other and those who care for them. Loose housing systems provide social interaction between the animals and the necessary space for them to move around, and 20% of the sows are housed in groups to maintain and improve comfort conditions during pregnancy.

Freedom from discomfort

The Company's pig farms are equipped in line with the current legislation of the Russian Federation in terms of providing animals with watering, feeding, air exchange and necessary housing areas. Rusagro is constantly improving the living conditions of the animals, providing them with comfort and peace of mind.

Automation

The Group upgrades its technologies to reflect best practices from throughout the world and places a high priority on innovation to maintain animal welfare.

Automatic feed delivery



Rusagro Group has a unique project for automatic order generation and feed delivery to four production sites in Tambov Region in the Meat Business. The project reduces staff time spent on determining feed levels in feed bins, analysing feed consumption by animals, and generating an order for feed supply and delivery

Remote weighing of animals



At the pig breeding facilities owned by Rusagro Group, an inventive computer vision system has taken the place of the conventional weighing technique, which is quite stress-inducing for animals. The new system uses a camera and algorithms to determine a pig's average weight, helping employees make quick feeding decisions

Keeping animals healthy

Rusagro Group has the General Regulation on Biosafety in place, which regulates all processes related to risk mitigation as to preventing the introduction and spread of animal diseases, as well as standards for each process-related and veterinary procedure. A comprehensive assessment of operators' theoretical knowledge and practical skills is carried out twice a year in order to reduce the risks associated with animal disease and maintain the high qualifications of employees.

The chief veterinarian of the Meat Business, field veterinarians, as well as senior and chief district and regional veterinarians, are responsible for the health and timely treatment of all livestock, biosafety, and proper sanitation and disinfection of production sites.

Specialists monitor the health status of the animals on a daily basis, followed by the necessary treatment according to approved schedules, using only drugs that are authorised for use in the territory of the Russian Federation. The Group's veterinarians are responsible for prescribing and monitoring the timeliness and relevancy of the treatment administered to animals.



Biosafety

To ensure a high level of biosafety at its pig-breeding assets, Rusagro Group adheres to five key principles. Due to their compliance, the Company was able to minimise the impact of African swine fever (ASF) epidemics.

Physical separation and specialisation

Full monitoring of land within a 10-km radius of the Company's pig farms to ensure that there are no other livestock farms. The farms are located 1 to 3 km apart. Animals of different generations and different production functions are kept separately.

Restrictions and access control

Strict entry and exit control against logbook, and restricted access to areas within pig farms to employees or other visitors and vehicles. Mandatory personal hygiene procedures for people and washing, disinfection and heat treatment for vehicles.

Vaccination and morbidity monitoring

Animals are routinely vaccinated to prevent the spread of disease. Continuous tracking of data on the spread of diseases and the latest scientific advances in biological and veterinary safety. In the case of disease outbreaks, refusal to purchase feed and supply animals in the regions where outbreaks occurred.

Feed quality control

Continuous laboratory control of all feed ingredients at compound feed mills, which includes the assessment of quality and purity, and monitoring for pathogenic elements, infections and toxic substances. All feed is heat-treated to prevent the spread of disease.

Strict sanitary control

Regular cleaning and disinfection of production sites. Following the AIAO (All-in / all-out) principle, which implies that any production area may only be occupied by animals of the same generation. Once the growing stage is completed, the area is thoroughly cleaned and disinfected.

Audit of biosafety

The Company has an internal system of regular audits, which are carried out by the security service and the biosafety manager. The regular internal audits help to reduce disease risks and promote animal welfare. The pre-slaughterhouse and slaughterhouse animal management conditions are subject to the internal audit on an annual basis to ensure that sanitary and technical standards are met and that the animals are treated humanely.

CORPORATE GOVERNANCE



Corporate governance system.....	180
Compliance system.....	197
Risk management.....	210
Investor relations	222

CORPORATE GOVERNANCE SYSTEM

Description of the corporate governance system

Rusagro Group is committed to upholding the best Russian and international practices in corporate governance. The Rusagro team is convinced that an effective corporate governance system ensures the Company's successful development and is the key to stronger investment appeal, higher trust of investment community and excellent business reputation.

The Company's public standing and the Board of Directors' and management's aspiration for a well-round development of the corporate governance system are the reasons for the elevated standards for the system's excellence.

Fundamental documents

Internal

- Articles of Association of Rusagro Group PJSC
- Regulations on the Board of Directors of Rusagro Group PJSC
- Regulations on the Audit Committee of Rusagro Group PJSC
- Regulations on the Remuneration Committee of Rusagro Group PJSC
- Regulations on the Nomination Committee of Rusagro Group PJSC
- Regulations on the Internal Audit Service of Rusagro Group PJSC
- Regulations on the Risk Management and Internal Control System of Rusagro Group PJSC
- Regulations on the Corporate Secretary of Rusagro Group PJSC
- Dividend Policy of Rusagro Group PJSC
- List of Insider Information of Rusagro Group PJSC



Rusagro Group PJSC page on the Corporate Information Disclosure Centre website

External



Federal Law No. 208-FZ dated 26 December 1995 (revised on 30 November 2024) 'On Joint Stock Companies'



Corporate Governance Code of the Bank of Russia dated 10 April 2014



Moscow Exchange Listing Rules effective from 16 April 2024

Improvement of the corporate governance system

In 2024, Rusagro Group's corporate governance system underwent a significant update to bring it in line with best corporate practices, the requirements of regulators and the Moscow Exchange for inclusion in the first quotation list.

In 2024, the Articles of Association were revised and approved to achieve high standards of corporate governance in the Group. According to the current version of the Articles of Association, a new Board of Directors was elected, new committees and services were formed, and internal documents were adopted as part of the effort to raise the standard of corporate governance in the Group. A Corporate Secretary was appointed to ensure the proper execution of corporate policy and the coordination of efficient communications among shareholders, management, and control bodies, as well as the Group.

Assessment of the corporate governance system in 2024

The Board of Directors uses the Bank of Russia's Corporate Governance Code and industry best practices in Russia and around the world to evaluate the corporate governance quality. The formal assessment methodology used by the Company is in line with the recommendations of the Bank of Russia as specified in the information letter of the Bank of the Russia dated 27 December 2021.

For the full text of the report on compliance with the principles and recommendations of the Corporate Governance Code, see the [Appendix to the Annual Report](#)



Recommendations on drawing up a report on compliance with the principles and recommendations of the Code of Corporate Governance of the Bank of Russia dated 27 December 2021

Compliance with the recommendations of the Bank of Russia Corporate Governance Code in 2024

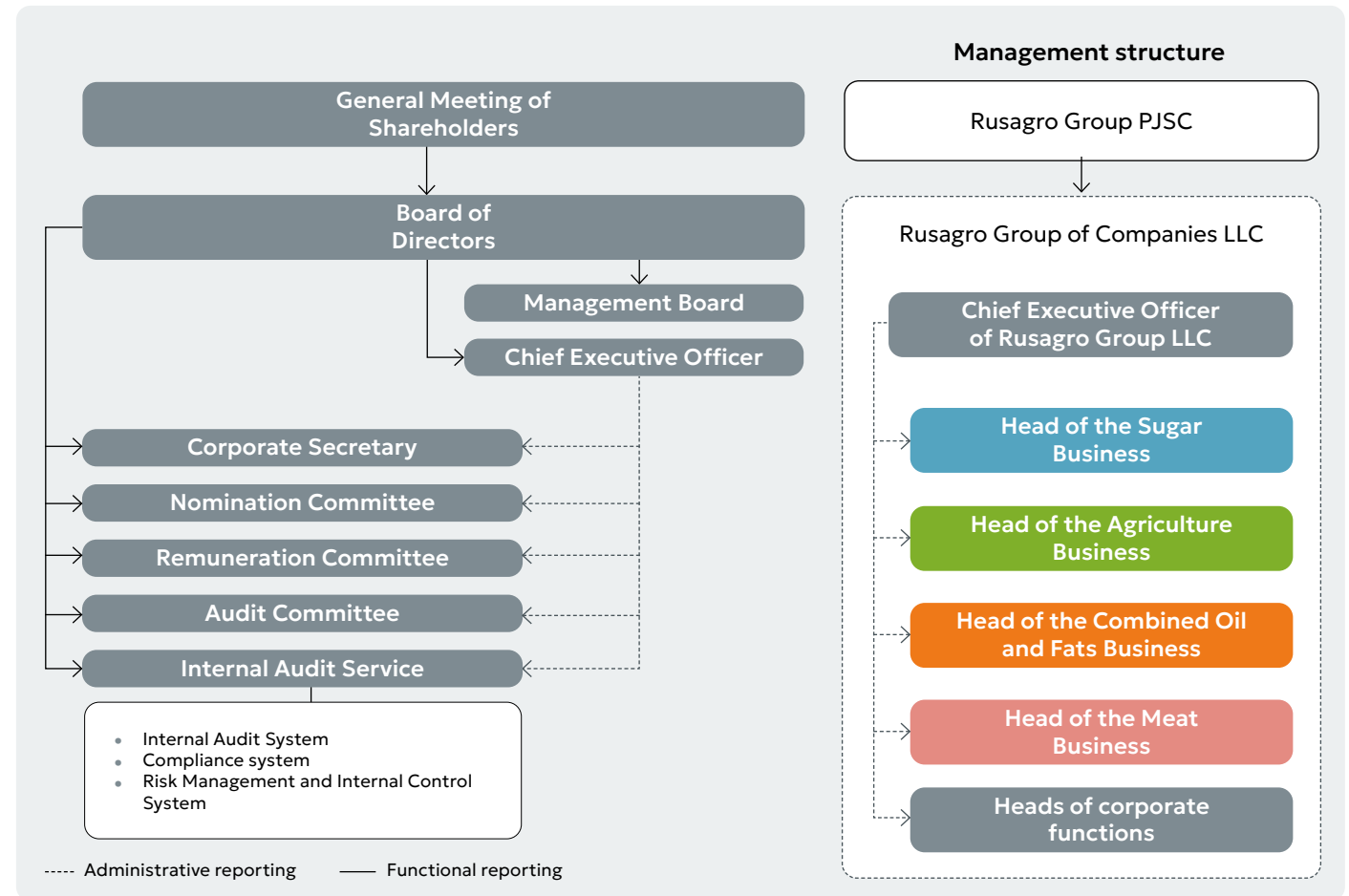
Раздел	Number of items	Complied with	Partially complied with	Not complied with
1 Shareholders' rights	13	13	0	0
2 Board of Directors	36	22	8	6
3 Corporate Secretary	2	1	1	0
4 Remuneration system	7	3	1	3
5 Risk Management and Internal Control System	6	4	1	1
6 Disclosure of information	7	1	4	2
7 Significant corporate actions	5	4	1	0
Total	76	48	16	12
Percentage of total number of Code items, %		63	21	16

CORPORATE GOVERNANCE STRUCTURE

The Company's system of management bodies



Scheme of corporate governance bodies



General Meeting of Shareholders

Description of the General Meeting of Shareholders

The Meeting of Shareholders is the Group's supreme management body. The Annual General Meeting of Shareholders is held once a year, no earlier than 1 March and no later than 30 June of the year following the reporting year. Any meetings of shareholders other than the Annual Meeting are deemed extraordinary. General Meetings of Shareholders may be held either in person or in absentia. The form, date and venue of annual and extraordinary General Meeting of Shareholders are approved by the Board of Directors.

Powers of the General Meeting of Shareholders

The remit of the General Meeting of Shareholders includes, among other things:



Making amendments and additions to the Articles of Association or approving the revised Articles of Association



Approving transactions, which requires consent for their conclusion in accordance with the Federal Law 'On Joint Stock Companies'



Determining the number of members of the Company's Board of Directors, electing its members and exercising early termination of their powers



Addressing share split and reverse split issues



Determining the number, par value, category (type) of authorised shares and the rights granted by these shares



Making a decision on reorganisation/liquidation of the Company



Distributing profits (including payment (announcement) of dividends)



Electing the Company's auditor



Increasing/decreasing the Group's authorised capital



Making payments to members of the Board of Directors during the performance of their duties

Information on General Meetings of Shareholders held

At the Extraordinary General Meeting of Shareholders of the Company held on 5 March 2024, a resolution was passed to approve a related-party transaction:

an addendum to the purchase agreement for an equity stake in Limited Liability Company Rusagro-Atkarsk dated 25 May 2022 between Rusagro Group of Companies LLC (Seller) and Rusagro Group PJSC (Buyer).

At the Extraordinary General Meeting of Shareholders of the Company held on 26 March 2024, a resolution was passed to approve a related-party transaction:


a purchase agreement for an equity stake in Limited Liability Company Rusagro-Atkarsk between Rusagro Group of Companies LLC (Buyer) and Rusagro Group PJSC (Seller).

At the Annual General Meeting of Shareholders of the Company held on 28 June 2024, the following resolutions were passed:

- To waive the distribution of the net profit of Rusagro Group PJSC based on the results of 2023 and leave it under the Company's control
- To withhold the remuneration to members of the Board of Directors
- To approve Intercom-Audit LLC as the auditor of the accounting (financial) statements of Rusagro Group PJSC

The Extraordinary General Meeting of Shareholders of the Company held on 19 December 2024 passed the following resolutions:

- To approve the revised Articles of Association of Rusagro Group PJSC
- To increase the total number of members of the Board of Directors to ten
- To approve of the Regulations on the Board of Directors
- To terminate the powers of the current Board of Directors and election of a new Board of Directors of Rusagro Group PJSC

 Full information on the resolutions passed at General Meetings of Shareholders is available on the website of the Corporate Information Disclosure Centre (e-disclosure)



Rusagro Group PJSC page on the Corporate Information Disclosure Centre website

Board of Directors

The Board of Directors is the Company's collective governance body responsible for overall management of the Company, except for issues fall under the sole competence of the General Meeting of Shareholders. The Articles of Association and the Regulations on the Board of Directors of the Group regulate the Board of Directors' activities.

Meetings of the Board of Directors are held in person and in absentia. Directors who are absent from the meeting venue are given the opportunity to participate and vote remotely via conference and video conferencing.

Focus areas of the Board of Directors

Strategic management and long-term development



Approving the priority areas and strategies for the development of the Group, as well as annual budgets and financial plans.

Critical legal and property matters



Approving related-party transactions, major transactions in accordance with the Articles of Association and the Federal Law on Joint Stock Companies, approving the principles of interaction with other companies and organisations.

Corporate governance



Convening general meetings of shareholders and approving their agenda, adopting resolutions on additional share issues.

Organisation of risk management and audit



Establishing an internal control and audit system, reviewing reports and external reliability assessments of these systems.

Documents and brand marks



Approving internal documents, code of corporate conduct, trademarks, emblems and other means of visual identification of the Group.

Financial management and dividend recommendations



Approving the annual report and annual financial statements, recommending dividend payments, utilising the reserve fund.

Critical talent decisions



Appointing the CEO, members of the Management Board, Corporate Secretary, members of the Board Committees and persons responsible for internal audit, as well as terminating their powers.

Number of directors and their independence

Ten directors, four of whom are independent, are required by the Company's Articles of Association and Regulations on the Board of Directors. This number satisfies both the Moscow Exchange's listing criteria and the Bank of Russia's Corporate Governance Code.

Independence is the lack of circumstances that compromise a director's capacity to carry out their responsibilities in an unbiased manner. In addition to creating a balance between different stakeholders, independence enables directors to effectively protect the interests of all shareholders and enhances the standard of the corporate governance system. Rusagro recognises the importance of having independent directors on the Board of Directors.

Note

In 2024, the Regulations on the Board of Directors were approved and new members were elected to the Board of Directors.

By resolution of the Board of Directors dated 22 November 2024, four candidates to the Board of Directors were declared independent. The Extraordinary General Meeting of Shareholders held on 19 December 2024 approved new Regulations on the Board of Directors of Rusagro Group PJSC, determined the new number and composition of the Board of Directors of Rusagro Group PJSC and approved the new composition of the Board of Directors. The total number of members of the Board of Directors was increased from five to ten, with four members being independent.

Principles and criteria for determining the independence of a member of Rusagro's Board of Directors



No conflicts of interest

In order to maintain neutrality, an independent director must not have any financial or other interest in the Company's operations.



Financial independence

The remuneration of an independent director must not depend on the results of the audit or other conditions that may cast doubt on the objectivity of the audit report.



Ethics and professionalism

An independent Board member must follow high standards of professional behaviour and ethical principles such as honesty, objectivity, professional competence and confidentiality.



Organisational independence

The independent director must be free from any control by the Company's management or interested parties that may affect the results of the audit.

Election of Board members

When forming the Board of Directors, Rusagro aims to consider the synergy and balance of professional talents, experience, expertise, and other features that guarantee the successful accomplishment of the Company's strategic objectives.

Members of the Board of Directors are elected at the Annual General Meeting of Shareholders by cumulative voting; the persons elected to the Board of Directors are the persons with the highest number of votes. Persons elected to the Board of Directors may be re-elected an unlimited number of times. The Nomination Committee of the Board of Directors facilitates the selection process for the Group's Board of Directors. It communicates with the shareholders regarding personnel planning, specifically proposing candidates and offering recommendations to the shareholders.

Considering the candidate's adherence to the independence criteria, the Board of Directors decides whether to recognise the candidate as independent in order to guarantee that the Company's corporate governance conforms with Bank of Russia regulations.

Composition of the Board of Directors¹

Member of the Board of Directors	1	Member of the Board of Directors	6
Member of the Board of Directors	2	Independent member of the Board of Director	7
Member of the Board of Directors	3	Independent member of the Board of Directors	8
Member of the Board of Directors	4	Independent member of the Board of Director	9
Member of the Board of Directors	5	Independent member of the Board of Directors	10

¹ Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

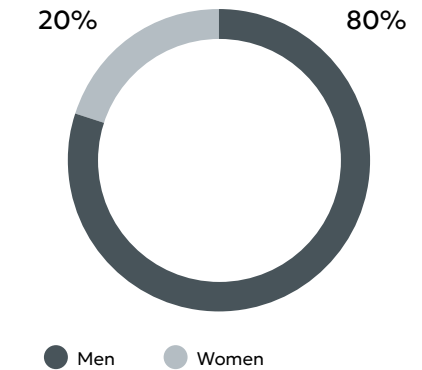
Analysis of profile and expertise of the members of the Board of Directors

A key factor in the efficient running of the Company is the diversity of the Board members' backgrounds, areas of competence, age brackets, and genders and cultures. Combining various viewpoints and methods allows the Board of Directors to make more well-rounded and strategic decisions, evaluate the Company's challenges more thoroughly, and respond to shifting circumstances faster.

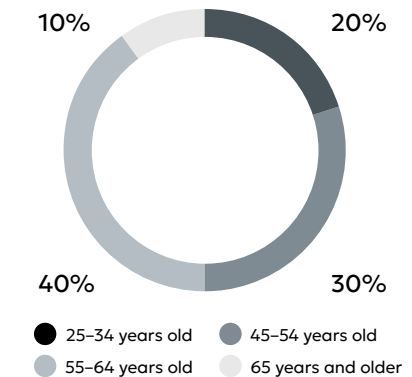
Competences and characteristics of the members of the Board of Directors¹

Status	Agribusiness	Economics, finance, audit	Strategy and corporate development	Sustainable development	Risk management	Human resources management	Law, compliance, taxation
Member of the Board of Directors	+	+	+	+	+	+	+
Chairman of the Board of Directors	+	+	+	+	+	+	+
Member of the Board of Directors	+	+	+	+	+	+	+
Member of the Board of Directors	+	+	+	+	+	+	+
Member of the Board of Directors	+	+	+	+	+	+	+
Member of the Board of Directors	+	+	+	+	+	+	+
Independent Board member	+	+	+	+	+	+	+
Independent Board member	+	+	+	+	+	+	+
Independent Board member	+	+	+	+	+	+	+
Independent Board member	+	+	+	+	+	+	+

Gender diversity in the Board of Directors



Age diversity in the Board of Directors



¹ Based on education and professional experience.

Audit Committee under the Board of Directors

The purpose of the Audit Committee is to improve the efficiency of the Board of Directors and address the most important issues related to the Group's audit. The Audit Committee acts in accordance with legal requirements, the Articles of Association, the Regulations on the Audit Committee of the Board of Directors and other internal documents of the Group.

The Committee consists of two members of the Board of Directors, who are to be independent. The members of the Audit Committee are elected by the Board of Directors of the Company by a simple majority of votes of the Board members.

Composition of the Audit Committee as at 31 December 2024¹

- Independent member of the Board of Directors
- Independent member of the Board of Directors

The main focus areas of the Audit Committee

Reporting control

Ensuring completeness, accuracy and reliability of accounting (financial) statements, analysing accounting policies and changes in legislation, assessing the impact of transactions on the Company's financial position.

Assessment of risk management and control

Evaluating the effectiveness of risk management and internal control systems and proposing recommendations for their improvement based on the reports of the Internal Audit Service.

Internal audit control

Assessing the independence, objectivity and resources of internal audit, analysing the results of internal and external evaluation of the audit function, interaction with internal auditors.

Interaction with external auditors

Formulating proposals for the selection, re-election and remuneration of external auditors, ensuring their professionalism and objectivity, including reviewing records and valuations.

Anti-fraud action

Developing and controlling the policies and procedures to counter fraud, corruption and other unscrupulous practices, including the establishment of whistleblowing mechanisms.

¹ Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

Remuneration Committee of the Board of Directors

The Company has a Remuneration Committee that decides on the remuneration policy for the Board of Directors, executive body members, and other key executives and oversees its execution in order to guarantee the motivation of the management and members of the Board of Directors. The Remuneration Committee operates in accordance with legal requirements, the Regulations on the Remuneration Committee of the Board of Directors and other internal documents of the Group.

The Committee consists of two members of the Board of Directors, who are to be independent. Members of the Remuneration Committee are elected by the Board of Directors of the Company based on a simple majority of votes of the Board members attending the meeting.

Composition as at 31 December 2024¹

- Independent member of the Board of Directors
- Independent member of the Board of Directors

The main focus areas of the Remuneration Committee

Development and revision of the remuneration policy

Preparing and reviewing the remuneration policy for members of the Board of Directors, executive bodies and key executives, including parameters for short-term and long-term incentives.

Recommendations on remuneration and terms of employment agreements

Developing proposals on remuneration, bonus award criteria and early termination of employment agreements, including the Company's obligations to executives.

Implementation control and performance evaluation

Oversight of the implementation of the remuneration policy, preliminary evaluation of executives' performance against the established criteria and long-term objectives of the incentive programme.

Reporting and recommendations

Preparing reports on the implementation of the remuneration policy and making recommendations to the Board of Directors after the appraisal of key employees and the Corporate Secretary.

¹ Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

Nomination Committee of the Board of Directors

To ensure the continuity of the Board and management, the Company has a Nomination Committee in place, which provides staff planning for the Board and management of the Company. The Nomination Committee operates in accordance with legal requirements, the Regulations on the Nomination Committee of the Board of Directors and other internal documents of the Group.

The Committee consists of a minimum of three members, the majority of whom must be independent directors. Members of the Nomination Committee are elected by the Board of Directors of the Company based on a simple majority of votes of the Board members attending the meeting.

Composition as at 31 December 2024¹

- Member of the Board of Directors
- Independent member of the Board of Directors
- Independent member of the Board of Directors

The main focus areas of the Nomination Committee

Evaluation and facilitation of the current Board composition

Developing and approving individual responsibilities of Board members, analysing the professional expertise, experience and involvement of Board members, evaluating their performance and developing recommendations to improve procedures.

Management succession planning

Analysing the Group's current and expected needs regarding the professional expertise of members of the Company's executive bodies and other key executives, and making recommendations on candidates.

Nomination and recommendation of candidates for the Board of Directors

Engaging with shareholders to form the optimal composition of the Board of Directors, analysing the qualifications of candidates and preparing voting recommendations.

Reporting preparation

Preparing a detailed summary report that outlines the work done by the Committee, including the results of self-assessment or external assessment of the Board of Directors.

¹ Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

Report on the activities of the Board of Directors and Committees

Board of Directors

8 in person – 1, in absentia – 7
MEETINGS

Audit Committee

4 in person – 1, in absentia – 3
MEETINGS

Remuneration Committee

No meetings of the Remuneration Committee were held.
The Committee was established on 27 December 2024

Nomination Committee

No meetings of the Nomination Committee were held.
The Committee was established on 27 December 2024

Resolutions adopted at meetings of the Board of Directors

On 27 December 2024, the Board of Directors resolved:

- **To approve:**
 - Revised Regulations on the Audit Committee
 - Regulations on the Remuneration Committee
 - Regulations on the Nomination Committee
 - Regulations on Internal Audit
 - Regulations on Dividend Policy
 - Regulations on the Corporate Secretary
- **To establish the Internal Audit Service**
- **To elect:**
 - Chairman of the Board of Directors
 - Members of the Audit Committee
 - Members of the Remuneration Committee
 - Members of the Nomination Committee
 - Corporate Secretary
- **To extend the powers of the current Chief Executive Officer**

During 2024, the Board of Directors approved:

- Annual Report of Rusagro Group PJSC for 2023
- Annual accounting (financial) statements of Rusagro Group PJSC for 2023
- Annual consolidated financial statements of Rusagro Group PJSC for 2023
- Nominees to the Board of Directors

Attendance of meetings by the Board members

Member of the Board of Directors	8/8
Member of the Board of Directors	8/8
Member of the Board of Directors	8/8
Member of the Board of Directors	7/7
Member of the Board of Directors	1/1
Member of the Board of Directors	3/3
Member of the Board of Directors	5/5
Member of the Board of Directors	1/1
Member of the Board of Directors	1/1
Member of the Board of Directors	1/1
Member of the Board of Directors	1/1
Member of the Board of Directors	1/1

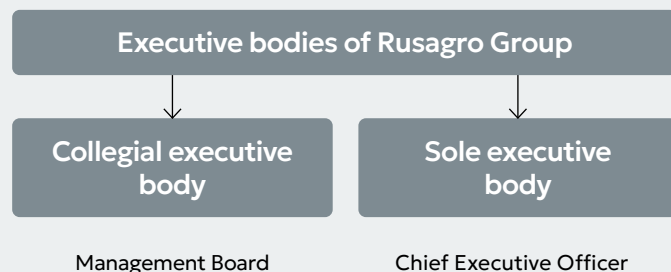
Performance review of the Board of Directors

At the end of 2024, Rusagro transformed its corporate governance system, in particular, updating its approach to the activities of the Company's Board of Directors, to be in line with the criteria for listing on the Moscow Exchange's first quotation list and best Russian and global practices.

Beginning in 2025, a comprehensive review of the Board of Directors' and its committees' performance will be conducted, including that of the newly established Remuneration and Nomination Committees.

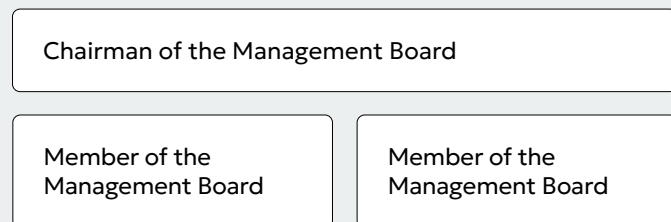
Management

Description of management



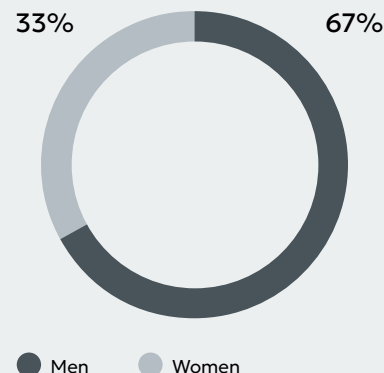
The Chief Executive Officer (CEO) and the Management Board constitute the Group's management. Management is responsible for implementing decisions of the Board of Directors and the General Meeting of Shareholders, including the development and delivery of business plans, management of the Company's day-to-day operations, efficient use of resources and legal compliance. The CEO and the Management Board make decisions on matters within their competence, except for those within the competence of the Board of Directors or the General Meeting of Shareholders.

Composition of the Management Board as of 31 December 2024¹

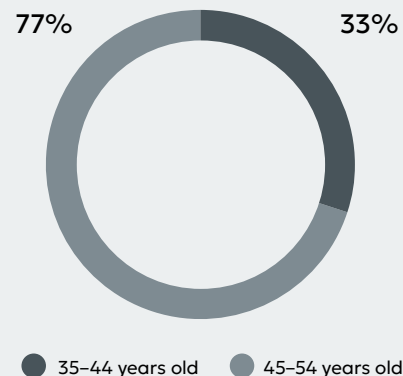


Analysing the characteristics of the Management Board

Gender diversity on the Management Board

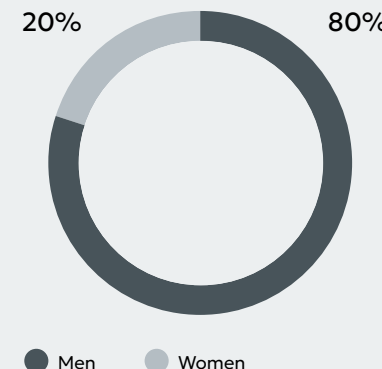


Age diversity in the Management Board



Analysing the characteristics and competencies of the management team

Gender diversity on the management team



¹ Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

Analysing the characteristics and competencies of the management team

Competencies and characteristics of management¹

	Agribusiness	Economics, finance, audit	Strategy and corporate development	Sustainable development	Risk management	Human resources management	Law, compliance, taxation
Manager 1	+	+	+	+	+	+	+
Manager 2	+	+	+		+		
Manager 3	+	+	+		+		
Manager 4	+	+	+		+	+	+
Manager 5	+	+	+	+	+	+	+
Manager 6	+	+	+	+	+		+
Manager 7	+	+	+		+	+	+
Manager 8	+	+	+	+	+	+	+
Manager 9	+	+	+	+	+	+	+
Manager 10	+	+	+	+	+	+	+
Manager 11	+	+	+	+	+	+	+

¹ Based on education and professional experience.

Corporate Secretary²

Corporate Secretary sets up meetings, formalises decisions, and makes sure that corporate standards are followed, thus helping the Board of Directors to carry out their duties effectively. Corporate Secretary also coordinates interaction with shareholders and ensures the protection of their rights and interests.

The election to the position of the Corporate Secretary is carried out by the Board of Directors. The operating procedures of the Corporate Secretary are regulated by the Regulations on the Corporate Secretary of the Company.



Regulations on the Group's Corporate Secretary

² Information is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

Remuneration system for management bodies

Description of the remuneration system

Through financial and non-financial incentives for key personnel, Rusagro Group's remuneration system for management and executive bodies aims to align the objectives of the Group's shareholders and management, increasing management's cost-effectiveness and, ultimately, the likelihood, speed, and certainty of achieving strategic goals.

The remuneration system for management and governing bodies is developed and approved with the participation of the Remuneration Committee of the Board of Directors established at the end of 2024. The development of a full-fledged management remuneration system and its approval is scheduled for 2025.

The following four elements ensure that the management have a material interest in Rusagro's success:



Salary level



Long-term financial incentive



Short-term financial incentive



Non-financial incentives and other compensations

Remuneration of management

In 2024, 14 people were included in Rusagro's list of key management personnel. Their total remuneration amounted to RUB 2,143,070 thousand, which consisted of short-term benefits such as salaries, one-off bonuses and other short-term payments, including RUB 284,963 thousand payable to the State Pension Fund. For the period of 2023, payments to key management personnel of Rusagro totalled RUB 1,047,096 thousand (RUB 135,320 thousand to the State Pension Fund).

Remuneration to the members of the Board of Directors

No remuneration and (or) compensations were paid to the members of the Board of Directors in 2024. No remuneration and (or) compensation was paid to members of the Board of Directors of Rusagro Group PJSC for 2023.

The remuneration system for the members of the Board of Directors is developed and approved with the participation of the Remuneration Committee of the Board of Directors established at the end of 2024. The development of a full-fledged remuneration system for the members of the Board of Directors and its approval is planned for 2025.



2.1 RUB BN

total remuneration of key personnel in 2024

INTERNAL AUDIT SERVICE

The Internal Audit Service (hereinafter – IAS) is responsible for managing internal audit, compliance, risk management and internal control issues. The internal documents governing the IAS-covered systems are available on the website of the Corporate Information Disclosure Centre (e-disclosure).

Internal Audit System

In accordance with the Internal Audit Regulations, the IAS conducts independent and objective internal audits and assesses the adequacy and effectiveness of corporate governance, risk management and internal control. In addition, the IAS provides advice and knowledge sharing to the Group's management and business units on the organisation and improvement of internal control, risk management, corporate governance and internal audit organisation, as well as on other matters within IAS's competence.

Focus areas the Internal Audit System

Assessment of the corporate governance system

Verifying the compliance with the Group's ethical principles and corporate values, verifying the Group's procedures for setting, monitoring and controlling the achievement of its goals, verifying the Group's strategic and operational decision-making processes, and verifying the compliance of the information technology management system with the Group's strategy and goals.

Assessment of the risk management system

Assessing the compliance of the risk management system with the scale, nature of the Group's activities and objectives, assessing the effectiveness of control procedures and other risk management measures, monitoring the corrective actions to eliminate (minimise) the consequences of the materialised risks.

Assessment of the internal control system

Assessing the reliability and integrity of business processes and information systems, identifying deficiencies in the internal control system, and evaluating the results of measures to improve the internal control system at all levels of the Group's management.

COMPLIANCE SYSTEM

The IAS conducts staff surveys to identify any legal violations related to implementation of and compliance with the regulation. Compliance officers handle any complaints and decide how to respond. After the appropriate checks have been carried out, the results are discussed with management and reports are drawn up for the Audit Committee. Another of the IAS's duties is to monitor the implementation of measures that have been developed and approved to ensure compliance in the course of the Company's operations.

If a violation of the law is identified, the authorised official shall inform the appropriate Company bodies. If it is confirmed that a criminal or administrative offence has been committed, the information will be passed on to the law enforcement authorities. If a breach of the Code is not related to applicable law, the employee held accountable may be subject to sanctions such as disqualifying for bonuses or other incentives, withholding promotion or public sanctioning. The offender may also be subject to disciplinary action if appropriate legal grounds are identified.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

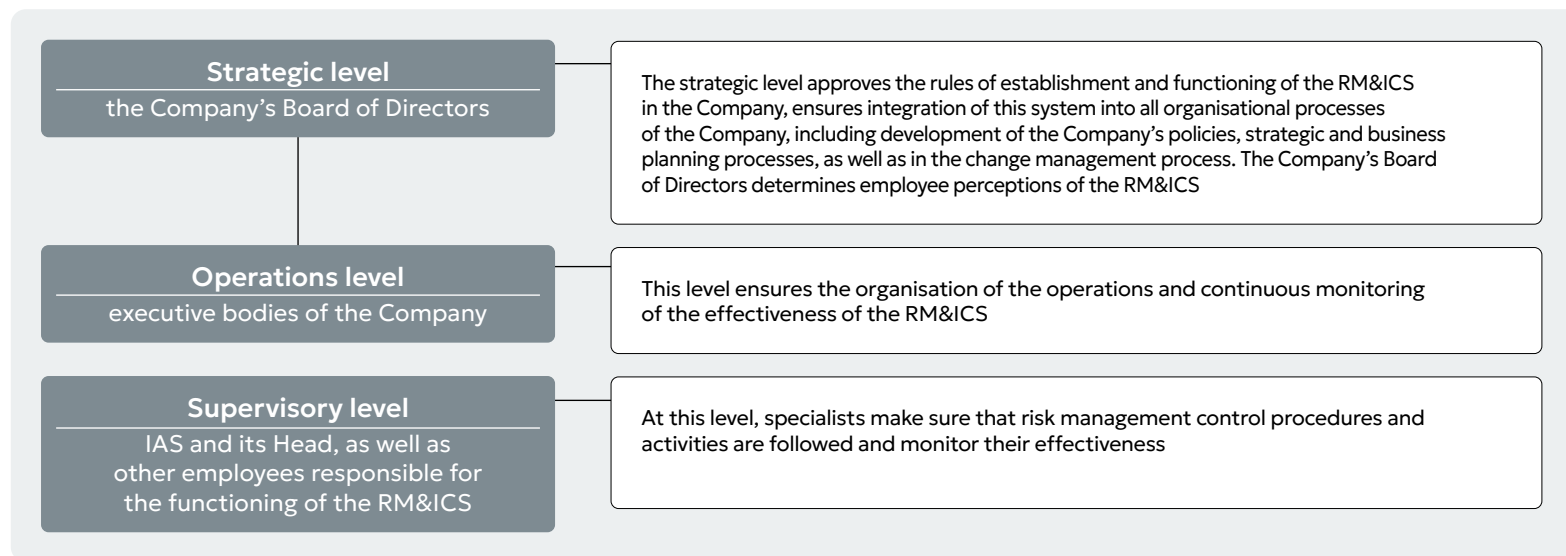
In accordance with the Regulations on the Risk Management and Internal Control System (RM&ICS) and other internal documents, the Group established a system aimed at facilitating the Group's goals, in particular, the growth of financial stability and shareholder value, and improving the quality of corporate governance through the identification of risks, analysis of their materiality, and working out of their mitigation measures.

The RM&ICS guarantees an impartial, fair, and transparent assessment of the Group's present situation and future prospects, the integrity and openness of reporting, the appropriateness and acceptability of risks taken. The Board of Directors takes the appropriate, required, and sufficient actions to guarantee that the present RM&ICS functions efficiently and adheres to the organisational principles and methodologies determined by the Board.

All RM&ICS entities within their competence are responsible for compliance with risk management approaches and standards, as well as for proper fulfilment of control procedures in their focus areas.

For more details on risk management, see [the Risk Management section of the Annual Report on p. 210](#)

Structure of the RM&ICS



Focus areas of the RM&ICS

Risk management

Timely identification, analysis, assessment and minimisation of risks, including development of criteria for their assessment, control over the risk management process and provision of consolidated reporting.

Integration into business processes

Introduction of risk management into business processes, distribution of responsibility between internal control subjects and development of risk mitigation mechanisms in the Company's projects.

Control procedures

Development, optimisation and automation of control procedures, prevention of fraud and conflict of interest, and due diligence of counterparties.

Evaluation and development of the RM&ICS

Generation of system development plans, their annual performance report and proposals for improvement.

Information systems and reporting

Cleation of systems to collect and analyse data, accurate and transparent reporting, compliance with legislation and disclosure of information to strengthen the investment case.



EXTERNAL AUDIT SYSTEM

Selection of the external auditor

The Group's external auditor is approved by the Annual General Meeting of Shareholders. In 2024, the General Meeting of Shareholders approved Intercom-Audit LLC as an external auditor of the annual RAS financial statements. As the Group prepares consolidated IFRS financial statements, Kept JSC was chosen through a competitive process as the external auditor for these statements.



Rusagro Group PJSC page on the Corporate Information Disclosure Centre website

Factors affecting the choice of an external auditor



Cost of external auditor's services



Auditor's performance in the previous period



Independence of the external auditor



Auditor's reputation in the audit services market



Personal composition (experience and qualifications) of the external auditor's team



Balancing the benefits of long-term co-operation with the auditor against the need for a fresh perspective on the Company's reporting and its preparation procedures

The Company's consolidated RAS financial statements for 2024 were audited by Intercom-Audit LLC (office address: 2, 3rd Yamskoe Pole Str., bldg. 13, 7th floor, Yamskoe Pole business centre, Moscow, 125124).

The consolidated IFRS financial statements of the Company for 2024 were audited by Kept JSC (office address: 34A Leningradsky Av., Alkon III business centre, Moscow, 125040).

The financial statements and the auditor's report on the reliability of the financial statements for 2024 and the consolidated financial statements and the auditor's report thereon for 2024 are disclosed by the Group in accordance with the Regulation of the Bank of Russia No. 714-P dated 27 March 2020 (revised on 1 April 2023) 'On Disclosure of Information by Issuers of Equity Securities' on the website of the Corporate Information Disclosure Centre (e-disclosure).

For more details on the IFRS consolidated financial statements, see [the Appendix to the Annual Report](#)

Criteria for determining the independence of the external auditor

The independence and objectivity of external auditors are key factors in ensuring the reliability and reliability of the Company's financial statements. With these critical aspects in place, auditors can provide a fair

and unbiased opinion, which strengthens the trust of investors, regulators and other stakeholders. Without these features, audits may be affected, putting the integrity and transparency of financial data at risk.

Principles and criteria of independence of Rusagro's external auditor

No conflicts of interest

The external auditor shall not have any financial or other interest in the Company's activities that may affect their objectivity.

Organisational independence

The auditor shall be free from any control by the Company's management or interested parties that may affect the results of the audit.

Financial independence

The remuneration of the auditor shall not depend on the results of the audit or other conditions that may cast doubt on the objectivity of the audit report.

Ethics and professionalism

The auditors are obliged to follow high standards of professional behaviour and ethical principles such as honesty, objectivity, professional competence and confidentiality.

List of external auditor's services and remuneration

The Audit Committee of the Group's Board determines the list of the external auditor's services in accordance with the Regulations on the Audit Committee. The remuneration of the external auditor is determined

at the Annual General Meeting of Shareholders of the year for which the accounts are audited and at which the opinion and recommendations of the Audit Committee are taken into account.

Intercom-Audit LLC – RAS Standards

- The actual amount of remuneration of the auditor of Intercom-Audit LLC for the audit of the financial statements prepared under RAS for 2024 was RUB 271 thousand

Kept JSC – IFRS Standards

- The actual amount of remuneration of the auditor of Kept JSC for the audit of the consolidated financial statements prepared under IFRS for 2024 was RUB 3,795 thousand

CORPORATE CULTURE

Business ethics

Business ethics is an important aspect of the corporate governance system, as it fosters trust among shareholders, employees, partners and customers.

Adherence to high standards of business ethics helps to minimise risks, enhance the Group's reputation and ensure the long-term stability of the business.

Code of Business Conduct and Ethics

The Code of Business Conduct and Ethics (hereinafter – the Code) is the primary document that governs how public joint stock corporations handle business conduct and ethics issues.

The Group plans to develop and adopt the Code based on conventions of corporate ethics and business behaviour, international laws and documents that define best corporate governance practices. The Code is anticipated to be a crucial tool for the Group in developing a solid corporate culture and an edifice of corporate values that define and drive the Group's performance and reputation.

The Code encompasses the following:

- Basic rules, principles and values of the Group and its employees
- Standards of business and social conduct
- Ethical standards for internal and external corporate relations
- Principles of social commitment towards employees, shareholders, business partners, the state and society

The Code will apply to all Group companies. The provisions of the Code will cover and be binding to all employees, including members of the Board of Directors and management.

Rusagro's ethical principles

Efficiency and profitability



Rusagro is aware of its responsibility to shareholders and partners, that is why profitability and operational efficiency are key values for the Company

Morality



What's important to the Company is how and what it works for. In accordance with its core values, Rusagro based its business practices on honesty, fairness, respect, and openness

Compliance with laws and regulations



Rusagro strictly complies with applicable laws, industry and corporate rules, standards and procedures

Partnership



The Company treasures established relationships with business partners, community organisations and consumers

Social responsibility



The Company contributes to the development of the regions where it operates, paying attention to environmental care, professional training of personnel, creation of comfortable working conditions, improvement of employee skills, etc. The Company's focus is on supporting charitable and social initiatives

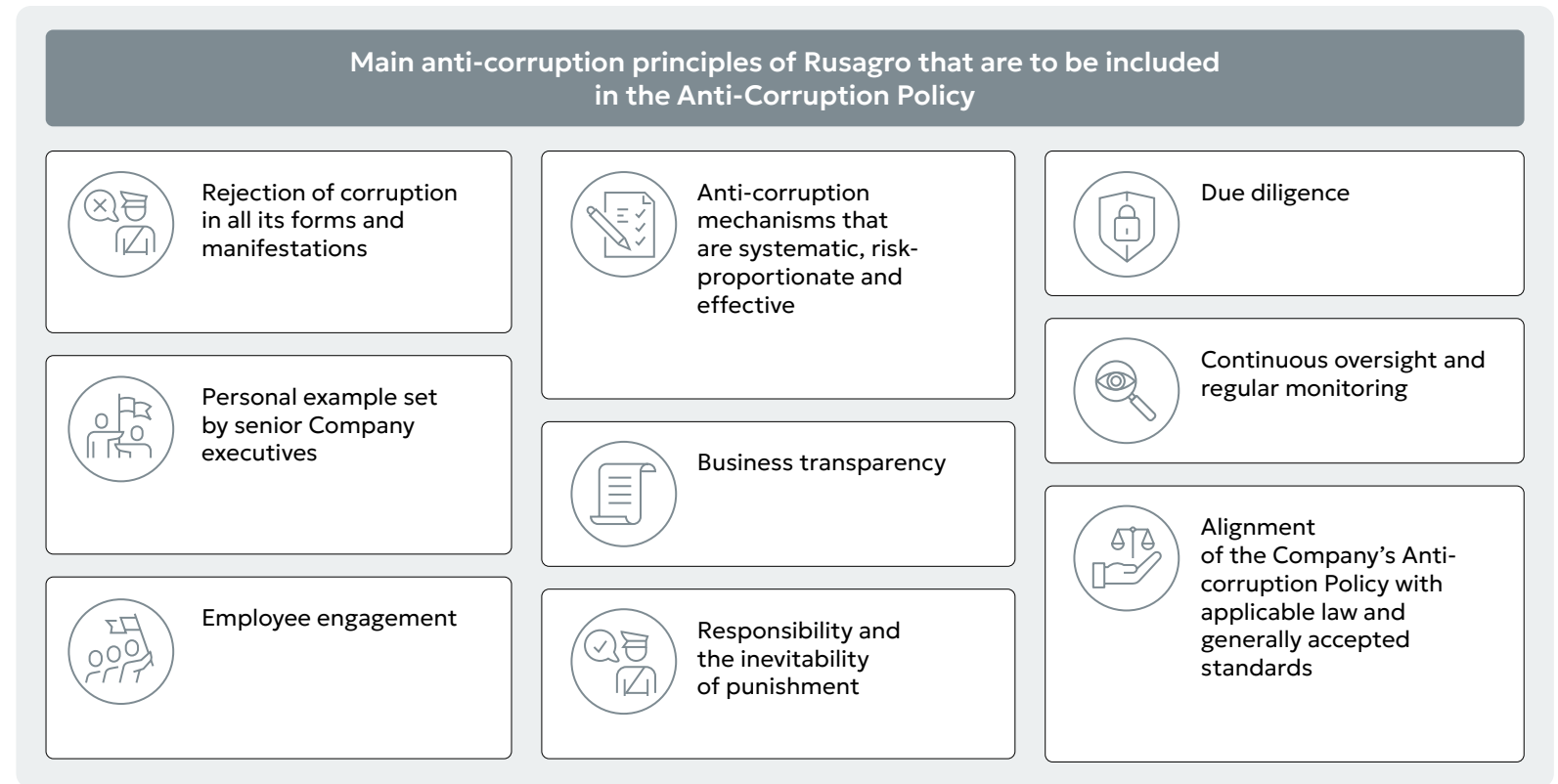
ANTI-CORRUPTION

Description of the anti-corruption system

Rusagro Group recognises the importance of anti-corruption to effective corporate governance, the Group's reputation and the achievement of compliance objectives.

The anti-corruption policy is the main document that regulates anti-corruption measures taken by public joint stock companies. The Group plans to put an anti-corruption policy in place.

Compliance with the principles and requirements of the policy, as well as compliance with the requirements of applicable anti-corruption laws and regulations of the Russian Federation shall be mandatory for all employees equally. The policy shall also apply to counterparties and others who may act on behalf of the Company.



Anti-corruption results in 2024

The Group has the Security Service and the Internal Audit Service (IAS), which are responsible for monitoring, preventing attempted fraud and reporting on anti-corruption activities to the Group's governing bodies. According to internal documents, staff members of the above services, along with any other staff members, are required to notify the Group CEO of any fraud or corruption attempts that are discovered. An annual corruption risk assessment is carried out across all Rusagro divisions.

The Board of Directors is provided with anti-corruption reports, as well as reports on rolled-out anti-corruption measures and the effectiveness of the anti-fraud and anti-corruption system.

Employee training arrangements

Training programmes

Training sessions are constantly given to employees, especially for those who have recently joined Rusagro. Training topics include familiarisation with anti-corruption policies, training on how to identify corruption risks and what to do if they are detected.

Online courses

Employees take anti-corruption courses on a distance learning platform.

Anti-corruption projects

Counterparty verification system 1

A system of counterpart integrity checks is in place to reduce the risk of entering into contracts with unreliable organisations.

New corruption reporting channels 2

New ways of anti-corruption communication, including anonymous chatbots, were put in place for the convenience of employees and partners.

Company-wide hotline 3

A single hotline is in place where an interested party can report an existing, suspected or planned fraud or corruption offence.

 For more details, see [the Company-Wide Hotline section below](#)

COMPANY-WIDE HOTLINE

To help maintain its high standards of business ethics, Rusagro Group launched a company-wide hotline in October 2022. The Rusagro hotline enables employees and other stakeholders to leave messages about existing, suspected, or planned violations of the rules of business conduct and ethics, security breaches, theft or other irregularities via anonymous communication channels.

Hotline contact details

Phone number

8 (800) 600-28-57

Email

rusagro@csi-hotline.ru

Operating principles of the hotline

Confidentiality

Each report of an offence may be dealt with anonymously.

Independence

Incoming information about violations is processed by CSI Group LLC, an outsourced provider unrelated to Rusagro, which ensures complete impartiality

Reward

Each message is evaluated by the provider; after that the applicant is entitled to a monetary reward of RUB 10,000 to 500,000 (10% of the Company's damage identified).

DEALING WITH STAKEHOLDERS

Rusagro Group understands how important it is that its employee can ensure amiable interaction and effective and transparent communication with customers, partners and contractors. Rusagro employees adhere to the principles of mutual respect, professionalism, honesty and openness, subject to the constraints imposed by the Group's internal documents. The Company endeavours to actively support feedback and take into account the needs of its partners and customers. Rusagro employees follow ethical standards and internal corporate standards, helping to build up trust and improve the Group's reputation. Provisions regarding the Group's approach to collaborating with stakeholders from a staff standpoint are intended to be incorporated into the Code of Business Conduct and Ethics.

CYBERSECURITY AND DATA PROTECTION

The Group put the Information Security Department in place, which employs a comprehensive approach to ensuring the stability of business operations by protecting the confidentiality, integrity and availability of information and information systems.

Rusagro takes cybersecurity risks into account, particularly those pertaining to the safety of data belonging to partners, customers, employees, and shareholders. The Group employs cutting-edge security technologies, continuously enhances cyber threat management mechanisms and takes measures against leaks of personal and other confidential data.

Business-oriented information security system

After more than six years of collaboration between Rusagro Tech and Infosystems Jet JSC, a Russian information security (IS) solutions provider, the Group's shift to a business-oriented IS system was completed in 2024.

Focus area of the IS system

- Applied information security systems and cryptographic protection
- Monitoring of and response to incidents
- Network infrastructure protection
- Development of IS architecture and methodologies

History of development

2017

Stage 1

Comprehensive IS audit and development of a long-term IS development strategy

The primary IS survey covered the head office and production sites of all Rusagro Group's business segments: Meat, Oil and Fats, Sugar and Agriculture. To measure the IS level, Rusagro adapted the capability maturity model integration (CMMI), which allows for a unified assessment of the maturity level of IS processes in different divisions of the agroholding.

The strategy included various control mechanisms such as annual GAP-analysis of changes in the maturity level of IS processes and an assessment of the required resources, which takes into account the specifics of the Company's various business segments.

Result

The five-year IS strategy was fully implemented.

The approved assessment method indicates that the IS has attained a degree of maturity that is nearly at the maximum.

Audit of IT infrastructure

16
KEY INFORMATION SYSTEMS

500+
SERVERS

4,700
AWS

80
IS CONTROLS

2018–2022

Stage 2

Assessment of processes and upgrade

Infosystems Jet conducted the annual assessment of the IS process maturity across Rusagro Group, which also provided a comparison of the results from the previous and current years.

The work covered not only the corporate segment of the IT infrastructure, but also the process segment, including industrial automated systems that support the operation of production chains.

15
SITES

16
INFORMATION SYSTEMS

4
AUTOMATED PROCESS CONTROL
SYSTEMS

Result

The Company deployed its own security operation centre (SOC) to identify and respond to IS-related incidents. The security information and event management (SIEM) was also rolled out in all business segments of Rusagro Group with 800 sources connected. The existing ITSM system was used as a foundation for the security incident lifecycle management system and the incident management process, which necessitated the development of related documents and regulations, the introduction of a reporting system and streamlining of the security incident-related interaction with top management. The rolled-out analytics platform allowed for the analysis of large volumes of data for IS incident investigations, resulting in about 400–450 confirmed incidents per year.

Privileged user control and web application security systems were put in practice.

A process of handling IS-related requests to the IS Department from the Company's employees was set up.

In addition to assessing the maturity of IS processes, the technical security of the Company's external IT perimeter and its internal infrastructure, including various information systems, is subject to the annual analysis. Based on the findings, we eliminate the vulnerabilities that have been found, thus greatly raising our Company's overall security level.

The penetration test automation platform was put in place to simulate the hacker's logic and behaviour using machine algorithms, which allow for cutting-edge testing of the security of the organisation's infrastructure, detection of vulnerability points in the IT infrastructure and user behaviour (at the end of 2022, the vendor left Russia, rendering the system unusable).

At the end of 2022, the Company involved a contractor to roll out the process of monitoring and blocking fraudulent resources on the Internet that abuse Rusagro brands (Brand protection service), as well as monitoring and responding to leaks of user accounts, and analysing media, shadow forums, and communities for leaks of confidential information.

2023

Stage 3

Transition of the Group to the IS Health Model assessment system and annual audit of information security

Moving to a system of qualitative and quantitative indicators was the next step in the Company's development.

The IS Department followed the overall business principle in implementing the transition to the IS Health Model assessment system.

The model is based on IS process management, linking IS and IT metrics to business objectives. It is used to identify operational and strategic level indicators to make the right management decisions and to capture the threshold and target states of the indicators.

Result

The introduction of the system allowed for better interaction with related functions through the introduction of joint performance indicators.

The imported security orchestration, automation and response (SOAR) system was substituted with the button incident response functionality, which enables timely and safe (with second-hand confirmation) response to Internet attacks, phishing mailings, etc. The SOAR system is used to organise the collection and enrichment of data on the Company's assets (for IS purposes), including the register of published web applications. The SOAR system is integrated with 18 different third-party systems to realise the said functions. The use of the system has significantly reduced the response time to IS incidents.

Since the transition to the new IS maturity assessment model, the Health Model, the development of IS processes and systems has continued. The key highlights of this stage are listed below:

Works were carried out to expand the incident monitoring area of the SIEM system (the total number of sources increased to about 1,500) and to develop internal logic (about 400 detection rules were developed over the years of operation).

IS requirements are integrated into the process of information systems implementation projects. Before putting the system into operation, it is mandatory to check the system components for critical vulnerabilities, set up monitoring of IS events in the SIEM system, work out the issues of data backup, recovery plans in case of failure, etc.

Audit of SIEM correlation rules and recommendations for their improvement

1

Web penetration testing and internal penetration testing, Testing of Wi-Fi networks

2

Analysis of the possibility of unacceptable events for the business and development of recommendations

3

Analysis of the system of personal data processing and protection

4

Continuous cybersecurity initiatives

Training and education of employees

Implementing regular information, training and awareness-raising activities for employees on cyber hygiene compliance to ensure sustained immunity to external disruptive influences from malicious actors.

Legal compliance

Audits were initiated and are being completed to assess the Group's compliance with regulatory and legislative requirements for the replacement of foreign-made solutions with domestic ones as part of the implementation of Decree of the President of the Russian Federation No. 250 dated 1 May 2022 'On Additional Measures on Ensuring Information Security of the Russian Federation', meeting the requirements of Federal Law No. 152-FZ 'On Personal Data' dated 27 July 2006, Federal Law No. FZ-187 dated 26 July 2017 'On the Security of Critical Information Infrastructure' and Federal Law No. FZ-98 dated 29 July 2004 'On Commercial Secrets'.

IS risk management

A methodology for assessing IS risks based on the cost of downtime of business systems and processes was introduced, thus ensuring reasonable sufficiency in decision-making.

IS methodology

Ensuring a highly dynamic and flexible system of internal regulations.

IS architecture

This provides a structured approach to managing the protection of systems and services to meet regulatory and IS requirements to ensure business resilience in the face of today's cyber threats.

Vulnerability management

Work is underway to build a vulnerability management process: related regulations have been approved, and the process of annual full scanning of the Company's external perimeter and internal infrastructure for vulnerabilities has been implemented. The results of the scanning are used to eliminate identified shortcomings in co-operation with other directorates.

Proactive protection

Integration with a publicly accessible database of compromise indicators that compiles information on malicious IP addresses, URLs, domains, etc., is used for proactive threat protection. Coupled with SOAR system, a list of threat indicators is used to automatically generate blocking policies on Fortigate firewalls. This approach prevents a large number of potentially dangerous external calls and increases the security of the Company's perimeter.

PREVENTION OF CONFLICTS OF INTEREST

Rusagro Group is cautious about situations in which an employee loses or can lose loyalty and objectivity towards the Company or the performance of their job duties. The resulting conflict between personal interests and the interests of Rusagro Group has a negative impact on job performance, which is why the Company feels it has the right to safeguard itself against such conflicts. To prevent conflicts of interest, the Company does not engage in business relations with customers, suppliers, or competitors in any way other than in the course of carrying out business on Rusagro's behalf.

It is planned to include provisions on the prevention of conflicts of interest during the preparation of the Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics will specify the need to inform direct management and the Compliance Officer of any instances of conflict of interest or risk of conflict of interest via appropriate communication channels.

The following situations are also defined by Rusagro Group as conflicts of interest:

- 1 Romantic or amorous relationship between managers and their subordinates
- 2 Family relationships (close or distant) with another employee of the Company or the employee of a customer, supplier, or competitor
- 3 Spousal relationships (including former spousal relationships) with another employee of the Company or the employee of a customer, supplier, or competitor
- 4 Joint participation with another employee in a commercial enterprise, joint membership in religious or other non-profit organisations

INSIDER INFORMATION

As a public company, Rusagro Group has extensive responsibilities on establishing and observing a special procedure for the disclosure of information that can materially affect the value of the Company's securities.

Since 2011, the Company has had the List of Insider Information in place that applies to all Company employees and members of the Board of Directors. The Company plans to bring the internal document that regulate the handling of insider information in line with the latest changes in the Company's corporate governance and global best practices in this area. There are plans to develop and adopt a Code of Conduct on Insider Information.

With the Code of Conduct on Insider Information in place, the Company intends to ensure that all securities market participants have equal access to sensitive information in an effort to prevent misuse of insider information – information that could affect the value of the Company's securities.

As expected, it is planned to include the obligation of employees to abide by international acts on the use and disclosure of insider information in addition to the Code of Conduct on Insider Information.



The list of insider information is available on the website of the Corporate Information Disclosure Centre (e-disclosure)

RISK MANAGEMENT

Risk management system

Rusagro Group recognises the importance of a responsible approach to risk management, which is inextricably linked to the Strategic Plan and reflects the priorities identified by the Group's management. The Company devotes significant resources to identifying, assessing and accounting for risks when making business decisions.

Risk management within the Group is aligned with the Regulations on the Risk Management and Internal Control System (RM&ICS) and is organised as a separate functional unit.

The Group is committed to observing the relevant national and international standards and continuously upgrades its own risk management toolkit in order to maximise the Company's value and lessen any potential negative effects in the event that a risk materialises.

In 2024, the Company identifies 19 risks that could have a material impact on its performance.

For 2025, the risk management framework highlights the significance of political and financial risks and draws the attention of the Group's management to managing and improving relevant practices.




For an expanded description of sustainability risks and their management measures, see the Sustainable Development section, pp. 151 and 171




Plans to improve the risk management system





Areas of improvement of the Group's risk management system



- 1 Monitoring, updating of risk management methodologies and tools
- 2 Stronger integration of the risk management system into the Group's development strategy
- 3 Training and improvement of personnel competences in the area of risk management
- 4 Focus on specific risks



Key risks





N°	Risk	Description	Risk realisation in 2024	Management measures
Strategic risks				
1	 Strategic planning risk	Risk associated with making erroneous decisions that determine the strategy of operations and development of business segments and the Group as a whole	The possibility of this risk realising in 2024 is estimated as minor	The Company is actively diversifying its production activities by creating efficient management structures, which helps minimise possible errors in decision making
2	 Technology risk	These risks are associated with Russia's potential long-term isolation from cutting-edge global agribusiness practices, including the robotisation of key technological processes in farming, techniques for the accelerated selection and cultivation of new varieties Further advancements in the field of genetically-modified grain types, such as the creation of drought-resistant varieties, pose a significant risk	The possibility of this risk realising in 2024 is estimated as minor	Promotion of in-house seed breeding. Development of the Company's own R&D activities in all main business segments of the Company. Development of proprietary IT technologies and robotisation in the agricultural sector
3	 Social and demographic risk	The main social risks are the decline in the working age population and in the training quality of skilled personnel. The continuing development of agrotechnology, combined with the lower percentage of people employed in key technological processes, places additional demands on skilled workers. Social and demographic risks are increasing significantly due to accelerating rates of migration from rural areas, given that those who leave tend to be of working age	The outflow of the working age population – especially young people – from rural to urban areas continues to be a trend, and the rural population is ageing as a result (on average). The realisation of this risk in 2024 is stable but insignificant	A number of programmes are being developed in conjunction with regional authorities with the aim of improving the standard of living in the regions where the Company operates. Support is given to specialist institutes of higher education. A number of programmes are underway to attract young specialists to the regions where the Company operates



N°	Risk	Description	Risk realisation in 2024	Management measures
4	 Reputational risk	<p>Risk associated with any negative perception of the Company's financial stability, financial position, quality of products or nature of its operations in general.</p> <p>Operating in the food product industry involves risks related to the spoilage of products and other requirements as to their quality and shelf life. Any aspect of the production, packaging, marketing, and sale of our products may be the subject of complaints from consumers, and negative consequences arising from such complaints being publicised may have an adverse effect on the Company's reputation</p>	This risk was not present in 2024	<p>Control of production safety and quality of products.</p> <p>Active PR strategy aimed at creating and maintaining a positive image in society and media landscape: in mass media, in social networks.</p> <p>Charitable activities, as well as support of universities, schools, local regional communities</p>
Political risks				
5	 Changes in state policy relating to price control, as well as export/import and tax regulation	<p>Changes in the state policy on price control for products sold by Rusagro, as well as export/import and tax regulation, could potentially have a negative impact on the Company's performance. The introduction of price caps, tariffs, and quotas for the export of agri-food products impedes the Company's ability to maximise revenue, while higher taxes translate into lower net profit</p>	<p>A ban on the export of cane or beet sugar and chemically pure sucrose from Russia was in effect from 3 May until 31 August 2024, except for limited exports to EEU countries.</p> <p>In August 2024, a floating duty on sunflower oil exports from Russia was extended until September 2026. Export duty rates on sunflower seeds and meal were extended for the same period. The possibility of this risk realising in 2024 is estimated as average</p>	<p>Tracking any changes in government policy and promptly adapting Rusagro's strategy to them.</p> <p>Improving production efficiency, optimising sales plans.</p> <p>Active position and participation in discussions with government officials on the terms of support measures for the agribusiness sector and their impact on business</p>
6	 Risk of aggravation of the foreign policy situation	<p>Negative developments in the global economy and the changing political and economic situation outside Russia, where the Company exports products, as well as the tightening of sanctions on Russia and Russian business, could lead to an economic slowdown, which would adversely affect the Company's financial results and the Company's business</p>	<p>The geopolitical situation and sanctions pressure persisted in 2024 in terms of a ban on imports of certain products from the Russian Federation and difficulties related to cross-border payments.</p> <p>The possibility of this risk realising in 2024 is estimated as average</p>	<p>Expansion of international partner and client network.</p> <p>Working out new service providers and supplies of necessary technical facilities both abroad and within Russia.</p> <p>Adaptation to sanctions, constant search for new logistics routes and other export opportunities</p>

N°	Risk	Description	Risk realisation in 2024	Management measures
Financial risks				
7	 Risk of higher accounts receivable	Risks associated with implicit and explicit costs, financial losses caused by the inability of counterparties to meet their financial obligations to the Group in full and in a timely manner	<p>The possibility of this risk realising in 2024 is estimated as minor.</p> <p>Individual cases of counterparties' inability to fulfil their financial obligations to the Group on time and in full did not have a significant impact on the stability of the Group</p>	Optimisation of contractual terms and conditions with counterparties and stricter control over payment, development of interaction procedures and use of additional financial instruments, involvement of factoring and receivables insurance
8	 Interest rate risk	Interest rate risks affecting the servicing cost of the Group's financial liabilities	In 2024, the risk for the Group has been realised to an average extent, taking into account subsidised borrowing rates for the agro-industrial sector	Mitigation through diversification of financing instruments, management of the debt structure and use of forecasting models in decision making
9	 Liquidity risk	Risks of the Group's inability to fulfil its financial obligations when due	<p>The possibility of this risk realising in 2024 is estimated as minor.</p> <p>The Group has no liquidity problems and continues to grow steadily</p>	Risk reduction by maintaining necessary reserves, optimising the structure of liabilities
10	 Currency risk	Risks of currency exchange rate fluctuations that may affect the value of the Company's liabilities, income or expenses denominated in foreign currencies	The possibility of this risk realising in 2024 is estimated as average	Hedging with financial instruments, diversification of currency positions

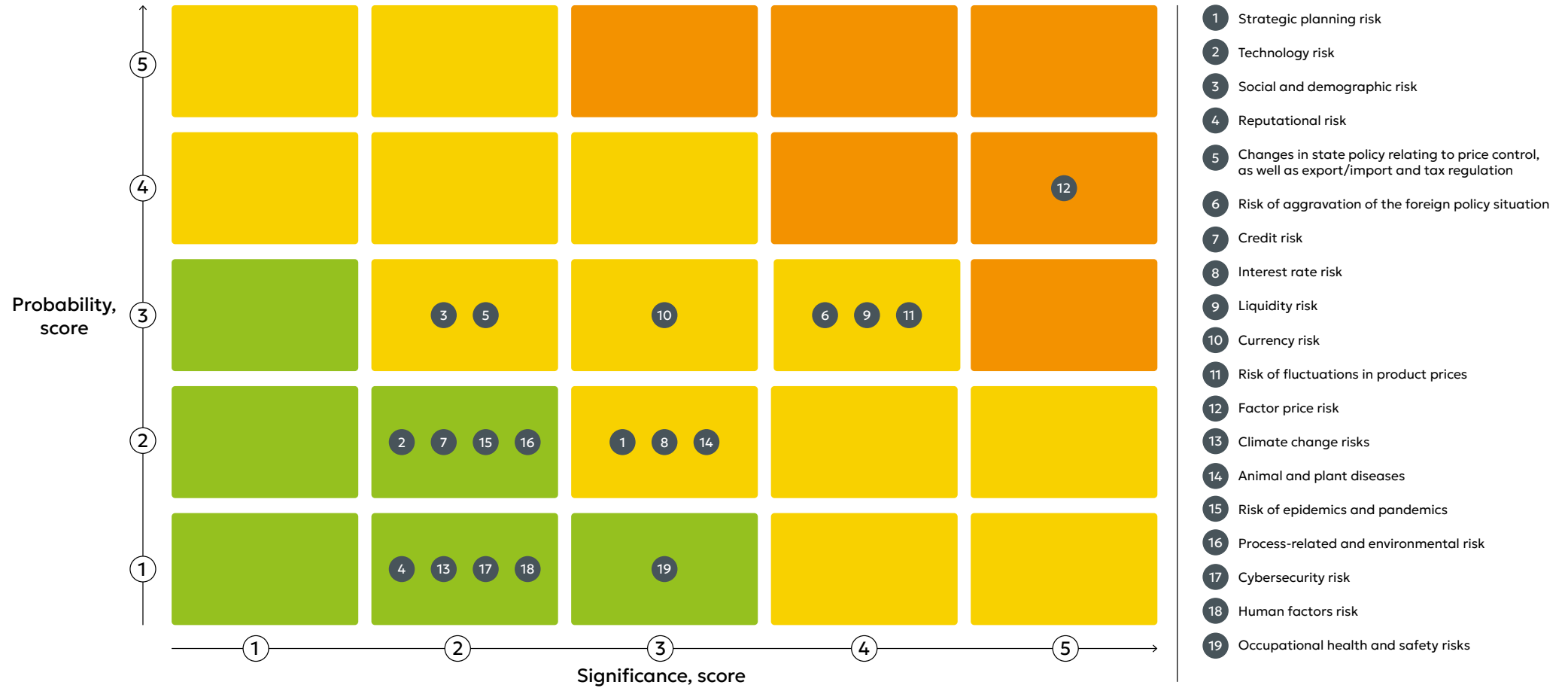
N°	Risk	Description	Risk realisation in 2024	Management measures
11	 Risk of fluctuations in product prices	<p>The Company's financial performance is linked to price levels for sugar, pork, arable crops, vegetable oils and derivatives. Prices depend on several factors which the Company cannot fully control. The following may be key reasons for a possible price drop:</p> <ul style="list-style-type: none"> • Increased supply from competitors and lower world prices • Government regulation • Erosion in household purchasing power 	<p>The possibility of this risk realising in 2024 is estimated as average</p>	<p>Diversification of the Company's product portfolio by extending product range and developing retail brands with a higher added value.</p> <p>Development of the sales channels, contracting with major industrial partners and retail chains.</p> <p>Development of export sales and expansion into new markets.</p> <p>Maintenance of stocks of finished products intended for sale during seasonal price hikes.</p> <p>Continuous monitoring of the market situation to obtain a true and fair view of the prevailing trends and to ensure a sound basis for forecasting market developments</p>
12	 Factor price risk	<p>Risks related to possible changes in prices for the main types of raw materials, goods, works, services used by the Company may adversely affect the results of financial and economic activities.</p> <p>Changes in prices for the main types of raw materials, goods, works, services used by the Company in the market of the Russian Federation may lead to fluctuations in prices for the cost of products made by the Company</p>	<p>The possibility of this risk realising in 2024 is estimated as average.</p> <p>Relatively high inflation drove higher prices for raw materials and services provided by the Group</p>	<p>Long-term contracting.</p> <p>Strengthening of vertical integration in certain segments to improve business efficiency.</p> <p>Long-term planning and continuous analysis of market conditions</p>

N°	Risk	Description	Risk realisation in 2024	Management measures
Natural and biological risks				
13	 Climate change risks	Weather-related anomalies such as drought, frost, excessive moisture, strong winds, hail, and damping off, as well as local man-made accidents, may lead to reduced yield, which affects the revenue of the Agriculture, Meat, Sugar, and Oil and Fats businesses	<p>The possibility of this risk realising in 2024 is estimated as average.</p> <p>In 2024, adverse weather risks were realised in the form of frost and drought in some regions. Risks were mitigated through re-seeding in the affected areas</p>	<p>An integrated approach to weather forecasting based on weather station data.</p> <p>Digitalisation of strategic planning and operational processes.</p> <p>Automation of the optimal scheduling of sugar beet digging, piling and delivery, as well as harvesting and exporting of grains and pulses.</p> <p>Automated quality control of handling operations;</p> <p>Development of sprinkling and irrigation systems.</p> <p>Climate-driven hybrid and varietal seed selection</p>
14	 Animal and plant diseases	Climate change and evolution cause new and dangerous animal and plant diseases to emerge that can adversely affect the performance of the Company's Agriculture, Sugar, and Meat Businesses. The most hazardous of these are sugar beet diseases, parasites, and highly dangerous viral and infectious diseases affecting pigs, such as African swine fever (ASF), porcine reproductive and respiratory syndrome, foot-and-mouth disease, and atypical pneumonia	These risks did not materialised for Rusagro Group in 2024	<p>Compliance with the most stringent biosecurity requirements.</p> <p>Transport and inventory flow control and decontamination.</p> <p>Health monitoring of pigs reared at the Company's production facilities.</p> <p>Monitoring of ASF disease incidents in Russia.</p> <p>Pest control by treating plants and seeds with insecticides and fungicides</p>

N°	Risk	Description	Risk realisation in 2024	Management measures
15	 Risk of epidemics and pandemics	The occurrence of epidemics and pandemics in Russia could have a negative impact on the Company's profits through the restrictions placed on the business activities of the Company and its counterparties. The risks include plant shutdowns, loss of productivity when switching to working from home, delays in the execution and implementation of commercial contracts, and freezes on construction and repair jobs	This risk did not materialised in 2024	<p>Rapid response headquarters established to develop and monitor the implementation of anti-crisis measures.</p> <p>Restrictions on the movement of employees between the Company's offices and production sites, as well as less travel to other regions and countries.</p> <p>Distribution of additional personal protective equipment and antiseptics, additional disinfection measures.</p> <p>Comprehensive communication programme to keep employees informed, launch of dedicated hotlines for employees.</p> <p>Support for employees to have regular tests and vaccinations</p>
Operational risks				
16	 Process-related and environmental risk	Agricultural production is subject to natural and man-made risks, including risks inherent in landscape transformation and stemming from pollutant emissions, land degradation, waterlogging, salination, impact on biodiversity, and violations of chemical safety regulations through the misuse of crop protection agents. Environmental risks are associated with financial loss from fines and the cost of remedying the effects of a violation	The possibility of this risk realising in 2024 is estimated as minor	<p>Approaching the agricultural process diligently and with due care regarding the use of fertilisers, the production and storage of raw materials and products, and waste management.</p> <p>Risk analysis and forecasting by R&D scientific units, technicians and environmentalists</p>
17	 Cybersecurity risk	Risks of financial losses resulting from unauthorised access to information systems, disruption of their operation, compromise of confidential information, loss of data or its unlawful distribution. Includes threats related to cyber-attacks, malware and the leakage of personal and other sensitive data	This risk did not materialised in 2024	<p>The Company has a business-oriented IS system that covers a wide range of cyber security tasks</p> <p> For more details, see the Cybersecurity and Data Protection section, p. 205</p>

N°	Risk	Description	Risk realisation in 2024	Management measures
18	 Human factors risk	Human errors in the planning and implementation of technological operations can have negative consequences on production results and production costs	The possibility of this risk realising in 2024 is estimated as minor	<p>Monitoring and improvement of staff management, including through the development of effective incentive systems.</p> <p>Development and enforcement of standards, regulations, and instructions for the implementation of process-related operations.</p> <p>Automation and digitalisation of planning processes, management of production activities</p>
19	 Occupational health and safety risks	Risks related to potential accidents, injuries, exposure of employees to harmful factors, incidents at production facilities, including terrorist attacks, as well as possible sanctions for violation of legal requirements	The possibility of this risk realising in 2024 is estimated as minor	<p>Regular safety training for staff.</p> <p>Rollout of systems for monitoring, prevention and prevention of occupational health and safety incidents.</p> <p>Analysis of incidents and corrective actions.</p> <p>Improvement of working conditions</p>

Heat map



DIVIDENDS

Dividend policy

The right of shareholders to participate in Rusagro's profits is realised through the dividend policy, under which the Group seeks to make decisions on dividend payments at least once a year. Taking into consideration the conditions outlined in the dividend policy, indicators derived from the consolidated financial statements are utilised to determine the amount

of dividends to be paid and make respective recommendations to the Group's Board of Directors. The decision to pay (announce) dividends is made by the General Meeting of Shareholders of the Group. Securities owned by the Company are not part of the dividend payout.

Conditions affecting the share of net profit payable to shareholders



Availability and amount of net profit under IFRS



Amount of retained earnings recommended by the Board of Directors for dividend payments



Capital requirements for the implementation of the Development Strategy and including plans for M&A transactions



Economic conditions and other internal and external changes that have or may have an adverse effect on the Company's operations

Payment history

No dividends have been accrued or paid during the last three years.

A complete dividend yield analysis is not feasible because dividend payments have not been made since 2022. The Group recognises the importance of such analysis for investors and analysts and will include this information in the Annual Report when dividend payments are resumed.



Rusagro's Dividend Policy

SHARE CAPITAL AND SECURITIES

Authorised capital and number of shares

As of the end of 2024, the authorised capital of Rusagro Group PJSC consisted of 958,749,600 declared ordinary shares with a par value of RUB 2.5. As at 31 December 2024, 20% of the Company's securities were in free float. The authorised capital of the Company is RUB 2,396,874,000.

In addition to the outstanding ordinary shares, The Company has the right to place 477,394,800 ordinary shares with a par value of RUB 2.5 each, which, as a result of their placement, grant the same rights as the previously placed ordinary shares. No additional shares of the Group were placed in the reporting year.

Note on changes

Based on the decisions of the Arbitration Court of the Moscow Region dated 5 September and 9 September 2024, on 8 October 2024 Rusagro Group PJSC registered amendments to the decision to issue shares.

Instead of the previous RUB 30, the new par value was RUB 2.5; the split ratio was 12:1; the number of shares increased from 79,895,800 to 958,749,600 units.



Notice of Registration of Amendments and Share Issuance Resolution

Information on securities

Status of a public company

On 13 February 2023, Rusagro Group PJSC acquired public status. The Company's shares are admitted to on-exchange trading. The Company has a listing services agreement with SPB Exchange PJSC and Moscow Exchange PJSC. In February 2025, shares of Rusagro Group PJSC were listed on the Moscow Exchange¹ in the first quotation list.



Group page on the website of Moscow Exchange PJSC

#RAGR

Registrar

Since 2 April 2010, the register of securities owners of PJSC Rusagro Group has kept by the Registrar – JSC STATUS (legal address: 23 Novokhokhlovskaya Str., bldg. 1, room 1, Moscow 109052; INN 7707179242; OGRN 1027700003924).

¹ Listing on the Moscow Exchange was gained on 14 February 2025.

Analytical coverage

The Group's shares are analysed by leading Russian brokers and banking houses

Olesya Vorobyeva

Alfa-Bank

Ekaterina Usanova

Sber CIB

Marat Ibragimov

Gazprombank

Alexander Samuilov

T-Investments

Mark Shumilov

Renaissance Capital

STATE SUPPORT

In 2024, Rusagro Group did not receive any government support, including subsidies.

MAJOR TRANSACTIONS AND RELATED-PARTY TRANSACTIONS¹

¹ Information on major transactions and related-party transactions is not to be disclosed in accordance with Resolution of the Government of the Russian Federation No. 1102 dated 4 July 2023.

SIGNIFICANT CORPORATE ACTIONS

Significant corporate actions are carried out on fair terms that respect the rights and interests of shareholders and other stakeholders. The Board of Directors plays an important role in deciding and recommending on significant corporate actions.

The Company ensures such a procedure for taking material corporate actions that allows shareholders to receive full information about them in a timely manner, provides an opportunity to influence their taking, and guarantees the observance and adequate level of protection of shareholders' rights.

The Company's material corporate actions are disclosed on the website of the Corporate Information Disclosure Centre (e-disclosure).



Rusagro Group PJSC page on the Corporate Information Disclosure Centre website

Significant corporate actions in 2024

Inclusion of Rusagro Group in the list of economically significant organisations

Based on Decree of the Government of the Russian Federation No. 1857-r dated 12 July 2024, the Group was included in the list of economically significant organisations (ESOs).

12:1 share split of Rusagro Group PJSC

By the decision of the Bank of Russia dated 8 October 2024, an amendment to the decision to issue securities was registered in respect of the Company. In particular, the par value of ordinary shares was changed from RUB 30 to RUB 2.5. Editorial corrections were also made to the text of the document to bring it in line with the provisions of current legislation and recommendations of the Bank of Russia.

INVESTOR RELATIONS

Approach and principles of interaction

Rusagro Group is committed to serving the interests of its shareholders, protecting their rights, and maintaining a relationship of trust with them. The Company is engaged in a direct dialogue with the shareholders and investors and guided by the current legislation and best global practices. The principal standards of external corporate conduct and ethics that are applied in relations with shareholders and investors are outlined in the Company's Code of Business Conduct and Ethics.

The Company seeks to minimise the actual risks to investors, and therefore duly discloses information on its activities and refrains from actions that could mislead investors. The Company makes every effort to increase shareholder value, prevent corporate conflicts, and ensure a high level of corporate governance.

Rusagro equally respects the rights of all shareholders, regardless of the number of shares they hold. The Company guarantees all of its shareholders the security of all rights established by applicable law and arising from the Company's obligations in connection with its trading on the stock exchange. In doing so, the Company is constantly working to make the exercise of shareholders' rights easier, more accessible, more effective, and less costly.

Rusagro is committed to constantly improve the quality of its engagement with the investment community and is open for comments and suggestions on development. We have the highest regard for our shareholders and investors and will continue in our efforts to better meet their need for reliable, complete, and timely information.

Prompt feedback

Rusagro is committed to constantly improve the quality of its engagement with the investment community and is open for comments and suggestions on development. Rusagro's Investor Relations Department can be contacted at ir@rusagrogroup.ru.

The Report is distributed in both print and digital formats via various reporting distribution channels.

From 2024 onwards, the Company publishes a Databook with the Group's financial indicators in .xlsx format for the convenience of investors and analysts, and, in order to increase awareness among potential investors, issues updates to a special Presentation for Private Investors which contains general information about the Group. These are also available on the Group's website.

Key contacts:

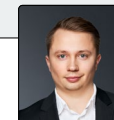
Alexey Kulchitsky

Director of M&A, IR, ESG



Egor Sergushov

Head of IR&ESG



Rusagro Group's website

Information policy

Efficient and effective performance lies at the core of Rusagro Group's investment appeal. However, positive investment decisions are also heavily influenced openness and transparency issues regarding the Company's business. In its desire to ensure a level of transparency in line with international best practice, the Company communicates all information to the investment community in a timely manner. Any information that may affect the value of the Company's shares is published via the main interaction channels: the official website of Rusagro Group PJSC and the website of the Corporate Information Disclosure Centre (e-disclosure) in accordance with the established information disclosure requirements.

Rusagro Group ensures that all members of the investment community have equal access to information about the Company and takes care to foreclose exclusive access to this information by certain groups of investors. To this end, the Company endeavours to ensure timely publication of its performance results in Russian and English, and to provide stakeholders with both financial and non-financial information.

Annual and quarterly reporting on financial results

Information on all material events pertaining to the Company's business

Annual and quarterly reporting on operating results

Specialised information and analytical materials for investors

Channels of interaction

Communication channel



Group's main website



Group's page on the Corporate Information Disclosure Centre website

Auxiliary communication channels



Rusagro Group's Telegram channel



VKontakte group about working at Rusagro Group

Investor Calendar

The Investor Calendar is a transparency tool that collates key dates of the Group's key financial and corporate events. It is designed to help stakeholders, especially investors, track the Company's activities and performance.

The regularly updated investor calendar of Rusagro Group PJSC for 2025 is available on the Group's website.



Rusagro Group's
Investor Calendar

Previously, ROS AGRO PLC's reports included a quarterly disclosure of the financial and operational performance of Rusagro Group PJSC's assets.



APPENDIX

International Financial Reporting
Standards Consolidated Financial Statements
for the year ended 31 December 2024
and Independent Auditors' Report 226

Contact information 311



INTERNATIONAL FINANCIAL REPORTING STANDARDS CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 AND INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report



JSC "Kept"

Business center Alcon III,
34A Leningradsky Prospekt
Moscow, Russia 125040
Telephone +7 (495) 937 4477
Fax +7 (495) 937 4499

Audited entity: Rusagro Group PJSC

Registration number in the United State Register of Legal
Entities: 1105003000937

Independent auditor: JSC "Kept"

To the Shareholders and the Board of Directors of Rusagro Group Public Joint Stock Company

Opinion

We have audited the consolidated financial statements of Rusagro Group Public Joint Stock Company (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income for 2024, the consolidated statement of changes in equity for 2024 and the consolidated statement of cash flows for 2024, and notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for 2024 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the independence requirements that are relevant to our audit of the consolidated financial statements in the Russian Federation and with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the requirements in the Russian Federation and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Acquisition of Nizhegorodsky Oil and Fat Plant Group (hereinafter referred to as NMKG Group)

Please refer to the Note 25 in the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
<p>In August 2024, the Group obtained 76% equity interest in the holding company of Oil and Fat business of the Group, which comprises NMKG Group and the Group's Oil and Fat business.</p> <p>In June 2023, one of the subsidiaries of ROS AGRO PLC (the Group's parent entity until 5 September 2024) obtained 50% equity interest and control over NMKG Group. In accordance with the Group's accounting policies, this transaction was accounted for as an acquisition of businesses from entities under common control. The Group used the carry-forward approach to recognise the carrying amounts of the assets and liabilities acquired with adjustments to comparative figures for the current reporting period.</p> <p>Given the size and complexity of the acquisition, we consider this to be a key audit matter.</p>	<p>We assessed the consistency of application of the Group's accounting policies in relation to the acquisition of businesses from entities under common control.</p> <p>We assessed whether management correctly identified the transaction as a business combination under common control and whether management's judgement in identifying the assets and liabilities acquired by the Group in a business combination is reasonable.</p> <p>We ensured that the Group recognised acquisition of assets and liabilities as at June 2023 at the same amounts as they were accounted for as at the date of acquisition of control in the financial statements of the entity under common control.</p> <p>We also ensured that the comparative figures as at 31 December 2023 and for 2023 were restated correctly.</p> <p>We checked the mathematical accuracy of the calculation, as well as the correctness of the effect of the acquisition of an additional equity interest in NMKG Group.</p> <p>We assessed the appropriateness of the disclosures in respect of business combination in the financial statements as required by IFRS 3 Business Combinations, IFRS 8 Accounting Policies, Changes in Accounting Estimates and Errors.</p>

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditors' report thereon. The Annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Audit Committee of the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of the Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit Committee of the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee of the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit Committee of the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is:

Valentina Vladimirovna Gnatovskaya

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 21906100181, acts on behalf of the audit organization based on the power of attorney No. 57/25 as of 9 January 2025

JSC "Kept"

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

Moscow, Russia
17 March 2025

Consolidated statement of financial position as at 31 December 2024 (in thousands of russian roubles, unless otherwise stated)

	Note	31 December 2024	31 December 2023 ¹
ASSETS			
Current assets			
Cash and cash equivalents	3	33,329,058	24,885,675
Short-term investments	4	1,716,304	2,677,852
Trade and other receivables	5	79,258,168	37,118,533
Prepayments (advances given)	6	16,146,994	10,716,376
Current income tax receivable		400,162	132,186
Other taxes receivable	7	8,093,742	8,941,169
Inventories	8	94,009,156	93,174,762
Short-term biological assets	9	13,596,130	6,754,488
Total current assets		246,549,715	184,401,041
Non-current assets			
Property, plant and equipment	11	170,662,564	139,797,049
Inventories intended for construction	11	962,418	465,830
Right-of-use assets	12	8,732,945	6,392,885
Goodwill	26	3,840,150	3,840,150
Advances paid for property, plant and equipment	6	3,282,397	2,867,735
Long-term biological assets	9	6,845,463	2,736,644
Long-term investments	10	33,970,634	42,527,657

¹ See Note 25

	Note	31 December 2024	31 December 2023 ¹
Investments in associates		737,959	562,323
Deferred tax assets	27	4,701,576	3,221,659
Intangible assets	13	7,958,915	7,765,853
Total non-current assets		241,695,021	210,177,785
TOTAL ASSETS		488,244,736	394,578,826
LIABILITIES AND EQUITY			
Current liabilities			
Short-term loans and borrowings	15	95,106,735	68,532,853
Lease liabilities	12, 15	1,214,846	1,098,135
Trade and other payables	16	62,038,058	49,190,245
Current income tax payable		1,235,191	555,913
Other taxes payable	17	4,707,182	5,457,924
Provisions for other liabilities and charges		423,608	123,212
Total current liabilities		164,725,620	124,958,282
Non-current liabilities			
Long-term borrowings	15	65,890,598	59,498,119
Government grants	18	18,331,790	12,860,211
Lease liabilities	12, 15	7,648,002	4,325,136
Deferred tax liabilities	27	4,518,324	2,495,005
Total non-current liabilities		96,388,714	79,178,471
TOTAL LIABILITIES		261,114,334	204,136,753

¹ See Note 25

	Note	31 December 2024	31 December 2023 ¹
EQUITY			
Share capital	14	2,396,874	2,396,874
Retained earnings		205,403,170	172,181,843
Equity attributable to owners of Rusagro Group PJSC		207,800,044	174,578,717
Non-controlling interest	25	19,330,358	15,863,356
TOTAL EQUITY		227,130,402	190,442,073
TOTAL LIABILITIES AND EQUITY		488,244,736	394,578,826

The accompanying notes on pages 5 to 80 are an integral part of these consolidated financial statements.

Anna Stafeeva, 17 March 2025

Under Power of Attorney No. ДОВ-ГР-8/24 dated 16 April 2024

¹ See Note 25

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024 (in thousands of russian roubles, unless otherwise stated)

	Note	Year ended 31 December 2024	Year ended 31 December 2023 ¹
Sales	19	340,089,483	276,076,059
Net (loss)/ gain on revaluation of biological assets and agricultural produce	9	(5,656,258)	3,698,693
Cost of sales	20	(256,597,832)	(204,478,603)
Net loss from trading derivatives		(51,267)	(205)
Gross profit		77,784,126	75,295,944
Distribution and selling expenses	21	(29,913,963)	(20,145,823)
General and administrative expenses	22	(13,889,402)	(10,887,862)
Reversal of allowance for impairment of loans issued	15	2,350	7,983
Other operating income, net	23	4,905,796	2,482,967
Operating profit		38,888,907	46,753,209
Interest expense	24	(9,545,698)	(7,208,860)
Interest income		9,675,888	10,190,926
Other finance (costs)/ income, net	24	(440,905)	3,189,863
Share in results of associates		175,066	-
Profit before income tax		38,753,258	52,925,138
Income tax expense	27	(7,176,241)	(8,161,660)
Profit for the year		31,577,017	44,763,478
Total comprehensive income for the year		31,577,017	44,763,478

¹ See Note 25

	Note	Year ended 31 December 2024	Year ended 31 December 2023 ¹
Profit/ (loss) attributable to:			
• Owners of Rusagro Group PJSC		26,508,467	42,558,196
• Non-controlling interest		5,068,550	2,205,282
Profit for the year		31,577,017	44,763,478
Total comprehensive income/ (loss) attributable to:			
• Owners of Rusagro Group PJSC		26,508,467	42,558,196
• Non-controlling interest		5,068,550	2,205,282
Total comprehensive income for the year		31,577,017	44,763,478
Earnings per ordinary share for profit attributable to the owner of Rusagro Group PJSC, basic and diluted earnings (RUB per share)	29	27.65	532.67

The accompanying notes on pages 5 to 80 are an integral part of these consolidated financial statements.

¹ See Note 25

Consolidated statement of changes in equity for the year ended 31 December 2024 (in thousands of russian roubles, unless otherwise stated)

	Note	Equity attributable to owners of Rusagro Group PJSC			
		Share capital	Retained earnings	Total	Non-controlling interest
Balance at 1 January 2023		2,396,874	108,659,137	111,056,011	(31,228)
Profit and total comprehensive income for the year ¹		-	42,558,196	42,558,196	2,205,282
Acquisition of subsidiaries under common control (Note 25)		-	20,964,510	20,964,510	19,489,302
Other changes in non-controlling interest		-	-	-	(5,800,000)
Balance at 31 December 2023¹		2,396,874	172,181,843	174,578,717	15,863,356
Balance at 1 January 2024		2,396,874	172,181,843	174,578,717	15 863 356
Profit and total comprehensive income for the year		-	26,508,467	26,508,467	5,068,550
Acquisition of subsidiaries under common control (Note 25)		-	7,401,548	7,401,548	(7,401,548)
Other changes in non-controlling interest		-	-	-	5,800,000
Other changes (Note 27)		-	(688,689)	(688,689)	-
Balance at 31 December 2024		2,396,874	205,403,169	207,800,043	19,330,358

The accompanying notes on pages 5 to 80 are an integral part of these consolidated financial statements.

¹ See Note 25

Consolidated statement of cash flows for the year ended 31 december 2024 (in thousands of russian roubles, unless otherwise stated)

	Note	Year ended 31 December 2024	Year ended 31 December 2023 ¹
Cash flows from operating activities			
Profit before income tax		38,753,258	52,925,138
Adjustments for:			
Depreciation of property, plant and equipment, intangible assets and right-of-use assets	20, 21, 22	14,318,899	16,451,751
Interest expenses	24	19,867,518	18,947,588
Government grants	23,24	(12,066,792)	(13,831,969)
Interest income		(9,675,888)	(10,190,926)
Loss/(gain) on disposal of property, plant and equipment	23	72,342	(170,144)
Net loss/(gain) on revaluation of biological assets and agricultural produce	9	5,656,258	(3,698,693)
Change in allowance for impairment of assets to net realisable value		691,913	863,190
Lease interest expense	24	812,547	638,821
Change in allowance for impairment of receivables and prepayments		620,818	2 303,543
Foreign exchange (gain)/loss, net	23, 24	(3,492,747)	(6,112,283)
Write-off of dead crops	20	426,877	1,090,868
Gain on other investments	23	-	(2,009,374)
Gain on SolPro loans redemption	23	(29,305)	(325,851)
Gain on acquisition of subsidiaries	23,25	(6,350,623)	-

¹ See Note 25

	Note	Year ended 31 December 2024	Year ended 31 December 2023 ¹
Other non-cash and non-operating expenses, net		473,416	106,823
Cash flows from operating activities before changes in working capital		50 078,491	56,988,482
Change in trade and other receivables and prepayments		(44,324,134)	1,845,711
Change in other taxes receivable		867,039	(606,944)
Change in inventories		(1,252,409)	(12,815,731)
Change in biological assets		(1,254,623)	5,672,714
Change in trade and other payables		19,043,078	(8,855,448)
Change in other taxes payable		(234,179)	(2,558,060)
Cash inflow from operating activities		22,923,263	39,670,724
Income taxes paid		(7,177,893)	(6,074,116)
Net cash from operating activities		15,745,370	33,596,608
Cash flows from investing activities			
Purchase of property, plant and equipment		(28,504,623)	(18,040,526)
Purchase of intangible assets		(1,072,517)	(807,252)
Purchase of land lease rights		(30,239)	(23,229)
Proceeds from sales of property, plant and equipment		550,412	712,005
Purchase of inventories intended for construction		(736,546)	(310,135)
Cash placed on bank deposits		71,955,619	(63,278,975)
Proceeds from cash withdrawals from deposits		(70,613,809)	162,979,157
Investments in subsidiaries, net of cash acquired		(14,852,788)	14,338,885
Interest received		9,977,446	11,495,107

¹ See Note 25

	Note	Year ended 31 December 2024	Year ended 31 December 2023 ¹
Dividends received		(1,120)	2,009,374
Other investing activities		34,105	999,633
Net cash (used in)/ from investing activities		(33,294,060)	110,074,044
Cash flows from financing activities			
Proceeds from loans and borrowings	15	96,860,335	105,049,123
Repayment of loans and borrowings	15	(66,999,132)	(244,596,561)
Interest and other finance cost paid	15	(8,135,580)	(6,117,967)
Proceeds from government grants		4,007,721	2,147,322
Repayment of lease liabilities – principal	15	(871,833)	(572,322)
Net cash from financing activities		24,861,511	(144,090,405)
Effect of exchange rate changes on cash and cash equivalents		1,130,562	4,420,150
Net increase/(decrease) in cash and cash equivalents		8,443,383	4,000,397
Cash and cash equivalents at the beginning of the year	3	24,885,675	20,885,278
Cash and cash equivalents at the end of the year	3	33,329,058	24,885,675

The accompanying notes on pages 5 to 80 are an integral part of these consolidated financial statements.

¹ See Note 25

Notes to the consolidated financial statements for the year ended 31 December 2024 (in thousands of russian roubles, unless otherwise stated)

1. Background

Business description

These consolidated financial statements were prepared for Rusagro Group PJSC (hereinafter the "Company") and its subsidiaries (hereinafter together referred to as the "Group").

As at 31 December 2024, the Company has no ultimate parent company. Until 5 September 2024, the Company's parent company and majority shareholder was ROS AGRO PLC (Note 28). The Company and the Group do not have an ultimate controlling party as defined in IFRS 10 Consolidated Financial Statements.

The principal activities of the Group are:

- agricultural production (cultivation of sugar-beet, grain and other agricultural crops);
- cultivation of pigs and meat processing;
- processing of raw sugar and production of sugar from sugar-beet;
- vegetable oil extraction and processing.

The registered address of Rusagro Group PJSC is: 20B Studenetskaya Naberezhnaya Str., floor 3, room 303, Tambov Region, Tambov.

The Group mainly operates in the Russian Federation except for goods trading activity. The subsidiaries of the Group were incorporated and are domiciled in the Russian Federation.

Principal subsidiaries of the Group included into these consolidated financial statements are listed below. The Group's ownership share is the same as the voting share.

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
LLC Group of Companies Rusagro	Investment holding, financing	100	100
LLC RusagroTechnologii	IT services	100	100
Sugar segment			
LLC Rusagro-Sakhar	Sugar division trading company, sales operations	100	100
LLC Rusagro-Belgorod	Beet and raw sugar processing	100	100
LLC Rusagro-Tambov	Beet and raw sugar processing	100	100
JSC Krivets-Sakhar	Beet and raw sugar processing	100	100
JSC Kshenskiy Sugar Plant	Beet and raw sugar processing	100	100
JSC Otradinskiy Sugar Plant	Beet and raw sugar processing	100	100
JSC Hercules	Buckwheat processing plant	100	100

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
Oil and Fat segment			
JSC Fats and Oil Integrated Works	Oil processing	76	100
JSC Samaraagroprompererabotka	Oil extraction	76	100
LLC Primorskaya Soya	Oil extraction and processing	76	100
LLC Rusagro-Saratov	Oil processing	76	100
LLC Rusagro-Atkarsk	Oil extraction	76	100
LLC Rusagro-Balakovo	Oil extraction	76	100
LLC Rusagro-Zakupki	Oil and Fat raw materials procurement	76	100
Etalon JSC	Holding shares or other equity instruments	76	50 ¹
Trading House NMGK JSC	Sales, Marketing or Distribution	76	50 ¹
NMGK JSC	Oil processing	76	50 ¹
Borskiy Elevator LLC	Storage and Safekeeping of seeds	76	50 ¹
Balashovskaya Khlebnaya Baza JSC	Storage and Safekeeping of seeds	76	50 ¹
Ermolaevskiy Khleb JSC	Storage and Safekeeping of seeds	76	50 ¹

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
Glushitsa Station JSC	Storage and Safekeeping of seeds	76	50 ¹
Pestravskaya Station JSC	Storage and Safekeeping of seeds	76	50 ¹
Ekaterinovskiy Elevator JSC	Storage and Safekeeping of seeds	76	50 ¹
Uryupinsk Oil Extraction Plant JSC	Oil extraction	76	50 ¹
Uryupinskiy Elevator JSC	Storage and Safekeeping of seeds	76	50 ¹
Sorochinsk Oil Extraction Plant LLC	Oil extraction	76	50 ¹
Sorochinskiy Elevator LLC	Storage and Safekeeping of seeds	76	50 ¹
Energoset NN LLC	Provision of Services to unrelated parties	76	50 ¹
NMKG-Logistic LLC	Provision of Services to unrelated parties	76	50 ¹
Meat segment			
LLC Tambovsky Bacon	Cultivation of pigs	100	100
LLC Rusagro-Primorie	Cultivation of pigs	100	100
Agriculture segment			
LLC Rusagro-Invest	Agriculture	100	100

¹ - Share in NMKG Group is stated as if the acquisition had occurred in 2023, see Note 25.

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
LLC Agrotehnology	Agriculture	100	100
JSC Primagro	Agriculture	100	100
LLC Kshenagro	Agriculture	100	100
LLC Otradaagroinvest	Agriculture	100	100
JSC Astreya	Agriculture	61	61
LLC Agromeliorant	Production of fertilizers	100	100
LLC Biotekhnologii	Agriculture	100	100
Agro-Belogorie segment			
LLC Belgorod Pork Complex-1	Cultivation of pigs	100	-
LLC Rakityansky SK	Cultivation of pigs	100	-
LLC Strigunovsky SK	Cultivation of pigs	100	-
LLC Graivoronsky SK1	Cultivation of pigs	100	-
LLC Graivoronsky SK2	Cultivation of pigs	100	-
LLC Graivoronsky SK	Cultivation of pigs	100	-
LLC Belgorodsky SK	Cultivation of pigs	100	-
LLC Borisovsky SK	Cultivation of pigs	100	-
LLC Borisovsky SK1	Cultivation of pigs	100	-
LLC Kolomytsevsky SK	Cultivation of pigs	100	-
LLC Krasnogvardeysky SK	Cultivation of pigs	100	-

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
LLC Streletsky SK	Cultivation of pigs	100	-
LLC Krasnogvardeysky SK1	Cultivation of pigs	100	-
LLC Krasnogvardeysky SK2	Cultivation of pigs	100	-
OJSC Krasnoyarsky SK	Cultivation of pigs	100	-
LLC SK Klimovoye	Cultivation of pigs	100	-
LLC Borisovskaya ZK	Agriculture	100	-
OJSC Khotmyzhskoye Station	Agriculture	99,64	-
LLC MPZ Agro-Belogorie	Cultivation of pigs	100	-
JSC Krukovsky SK	Cultivation of pigs	100	-
LLC Agro-Privolzhye	Cultivation of pigs	100	-
LLC Yakovlevsky Sanvetutilzavod	Cultivation of pigs	100	-
LLC Agro-Belogorie TH	Sales, Marketing or Distribution	100	-
LLC LTD AGRO BELOGORIE	Sales, Marketing or Distribution	100	-
LLC TP Belogorie	Cultivation of pigs	100	-
OJSC Grafovsky SK	Cultivation of pigs	100	-
LLC Belgorodskaya Svinina	Cultivation of pigs	100	-
OJSC Novoborisovskoye Station	Cultivation of pigs	81,85	-
LLC Selection Hybrid Center	Cultivation of pigs	100	-

Entity	Principal activity	Group's share in the share capital, %	
		31 December 2024	31 December 2023
LLC Agro Belogorie Krasnodar	Cultivation of pigs	100	-
JSC Nikitovsky SK	Cultivation of pigs	100	-
LLC Prokhorovskaya ZK	Agriculture	100	-
OJSC Livensky KZ	Agriculture	100	-
LLC Yakovlevsky KZ	Agriculture	100	-
LLC Agro Belogorie Voronezh	Cultivation of pigs	100	-
LLC Agro Belogorie Kursk	Cultivation of pigs	100	-
LLC Krasnogvardeyskaya ZK	Agriculture	100	-

Russian Federation. The Group's operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation, which display the characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which contribute together with other legal and fiscal impediments to the challenges faced by entities operating in the Russian Federation.

In 2024, the events in Ukraine continued to significantly influence the economic environment in which the Group operates. Sanctions imposed by the United States of America, the European Union and some other countries against Government of the Russian Federation, as well as many large financial institutions, legal entities and individuals in Russia continue to be in effect and have been expanded. In particular, restrictions were imposed on the export and import of goods, including capping the price of

certain types of raw materials, restrictions were introduced on the provision of certain types of services to Russian enterprises, the assets of a number of Russian individuals and legal entities were blocked, a ban on maintaining correspondent accounts was established, certain large banks were disconnected from the SWIFT international financial messaging system, and other restrictive measures were implemented. Also, in the context of the imposed sanctions, a number of large international companies from the United States, the European Union and other countries discontinued, significantly reduced or suspended their own activities in the Russian Federation, as well as doing business with Russian citizens and legal entities.

In response to the increasing pressure on the Russian economy, the Government of the Russian Federation and the Central Bank of Russia have introduced counter-sanctions, currency control measures and other special economic measures to ensure the security and the stability of the Russian economy, financial sector and citizens.

The imposition and subsequent strengthening of sanctions resulted in elevated economic uncertainty, including reduced liquidity and higher volatility in the capital markets, volatility of the Rouble exchange rate, a decrease in foreign and domestic direct investments, difficulties for Russian Eurobond issuers in making payments, and also a significant reduction in the availability of sources of debt financing. In the second half of 2024, there was an increase in the key rate from 16% to 21%.

In addition, Russian companies have virtually no access to the international stock market, the debt capital market and other development opportunities, which may lead to their increased dependence on the governmental support. The Russian economy is in the process of adaptation associated with the replacement of retiring export markets, a change in supply markets and technologies, as well as changes in logistics, supply and production chains.

It is difficult to assess the consequences of the imposed and possible additional sanctions in the long term, however, sanctions can have a significant negative impact on the Russian economy.

The consolidated financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

2. Summary of significant accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements have been prepared under the historical cost convention, as modified by the initial recognition of financial instruments based on fair value, financial instruments categorised at fair value through profit or loss and at fair value through other comprehensive income, biological assets that are presented at fair value less point-of-sale costs and agricultural produce which is measured at fair value less point-of-sale costs at the point of harvest. The Group entities registered in Russia keep their accounting records in Russian Roubles (RUB) in accordance with Russian accounting regulations (RAR). These consolidated financial statements significantly differ from the financial statements prepared for statutory purposes under RAR in that they reflect certain adjustments, which are necessary to present the Group's consolidated financial position, results of operations, and cash flows in accordance with IFRS.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below in Note 2.2.

2.2 Critical Accounting Estimates and Judgements in Applying Accounting Policies

The Group makes estimates and assumptions that affect the amounts recognised in the consolidated financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Useful lives of property, plant and equipment

The estimation of the useful lives of items of property, plant and equipment is a matter of judgement based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use. However, other factors, such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets. Management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Group. The following primary factors are considered: (a) expected usage of the assets; (b) expected physical wear and tear, which depends on operational factors and maintenance programme; and (c) technical or commercial obsolescence arising from changes in market conditions.

If the estimated useful lives differs by 10% from management's estimates, the impact on depreciation for the year ended 31 December 2024 would increase by RUB 1,136,802 thousand or decrease it by RUB 1,389,425 thousand (2023: increase by RUB 1,246,712 thousand or decrease by RUB 1,523,759 thousand).

Fair value of livestock and agricultural produce

The fair value less estimated point-of-sale costs of livestock at the end of each reporting period is determined using the physiological characteristics of the animals, management expectations concerning the potential productivity and market prices of animals with similar characteristics. The fair value of the Group's bearer livestock is determined by using valuation techniques, as there were no observable market prices near the reporting date for pigs of the same physical conditions, such as weight and age. The fair value of the bearer livestock was determined based on the expected quantity of remaining farrows for pigs and the market prices of the young animals. The fair value of mature animals is determined based on the expected cash flow from the sale of the animals at the end of the production usage. The cash flow was calculated based on the actual prices of sales of culled animals from the Group's entities to independent processing enterprises taking place near the reporting date, and the expected weight of the animals. Future cash flows were discounted to the reporting date at a current market-determined pre-tax rate. In the fair value calculation of the immature animals of bearer livestock management considered the expected culling rate.

Key inputs used in the fair value measurement of bearer livestock of the Group were as follows:

	31 December 2024		31 December 2023	
	Pigs (sows)	Pigs (boars)	Pigs (sows)	Pigs (boars)
Length of production usage in farrows	7	-	6	-
Market prices for comparable bearer livestock in the same region (in Russian Roubles/kg, excl. VAT)	288	929	242	631

Should the key assumptions used in determination of fair value of bearer livestock have been 10% higher/lower with all other variables held constant, the fair value of the bearer livestock as at the reporting dates would be higher or lower by the following amounts:

	31 December 2024		31 December 2023	
	10% increase	10% decrease	10% increase	10% decrease
Pigs				
Length of production usage in farrows	78,368	(63,154)	66,765	(50,811)
Market prices for comparable bearer livestock in the same region	640,457	(640,457)	222,718	(222,718)

The fair value of consumable livestock (pigs) is determined based on the market prices multiplied by the livestock weight at the end of each reporting period, adjusted for the expected culling rates. The average market price of consumable pigs being the key input used in the fair value measurement was RUB 126.3 per kilogram, excluding VAT, as at 31 December 2024 (31 December 2023: RUB 108.3 per kilogram, excluding VAT).

Should the market prices used in determination of fair value of breeding livestock have been 10% higher/lower with all other variables held constant, the fair value of the breeding livestock as at 31 December 2024 would be higher/lower by RUB 1,187,645 thousand (31 December 2023: RUB 565,856 thousand).

The fair value less estimated point-of-sale costs for agricultural produce at the time of harvesting was calculated based on quantities of crops harvested and the prices on deals that took place in the region of location on or about the moment of harvesting and was adjusted for estimated point-of-sale costs at the time of harvesting.

The average market prices (Russian Roubles/tonne, excluding VAT) used for fair value measurement of harvested crops were as follows:

	2024	2023
Sugar beet	4,555	4,336
Wheat	12,302	8,858
Barley	10,148	8,805
Sunflower	36,127	25,202
Corn	16,111	17,388
Soya bean	39,420	39,238
Rapeseed	34,236	34,981

Should the market prices used in determination of fair value of harvested crops have been 10% higher/lower with all other variables held constant, the fair value of the crops harvested in 2024 would be higher/lower by RUB 3,731,597 thousand (2023: RUB 4,103,162 thousand).

The fair value less estimated point-of-sale costs for unharvested crops are calculated based on expected yield, degree of readiness for each crop and the forward market prices.

The average forward market prices (Russian Roubles/tonne, excluding VAT) used for fair value measurement of unharvested crops were as follows:

	2024	2023
Winter wheat	13,387	10,610
Winter rapeseed	35,295	27,670

Should the forward market prices used in determining the fair value of the unharvested crops have been 10% higher/lower with all other variables held constant, the fair value of the unharvested crops would be higher/lower by RUB 163,666 thousand (2023: RUB 105,667 thousand).

Estimated impairment of goodwill

The Group tests goodwill for impairment at least annually. The recoverable amounts of cash-generating units ("CGUs") have been determined based on value-in-use calculations. These calculations require the use of estimates as further detailed in Note 26.

Deferred income tax asset recognition

The recognised deferred income tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the consolidated statement of financial position. Deferred income tax assets are recorded to the extent that realisation of the related tax benefit is probable and in relation to losses carried forward it is also based on management judgement about deductibility of expenses included in the related profit tax base. The future taxable profits and the amount of tax benefits that are probable in the future are based on a medium-term business plan prepared by management and extrapolated results thereafter. The business plan is based on management expectations that are believed to be reasonable under the circumstances.

Tax legislation

Russian tax, currency and customs legislation is subject to varying interpretations (Note 32).

Depreciation of right-of-use assets

Extension and termination options. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of buildings, machinery, equipment and vehicles, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate) the lease.
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate) the lease.

Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

As for the land leases historical lease durations were used in determining the terms of right-of-use assets depreciation. Based on the management assessment and previous experience, lease term was set as 10 years as a minimum for the contracts with prolongation option.

Discount rates used for determination of lease liabilities

The Group uses its incremental borrowing rate as a base for calculation of the discount rate because the interest rate implicit in the lease cannot be readily determined. The Group's incremental borrowing rate is the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, collateral and conditions.

A 10% increase in the discount rate as at 31 December 2024 would result in a decrease in the lease liability by RUB 330,858 thousand (31 December 2023¹: RUB 251,692 thousand). A 10% decrease in the discount rate as at 31 December 2024 would result in an increase in lease liabilities by RUB 371,604 thousand (31 December 2023¹: RUB 282,587 thousand).

2.3 Foreign currency and translation methodology

Functional and presentation currency

The functional currency of the Group's consolidated entities is the Russian Rouble (RUB), which is the currency of the primary economic environment in which the Group entities operate. The Russian Rouble has been chosen as the presentation currency for these consolidated financial statements.

Translation of foreign currency items into functional currency

Transactions in foreign currencies are translated to Russian Roubles at the official exchange rate of the Central Bank of the Russian Federation (CBRF) at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate ruling at that date. Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities at year-end exchange rates are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of profit or loss and other comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within 'Other operating income/ (expenses), net'. Translation at year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined. Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.

2.4 Group accounting

Consolidation

Subsidiaries are those investees, including structured entities, that the Group controls because the Group (i) has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns.

Goodwill is measured by deducting the fair value of net assets of the acquiree from the aggregate of the fair value of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the cost cannot be recovered. The Company and all of its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Company. Non-controlling interest forms a separate component of the Group's equity.

Acquisitions of businesses from entities under common control (Note 25)

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. Assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements.

¹ See Note 25

The assets and liabilities of a subsidiary transferred between parties under common control are carried at the carrying amounts determined by the predecessor company. The predecessor company is considered to be the highest level reporting entity at which the consolidated financial information of the acquired subsidiary prepared in accordance with IFRS was consolidated. Goodwill arising on initial acquisitions of the predecessor company is also recognised in these consolidated financial statements. Any difference between the carrying amount of net assets, including the goodwill of the transferring party, and the consideration transferred is recognised in these consolidated financial statements within equity as a transaction involving the acquisition of subsidiaries under common control.

Associates

Associates are entities over which the Group has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of changes in net asset of investee after the date of acquisition. Dividends received from associates reduce the carrying value of the investment in associates.

2.5 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and provision for impairment, if any.

Assets under construction are accounted for at purchase cost less provision for impairment, if required.

Costs of minor repairs and maintenance are expensed when incurred. Cost of replacing a major part or component of property, plant and equipment items is capitalised and the replaced part is retired.

Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the consolidated financial statements. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit or loss for the year within other operating income and expenses.

2.6 Depreciation

Depreciation on property, plant and equipment other than land and assets under construction is calculated using the straight-line method to allocate their cost to the residual values over their estimated useful lives:

Asset category	Useful lives, years
Buildings	15-50
Constructions	5-50
Machinery, vehicles and equipment	2-20
Other	4-6

Assets are depreciated on a straight-line basis from the month following the date they are ready for use.

2.7 Biological assets and agricultural produce

Biological assets of the Group consist of unharvested crops (grain crops, sugar beets and other plant crops) and pig livestock.

Livestock is measured at their fair value less estimated point-of-sale costs. Fair value at initial recognition is assumed to be approximated by the purchase price incurred. Point-of-sale costs include all costs that would be necessary to sell the assets. All the gains or losses arising from initial recognition of biological assets and from changes in fair-value-less-cost-to-sell of biological assets less the amounts of these gains or losses related to the realised biological assets are included in a separate line "Net gain/ (loss) on revaluation of biological assets and agricultural produce" above the gross profit line.

At the year-end unharvested crops are measured at fair value less estimated point-of-sale costs. A gain or loss from the changes in the fair value less estimated point-of-sale costs of unharvested crops less the amount of such gain or loss related to the realisation of agricultural products is included as a separate line "Net gain/ (loss) on revaluation of biological assets and agricultural produce" above the gross profit line.

Upon harvest, grain crops, sugar beets and other plant crops are included into inventory for further processing or for sale and are initially measured at their fair value less estimated point-of-sale costs at the time of harvesting. A gain or loss arising on initial recognition of agricultural produce at fair value less estimated point-of-sale costs of unharvested crops less the amount of such gain or loss related to the realisation of agricultural products is recognised in profit or loss in the period in which it arises.

Productive farm animals are classified as non-current assets in the consolidated statement of financial position; consumable farm animals and unharvested crops are classified as current assets.

2.8 Goodwill

Goodwill on acquisitions of subsidiaries is presented separately in the consolidated statement of financial position. Goodwill is carried at cost less accumulated impairment losses, if any. The Group tests goodwill for impairment at least annually and whenever there are indications that goodwill may be impaired. Goodwill is allocated to the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the business combination. Such units or groups of units represent the lowest level at which the Group monitors goodwill and are not larger than an operating segment. Gains or losses on disposal of an operation within a cash-generating unit to which goodwill has been allocated include the carrying amount of goodwill associated with the operation disposed of, generally measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit which is retained.

2.9 Intangible assets

The Group's intangible assets other than goodwill have definite useful lives and primarily include capitalised computer software, trademarks and licenses. Acquired computer software licenses and trademarks are capitalised on the basis of the costs incurred to acquire and bring them to use.

Intangible assets are amortised using the straight-line method over their useful lives:

Asset category	Useful lives, years
Trademarks	5-12
Software licences	1-3
Capitalised internal software development costs	3-5
Other licences	1-3

If impaired, the carrying amount of intangible assets is written down to the higher of value in use and fair value less costs to sell.

2.10 Impairment of non-current assets

The Group's non-current assets except for deferred income tax, biological assets and financial assets are tested for impairment in accordance with the provisions of IAS 36 Impairment of Assets. The Group makes an assessment whether there is any indication that an asset may be impaired at each reporting date, except for goodwill which is tested at least annually regardless of whether there are any indications of impairment. If any such indication exists, an estimate of the recoverable amount of the asset is made. IAS 36 requires an impairment loss to be recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its life.

2.11 Financial instruments

Initial recognition and measurement of financial instruments

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. The Group's financial assets and liabilities are initially recorded at fair value. Fair value at initial recognition is best evidenced by the transaction price.

Financial assets impairment – credit loss allowance for expected credit loss

The Group assesses, on a forward-looking basis, the expected credit loss for debt instruments measured at amortised cost and fair value through other comprehensive income and for the exposures arising from loan commitments and financial guarantee contracts, for contract assets. The Group measures expected credit loss and recognises Net impairment losses on financial and contract assets at each reporting date. The measurement of expected credit loss reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

Debt instruments measured at amortised cost and contract assets are presented in the consolidated statement of financial position net of the allowance for expected credit loss. For loan commitments and financial guarantees, a separate provision for expected credit loss is recognised as a liability in the consolidated statement of financial position. For debt instruments at fair value through other comprehensive income, changes in amortised cost, net of allowance for expected credit loss, are recognised in profit or loss and other changes in carrying value are recognised in other comprehensive income as gains less losses on debt instruments at fair value through other comprehensive income.

The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their expected credit loss measured at an amount equal to the portion of lifetime expected credit loss that results from default events possible within the next 12 months or until contractual maturity, if shorter. If the Group identifies a significant increase in credit risk since initial recognition, the asset is transferred to Stage 2 and its expected credit loss is measured based on expected credit loss on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any. Refer to Note 31 for a description of how the Group determines when a significant increase in credit risk has occurred. If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its expected credit loss is measured as a Lifetime expected credit loss. The Group's definition of credit impaired assets and definition of default is explained in Note 31. For financial assets that are purchased or originated credit-impaired, the expected credit loss is always

measured as a Lifetime expected credit loss. Note 31 provides information about inputs, assumptions and estimation techniques used in measuring expected credit loss, including an explanation of how the Group incorporates forward-looking information in the expected credit loss models.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before each reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Presentation of results from sugar trading derivatives

The Group was engaged in raw sugar derivative trading transactions through an agent on ICE Futures US primarily in order to manage the raw sugar purchase price risk (Note 31). As such transactions are directly related to the core activity of the Group, their results are presented above gross profit as "Net gain from trading derivatives" in the consolidated statement of profit or loss and other comprehensive income. Management believes that the presentation above gross profit line appropriately reflects the nature of derivative operations of the Group.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash held on demand with banks, bank deposits with original maturity of less than three months, other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at fair value through profit and loss.

2.13 Investments

Bank deposits with original maturities of more than three months and less than twelve months are classified as short-term investments and are carried at amortised cost using the effective interest method.

Bank deposits with original maturity of more than twelve months are classified as long-term and are carried at amortised cost.

2.14 Prepayments (advances given)

Prepayments classified as current assets represent advance payments to suppliers for goods and services. Prepayments for construction or acquisition of property, plant and equipment and prepayments for intangible assets are classified as non-current assets. Prepayments are carried at cost less provisions for impairment, if any. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year.

2.15 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined on the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

Raw materials intended for the operating activities of the Group, finished goods and work in progress are classified as current assets. Materials intended for construction are classified as non-current assets as "Inventories intended for construction".

2.16 Loans and borrowings

Loans and borrowings are recognised initially at their fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method; any difference between the amount at initial recognition and the redemption amount is recognised as interest expense over the period of the borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time to get ready for intended use or sale (qualifying assets) are capitalised as part of the costs of those assets.

Capitalisation of borrowing costs continues up to the date when the assets are substantially ready for their use or sale.

The Group capitalises borrowing costs that could have been avoided if it had not made capital expenditure on qualifying assets. Borrowing costs capitalised are calculated at the Group's average funding cost (the weighted average interest cost is applied to the expenditures on the qualifying assets), except to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. Where this occurs, actual borrowing costs incurred less any investment income on the temporary investment of those borrowings are capitalised.

2.17 Trade and other payables

Trade and other payables are recognised when the counterparty has performed its obligations under the contract, and are carried at amortised cost using the effective interest method.

2.18 Value added tax

Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of the receivables from customers or (b) delivery of the goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to purchases where all the specified conditions for recovery have not been met yet is recognised in the consolidated statements of financial position and disclosed separately within other taxes receivable, while input VAT that has been claimed is netted off with the output VAT payable. Where provision has been made for impairment of receivables, impairment loss is recorded for the gross amount of the debtor, including VAT.

2.19 Other taxes payable

Other taxes payable comprises liabilities for taxes other than on income outstanding at the reporting date, accrued in accordance with legislation enacted or substantively enacted by the end of the reporting period.

2.20 Income tax

Income taxes have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge or credit comprises current tax and deferred income tax and is recognised in profit or loss for the year.

Current tax

Current tax is the amount expected to be paid to or recovered from the taxation authorities in respect of taxable profits or losses for the current and prior periods.

Deferred income tax

Deferred income tax is provided in full, using the balance sheet liability method, on tax losses carry forward and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. In accordance with the initial recognition exemption, deferred income taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Deferred income tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilised.

Deferred income tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient future taxable profit available against which the deductions can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. Deferred income tax assets and liabilities are netted only within the individual companies of the Group.

The Group's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

2.21 Employee benefits

Payroll costs and related contributions

Wages, salaries, contributions to the Russian Federation state pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year, in which the associated services are rendered by the employees of the Group.

Pension costs

The Group contributes to the Russian Federation state pension fund on behalf of its employees and has no obligation beyond the payments made. The contribution was approximately 15.6% (2023: 15.6%) of the employees' gross pay and is expensed in the same period as the related salaries and wages.

The Group does not have any other legal or constructive obligation to make pension or other similar benefit payments to its employees.

2.22 Provisions for liabilities and charges

Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount. They are accrued when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense within finance costs. Where the Group expects a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

2.23 Revenue recognition

Revenue is income arising in the course of the Group's ordinary activities. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts received on behalf of third parties. Revenue is recognised net of discounts and value added taxes.

Sales of goods. Sales are recognised when control of the good has transferred, being when the goods are delivered to the customer, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from the sales with discounts is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

If the Group provides any additional services to the customer after control over goods has passed, revenue from such services is considered to be a separate performance obligation and is recognised over the time of the service rendering.

Contract assets and liabilities are not separately presented in the consolidated statement of financial position as they are not material.

Commodity loans. The Group provides and obtains commodity loans from other grain traders at the point of transshipment by entering into sales and purchase agreements. Commodity loans are usually returned within several months by reverse transactions between the same parties on identical terms.

These transactions are in substance commodity loans, rather than sale and purchase transactions. Therefore, revenue and cost of sales attributable to these transactions are eliminated from the consolidated statement of profit or loss and other comprehensive income.

Revenue and cost of sales were eliminated in the amount of RUB 669,141 thousand in 2024 (2023: RUB 223,541 thousand).

Sales of transportation services

Revenue from providing transportation services is recognised in the accounting period in which these services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Where the contracts include multiple performance obligations, the transaction price is allocated to each separate performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Interest income. Interest income is recorded for all debt instruments, other than those at fair value through profit and loss on an accrual basis using the effective interest method. This method defers, as part of interest income, all fee received between the parties to the contract that are an integral part of the effective interest rate. Interest income on debt instruments at fair value through profit and loss calculated at nominal interest rate is presented within "Other finance income/ (costs), net" line in profit or loss.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker. Segments whose revenue, result or assets are ten percent or more of all the segments are reported separately.

2.25 Government grants

Government grants comprise compensation of interest expense under bank loans and government grants relating to costs and property, plant and equipment.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to profit or loss on a straight-line basis over

the expected lives of the related assets. Government grants relating to costs are deferred and recognised in profit or loss as other operating income over the period necessary to match them with the costs that they are intended to compensate.

Compensation of interest expense under bank loans is credited to profit or loss over the periods of the related interest expense unless this interest was capitalised into the carrying value of assets in which case it is included in non-current liabilities as government grants and credited to profit or loss on a straight-line basis over the expected lives of the related assets.

The benefit of a government loan at a below-market rate of interest is treated as a government grant.

The loan is recognised and measured in accordance with IFRS 9 Financial Instruments: Recognition and Measurement. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan determined in accordance with IFRS 9 and the proceeds received.

The differences between nominal and market interest rate is recognised as interest expenses and government grants in the consolidated statement of profit or loss and other comprehensive income or in the consolidated statement of financial position.

Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants cash inflows are presented in the financing activities section of the consolidated statement of cash flows.

2.26 Dividends

Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved, appropriately authorised and are no longer at the discretion of the Group. Any dividends declared after the reporting period and before the consolidated financial statements are authorised for issue are disclosed in the subsequent events note.

2.27 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.28 Right-of-use assets

The Group leases various land, buildings, machinery, equipment and vehicles. Assets arising from a lease are initially measured on a present value basis.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets' useful lives. Useful lives of right-of-use of land is limited by contract terms but are not less than 10 years for contracts with prolongation option (Note 12). Depreciation on the items of the right-of-use assets is calculated using the straight-line method over their estimated useful lives as follows:

	Useful lives, years
Land	1–50
Buildings	1–20
Machinery and equipment	1–7
Vehicles	1–5

2.29 Lease liabilities

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and

- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Extension and termination options are included in a number of land plots, buildings, machinery, equipment and vehicles across the Group. These terms are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Group, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, collateral and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- makes adjustments specific to the lease, e.g. term, country, currency and collateral.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take place, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases of equipment and vehicles and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture with a value not exceeding RUB 300 thousand.

2.30 Adoption of new or revised standards and interpretations

Except for the changes described below, the accounting policies applied in these consolidated financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2023. The policies for recognising and measuring income tax in the interim period are consistent with those applied in the previous interim period.

The Group has adopted the amendments to IAS 1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants issued in 2020 and 2022. The amendments are applied prospectively for annual periods beginning on or after 1 January 2024. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting date. This resulted in a change in accounting policy regarding the classification of liabilities that can be settled in own shares of the Group companies.

Despite the change in policies, there was no retrospective impact on the comparative figures in the consolidated statement of financial position as the Group had no outstanding convertible bonds as at 31 December 2023. During the six months ended 31 December 2024, the Group did not issue any convertible bonds. Therefore, the amendments described above did not have any impact on the Group's liabilities.

2.31 New standards and interpretations not yet adopted

A number of new standards become effective for annual periods beginning on or after 1 January 2024, with earlier application permitted, however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and will be effective for annual periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- entities are required to classify all income and expenses into five categories in the income statement, namely operating, investing, financing activities, discontinued operations and income tax. Entities are also required to present the subtotal of operating profit, which has been determined under the new requirements. There will be no change in the net income of entities
- management-defined performance measures (OPDAI) are disclosed in a separate note to the financial statements.
- the standard provides enhanced guidance on aggregation and disaggregation of information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point when presenting operating cash flows using the indirect method in the statement of cash flows.

The Group is still in the process of assessing the impact of the new standard, particularly in relation to the structure of the Group's income statement, statement of cash flows and additional disclosures required by OPDAI. The Group is also assessing the impact on the way information is grouped in the financial statements, including items currently identified as "Other".

(b) Other standards

The following amendments to standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Lack of Exchangeability (Amendments to IAS 21).

3. Cash and cash equivalents

	31 December 2024	Restated ¹ 31 December 2023
Bank deposits with original maturity of less than three months	18,114,651	22,875,942
Bank balances receivable on demand	15,212,378	2,008,239
Cash in hand	2,029	1,494
Total cash and cash equivalents	33,329,058	24,885,675

The Group had the following currency positions:

	31 December 2024	Restated ¹ 31 December 2023
Russian Roubles	17,954,177	19,798,896
Chinese yuan	15,374,296	5,050,561
Other	570	51
US Dollars	15	14
Euro	-	36,153
Total	33,329,058	24,885,675

The weighted average interest rate on cash in bank accounts in Russian Rouble presented within cash and cash equivalents was 12.4% as at 31 December 2024 (31 December 2023: 14.52%).

The weighted average interest rate on cash at bank balances in Chinese yuan presented within cash and cash equivalents was 8.5% as at 31 December 2024 (as at 31 December 2023: 7.32%).

Credit quality analysis of cash and cash equivalents balances based on credit risk levels is disclosed in Note 31.

4. Short-term investments

	31 December 2024	Restated ¹ 31 December 2023
Loans to third parties (Note 15)	1,498,179	1,528,294
Interest receivable on long-term bonds held to collect (Note 10)	218,125	218,027
Bank deposits with original maturity over three months	-	931,531
Total	1,716,304	2,677,852

As at 31 December 2024 and 31 December 2023, loans to third parties included in short-term investments are denominated in Russian Roubles.

Loans to third parties within short-term investments denominated in Russian Roubles include loans issued to Group of companies Solnechnye produkty and its subsidiaries and related companies in the amount of RUB 461,569 thousand (31 December 2023¹: RUB 503,237 thousand).

The weighted average interest rate on loans to third parties within short-term investments denominated in Russian Roubles is 6.84% (31 December 2023¹: 7.74%).

¹ See Note 25

5. Trade and other receivables

	31 December 2024	Restated ¹ 31 December 2023
Trade receivables	80,408,053	36,740,504
Other	2,074,304	2,662,388
Less: credit loss allowance (Note 31)	(3,700,650)	(3,025,921)
Total financial assets within trade and other receivables	78,781,707	36,376,971
Deferred expenses	476,461	741,562
Total trade and other receivables	79,258,168	37,118,533

The above financial assets within trade and other receivables are denominated in the following currencies:

	31 December 2024	Restated ¹ 31 December 2023
Russian Roubles	41,583,393	15,027,122
US dollars	36,605,913	19,280,880
Chinese yuan	524,984	1,543,960
Euro	66,990	518,675
Other	427	6,334
Total	78,781,707	36,376,971

¹ See Note 25

The allowance for credit losses on trade and other receivables is determined in accordance with the allowance matrix disclosed in the table below. The allowance matrix is based on the number of days the asset is overdue.

	31 December 2024		Restated ¹ 31 December 2023	
	Gross carrying amount	Lifetime expected credit loss	Gross carrying amount	Lifetime expected credit loss
Trade receivables				
• current	75,418,369	-	33,242,694	20,584
• less than 90 days overdue	723,352	116,698	1,119,937	647,708
• 91 to 180 days overdue	469,667	33,521	178,839	174,384
• 181 to 360 days overdue	302,742	34,445	25,066	15,466
• over 360 days overdue	3,493,923	3,454,919	2,173,968	2,155,170
Total trade receivables (gross carrying amount)	80,408,053	3,639,583	36,740,504	3,013,312
Credit loss allowance	3,639,583	-	3,013,312	-
Total trade receivables from contracts with customers (carrying amount)	76,768,470	3,639,583	33,727,192	3,013,312
Other receivables				
• current	2,013,236	-	2,649,779	-
• less than 90 days overdue	10,688	10,687	3,095	3,095
• 91 to 180 days overdue	9,398	9,398	147	147
• 181 to 360 days overdue	11,897	11,897	3,856	3,856
• over 360 days overdue	29,085	29,085	5,511	5,511
Total other receivables	2,074,304	61,067	2,662,388	12,609
Credit loss allowance	61,067		12,608	
Total other receivables (carrying amount)	2,013,237	61,067	2,649,780	12,609

¹ See Note 25

The following table explains the changes in the credit loss allowance for trade and other receivables under the simplified expected credit loss model between the beginning and the end of the annual period:

	Trade receivables	Other receivables
As at 1 January 2024	3,013,312	12,609
Accrued	626,425	48,509
Utilised	(154)	(51)
As at 31 December 2024 (Note 31)	3,639,583	61,067
	Trade receivables ¹	Other receivables ¹
As at 1 January 2023	655,556	45,862
Accrued	2,358,314	144,822
Utilised	(558)	(178,075)
As at 31 December 2024 (Note 31) (restated¹)	3,013,312	12,609

The majority of the Group's trade debtors are proven counterparties with whom the Group has long-lasting sustainable relationships.

6. Prepayments (advances given)

Prepayments classified as current assets represent the following advance payments:

	31 December 2024	Restate ¹ 31 December 2023
Prepayments for raw and other materials	10,680,498	7,147,756
Prepayments for transportation services	946,782	1,123,207
Prepayments under insurance contracts	887,944	337,462
Prepayments for fuel and energy	832,682	817,683
Prepayments for rent	356,534	172,773
Prepayments for animals	193,117	18,702
Prepayments to customs	90,475	89,651
Prepayments for advertising	6,470	103,731
Other prepayments	2,411,813	1,218,641
Less: allowance for impairment	(259,321)	(313,230)
Total	16,146,994	10,716,376

¹ See Note 25

Reconciliation of changes in allowance for impairment of prepayments:

	2024	2023
As at 1 January	313,230	234,043
Accrued/(Reversed)	(51,002)	79,219
Utilised	(2,907)	(32)
As at 31 December	259,321	313,230

As at 31 December 2024 prepayments classified as non-current assets and included in the line “Advances paid for property, plant and equipment” in the consolidated statement of financial position in the amount of RUB 3,282,397 thousand (31 December 2023¹: RUB 2,867,735 thousand) represent advance payments for construction works and purchases of production equipment.

7. Other taxes receivable

	31 December 2024	Restated ¹ 31 December 2023
Value added tax receivable	7,525,797	7,916,100
Excess profit tax	567,945	27,133
Other taxes receivable	-	997,936
Total	8,093,742	8,941,169

8. Inventories

	31 December 2024	Restated ¹ 31 December 2023
Raw materials	55,581,762	54,336,147
Finished goods	32,397,879	35,970,920
Work in progress	8,859,858	5,006,125
Less: impairment allowance to net realisable value	(2,830,343)	(2,138,430)
Total	94,009,156	93,174,762

9. Biological assets

The fair value of biological assets belongs to level 3 measurements in the fair value hierarchy. Pricing model is used as a valuation technique for biological assets fair value measurement. There were no changes in the valuation technique during the year ended 31 December 2024. The reconciliation of changes in biological assets between the beginning and the end of the year can be presented as follows:

¹ See Note 25

Short-term biological assets

	Consumable livestock, pigs	Unharvested crops	Total
As at 1 January 2023	6,423,008	3,271,102	9,694,110
Increase due to acquisitions and growth costs	34,844,941	26,609,117	61,454,058
Gain on initial recognition of agricultural produce	-	13,290,095	13,290,095
Lost harvest written-off (Note 20)	-	(1,090,868)	(1,090,868)
Decrease due to harvest and sales of the assets	(37,246,135)	(40,373,896)	(77,620,031)
Gain arising from changes in fair value less estimated costs to sell	1,636,744	(609,620)	1,027,124
As at 31 December 2023	5,658,558	1,095,930	6,754,488
Acquisition as part of business combinations	4,736,280	353,540	5,089,820
Increase due to acquisitions and growth costs	34,424,311	31,147,846	65,572,157
Gain on initial recognition of agricultural produce	-	6,700,436	6,700,436
Lost harvest written-off (Note 20)	-	(426,877)	(426,877)
Decrease due to harvest and sales of the assets	(33 257 823)	(36,868,954)	(70,126,777)
Gain arising from changes in fair value less estimated costs to sell	321 434	(288,551)	32,883
As at 31 December 2024	11 882 760	1,713,370	13,596,130

Long-term biological assets

	Breeding livestock (pigs)
As at 1 January 2023	3,240,959
Decrease due to pig diseases exceeding increase in livestock acquisition and growing costs	(1,726,903)
Decreases due to sales	(243,671)
Loss arising from changes in fair value less estimated costs to sell	1,466,259
As at 31 December 2023	2,736,644
Acquisition as part of business combinations	3,153,769
Increase due to acquisitions and growth costs	474,001
Decreases due to sales	(217,816)
Gain arising from changes in fair value less estimated costs to sell	698,865
As at 31 December 2024	6,845,463

In 2024, the aggregate gain on initial recognition of agricultural produce and from the change in fair value less estimated point-of-sale costs of biological assets amounted to RUB 7,432,184 thousand (2023: RUB 15,783,478 thousand).

Included in the above amounts there are losses related to realised biological assets and agricultural produce amounting to RUB 13,088,442 thousand (2023: RUB 12,084,785 thousand).

The amount of net loss on revaluation of biological assets and agricultural produce was recognised in the consolidated statement of profit or loss and other comprehensive income in 2024 in the amount of RUB 5,656,258 thousand (2023: gain RUB 3,698,693 thousand), which includes the aggregate income on initial recognition of agricultural produce in the amount RUB 7,432,184 thousand (2023: RUB 15,783,478 thousand) less losses related to realised biological assets and agricultural produce in the amount of RUB 13,088,442 thousand (2023: loss RUB 12,084,785 thousand).

Livestock population were as follows:

	31 December 2024	31 December 2023
Pigs within breeding livestock (heads)	275,727	121,179
Pigs within consumable livestock (tonnes)	107,901	61,059

In 2024, total area of arable land amounted to 620 thousand ha (2023: 597 thousand ha).

The main crops of the Group's agricultural production and output were as follows (in thousands of tonnes):

	2024	2023
Sugar beet	4,132	4,900
Wheat	465	730
Barley	14	31
Sunflower	44	73
Corn	198	116
Soya bean	287	355

Key inputs in the fair value measurement of the livestock and the agricultural crops harvested together with sensitivity to reasonably possible changes in those inputs are disclosed in Note 2.2.

December 2023: RUB 2,137,344 thousand) were pledged as collateral for the Group's loans (Note 15).

10. Long-term investments

	31 December 2024	31 December 20243
Bonds held to collect (Note 15)	19,900,000	19,900,000
Bank deposits with maturity over twelve months	14,070,634	14,071,101
Investments in third parties (Note 25)	-	8,556,556
Total	33,970,634	42,527,657

The above long-term investments are denominated in Russian Roubles. Interest receivable on bonds to collect is disclosed in Note 4.

In 2022, the Group acquired held-to-receive bonds of Rosselkhozbank from a related party (Note 28). Held-to-receive bonds include restricted bonds in the amount of RUB 19,900,000 thousand maturing on 22 November 2038 (Note 15).

As at 31 December 2024, bank deposits in the amount of RUB 13,900,000 thousand (31 December 2023: RUB 13,900,000 thousand) were pledged as collateral for the Group's loans.

Bank deposits include a restricted deposit in Vnesheconombank in the amount of RUB 13,900,000 thousand which could not be withdrawn till 27 November 2028 (Note 15).

In 2022, the Group acquired a 22.5% interest in GK Agro-Belogorie LLC, one of the largest pork producers in Russia and a major landowner in the Belgorod region from the parent company (Notes 25, 28). The total cash consideration transferred under the transaction amounted to RUB 12,000,000 thousand. The difference between the consideration and the fair value of the investment recognised on the parent company's balance sheet amounted to RUB 8,556,556 thousand, net of deferred tax and is recognised in equity.

Key business areas of investee include industrial pig farming and meat processing, crop and feed production.

As at 31 December 2023, investments in GK Agro-Belogorie LLC were classified as investments at fair value through other comprehensive income. Management believes that the Group does not have significant influence over GK Agro-Belogorie LLC due to the following:

- The Group has no power to appoint the members of the board of directors or equivalent governing body of GK Agro-Belogorie LLC
- Group management does not participate in the policy-making processes, including decisions about dividends or other distributions;
- There were no material transactions or interchange of managerial personnel between the Group and GK Agro-Belogorie LLC since the share acquisition date;
- No essential technical information was interchanged between the Group and GK Agro-Belogorie LLC.

Upon initial recognition, this investment was measured at fair value through other comprehensive income. As at 31 December 2023, the fair value of the acquired investment was RUB 8,556,556. This fair value was determined based on a discounted cash flow calculation using actual financial data and

budgets of GK Agro-Belogorie LLC covering a five-year period and expected market prices for key products for the same period in accordance with leading industry publications. Cash flows beyond the five-year period were projected at a long-term growth rate of 4% per annum.

At the end of 2024, the Group obtained control over GK Agro-Belogorie LLC through acquisition of controlling interest in this entity. As a result of this transaction, the Group's ownership interest in GK Agro-Belogorie LLC increased to 100%. As a result, the fair value of the previously held investment was recognised in the accounting for the acquisition of control over GK Agro-Belogorie LLC (see Note 25).

Bonds held to collect were denominated in Russian Roubles and mature in 2038. Nominal interest rate on bonds equals 10.5%.

The table below shows the rating and balances of bonds held to collect:

	31 December 2024			31 December 2023		
	Rating agency	Rating	Balance	Rating agency	Rating	Balance
Rosselkhozbank	AKRA	aa	19,900,000	AKRA	aa	19,900,000
Total bonds (Note 15)			19,900,000			19,900,000

11. Property, plant and equipment

Movements in the carrying amount of property, plant and equipment were as follows:

	Land	Machinery, vehicles and equipment	Buildings and constructions	Assets under construction	Other	Total
Cost (Note 2.5)						
As at 1 January 2023	7,982,706	89,654,809	67,982,167	34,514,951	413,417	200,548,050
Proceeds from acquisition of subsidiary (Note 25)	1,024,326	4,741,258	6,891,927	840,939	11,347	13,509,797
Additions	1,116,302	2,566,596	2,178,955	15,679,138	4,426	21,545,417
Transfers	-	5,531,146	2,092,101	(7,648,179)	24,932	-
Disposals	(30,668)	(694,258)	(66,879)	(307,645)	(3,406)	(1,102,856)
As at 31 December 2023 (restated ¹)	10,092,666	101,799,551	79,078,271	43,079,204	450,716	234 500 408
Accumulated depreciation (Note 2.6)						
As at 1 January 2023	-	(56,912,131)	(24,310,583)	-	(259,647)	(81,482,361)
Charge for the year	-	(9,327,420)	(4,352,704)	-	(33,708)	(13,713,832)
Disposals	-	461,429	28,316	-	3,089	492,834
As at 31 December 2023	-	(65,778,122)	(28,634,971)	-	(290,266)	(94,703,359)
Net book value as at 31 December 2023	10,092,666	36,021,429	50,443,300	43,079,204	160,450	139,797,049
Cost (Note 2.5)						
As at 1 January 2024	10,092,666	101,799,551	79,078,271	43,079,204	450,716	234,500,408
Proceeds from acquisition of subsidiary (Note 25)	321,385	5,605,119	8,000,273	264,129	7,332	14,198,238
Additions	1,123,528	3,712,272	76,291	24,971,194	5,517	29,888,802

¹ See Note 25

	Land	Machinery, vehicles and equipment	Buildings and constructions	Assets under construction	Other	Total
Transfers	-	3,628,269	625,468	(4,331,748)	78,011	-
Disposals	(124,615)	(599,170)	(54,678)	(397,866)	(1,180)	(1,177,509)
As at 31 December 2024	11,412,964	114,146,041	87,725,625	63,584,913	540,396	277,409,939
Accumulated depreciation (Note 2.6)						
As at 1 January 2024	-	(65,778,122)	(28,634,971)	-	(290,266)	(94,703,359)
Charge for the year	-	(8,043,080)	(4,431,242)	-	(34,804)	(12,509,126)
Disposals	-	456,916	8,175	-	24	465,110
As at 31 December 2024	-	(73,364,286)	(33,058,038)	-	(325,046)	(106,747,375)
Net book value as at 31 December 2024	11,412,964	40,781,755	54,667,587	63,584,913	215,350	170,662,564

As at 31 December 2024, property, plant and equipment with net carrying amount of RUB 28,691,739 thousand (31 December 2023¹: RUB 49,092,399 thousand) were pledged as collateral for the Group's loans (Note 15).

As at 31 December 2024 and 2023, assets under construction relate mainly to the construction of pig farms in Primorsky Krai.

During the reporting period, the Group capitalised borrowing costs of RUB 2,864,576 thousand (2023¹: RUB 2,117,113 thousand) within assets under construction. The average capitalisation rate in 2024 was 11.18% (2023¹: 11.02%).

As at 31 December 2024 and 2023, inventories intended for construction related mainly to the inventories to be used for the pig farm construction in Primorsky Krai.

Movements in the carrying amount of inventories intended for construction were as follows:

As at 1 January 2023	864,550
Additions	273,039
Disposals	(671,759)
As at 31 December 2023¹	465,830
As at 1 January 2024	465,830
Additions	833,753
Disposals	(337,165)
As at 31 December 2024	962,418

12. Right-of-use assets and lease liabilities

The Group leases various lands, buildings, machinery, equipment and vehicles. Rental contracts are typically made for fixed periods of 12 months to 49 years but may have extension options as described below.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability from the date when the leased asset becomes available for use by the Group.

As for the land lease, contracts include monetary agreements in which payments do not depend on an index or a rate and non-monetary agreements based on a fixed volume of harvested crops. Based on management's assessment and previous experience, the lease term was set as 10 years as a minimum for contracts with prolongation option. This term is justified by payback period of particular investment projects, which depend on the time to analyse composition of the land and the roll-out and purchase price of necessary fertilizers and equipment.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options are exercisable only by the Group and not by the relevant lessor. For leases that are not tacitly renewable, the contractual terms of the lease are shorter than the lease term (and the enforceability of the lease is less than 12 months). The Group applies the exemption for short-term leases under such leases.

¹ See Note 25

The Group recognised right-of-use asset as follows:

	Land	Building	Equipment	Other	Total
Carrying amount as at 1 January 2023	5,078,773	1,802,201	33,657	1,908	6,916,539
Proceeds from acquisition of subsidiary (Note 25)	8,486	136,033	152,258	-	296,777
Additions and modifications	152,478	253,509	90,466	-	496,453
Disposals	(93,228)	(317,129)	(9,819)	-	(420,176)
Depreciation charge (Notes 20,21,22)	(585,061)	(225,182)	(85,622)	(843)	(896,708)
Carrying amount as at 31 December 2023 (restated¹)	4,561,448	1,649,432	180,940	1,065	6,392,885
Carrying amount as at 1 January 2024	4,561,448	1,649,432	180,940	1,065	6,392,885
Proceeds from acquisition of subsidiary (Note 25)	1,701,984	156,087	5,461	22,446	1,885,978
Additions and modifications	1,015,466	47,645	1 410,278	-	2,473,389
Disposals	(142,628)	(125,614)	(495,504)	-	(763,746)
Depreciation charge (Notes 20, 21, 22)	(690,722)	(266,140)	(297,504)	(1,195)	(1,255,561)
Carrying amount as at 31 December 2024	6,445,548	1,461,410	803,671	22,316	8,732,945

¹ See Note 25

Interest expense included in finance costs for 2024 was RUB 812,547 thousand (2023: RUB 638,821 thousand) (Note 24).

As at 31 December 2024, future cash outflows of RUB 1,349,929 thousand (undiscounted) (31 December 2023: RUB 1,008,903 thousand) to which the Group is potentially exposed during the lease term have not been included in the lease liability as they include variable lease payments that are dependent on the cadastral value.

Variable lease payments that depend on the cadastral value are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which the condition giving rise to the payments occurs.

Expenses related to short-term leases (included in cost of sales and general and administrative expenses):

	2024	2023
Expenses related to contracts in which variable payments do not depend on an index or a rate	216,196	68,389
Expenses relating to short-term leases	761,393	534,900

Total lease payments in 2024 amounted to RUB 1,639,161 thousand (2023: RUB 1,404,114 thousand), including RUB 260,683 thousand (2023¹: RUB 193,633 thousand) paid in agricultural products.

Reconciliation of lease liabilities and movements is presented in Note 15.

13. Intangible assets

	Trademarks	Software licenses	Internally developed software	Other	Total
Cost (Note 2.9)					
As at 1 January 2023	297,840	1,432,733	100,529	816,443	2,647,545
Additions	45,728	176,517	121,938	493,098	837,281
Movement	-	-	-	-	-
Acquisitions from business combinations (Note 25)	6,389,228	535,226	-	-	6,924,454
Disposals	(206,762)	(442,766)	(149,274)	(1,586)	(800,388)
As at 31 December 2023	6,526,034	1,701,710	73,193	1,307,955	9,608,892

¹ See Note 25

	Trademarks	Software licenses	Internally developed software	Other	Total
Accumulated amortisation (Note 2.9)					
As at 1 January 2023	(147,667)	(883,171)	(37,757)	(294,687)	(1,363,282)
Charge for the year	(661,761)	(370,657)	(9,087)	(41,252)	(1,082,757)
Disposals	196,133	378,510	26,839	1,518	603,000
As at 31 December 2023	(613,295)	(875,318)	(20,005)	(334,421)	(1,843,039)
Net carrying amount as at 31 December 2023 (restated¹)	5,912,739	826,392	53,188	973,534	7,765,853
Cost (Note 2.9)					
As at 1 January 2024	6,526,034	1 701,710	73,193	1,307,955	9,608,892
Additions	275,731	163,883	224,749	845,801	1,510,164
Movement	-	-	10,716	-	10,716
Acquisitions from business combinations (Note 25)	-	142,479	-	-	142,479
Disposals	(12,898)	(411,143)	(12,176)	(949)	(437,166)
As at 31 December 2024	6,788,867	1,596,929	296,482	2,152,807	10,835,085
Accumulated amortisation (Note 2.9)					
As at 1 January 2024	(613,295)	(875,318)	(20,005)	(334,421)	(1,843,039)
Charge for the year	(622,148)	(288,921)	(85,473)	(70,235)	(1,066,777)
Disposals	9,194	22,973	1,479	-	33,646
As at 31 December 2024	(1,226,249)	(1,141,266)	(103,999)	(404,656)	(2,876,170)
Net carrying amount as at 31 December 2024	5,562,618	455,663	192,483	1,748,151	7,958,915

¹ See Note 25

14. Share capital and transactions with non-controlling interests

Share capital

As at 31 December 2024, the issued and fully paid share capital comprised 958,749,600 ordinary shares (31 December 2023: 79,895,800 ordinary shares) with a nominal value of RUB 0.0025 thousand each (31 December 2023¹: RUB 0.03 thousand each).

Dividends

No dividends were declared or paid in 2024 and 2023.

15. Loans and borrowings

Short-term loans and borrowings

	31 December 2024	Restated ¹ 31 December 2023
Bank loans	83,359,220	56,539,022
Loans received	2,907,197	497,876
Current portion of long-term borrowings	8,840,318	11,495,955
Total	95,106,735	68,532,853

Short-term loans and borrowings have fixed and floating interest rates. The above borrowings are denominated in the following currencies:

	Interest rate	31 December 2024	Interest rate	31 December 2023 ¹
Russian Roubles	1,5–14,25 %	95,106,735	1,4–14,5 %	68,532,853
Total		95,106,735		68,532,853

Long-term loans and borrowings

	31 December 2024	Restated ¹ 31 December 2023
Bank loans	74,730,916	70,994,074
Less: current portion of long-term loans from:		
Bank loans	(8,840,318)	(11,495,956)
Total	65,890,598	59,498,119

The above loans and borrowings are denominated in the following currencies:

	Interest rate	31 December 2024	Interest rate	31 December 2023 ¹
Russian Roubles	1,5–12,5 %	65,890,598	1,5–11,1 %	59,498,119
Total		65,890,598		59,498,119

¹ See Note 25

In November 2018, the Group entered into a transaction with Rosselkhozbank to acquire the debt of Group of companies Solnechnye Produkty and its subsidiaries and related companies. The gross value of the total consideration for the acquisition amounted to RUB 34,810,446 thousand and will be paid by the Group in cash in accordance with the payment schedule over 20 years.

Amounts due to Rosselkhozbank are presented within bank loans. The fair value of this liability at the inception date was determined using the effective interest rate method of 10.7% (using a Level 2 valuation model) and totalled RUB 19,897,813 thousand. Subsequently the liability is measured at amortised cost with an effective interest rate of 10.7%.

The liability is secured by:

1. 20-year bonds of Rosselkhozbank in the amount of RUB 19,900,000 thousand with a coupon rate of 10.5% per annum;
2. a promissory note of Rosselkhozbank purchased by the Group at par value of RUB 100,000 thousand with a payment period not exceeding 730 days.

The fair value of purchased loans under this transaction was determined using Level 3 valuation model and amounted to RUB 23,410,231 thousand.

The fair value of the acquired borrowings has been determined based on the fair value of the collateral. The collateral fair value is represented by the fair value of the underlying rights of claim determined with reference to the assets pledged and other assets of the borrower / guarantors, taking into account bankruptcy procedure period and discount rate, applicable to distressed assets. The fair value of the production companies as a part of the assets pledged was determined based on discounted cash flow calculations.

The difference of RUB 3,412,418 thousand between the fair value of the consideration and the fair value of the acquired borrowings, representing deferred profit of the first day, was initially deferred for 5 years, i.e. for the average term of the acquired borrowings.

During the year ended 31 December 2022, 20-year bonds of Rosselkhozbank in the amount of RUB 19,900,000 thousand with a coupon rate of 10.5% p.a., which were pledged as collateral for a loan from Rosselkhozbank, were purchased by the Group from a related party for RUB 20,596,856 thousand.

In November 2015, the Group entered into a transaction with Vnesheconombank to purchase debt (loans, borrowings and bonds) of Group Razgulyai PJSC and its subsidiaries (hereinafter Razgulyai Group). The total consideration for this acquisition amounted to RUB 33,914,546 thousand and was paid by the Group in cash.

To finance this transaction, the Group obtained a thirteen-year loan from Vnesheconombank in the amount of RUB 33,914,546 thousand at an interest rate of 1% per annum. The fair value of this loan at the date of the transaction was RUB 13,900,000 thousand and was determined using an effective interest rate of 13.23%. This loan is measured at amortised cost with an effective interest rate of 13.23%. The loan is secured by a deposit placed by the Group with Vnesheconombank for thirteen years in the amount of RUB 13,900,000 thousand (Note 10) at an interest rate of 12.84% per annum.

Maturity of long-term loans and borrowings

	31 December 2024	Restated ¹ 31 December 2023
Fixed interest rate borrowings:		
2 years	9,716,992	11,472,058
3–5 years	35,813,808	31,900,952
More than 5 years	17,851,586	16,125,109
Total	63,382,386	59,498,119

For details of property, plant and equipment and biological assets pledged as collateral for the above borrowings see Note 9 and Note 11. For details of bank deposits pledged as collateral for the above borrowings refer to Note 10.

¹ See Note 25

Reconciliation of liabilities arising from financing activities

The table below sets out an analysis of liabilities from financing activities and the movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing in the consolidated statement of cash flows:

	Loans and borrowings	Lease liabilities	Total liabilities from financing activities
As at 1 January 2023	233,790,940	5,950,349	239,741,289
Cash flows			
Loan/borrowing issue	105,049,123	-	105,049,123
Principal repayments	(244,596,561)	(572,322)	(245,168,883)
Interest payment	(5,491,103)	(626,864)	(6,117,967)
Non-cash flow changes			
Proceeds from acquisition of subsidiary	28,991,675	323,776	29,315,451
Interest accrued	7,208,860	638,821	7,847,681
Other non-cash flow movements	3,078,038	(290,489)	2,787,549
As at 31 December 2023 (restated¹)	128,030,972	5,423,271	133,454,243
Cash flows			
Loan/borrowing issue	96,860,335	-	96,860,335
Principal repayments	(66,999,132)	(871,833)	(67,870,965)
Interest payment	(7,387,367)	(748,213)	(8,135,580)
Non-cash flow changes			
Proceeds from acquisition of subsidiary	540,694	2,355,022	2,895,716
Interest accrued	9,545,698	812,547	10,358,245
Other non-cash flow movements	406,133	1,892,054	2,298,187
As at 31 December 2024	160,997,333	8,862,848	169,860,181

¹ See Note 25

Net debt¹

As part of liquidity risk management, the Group Treasury analyses its net debt position. The Group management determines the Net Debt of the Group as outstanding long-term borrowings and short-term borrowings less cash and cash equivalents, all bank deposits, bonds held for trading and banks' promissory notes. The Group management compares net debt figure with Adjusted EBITDA (Note 31).

As at 31 December 2024 and 2023, the net debt of the Group was as follows:

	31 December 2024	Restated ¹ 31 December 2023
Long-term loans and borrowings	65,890,598	59,498,119
Short-term loans and borrowings	95,106,735	68,532,853
Cash and cash equivalents (Note 3)	(33,329,058)	(24,885,675)
Bank deposits within long-term investments (Note 10)	(14,070,634)	(14,071,101)
Bank deposits within short-term investments (Note 4)	-	(931,531)
Long-term bonds held to maturity (Note 10)	(19,900,000)	(19,900,000)
Short-term bonds held to maturity (Note 4)	(218,125)	(218,027)
Net debt¹	93,479,516	68,024,638
including long-term net debt	31,919,964	25,527,018
including short-term net debt	61,559,552	42,497,620
Adjusted EBITDA² (Note 30)	52,990,068	56,330,790
Net debt/ Adjusted EBITDA²	1.76	1.21

16. Trade and other payables

	31 December 2024	Restated ¹ 31 December 2023
Trade accounts payable	49,971,092	34,639,537
Payables for property, plant and equipment	966,370	884,560
Other payables	4,526,996	7,026,860
Total financial liabilities within trade and other payables	55,464,458	42,550,957
Payables to employees	3,721,340	2,632,070
Advances received	2,852,260	4,007,218
Total trade and other payables	62,038,058	49,190,245

As at 31 December 2024, financial liabilities within trade and other payables in the amount of RUB 8,806,740 thousand (31 December 2023¹: RUB 15,663,250 thousand) are denominated in US Dollars, financial liabilities within trade and other payables in the amount of RUB 479,871 thousand (31 December 2023¹: RUB 863,229 thousand) are denominated in Euros. All other financial liabilities within trade and other payables are denominated in Russian Roubles.

¹ See Note 25

² Non-IFRS required measure.

17. Other taxes payable

	31 December 2024	Restated ¹ 31 December 2023
Value added tax	2,946,038	4,561,633
Social contributions	1,092,067	410,381
Property tax	510,355	163,830
Personal income tax	64,652	258,869
Transport tax	11,295	8,607
Other	82,775	54,604
Total	4,707,182	5,457,924

18. Government grants

During 2023-2024, the Group received government grants from the Tambov and Belgorod regional governments and the Federal government in form of partial compensation of the investments into acquisition of equipment for agricultural business and sugar processing and the investments into reconstruction and modernisation of the pig-breeding farms and the slaughter house. The receipts

of these grants in 2024 amounted to RUB 2,668,867 thousand (2023: RUB 576,649 thousand). These grants are deferred and amortised on a straight-line basis over the expected lives of the related assets.

In 2023-2024, the Group obtained government grants for reimbursement of interest expenses on bank loans received for construction of the pig-breeding farms in the Far East and Tambov. The government grants related to interest expenses capitalised into the carrying value of assets, were similarly deferred and amortised on a straight-line basis over the expected lives of the related assets. The deferred government grants, related to capitalised interest expense, amounted to RUB 2 419 393 thousand (2023: RUB 1,680,110 thousand).

The movements in deferred government grants in the consolidated statement of financial position were as follows:

	2024	2023
As at 1 January	12,860,211	11,153,211
Government grants received	5,088,260	2,256,759
Proceeds from acquisition of subsidiary (Note 25)	776,376	-
Amortisation of deferred income to match related depreciation (Note 23)	(393,057)	(549,759)
As at 31 December	18,331,790	12,860,211

Other bank loan interests, which had been refunded by the state, were credited to the consolidated statement of profit or loss and other comprehensive income and netted with the interest expense (Note 24). Other government grants received are included in Note 23.

¹ See Note 25

19. Sales

Breakdown of revenue for 2024 by category as per revenue recognition guidance:

	Sugar	Meat	Agriculture	Oil and Fat	GK Agro- Belogorie	Other	Elimination	Total
Type of goods and services								
Sales of goods	66,691,230	50,106,938	50,093,402	188,196,939	4,440,504	71,544	(26,574,335)	333,026,222
Transportation services	846,788	69,550	-	4,796,241	-	-	-	5,712,579
Other services	341,341	-	572,191	332,872	-	2,341,231	(2,236,953)	1,350,682
Total revenue from contracts with customers	67,879,359	50,176,488	50,665,593	193,326,052	4,440,504	2,412,775	(28,811,288)	340,089,483
Geographical market								
Russian Federation	55,532,560	43,324,972	48,645,107	117,649,120	4,440,504	2,412,775	(28,811,288)	243,193,750
Foreign countries	12,346,799	6,851,516	2,020,486	75,676,932	-	-	-	96,895,733
Total revenue from contracts with customers	67,879,359	50,176,488	50,665,593	193,326,052	4,440,504	2,412,775	(28,811,288)	340,089,483
Timing of revenue recognition								
Goods sold at a point in time	66,691,230	50,106,938	50,093,402	188,96,939	4,440,504	71,544	(26,574,335)	333,026,222
Services rendered during the period	1,188,129	69,550	572,191	5,129,113	-	2,341,231	(2,236,953)	7,063,261
Total revenue from contracts with customers	67,879,359	50,176,488	50,665,593	193,326,052	4,440,504	2,412,775	(28,811,288)	340,089,483

Breakdown of revenue for 2023 (restated¹) by category as per revenue recognition guidance:

	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
Type of goods and services								
Sales of goods	63,188,233	48,355,623	56,293,152	132,442,548	-	25,035	(29,322,012)	270,982,579
Transportation services	1,159,674	106,699	-	2,810,109	-	-	-	4,076,482
Other services	411,990	-	575,095	187,689	-	1,901,845	(2,059,622)	1,016,998
Total revenue from contracts with customers	64,759,897	48,462,322	56,868,247	135,440,346	-	1,926,880	(31,381,633)	276,076,059
Geographical market								
Russian Federation	64,416,335	43,403,774	55,825,077	85,096,905	-	1,926,880	(31,381,633)	219,287,338
Foreign countries	343,562	5,058,548	1,043,170	50,343,441	-	-	-	56,788,721
Total revenue from contracts with customers	64,759,897	48,462,322	56,868,247	135,440,346	-	1,926,880	(31,381,633)	276,076,059
Timing of revenue recognition								
Goods transferred at a point of time	63,188,233	48,355,623	56,293,152	132,442,548	-	25,035	(29,322,012)	270,982,579
Services rendered during the period	1,571,664	106,699	575,095	2,997,798	-	1,901,845	(2,059,622)	5,093,480
Total revenue from contracts with customers	64,759,897	48,462,322	56,868,247	135,440,346	-	1,926,880	(31,381,633)	276,076,059

The transportation expenses related to Revenue from transportation services in the amount of RUB 5,712,579 thousand were recognised within Cost of sales (2023: RUB 4,076,482 thousand).

¹ See Note 25

20. Cost of sales

	2024	Restated ¹ 2023
Raw materials and consumables used	173,227,024	129,355,156
Services	23,672,459	19,482,410
Depreciation	12,002,821	13,497,292
Payroll	21,935,098	17,060,432
Purchases of goods for resale	18,268,285	5,800,811
Other	12,116,137	8,652,440
Lost harvest write-off (Note 9)	426,877	1,090,868
Depreciation of right-of-use assets (Note 12)	988,418	640,591
Purchase of biological assets	1,238,749	1,121,556
Change in work in progress, finished goods and goods for resale, biological assets	(7,278,036)	7,777,047
Total	256,597,832	204,478,603

The line 'Change in work in progress, finished goods and goods for resale, biological assets' above includes changes in balances of goods produced and goods purchased for resale, changes in work in progress and changes in biological assets excluding the effect of revaluation adjustments. This line also includes change in depreciation as included in work in progress, finished goods and biological assets in the amount of RUB (510,996) thousand (2023¹: RUB 758,383 thousand).

Payroll costs include salaries of RUB 17,333,886 thousand (2023¹: RUB 13,444,132 thousand) and statutory pension contributions of RUB 4,601,212 thousand (2023¹: RUB 3,616,300 thousand).

The average number of employees employed by the Group during the year ended 31 December 2024 was 23,494 (for the year ended 31 December 2023: 23,116).

21. Distribution and selling expenses

	2024	Restated ¹ 2023
Transportation and loading services	16,518,209	9,790,990
Payroll	4,311,243	3,012,386
Advertising	3,186,408	2,495,077
Depreciation and amortisation	1,347,865	576,373
Customs duties	980,022	1,074,765
Other services	703,369	1,453,790
Materials	540,828	22,464
Fuel and energy	232,892	224,733
Depreciation of right-of-use assets (Note 12)	144,695	76,371
Allowance for impairment of receivables	86,983	54,451
Rent	21,958	20,093
Other	1,839,491	1,344,330
Total	29,913,963	20,145,823

Payroll costs include salaries of RUB 3,473,701 thousand (2023¹: RUB 2,404,108 thousand) and statutory pension contributions of RUB 837,542 thousand (2023¹: RUB 608,278 thousand).

¹ See Note 25

22. General and administrative expenses

	2024	Restated ¹ 2023
Payroll	8,001,014	5,232,592
Services of professional organisations	1,878,827	1,588,691
Taxes, excluding income tax	914,893	742,439
Repair and maintenance	357,912	310,722
Depreciation and amortisation	223,648	722,962
Bank services	220,654	134,159
Security	200,469	165,753
Insurance	184,763	136,042
Materials	175,715	50,486
Depreciation of right-of-use assets (Note 12)	122,448	179,746
Rent	115,386	165,906
Communication	68,442	64,129
Travelling expenses	26,538	115,274
Other	1,398,693	1,278,961
Total	13,889,402	10,887,862

Payroll costs above include salaries of RUB 6,622,369 thousand (2023¹: RUB 4,246,099 thousand) and statutory pension contributions of RUB 1,378,645 thousand (2023¹: RUB 986,493 thousand).

The total fees charged by the Group's auditor for the audit of the annual financial statements of the Group for the year ended 31 December 2024 amounted to RUB 3,795 thousand (2023: RUB 3,300 thousand).

23. Other operating income, net

	2024	Restated ¹ 2023
Reimbursement of operating expenses (government grants)	1,351,915	1,543,482
Operating foreign exchange gain, net	2,534,777	1,923,988
Amortisation of deferred income to match related depreciation	393,057	549,759
Gain on disposal of property, plant and equipment	(72,342)	170,144
Charitable donations and social costs	(2,817,992)	(1,341,812)
Gain on other investments	-	2,009,374
Fines and penalties payable	(101,223)	-
Provisions for receivables, other liabilities and charges	(509,010)	(1,812,122)
Gain on SolPro Group loans redemption	29,305	325,851
Loss on disposal of other assets	(27,353)	(18,768)
Loss on sale of goods and materials, except for main products	(210,500)	(25,259)
Loss of livestock net of compensation received	(378,382)	(1,240,191)
Loss on implementation of work, services	(410,529)	(183,691)
(Loss)/gain from forward contracts	(177,956)	323,759
Other shortages and losses and their reversal	(1,306,704)	36,036
Gain on acquisition of subsidiaries	6,350,623	-
Other	258,110	222,417
Total	4,905,796	2,482,967

¹ See Note 25

The Group management excludes the following components of Other operating income/ (expenses) from Adjusted EBITDA calculation as non-recurring items (Note 30):

Non-recurring other operating adjustment

	2024	Restated ¹ 2023
Amortisation of deferred income to match related depreciation (Note 18)	393,057	549,759
Operating foreign exchange gain, net	2,533,991	1,929,922
(Loss)/ gain on disposal of property, plant and equipment	(72,342)	170,144
Charitable donations and social costs	(2,817,992)	(1,341,812)
Gain on other investments	-	2,009,374
Fines and penalties payable	(101,223)	-
Gain on SolPro Group loans redemption	29,305	325,851
Loss on disposal of other assets	(27,353)	(18,768)
Provisions for receivables, other liabilities and charges	(509,010)	(325,170)
Gain on acquisition of subsidiaries	6,350,623	-
Other	92,590	(131,840)
Total	5,871,646	3,167,460

24. Interest expense and other finance (costs)/ income, net

Interest expense comprised of the following:

	2024	Restated ¹ 2023
Interest expense	19,867,518	18,947,588
Reimbursement of interest expense (government grants)	(10,321,820)	(11,738,728)
Interest expense, net	9,545,698	7 208 860

Other finance (costs)/ income, net comprised of the following items:

	2024	Restated ¹ 2023
Foreign exchange gain on financing activities, net	957,970	4,188,295
Interest expense on leases (Note 12)	(812,547)	(638,821)
Other finance costs, net	(586,328)	(359,611)
Other finance (costs)/ income, net	(440,905)	3,189,363

¹ See Note 25

25. Acquisition of subsidiary

NMGK Group of Companies

On 28 June 2023, Ros Agro China Ltd, subsidiary of ROS AGRO PLC, obtained control over NMGK Group by acquiring 50% of the shares and voting interests in the company and the ability to control manage significant activities. As a result of the transaction, ROS AGRO PLC, which owns 100% of Ros Agro China Ltd, also obtained control over NMGK Group.

In August 2024, companies of Oil and Fat business of the Group and NMGK Group were merged under the holding company Etalon JSC (hereinafter referred to as the management company of the joint Oil and Fat business of the Group), with 100% of the equity interests in Oil and Fat group of companies owned by one of the Group's subsidiaries and 100% of the equity interests in NMGK Group, 50% of which were already under the control of ROS AGRO PLC since 2023. As a result of this business combination, the Group's share in the equity of the management company of the Group's joint Oil and Fat business amounted to 76%, and as a result of this transaction, the Group also obtained 76% equity interest in NMGK Group.

On the date of the transaction, 20 August 2024, ROS AGRO PLC controlled Rusagro Group PJSC and NMGK Group through its participation in the equity of its subsidiary Ros Agro China Ltd, which had a 50% interest in NMGK Group. The Group's acquisition of control over NMGK Group of companies is an acquisition under common control of a sole shareholder - ROS AGRO PLC and is accounted for as if the relevant acquisition was done by the Group on the date ROS AGRO PLC obtained control over

the NMGK Group, i.e. on 28 June 2023 in the same equity share. For these purposes, the comparative figures as at 31 December 2023 and for the year ended 31 December 2023 have been restated using the 'predecessor method': the assets and liabilities of the subsidiary transferred between parties under common control have been recorded at the fair value set by the predecessor company (ROS AGRO PLC) as at 28 June 2023. The cash consideration paid by the subsidiary of ROS AGRO PLC for the acquisition of 50% equity interest in NMGK Group is recognised in the Group's retained earnings as it represents a contribution from the controlling shareholder with no cash outflow at the Group level.

As a result of accounting for the business combination using the 'predecessor method' as at the date of establishing common control in 2023, the carrying amount of net assets and goodwill recognised in the consolidated financial statements of ROS AGRO PLC in the amount of RUB 38,978,607 thousand and RUB 1,475,208 thousand, respectively, have been recognised within the respective items of the Group's assets and liabilities in these consolidated financial statements as at the date of transfer of common control. Consideration transferred from the subsidiary of ROS AGRO PLC to the seller and non-controlling interest in the amount of RUB 20,964,512 thousand and RUB 19,489,302 thousand, respectively, have been recognised in the statement of changes in equity for 2023 in these consolidated financial statements.

The effect of the acquisition of additional equity interest in NMGK Group and decrease in ownership interest in the Group's Oil and Fat business when obtaining 76% ownership interest in the capital of the management company of the joint Group's Oil and Fat business as a result of the business combination in 2024 in the amount of RUB 7,401,548 thousand was recognised as a decrease in non-controlling interest and increase in retained earnings, respectively.

Identifiable assets acquired and liabilities assumed and Goodwill

In 2023, as a result of accounting for the acquisition of the 50% interest using the 'predecessor method' as at the date common control was established, the carrying amount of net assets and the amount of the Group's goodwill previously recognised by ROS AGRO PLC were:

	Note	Fair value recognised on acquisition
Non-current assets		
Property, plant and equipment	11	13,509,797
Intangible assets	13	6,924,454
Advances paid for property, plant and equipment		105,306
Deferred income tax assets	27	272,811
Right-of-use assets	12	296,777
Other non-current assets		473
Current assets		
Cash and cash equivalents		14,338,885
Short-term investments		21,900,000
Trade and other receivables		3,785,628
Inventories		11,725,373
Prepayments (advances given)		1,136,996
Current income tax receivable		32,336
Other taxes receivable		695,521
Non-current liabilities		
Long-term borrowings	15	(910,326)
Deferred income tax liabilities	27	(2,712,558)

	Note	Fair value recognised on acquisition
Lease liabilities	15	(141,097)
Current liabilities		
Short-term loans and borrowings	15	(28,081,349)
Current income tax payable		(253,258)
Trade and other payables		(3,464,483)
Lease liabilities		(182,679)
Total identifiable net assets		38,978,607
Total cash consideration transferred from ROS AGRO PLC to the seller (recorded in retained earnings, see Consolidated Statement of Changes in Equity)		20,964,512
Non-controlling interests, based on their proportionate interest in the recognised amounts of the asset and liabilities of the acquiree		19,489,302
Goodwill		1,475,208

From the date of acquisition to 31 December 2023, NMGK had revenue of RUB 31,201,619 thousand and profit of RUB 4,600,709 thousand.

If the acquisitions had occurred on 1 January 2023, management estimates that consolidated revenue would have been RUB 305,688,452 thousand and consolidated profit for the year would have been RUB 49,897,021 thousand. In determining these amounts, management has assumed that the fair value adjustments made at the acquisition date would have been the same if the acquisition had occurred on 1 January 2023.

The effect of restating comparative figures as at 31 December 2023 and for 2023 is as follows:

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Assets			
Current assets			
Cash and cash equivalents	1,862,986	23,022,689	24,885,675
Short-term investments	2,288,852	389,000	2,677,852
Trade and other receivables	33,440,878	3,677,655	37,118,533
Prepayments (advances given)	6,727,617	3,988,759	10,716,376
Current income tax receivable	132,186	-	132,186
Other taxes recoverable	8,139,541	801,628	8,941,169
Inventories	79,955,810	13,218,952	93,174,762
Current biological assets	6,754,488	-	6,754,488
Total current asset	139,302,358	45,098,683	184,401,041
Non-current assets			
Property, plant and equipment	126,609,728	13,187,321	139,797,049
Inventories intended for construction	465,830	-	465,830
Right-of-use assets	6,124,436	268,449	6,392,885
Goodwill	2,364,942	1,475,208	3,840,150
Advances paid for acquisition of property, plant and equipment	2,832,453	35,282	2,867,735
Non-current biological assets	2,736,644	-	2,736,644
Long-term investments	42,527,657	-	42,527,657
Investments in associates	562,323	-	562,323

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Deferred tax assets	3,033,801	187,858	3,221,659
Intangible assets	1,578,267	6,187,586	7,765,853
Total non-current assets	188,836,081	21,341,704	210,177,785
Total assets	328,138,439	66,440,387	394,578,826
LIABILITIES AND EQUITY			
Current liabilities			
Short-term loans and borrowings	52,859,165	15,673,688	68,532,853
Lease liabilities	885,936	212,199	1,098,135
Trade and other payables	41,525,127	7,665,118	49,190,245
Current income tax payable	342,723	213,190	555,913
Other taxes payable	4,524,793	933,131	5,457,924
Provision for other liabilities and charges	123,212	-	123,212
Total current liabilities	100,260,956	24,697,326	124,958,282
Non-current liabilities			
Long-term loans	59,162,811	335,308	59,498,119
Government grants	12,860,211	-	12,860,211
Lease liabilities	4,242,536	82,600	4,325,136
Deferred tax liabilities	373,461	2,121,544	2,495,005
Total non-current liabilities	76,639,019	2,539,452	79,178,471
Total liabilities	176,899,975	27,236,778	204,136,753
EQUITY			
Share capital	2,396,874	-	2,396,874

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Retained earnings	148,873,963	23,307,880	172,181,843
Equity attributable to owners of Rusagro Group PJSC	151,270,837	23,307,880	174,578,717
Non-controlling interest	(32,373)	15,895,729	15,863,356
Total equity	151,238,464	39,203,609	190,442,073
Total liabilities and equity	328,138,439	66,440,387	394,578,826
Sales	248,113,822	27,962,237	276,076,059
Net gain on revaluation of biological assets and agricultural produce	3,698,693	-	3,698,693
Cost of sales	(184,995,171)	(19,483,432)	(204,478,603)
Net loss on trading in derivative financial instruments	(205)	-	(205)
Gross profit	66,817,139	8,478,805	75,295,944
Selling and distribution expenses	(16,663,976)	(3,481,847)	(20,145,823)
General and administrative expenses	(9,588,915)	(1,298,947)	(10,887,862)
Recovery of allowance for impairment of loans issued	7,983	-	7,983
Other operating income, net	2,606,117	(123,150)	2,482,967
Operating profit	43,178,348	3,574,861	46,753,209
Interest expense	(6,898,182)	(310,678)	(7,208,860)
Interest income	8,435,173	1,755,753	10,190,926
Other finance income, net	2,166,364	1,023,499	3,189,863
Profit before tax	46,881,703	6,043,435	52,925,138
Income tax expense	(6,668,022)	(1,493,638)	(8,161,660)
Profit for the year	40,213,681	4,549,797	44,763,478
Total comprehensive income for the year	40,213,681	4,549,797	44,763,478

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Profit/ (loss) attributable to:			
• owners of Rusagro Group PJSC	40,214,826	2,343,370	42,558,196
• non-controlling interests	(1,145)	2,206,427	2,205,282
Profit for the year	40,213,681	4,549,797	44,763,478
Total comprehensive income/ (loss) attributable to:			
• owners of Rusagro Group PJSC	40,214,826	2,343,370	42,558,196
• non-controlling interests	(1,145)	2,206,427	2,205,282
Total comprehensive income for the year	40,213,681	4,549,797	44,763,478
Cash flows from operating activities			
Profit before income tax	46,881,703	6,043,435	52,925,138
Adjustments for:		-	
Depreciation of property, plant and equipment, intangible assets and right-of-use assets	15,023,959	1,427,792	16,451,751
Interest expenses	16,705,942	2,241,646	18,947,588
Government grants	(11,901,001)	(1,930,968)	(13,831,969)
Interest income	(8,435,173)	(1,755,753)	(10,190,926)
Gain on disposal of property, plant and equipment	(170,144)	-	(170,144)
Net loss/ (gain) on revaluation of biological assets and agricultural produce	(3,698,693)	-	(3,698,693)
Change in allowance for impairment of assets to net realisable value	1,203,415	(340,225)	863,190
Finance lease expenses	627,526	11,295	638,821
Change in allowance for impairment of receivables and prepayments	2,303,543	-	2,303,543
Foreign exchange loss/ (gain), net	(5,226,433)	(885,850)	(6,112,283)

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Write-off of dead crops	1,090,868	-	1,090,868
Gain on other investments	(2,009,374)	-	(2,009,374)
Gain on SolPro loans redemption	(325,851)	-	(325,851)
Other non-cash and non-operating expenses, net	78,751	28,072	106,823
Cash flows from operating activities before changes in working capital	52,149,038	4,839,444	56,988,482
Change in trade and other receivables and prepayments	4,476,576	(2,130,865)	1,845,711
Change in other taxes receivable	(194,684)	(412,260)	(606,944)
Change in inventories	(11,790,624)	(1,025,107)	(12,815,731)
Change in biological assets	5,672,714	-	5,672,714
Change in trade and other payables	(8,151,765)	(703,683)	(8,855,448)
Change in other taxes payable	(3,186,632)	(628,572)	(2,558,060)
Cash flows from operating activities	38,974,623	696,101	39,670,724
Income tax paid	(3,984,937)	(2,089,179)	(6,074,116)
Net cash from operating activities	34,989,686	(1,393,078)	33,596,608
Cash flows from investing activities			
Purchase of property, plant and equipment	(17,723,358)	(317,168)	(18,040,526)
Purchase of intangible assets	(807,252)	-	(807,252)
Purchase of land lease rights	(23,229)	-	(23,229)
Proceeds from sales of property, plant and equipment	704,919	7,086	712,005
Purchase of inventories intended for construction	(310,135)	-	(310,135)
Proceeds from withdrawal of cash from deposits	130,179,157	32,800,000	162,979,157
Cash placed on bank deposits	(52,696,254)	(10,582,721)	(63,278,975)

	31 December 2023 per 2023 FS	Effect of restating comparative figures	31 December 2023 per 2024 FS
Acquisition of associates	(106,407)	-	(106,407)
Investments in subsidiaries, net of cash acquired	-	14,338,885	14,338,885
Acquisition of loans receivable	(10,854)	-	(10,854)
Repayment of loans receivable	740,000	-	740,000
Interest received	10,054,778	1,440,329	11,495,107
Dividends received	2,009,374	-	2,009,374
Other investment activities	376,894	-	376,894
Net cash from investing activities	72,387,633	37,686,411	110,074,044
Cash flows from financing activities			
Proceeds from loans and borrowings	102,996,638	2,052,485	105,049,123
Repayment of loans and borrowings	(229,567,349)	(15,029,212)	(244,596,561)
Interest and other finance cost paid	(5,797,504)	(320,463)	(6,117,967)
Proceeds from government grants	2,147,322	-	2,147,322
Repayment of lease liabilities – principal	(451,384)	(120,938)	(572,322)
Net cash used in financing activities	(130,672,277)	(13,418,128)	(144,090,405)
Effect of exchange rate changes on cash and cash equivalents	4,272,666	147,484	4,420,150
Net decrease in cash and cash equivalents	(19,022,292)	23,022,689	4,000,397
Cash and cash equivalents at the beginning of the year	20,885,278	-	20,885,278
Cash and cash equivalents at the end of the year	1,862,986	23,022,689	24,885,675

Equity attributable to owners of Rusagro Group PJSC

2023 per 2023 FS	Share capital	Retained earnings ¹	Total	Non-controlling interest	Total equity
Balance as at 1 January 2023	2,396,874	108,659,137	111,056,011	(31,228)	111,024,783
Profit and total comprehensive income for the year	-	40,214,826	40,214,826	(1,145)	40,213,681
Balance as at 31 December 2023	2,396,874	148,873,963	151,270,837	(32,373)	151,238,464
Balance as at 1 January 2024	2,396,874	148,873,963	151,270,837	(32,373)	151,238,464

Equity attributable to owners of Rusagro Group PJSC

Effect of restating comparative figures	Share capital	Retained earnings ¹	Total	Non-controlling interest	Total equity
Balance as at 1 January 2023	-	-	-	-	-
Profit and total comprehensive income for the year	-	2,343,370	2,343,370	2,206,427	4,549,797
Acquisition of subsidiaries under common control	-	20,964,510	20,964,510	19,489,302	40,453,812
Other changes in non-controlling interest	-	-	-	(5,800,000)	(5,800,000)
Balance as at 31 December 2023	-	23,307,880	23,307,880	15,895,729	39,203,609
Balance as at 1 January 2024	-	23,307,880	23,307,880	15,895,729	39,203,609

¹ See Note 25

Equity attributable to owners of Rusagro Group PJSC					
2023 per 2024 FS	Share capital	Retained earnings ¹	Total	Non-controlling interest	Total equity
Balance as at 1 January 2023	2,396,874	108,659,137	111,056,011	(31,228)	111,024,783
Profit and total comprehensive income for the year	-	42,558,196	42,558,196	2,205,282	44,763,478
Acquisition of subsidiaries under common control	-	20,964,510	20,964,510	19,489,302	40,453,812
Other changes in non-controlling interest	-	-	-	(5,800,000)	(5,800,000)
Balance as at 31 December 2023	2,396,874	172,181,843	174,578,717	15,863,356	190,442,073
Balance as at 1 January 2024	2,396,874	172,181,843	174,578,717	15,863,356	190,442,073

Group of companies Agro-Belogorie

In 2022, the Group acquired 22.5% equity interest in Group of companies Agro-Belogorie LLC from ROS AGRO PLC, the parent company of Rusagro Group PJSC until 5 September 2024. The fair value of the equity interest as at 31 December 2023 was RUB 8,556,570 thousand.

At the end of 2024, the Group acquired control over Group of companies Agro-Belogorie LLC and its subsidiaries (hereinafter GK Agro-Belogorie) through acquisition of an additional 77.5% in this entity. As a result of this transaction, the Group's share in the equity of GK Agro-Belogorie amounted to 100%.

The identifiable assets and liabilities acquired at the date when control over GK Agro-Belogorie was obtained include 20 pig farms, 3 feed mills, a meat processing facility, a land bank, inventories and customer relationships.

The acquisition of GK Agro-Belogorie will enable the Group to become the number two pork producer in the Russian Federation and realise large-scale synergies in the Group's agricultural and meat businesses.

Consideration transferred

The cash consideration transferred for the acquisition amounted to RUB 31,050,035 thousand. As part of the transaction, a cash deposit in the amount of RUB 6,000,000 thousand was received in respect of the fulfilment of obligations for possible additional tax charges of GK Agro-Belogorie for the period from 2021 to 2024. The deposit is repayable within five years from the date of receipt in case of absence of additional tax charges. The Group's management believes that the risk of possible additional tax charges is low. The effect from discounting of long-term deposit is accounted for as part of acquisition of subsidiary.

Identifiable assets acquired and liabilities assumed and Goodwill

As the Group acquired control at the end of the fourth quarter of 2024, acquisition accounting for GK Agro-Belogorie has not been finalised, mainly in respect of property, plant and equipment and biological assets. The fair values of property, plant and equipment used in accounting for acquisitions are provisional amounts that have been determined based on available financial information using Russian statutory accounting records. The Group's internal specialists were engaged to determine the fair value of the biological assets using available financial information from the date of acquisition to the date of signing of these consolidated financial statements.

¹ See Note 25

The Group expects to finalise the accounting for the acquisition within twelve months from the date of obtaining control over GK Agro-Belogorie. Any adjustments recognised during this period will be accounted for as part of the initial recognition of the acquisitions with a potential restatement of the 2024 comparatives in the financial statements of the period in which purchase price allocation accounting is completed.

The acquisition of GK Agro-Belogorie LLC had the following effect on the Group's assets and liabilities at the date of inclusion in these consolidated financial statements:

Assets	Note	Fair value recognised at the date of acquisition ¹
Current assets		
Cash and cash equivalents		16,197,247
Trade and other receivables		945,673
Prepayments (advances given)		265,015
Current income tax receivable		57,165
Other taxes receivable		90,789
Inventories		7,142,610
Current biological assets	9	5,089,819
Other current assets		1,943
Non-current assets		
Property, plant and equipment	11	14,198,238
Right-of-use assets	12	1,885,978
Non-current biological assets	9	3,153,769
Deferred tax assets	27	319,844
Intangible assets	13	142,479

Assets	Note	Fair value recognised at the date of acquisition ¹
Current liabilities		
Short-term loans and borrowings	15	382,394
Lease liabilities	15	197,364
Trade and other payables		1 276,561
Current income tax payable		1,181
Other taxes payable		331,470
Provision for other liabilities and charges		350,237
Non-current liabilities		
Long-term loans and borrowings	15	158,300
Government grants	18	776,376
Lease liabilities	15	2,157,658
Deferred tax liabilities		191,076
Total net identifiable assets		43,667,952
Total consideration transferred in cash		31,050,035
Net cash outflow		14,852,788
Equity interest previously held in GK Agro-Belogorie LLC		8,556,000
Effect of discounting of long-term guarantee collateral		2,288,707
Gain on bargain purchase		6,350,623

¹ Initial cost

From the acquisition date to 31 December 2024, GK Agro-Belogorie generated revenue of RUB 4,440,504 thousand and profit of RUB 515,911 thousand.

If the acquisitions had occurred on 1 January 2024, management estimates that consolidated revenue would have been RUB 371,358,351 thousand and consolidated profit for the year would have been RUB 45,489,411 thousand.

26. Goodwill

	2024	Restated ¹ 2023
Carrying amount as at 1 January	3,840,150	3,840,150
Carrying amount as at 31 December	3,840,150	3,840,150

The carrying amount of goodwill is allocated to the following CGUs:

	31 December 2024	Restated ¹ 31 December 2023
NMGK CGU	1,475,208	1,475,208
Meat CGU	538,684	538,684
Oil Samara CGU	899,401	899,401
Agriculture Center CGU	199,276	199,276
Sugar CGU	502,083	502,083
Agriculture Primorie CGU	225,498	225,498
Total	3,840,150	3,840,150

Goodwill impairment test

The carrying amount of goodwill as at 31 December 2024 and 2023 was tested for impairment. The recoverable amount of the Group's cash-generating units has been determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by the Group management covering a five-year period and the expected market prices for the Group's key products for the same period according to leading industry publications. Cash flows beyond the five-year period are projected with a long-term growth rate of 4% per annum (31 December 2023¹: 4% per annum).

The assumptions used to calculate the value in use at the relevant reporting date to which the recoverable amount is most sensitive were as follows:

	EBITDA margin ²		Pre-tax discount rate	
	31 December 2024	31 December 2023 ¹	31 December 2024	31 December 2023 ¹
Oil Samara CGU	18.7% - 23.2%	6.14%-7.15%	20.6%	24.22%
NMGK CGU	12.1% - 12.5%	11.4%-11.6%	23.77%	19.9%
Agriculture Center CGU	43% - 46%	30.40%-36.15%	18.04%	15.40%
Sugar CGU	26.3% - 29.2%	27.9%-31.8%	19.81%	20.90%
Agriculture Primorie CGU	32% - 35%	26.33%-30.52%	17.98%	15.42%
Meat CGU	20.5% - 27.4%	13.36%-17.37%	18.09%	15.33%

As a result of the testing, no impairment losses were recognised for the goodwill allocated to each CGU.

¹ See Note 25

² EBITDA margin is calculated as the sum of operating cash flows before income tax and changes in working capital divided by the amount of cash flow received from trade customers.

27. Income tax

	2024	Restated ¹ 2023
Current income tax charge	7,435,656	6,735,472
Deferred income tax credit	(259,415)	1,426,188
Income tax expense	7,176,241	8,161,660

Group companies are tax residents of the Russian Federation and are subject to income tax at a rate of 20% (2023: 20%) on their taxable profits, except for profits from the sale of agricultural products, which are subject to income tax at a rate of 0% (2023: 0%).

The current income tax charge represents a tax accrual based on statutory taxable profits. A reconciliation between the expected and the actual taxation charge is as follows:

	2024	Restated ¹ 2023
Profit before income tax:	38,753,258	52,925,138
• taxable at 0%	4,769,525	19,743,084
• taxable at 10%	-	1,972,958
• taxable at 20%	33,983,733	31,209,096
Estimated income tax expense/(credit) at statutory rates of 10%/20% (2023: 10%/20%)	6,796,747	6,439,115
• non-taxable income	(123,402)	(40,662)
• non-deductible expenses	1,148,346	858,123
Adjustments of income tax in respect of prior years and tax penalties	846,824	891,013
Effect of changes in the tax rates on the measurement of deferred tax assets and liabilities	(1,500,501)	(141,695)
Other	8,227	155,767
Income tax expense	7,176,241	8,161,661

¹ See Note 25

Differences between IFRS and local statutory taxation regulations give rise to certain temporary differences between the carrying value of certain assets and liabilities for financial reporting purposes and their tax bases. Deferred income taxes are attributable to the following:

	1 January 2024	Deferred income tax assets/ (liabilities) acquisition/ disposal	Other	Deferred tax recovered in/ (charged to) profit or loss	31 December 2024
Tax effects of deductible/ (taxable) temporary differences:					
Property, plant and equipment	(4,550,423)	(160,041)	(23,228)	(521,748)	(4,966,631)
Impairment of receivables	609,344	-	125	1,131,708	1,741,177
Payables	274,672	-	-	(523,687)	(249,015)
Financial assets	(580,846)	-	(688,689)	(1,170,258)	(2,439,793)
Inventories and biological assets	212,771	(567)	-	(302,727)	(89,956)
Loans and borrowings	(1,064,499)	(39)	-	434,958	(629,541)
Tax loss carried forward	5,547,374	-	-	656,356	6,203,731
Lease liability	519,126	78	-	(139,368)	379,758
Right-of-use assets	(549,117)	-	-	64,826	(484,291)
Other	308,253	289,337	(219,507)	629,355	718,101
Net deferred income tax assets/ (liabilities)	726,655	128,768	(931,299)	259,415	183,539
Recognised deferred income tax assets	3,221,659				4,701,576
Recognised deferred income tax liabilities	(2,495,004)				(4,518,038)

	1 January 2023	Deferred income tax assets/ (liabilities) acquisition/ disposal	Other	Deferred tax recovered in/ (charged to) profit or loss	31 December 2023 ¹
Tax effects of deductible/ (taxable) temporary differences:					
Property, plant and equipment	(2,546,379)	(2,59,818)	234 541	360,233	(4,550,423)
Impairment of receivables	103,502	57,458	-	448,384	609,344
Payables	52,003	44,583	-	178,086	274,672
Financial assets	(589,338)	-	-	8,492	(580,846)
Inventory and biological assets	645,877	6,655	-	(439,761)	212,771
Loans and borrowings	(1,487,374)	-	-	422,875	(1,064,499)
Tax loss carried forward	7,442,117	49,436	-	(1,944,179)	5,547,374
Lease liability	444,714	64,791	-	9,657	519,162
Right-of-use assets	(539,453)	(59,355)	-	49,691	(549,117)
Other	850,859	(4,497)	(18,479)	(519,667)	308,216
Net deferred income tax assets/ (liabilities)	4,376,528	(2,439,747)	216,062	(1,426,189)	726,654
Recognised deferred income tax assets	5,964,523				3,221,659
Recognised deferred income tax liabilities	(1,587,995)				(2,495,005)

Starting from 1 January 2017 the amendments to the Russian tax legislation became effective in respect of tax loss carry-forwards. The amendments affect tax losses incurred and accumulated since 2007 that have not been utilised. The 10-year expiry period for tax loss carry-forwards has been cancelled. The amendments also set limitation on utilisation of tax loss carry forwards that would apply during the period from 2017 to 2020, later extended to the end of 2026. The amount of losses that can be utilised each year during that period is limited to 50% of annual taxable profit.

In the context of the Group's current structure tax losses and current income tax assets of different companies may not be set off against taxable profits and current income tax liabilities of other companies and, accordingly, taxes may accrue even where there is a net consolidated tax loss. Therefore, deferred income tax assets and liabilities are offset only when they relate to the same taxable entity.

¹ See Note 25

	31 December 2024	Restated ¹ 31 December 2023
Deferred income tax assets:		
Deferred income tax assets to be recovered after more than 12 months	3,384,431	2,027,228
Deferred income tax assets to be recovered within 12 months	1,317,145	1,194,431
	4,701,576	3,221,659
Deferred income tax liabilities:		
Deferred income tax liabilities to be settled after more than 12 months	(102,867)	(1,541,390)
Deferred income tax liabilities to be settled within 12 months	(4,415,170)	(953,614)
	(4,518,037)	(2,495,004)
Total net deferred income tax assets	183,539	726,655

Temporary differences related to retained earnings of subsidiaries and associates amount to RUB 371,595,194 thousand as at 31 December 2024 (31 December 2023¹: RUB 289,834,994 thousand). No deferred tax liability has been recognised as the Group is able to control the timing of reversal of these temporary differences and does not expect to reverse them in the foreseeable future.

Refer to Note 32 “Contingencies” for description of tax risks and uncertainties.

28. Related party transactions

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Until 5 September 2024, the Company was controlled by ROS AGRO PLC, a company incorporated in the Republic of Cyprus with its registered office at 25 Aphrodite Street, 25, CY-1060, Nicosia, Cyprus.

On 5 September 2024, the Arbitration Court of the Moscow Region granted the application of the Ministry of Agriculture of the Russian Federation to suspend the exercise by ROS AGRO PLC of its corporate rights in respect of its Russian subsidiary Rusagro Group PJSC.

In accordance with the provisions of the Federal Law of the Russian Federation No. 470-FZ dated 4 August 2023 “On Peculiarities of Regulation of Corporate Relations in Business Companies that are Economically Significant Organisations”, the corporate rights of ROS AGRO PLC in relation to Rusagro Group PJSC were suspended.

At the same time, the Court’s decision entails the distribution of Rusagro Group PJSC shares between the holders of Global Depositary Receipts (GDR) and beneficiaries of ROS AGRO PLC proportionally to their indirect share in the capital of Rusagro Group PJSC.

As a result of these events, starting from 5 September 2024, ROS AGRO PLC is not the parent company of Rusagro Group PJSC. As at 31 December 2024 and at the date of signing these consolidated financial statements, the Company and the Group do not have an ultimate controlling party in accordance with the definitions of control described in IFRS 10 Consolidated Financial Statements.

¹ See Note 25

Key management personnel

Remuneration to key management personnel

Remuneration to 14 (2023: 13) representatives of key management personnel in 2024 included in payroll costs comprised short-term remuneration such as salaries, discretionary bonuses and other short-term benefits totalling RUB 2,143,070 thousand, including RUB 284,963 thousand payable to the State Pension Fund (2023¹: RUB 1,047,096 thousand and RUB 135,320 thousand, respectively).

Transactions with ROS AGRO PLC

The balances and transactions with ROS AGRO PLC, the parent company until 5 September 2024, are as follows:

	31 December 2024	Restated ¹ 31 December 2023
Balances		
Accounts payable to ROS AGRO PLC for acquisition of long-term investments (Note 10)	-	(12,000,000)

Acquisition of long-term investments from the parent company relates to the purchase of equity interest in Agro-Belogorie Group of companies LLC (Note 25).

Dividends

No dividends were declared during the year ended 31 December 2024. No dividends were declared during the year ended 31 December 2023.

Entities under control of ROS AGRO PLC

Balances and transactions with entities controlled by ROS AGRO PLC, the parent company of Rusagro Group PJSC until 5 September 2024, are presented below:

	2024	Restated ¹ 2023
Transactions		
Redemption of receivables for long-term investment purchases	-	19,996,516
Sale of goods and services	464,255	1,588,834
Purchase of raw materials and supplies	-	63,701
Proceeds from borrowings	2,161,152	96,516
Interest expense	208,013	36,227
Interest paid	-	35,900

	31 December 2024	Restated ¹ 31 December 2023
Balances		
Trade receivables from related parties, gross	-	2,536,901
Trade and other payables	-	(22,337)
Loans from related parties	-	(497,876)

¹ See Note 25

Sales of goods relate to sales of goods produced by the Group's segments to trading companies. Purchase of raw materials represents purchases of sunflower and palm oil for further processing. Repayment of debt for purchase of long-term investments from related parties relates to purchase of Rosselkhozbank bond (Note 10). Borrowings from related parties are denominated in Russian Roubles with interest rates ranging from 12.0% to 14.25% (2023: rates ranged from 5.6% to 12%).

Associates

Balances and transactions with associates are presented in the table below:

	2024	Restated ¹ 2023
Transactions		
Purchases of services	-	576
Purchases of goods	192,403	6,924
Allowance for impairment of other receivables	3,898	51,513
	31 December 2024	Restated ¹ 31 December 2023
Balances		
Trade receivables from related parties, gross	495	461
Allowance for impairment of trade receivables from related parties	(465)	(465)
Trade and other payables	160,344	(140)

29. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in equity during the year.

	2024 год	Restated ¹ 31 December 2023
Profit for the year attributable to the Company's equity holder	26,508,467	42,558,196
Weighted average number of ordinary shares	958,749,600	79,895,800
Basic and diluted earnings per share (RUB per share)	27.65	532.67

30. Segment information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is a person or a group of persons who allocates resources and assesses the performance of the Group. The CODM function is performed by the General Director of Rusagro Group PJSC.

Description of products and services from which each reportable segment derives its revenue

The Group is organised on the basis of four main business segments:

- Sugar – processing of raw sugar and production of sugar from sugar-beet;
- Meat – cultivation of pigs and meat processing;
- Agriculture – agricultural production (cultivation of sugar-beet, grain and other agricultural crops);
- Oil and Fat – vegetable oil extraction and processing;
- GK Agro-Belogorie LLC – pig breeding and meat processing, agricultural production (growing crops).

¹ See Note 25

Certain Group companies are not included in reportable operating segments as they do not appear in the reports provided by CODM. The results of these operations are included in "Other". The Company, as well as Group of Companies Rusagro LLC which performs the functions of the Group's head office and holding investment company and generates income considered incidental to the Group's operations, are included in "Other".

Factors that management used to identify the reportable segments

The Group's segments are strategic business units that focus on different customers. They are managed separately because of the differences in the production processes, the nature of products produced and required marketing strategies.

Financial information reviewed by the CODM includes:

- Quarterly reports containing information about income and expenses by business units (segments) based on IFRS numbers, that may be adjusted to present the segments results as if the segments operated as independent business units and not as the division within the Group;
- Quarterly reports with a breakdown of separate material lines of IFRS consolidated statement of financial positions and IFRS consolidated statement of cash flows;

In addition to the main financial indicators, operating data (such as yield, production volumes, cost per unit, staff costs) and revenue data (volumes per type of product, market share) are also reviewed by the CODM on a quarterly basis.

Measurement of operating segment profit or loss, assets and liabilities

The CODM assesses the performance of the operating segments based on the Adjusted EBITDA figure for the period. Adjusted EBITDA figure is not an IFRS measure. Adjusted EBITDA is reconciled to IFRS operating profit in this Note.

Adjusted EBITDA is defined as operating profit before taking into account:

- depreciation and amortisation;
- non-recurring other operating adjustment (Note 23);
- the difference between the gain on revaluation of biological assets and agricultural produce recognised in the year and the gain on initial recognition of agricultural produce attributable to realised agricultural produce for the year and revaluation of biological assets attributable to realised biological assets and included in cost of sales;
- share-based payment;

- provision/ (reversal of provision) for net realisable value of agricultural products in stocks;
- allowance / (reversal of allowance) for impairment of loans issued.

Transactions between operating segments are accounted for based on financial information of individual segments that represent separate legal entities.

Analysis of revenues by products and services

Each business segment except for the Oil and Fat segments is engaged in the production and sales of similar or related products (see above in this note). The "Oil and Fat" segment in addition to its main activity of vegetable oil extraction and processing is engaged in the production of milk products, including dry milk textures and cheese products. Related revenue from milk products was RUB 5,405,008 thousand (2023¹: RUB 5,342,852 thousand).

For the amount of revenue from services, which comprise mainly grain elevator services and processing of sugar beet for third party agricultural enterprises, see Note 19.

Geographical areas of operations

All the Group's assets are located in the Russian Federation. Distribution of the Group's sales between countries on the basis of the customers' country of domicile was as follows:

	2024	Restated ¹ 2023
Russian Federation	243,193,750	207,319,722
Foreign countries	96,895,733	68,756,337
Total	340,089,483	276,076,059

¹ See Note 25

Among key customers from foreign countries are UAE, CIS countries, China, Japan, Mongolia.

Major customers

The Group has no customers or group of customers under common control whose revenue represents more than 10% of total consolidated revenue.

Information about reportable segment adjusted EBITDA, assets and liabilities

Segment information on assets and liabilities as at 31 December 2024 and 2023 is set out below:

	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
31 December 2024								
Assets	340,472,290	102,281,495	102,739,546	201,169,941	49,532,047	324,964,917	(632,915,500)	488,244,736
Liabilities	294,956,967	47,497,639	67,964,566	162,252,800	49,016,137	140,136,508	(500,710,283)	261,114,334
Additions to non-current assets ¹	9,587,065	6,365,309	9,464,856	6,710,016	17,216,516	1,157,033	-	50,500,793
31 December 2023 (restated²)								
Assets	250,484,101	93,536,825	85,744,708	169,428,224	-	258,939,384	(463,554,416)	394,578,826
Liabilities	212,270,136	43,780,267	53,111,399	145,051,749	-	114,459,904	(364,536,702)	204,136,753
Additions to non-current assets ¹	1,696,996	4,657,216	3,230,999	23,905,350	-	999,036	-	34,489,597

¹ Additions to non-current assets exclude additions to financial instruments, assets held for sale, deferred income tax assets, goodwill and restricted cash.

² See Note 25

Segment information on adjusted EBITDA for the year ended 31 December 2024 and 2023 is presented in the table below:

2024	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
Sales (Note 19)	67,879,358	50,176,488	50,665,593	193,326,052	4,440,504	2,412,775	(28,811,288)	340,089,482
Net gain/ (loss) on revaluation of biological assets and agricultural produce (Note 9) ¹	-	1,023,577	(2,164,904)	-	(465,347)	-	(4,049,584)	(5,656,258)
Cost of sales (Note 20)	(47,866,965)	(42,575,008)	(37,526,326)	(150,430,512)	(3,268,362)	(2,174,916)	27,244,257	(256,597,832)
incl. depreciation	(1,721,107)	(3,206,862)	(2,400,216)	(4,767,264)	(282,433)	(24,300)	(78,061)	(12,480,243)
Net gain / (loss) from trading derivatives	-	-	-	-	-	(51,267)	-	(51,267)
Gross profit	20,012,393	8,625,057	10,974,363	42,895,540	706,795	186,592	(5,616,615)	77,784,125
Selling and distribution, general and administrative expenses (Notes 21, 22)	(8,181,647)	(4,717,692)	(8,088,275)	(24,040,103)	(459,378)	(3,748,646)	5,432,376	(43,803,365)
incl. amortisation and depreciation	(44,355)	(67,526)	(325,137)	(1,410,313)	-	(69,386)	78,061	(1,838,656)
Other operating income/ (expenses), net (Note 23)	21,513	292,542	(68,420)	606,839	(27,476)	32,843,725	(28,762,927)	4,905,796
incl. reimbursement of operating costs (government grants)	254,595	137,428	748,338	171,609	39,945	-	-	1,351,915
incl. non-recurring other operating adjustment) (Note 23)	(20,670)	330,898	(31,470)	111,738	(102,448)	47,219,302	(41,635,705)	5,871,646
Allowance for impairment of loans issued	-	-	-	-	-	2,350	-	2,350
Operating profit/(loss)	11,852,259	4,199,907	2,817,668	19,462,276	219,941	29,284,021	(28,947,166)	38,888,906
Adjustments:								
Depreciation and amortisation included in operating profit	1,765,462	3,274,388	2,725,353	6,177,577	282,433	93,686	-	14,318,899
Non-recurring other operating adjustment (Note 23)	20,670	(330,898)	31,470	(111,738)	102,448	(47,219,302)	41,635,705	(5,871,646)

¹ Elimination is comprised of the revaluation of fair value of sugar beet recognised as inventory in sugar segment.

2024	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
Net loss/ (gain) on revaluation of biological assets and agricultural produce	-	(1,023,577)	2,164,904	-	465,347	-	4,049,584	5,656,258
Allowance for impairment of loans issued	-	-	-	-	-	(2,350)	-	(2,350)
Adjusted EBITDA¹	13,638,391	6,119,820	7,739,395	25,528,115	1,070,169	(17,843,945)	16,738,123	52,990,068
2023 (restated ²)	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
Sales (Note 19)	64,759,897	48,462,322	56,868,247	135,440,346	-	1,926,879	(31,381,632)	276,076,059
Net gain/ (loss) on revaluation of biological assets and agricultural produce (Note 9) ³	-	2,746,737	(1,956,844)	-	-	-	2,908,800	3,698,693
Cost of sales (Note 20)	(42,133,407)	(43,021,660)	(36,689,851)	(106,396,358)	-	(1,351,023)	25,113,696	(204,478,603)
incl. depreciation	(2,068,084)	(4,374,682)	(3,245,776)	(5,084,862)	-	(20,210)	(102,652)	(14,896,266)
Net gain / (loss) from trading derivatives	-	-	(205)	-	-	-	-	(205)
Gross profit	22,626,490	8,187,399	18,221,347	29,043,988	-	575,856	(3,359,136)	75,295,944
Selling and distribution, general and administrative expenses (Notes 21, 22)	(6,108,845)	(4,217,539)	(7,912,937)	(16,261,425)	-	(1,856,052)	5,323,113	(31,033,685)
incl. amortisation and depreciation	(63,043)	(132,991)	(464,538)	(891,686)	-	(105,845)	102,652	(1,555,451)
Other operating income/(expenses), net (Note 23)	612,182	(270,454)	1,458,064	(1,483,068)	-	11,351,708	(9,185,465)	2,482,967
incl. reimbursement of operating costs (government grants)	221,704	165,233	844,744	311,801	-	-	-	1,543,482
incl. non-recurring other operating adjustment) (Note 23)	49,633	448,108	517,807	(1,042,774)	-	5,693,531	(2,498,846)	3,167,460

¹ Non-IFRS required measure.

² See Note 25

³ Elimination is comprised of the revaluation of fair value of sugar beet recognised as inventory in sugar segment.

2023 (restated ²)	Sugar	Meat	Agriculture	Oil and Fat	GK Agro-Belogorie	Other	Elimination	Total
Reversal of allowance for impairment of loans issued	-	-	-	-	-	7,983	-	7,983
Operating profit/ (loss)	17,129,827	3,699,406	11,766,474	11,299,495	-	10,079,495	(7,221,488)	46,753,209
Adjustments:								
Depreciation and amortisation included in operating profit	2,131,127	4,507,673	3,710,314	5,976,548	-	126,055	-	16,451,717
Non-recurring other operating adjustment (Note 23)	(49,633)	(448,108)	(517,807)	1,042,774	-	(5,693,531)	2,498,846	(3,167,460)
Net loss/ (gain) on revaluation of biological assets and agricultural produce	-	(2,746,737)	1,956,844	-	-	-	(2,908,800)	(3,698,693)
Recovery of allowance for impairment of loans issued	-	-	-	-	-	(7,983)	-	(7,983)
Adjusted EBITDA¹	19,211,321	5,012,234	16,915,825	18,318,817	-	4,504,036	(7,631,442)	56,330,790

¹ Non-IFRS measures

² Elimination is comprised of the revaluation of fair value of sugar beet recognised as inventory in sugar segment

31. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including commodity price risk, foreign exchange risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group does not use derivative financial instruments to hedge its risk exposure, except for foreign currency forward contracts.

Operating risk management is carried out on the level of the finance function of the Group's business segments with overall monitoring and control by management of the Group. The management is implementing principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest-rate risk, credit risk, use of non-derivative financial instruments, and investing excess liquidity.

Credit risk

The credit risk represents the risk of losses for the Group owing to default of counterparties on obligations to transfer to the Group cash and cash equivalents and other financial assets. Activities of the Group that give rise to credit risk include granting loans, making sales to customers on credit terms, placing deposits with banks and performing other transactions with counterparties giving rise to financial assets.

The Group's maximum exposure to credit risk at the reporting date without taking account of any collateral held is as follows:

	31 December 2024	Restated ¹ 31 December 2023
Long-term financial assets		
Bank deposits with maturity of more than twelve months (Note 10)	14,070,634	14,071,101
Bonds held to collect (Note 10, 15)	19,900,000	19,900,000
Investments in third parties (Note 10)	-	8,556,556
Total long-term financial assets	33,970,634	42,527,657

¹ See Note 25

	31 December 2024	Restated ¹ 31 December 2023
Short-term financial assets		
Bank deposits with initial maturity of more than three months (Note 4)	-	931,531
Financial assets within trade and other receivables (Note 5)	78,781,707	36,376,971
Cash and cash equivalents (Note 3)	33,329,058	24,885,675
Loans to third parties (Note 4)	1,498,179	1,528,294
Interest receivable on long-term bonds held to maturity (Note 4)	218,125	218,027
Total short-term financial assets	113,827,069	63,940,498
Total	147,797,702	106,468,155

As at 31 December 2024, the Group held collateral in the amount of RUB 443,271 thousand (31 December 2023¹: RUB 979,089 thousand) in respect of trade receivables. Geographical concentration of the Group's credit risk is in the Russian market, as the majority of the Group's customers operate in the Russian Federation.

Credit risk grading system. For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies two approaches – an Internal Risk-Based (IRB) rating system or risk grades estimated by external international rating agencies (Standard & Poor's (S&P), Fitch, Moody's). Internal and external credit ratings are mapped on an internally defined master scale with a specified range of probabilities of default as disclosed in the table below:

Master scale credit risk grade	Corresponding internal ratings	Corresponding ratings of external international rating agencies	Corresponding PD interval
Excellent	1 – 6	AAA to BB+	0.01% - 0.05%
Good	7 – 14	BB to B+	0.06% - 1%
Satisfactory	15 – 21	B, B-	1% - 5%
Special monitoring	22 – 25	CCC+ to CC-	6% - 99.9%
Default	26 – 30	C, D-I, D-II	100%

Each master scale credit risk grade is assigned a specific degree of creditworthiness:

- Excellent – strong credit quality with low expected credit risk;
- Good – adequate credit quality with a moderate credit risk;
- Satisfactory – moderate credit quality with a satisfactory credit risk;
- Special monitoring – facilities that require closer monitoring and remedial management; and
- Default – facilities in which a default has occurred.

The IRB system is designed internally, and ratings are estimated by management. Various credit-risk estimation techniques are used by the Group depending on the class of the asset. There are three commonly used types of such systems:

- Model-based – In this system, credit risk ratings are assigned by internally developed statistical models with the limited involvement of credit officers. Statistical models include qualitative and quantitative information that shows the best predictive power based on historical data on defaults.
- Expert judgement-based – In this system, credit risk ratings are assigned subjectively by experienced credit officers based on internally developed methodology and different qualitative and quantitative factors. This approach is based on expert methodology and judgements rather than on sophisticated statistical models.
- Hybrid – This rating system is a combination of the two systems above. It is developed by using historical data combined with expert input.

The Group applies IRB systems for measuring credit risk for the following financial assets: cash and cash equivalents, bank deposits, bonds held for trading.

The table below discloses the credit quality of cash and cash equivalents balances and bank deposits based on credit risk grades at 31 December 2024.

	Cash and cash equivalents	Bank deposits	Total
- Excellent	33,314,549	14,070,634	47,385,183
- Good	14,509	-	14,509
Total cash and cash equivalents and bank deposits	33,329,058	14,070,634	47,399,692

The table below discloses the credit quality of cash and cash equivalents balances and bank deposits based on credit risk grades at 31 December 2023.

	Cash and cash equivalents	Bank deposits	Total (restated ¹)
- Excellent	24,846,016	15,002,165	39,848,181
- Good	39,659	-	39,659
Total cash and cash equivalents and bank deposits	24,885,675	15,002,165	39,887,840

¹ See Note 25

The credit quality of cash and cash equivalents, bank deposits and restricted cash balances may be summarised as:

	31 December 2024			31 December 2023		
	Rating agency	Rating	Balance	Rating agency	Rating	Balance
Vnesheconombank	AKRA	AAA	14,070,647	AKRA	AAA	14,071,133
Rosselkhozbank	AKRA	AA	13,319,042	AKRA	AA	20,431
Sberbank	AKRA	AAA	10,482,598	AKRA	AAA	650,531
Alfa Bank	AKRA	AA+	4,138,649	AKRA	AA	21,711,349
Locko Bank	AKRA	A-	3,005,939	AKRA	A-	437
Sovcombank	AKRA	AA	2,000,031	-	-	-
GPB Bank	AKRA	AA+	241,267	AKRA	AA+	1,343,110
Bank of China	AKRA	AA+	94,898	-	-	-
T-Bank (Rosbank)	AKRA	AA-	31,532	AKRA	AAA	1,972,747
AB Russia Bank	AKRA	AA-	8,761	AKRA	AA-	22,570
Credit Europe Bank	AKRA	BBB+	535	AKRA	BBB+	69,411
VTB Bank	AKRA	AAA	350	-	-	-
Solidarnost	AKRA	BB-	-	AKRA	BB-	18,847
Other	-	-	5,443	-	-	7,274
Total cash at bank and bank deposits (Notes 3, 4, 10)			47,399,692			39,887,840

Expected credit loss measurement. Expected credit loss is a probability-weighted estimate of the present value of future cash shortfalls. An expected credit loss measurement is unbiased and is determined by evaluating a range of possible outcomes. Expected credit loss measurement is based on four components used by the Group: Probability of Default, Exposure at Default, Loss Given Default and Discount Rate.

Exposure at Default is an estimate of exposure at a future default date, taking into account expected changes in the exposure after the reporting period, including repayments of principal and interest, and expected drawdowns on committed facilities.

- the borrower is more than 90 days past due on its contractual payments;
- international rating agencies have classified the borrower in the default rating class;
- the borrower meets the unlikelihood-to-pay criteria listed below:
 - the borrower is deceased;
 - the borrower is insolvent;
 - it is becoming likely that the borrower will enter bankruptcy.

Forward-looking information incorporated in the ECL models. The Group identified certain key economic variables that correlate with developments in credit risk and ECLs. As with any economic forecast, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios. The Group regularly reviews its methodology and assumptions to reduce any difference between the estimates and the actual loss of credit. Such backtesting is performed at least once a year.

The results of backtesting the ECL measurement methodology are communicated to Group Management and further steps for tuning models and assumptions are defined after discussions between authorised persons.

Neither past due nor impaired trade receivables relate to the customers who have a long-standing relationship with the Group and a sound trading history.

Concentrations of trade receivables by type of customer are as follows:

	31 December 2024	Restated ¹ 31 December 2023
Distribution and retail outlets	62,533,713	23,712,547
Manufacturers (candy, juice and other)	6,081,180	5,060,279
Other not categorised	8,153,577	4,954,366
Total trade receivables	76,768,470	33,727,192

The majority of the customers do not have independent ratings. To minimise the risk of default on payment of amounts due by counterparties for supplied goods or rendered services the Group regularly revises the maximum amount of credit and grace periods for each significant customer.

Financial assets that are impaired as at the reporting date

The table below shows the analysis of impaired financial assets:

	31 December 2024		31 December 2023 (restated ¹)	
	Nominal value	Impairment	Nominal value	Impairment
Impaired receivables (Note 5):				
• trade receivables	3,639,583	(3,639,583)	3,013,312	(3,013,312)
• other receivables	61,067	(61,067)	12,609	(12,608)
Total	3,700,650	(3,700,650)	3,025,921	(3,025,920)

Financial assets are impaired when there is evidence that the Group will not receive the full amount due or receive the full amount later than contracted. Factors to consider include whether the receivable is past due, the age of the receivable and past experience with the counterparty.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

¹ See Note 25

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date:

	Carrying amount				Contractual undiscounted cash flows	
As at 31 December 2024		Total	2025	2026	2027-2029	After 2029
Loans and borrowings (Note 15)						
• principal amount	157,388,042	176,214,306	93,414,240	8,928,576	40,360,690	33,510,800
• interest	3,609,291	30,830,183	8,009,576	2,801,229	6,669,709	13,349,669
Lease liabilities (Notes 12, 15)	8,862,848	11,307,081	1,505,186	1,324,312	2,995,759	5,481,824
Financial liabilities within trade and other payables (Note 16)	55,464,458	55,464,458	55,464,458	-	-	-
Total	225,324,639	273,816,028	158,393,460	13,054,117	50,026,158	52,342,293

	Carrying amount				Contractual undiscounted cash flows	
As at 31 December 2023 (restated ¹)		Total	2024	2025	2026-2028	After 2028
Loans and borrowings (Note 15)						
• principal amount	125,544,909	145,350,390	66,674,262	10,521,261	37,407,175	30,747,692
• interest	2,486,063	25,088,287	2,987,063	2,257,782	5,574,272	14,269,170
Lease liabilities (Notes 12, 15)	5,423,271	8,205,508	807,988	665,523	1,543,229	5,188,768
Financial liabilities within trade and other payables (Note 16)	42,550,957	42,550,957	42,550,957	-	-	-
Total	176,005,200	221,195,142	113,020,270	13,444,566	44,524,676	50,205,630

¹ See Note 25

The exchange rates used for calculating payments for bank borrowings denominated in currencies other than Russian Roubles:

	31 December 2024	Restated ¹ 31 December 2023
US Dollar	101.6797	89,6883
Euro	106.1028	99,1919

In addition, the Group has commitments as disclosed in Note 32.

Market risk

Market risk, associated with financial instruments, is the risk of change of fair value of financial instruments or the future cash flows expected on a financial instrument, owing to change in interest rates, exchange rates, prices for the commodities or other market indicators. From the risks listed above the Group is essentially exposed to the risks associated with changes in interest rates, exchange rates and commodity prices.

Cash flow and fair value interest rate risk

The Group's income and operating cash flows are exposed to changes in market interest rates.

The Group's interest rate risk arises from short-term and long-term borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group's policy is to maintain most of its borrowings in fixed rate instruments. The Group does not have formal policies and procedures in place for management of fair value interest rate risk.

Loans and borrowings received have a floating rate linked to the CBR key rate.

Interest rates under most of the Group's borrowings are fixed. However, the terms of the contracts stipulate the right of the creditor for a unilateral change of the interest rate (both increase and decrease), which can be based, among other triggers, on a decision of the CBR to change the refinancing rate.

Bank deposits and loans issued bear fixed interest rate and therefore are not exposed to cash flow interest rate risk.

The Group analyses its interest rate exposure on a continuous basis. Various scenarios are considered taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift.

For each scenario, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

If interest rates had increased/decreased by 500 basis points during the year ended 31 December 2024, profit before tax would have been RUB 2,117,442 thousand lower/higher.

If interest rates had increased/decreased by 500 basis points during the year ended 31 December 2023, profit before tax would have been RUB 11,493 thousand lower/higher.

Foreign exchange risk

As at 31 December 2024 and 2023, foreign exchange risk arises on cash in banks, short-term investments, trade and other receivables, borrowings and trade and other payables denominated in foreign currency (Notes 3, 4, 5, 15 and 16).

At 31 December 2024, if the Russian Rouble had weakened/strengthened by 30% (31 December 2023: 30%) against the US dollar with all other variables held constant, the Group's profit before taxation and equity would have been RUB 8,339,756 thousand (2023¹: RUB 1,085,293 thousand) higher/lower.

At 31 December 2024, if the Russian Rouble had weakened/strengthened by 30% (31 December 2023¹: 30%) against the Euro with all other variables held constant, the Group's profit before taxation and equity would have been RUB 123,864 thousand (2023¹: RUB 92,520 thousand) higher/lower.

¹ See Note 25

Purchase price risk

The Group is exposed to equity securities price risk arising on investments held by the Group and classified in the consolidated statement of financial position at fair value through other comprehensive income (Note 10). The Group does not manage its price risk arising from investments in equity securities.

Sales price risk

Changes in white sugar prices are closely related to changes in world raw sugar prices. The storage facilities of own sugar plants permit to build up stocks of white sugar to defer sales to more favourable price periods.

The Group is exposed to financial risks arising from changes in meat and crops prices (Note 9).

Fair value estimation

The estimated fair values of financial instruments have been determined by the Group using available market information, where it exists, and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to determine the estimated fair value. The Russian Federation continues to display some characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distress sale transactions and therefore not represent fair values of financial instruments. Management has used all available market information in estimating the fair value of financial instruments.

Financial assets carried at amortised cost

The fair value of floating rate instruments is normally their carrying amount. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on credit risk of the counterparty.

Liabilities carried at amortised cost

The fair value of floating rate instruments is normally their carrying amount. The estimated fair value of fixed interest rate instruments with stated maturity was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

As at 31 December 2024 and 2023, the carrying amount of the Group's financial assets, excluding bank deposits and bonds held-to-receive, approximates their fair value and amounts to RUB 113,608,944 thousand (2023¹: RUB 71,347,496 thousand).

As at 31 December 2024, the fair value of bank deposits and bonds held-to-receive, the fair value of which is determined for presentation purposes using Level 2 inputs only, is lower than their carrying amount by RUB 8,399,040 thousand (2023¹: RUB 3,174,265 thousand).

Financial liabilities include loans and borrowings whose fair value is determined for presentation purposes only using Level 2 inputs. As at 31 December 2024, the fair value of borrowings was below their carrying amount by RUB 10,681,678 thousand (2023¹: RUB 2,061,306 thousand).

For measurement purposes, IFRS 9 Financial Instruments classifies bonds held-to-maturity, loans receivable, long-term loans and borrowings into Level 2 of the fair value hierarchy. Other financial instruments, except for bonds held for trading, are categorised into Level 3 of the fair value hierarchy.

The fair value of bonds held for trading is determined based on open active markets and is within Level 1 of the fair value hierarchy.

Capital management

The primary objective of the Group's capital management is to maximize shareholder's return while sustaining a reasonable level of financial risks. The Group does not have a quantified target level

of shareholder's return or capital ratios. To fulfil capital management objectives while providing for external financing of regular business operations and investment projects, the Group management compares expected return of these operations and projects with the costs of debt and maintains prudent financial risk management as described above.

The Group companies complied with all externally imposed capital requirements throughout 2024 and 2023.

¹ See Note 25

32. Contingencies

Tax legislation

Russian tax and customs legislation which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged tax authorities. Russian tax administration is gradually strengthening, including the fact that there is a higher risk of review of tax transactions without a clear business purpose or with tax noncompliant counterparties. Fiscal periods remain open to review by the authorities in respect of taxes for three calendar years preceding the year when decisions about the review was made. Under certain circumstances reviews may cover longer periods.

Russian transfer pricing legislation is generally aligned with the international transfer pricing principles developed by the Organisation for Economic Cooperation and Development (OECD), with certain specific features. Transfer pricing legislation provides for the possibility of additional tax assessment for controlled transactions (transactions between related parties and certain transactions between unrelated parties) if such transactions are not on an arm's length basis. Management has implemented internal controls to be in compliance with current transfer pricing legislation.

Tax liabilities arising from controlled transactions are determined based on their actual transaction prices. It is possible, with the evolution of the interpretation of the transfer pricing rules, that such prices could be challenged. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the Group's operations.

The Group's Management believes that its interpretation of the relevant legislation is appropriate, and the Group's tax and customs positions will be sustained. Accordingly, at 31 December 2024 no provision for potential tax liabilities had been recorded (31 December 2023: no provision). Management will vigorously defend the Group's positions and interpretations that were applied in determining taxes recognised in these consolidated financial statements if these are challenged by the authorities.

Planned changes in tax legislation

In July 2024, a law providing for a comprehensive change in the Russian tax system options was approved, in particular:

- increase in the common income tax rate to 25%;
- increase in the withholding tax rate to 25% (except for rates for certain categories of income);
- introduction of differentiated personal income tax rates depending on the amount and type of income received by a taxpayer in a tax period.

The changes are scheduled to come into force on 1 January 2025.

Social obligations

Some production companies of the Group have collective agreements signed with the employees. Based on these contracts the companies make social payments to the employees. The amounts payable are determined in each case separately and depend primarily on performance of the company. These payments do not satisfy the liability recognition criteria listed in IAS 19 Employee Benefits. Therefore, no liability for social obligations was recognised in these consolidated financial statements.

Legal proceedings

From time to time and in the normal course of business, claims against the Group may be received. On the basis of its own estimates, management is of the opinion that no material losses will be incurred in respect of claims.

There are no current legal proceedings or other claims outstanding which could have a material effect on the results of operations and financial position of the Group.

Operating environment of the Group

The uncertainties related to the operating environment of the Group are described in Note 1.

33. Commitments


Contractual capital expenditure commitments

As at 31 December 2024, the Group had outstanding contractual commitments for the acquisition or construction of property, plant and equipment in the amount of RUB 15,030,518 thousand (31 December 2023*: RUB 6,428,780 thousand).

34. Subsequent events

In Q1 2025, the distribution of Rusagro Group PJSC shares to holders of Global Depositary Receipts (GDRs) and beneficiaries of ROS AGRO PLC in proportion to their indirect equity interest in Rusagro Group PJSC was completed.

No other subsequent events were identified.

 Consolidated financial statements of Rusagro Group PJSC for 12 months 2024 (RAS)

CONTACT INFORMATION

Full corporate name

Rusagro Group PJSC

Independent auditors

JSC "Kept"
Business center Alcon III,
34A Leningradsky Prospekt
Moscow, Russia 125040

Short corporate name

Rusagro

Legal address

20B Studenetskaya Naberezhnaya Str., floor 3, room 303,
Tambov Region, Tambov

Mailing address

35 Valovaya St., floor 5, room 256, Moscow

Contact for shareholders and investors

Email: ir@rusagrogroup.ru

Company website

In RUS: <https://www.rusagrogroup.ru/ru/>

In ENG: <https://www.rusagrogroup.ru/en/>

¹ See Note 25