

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.

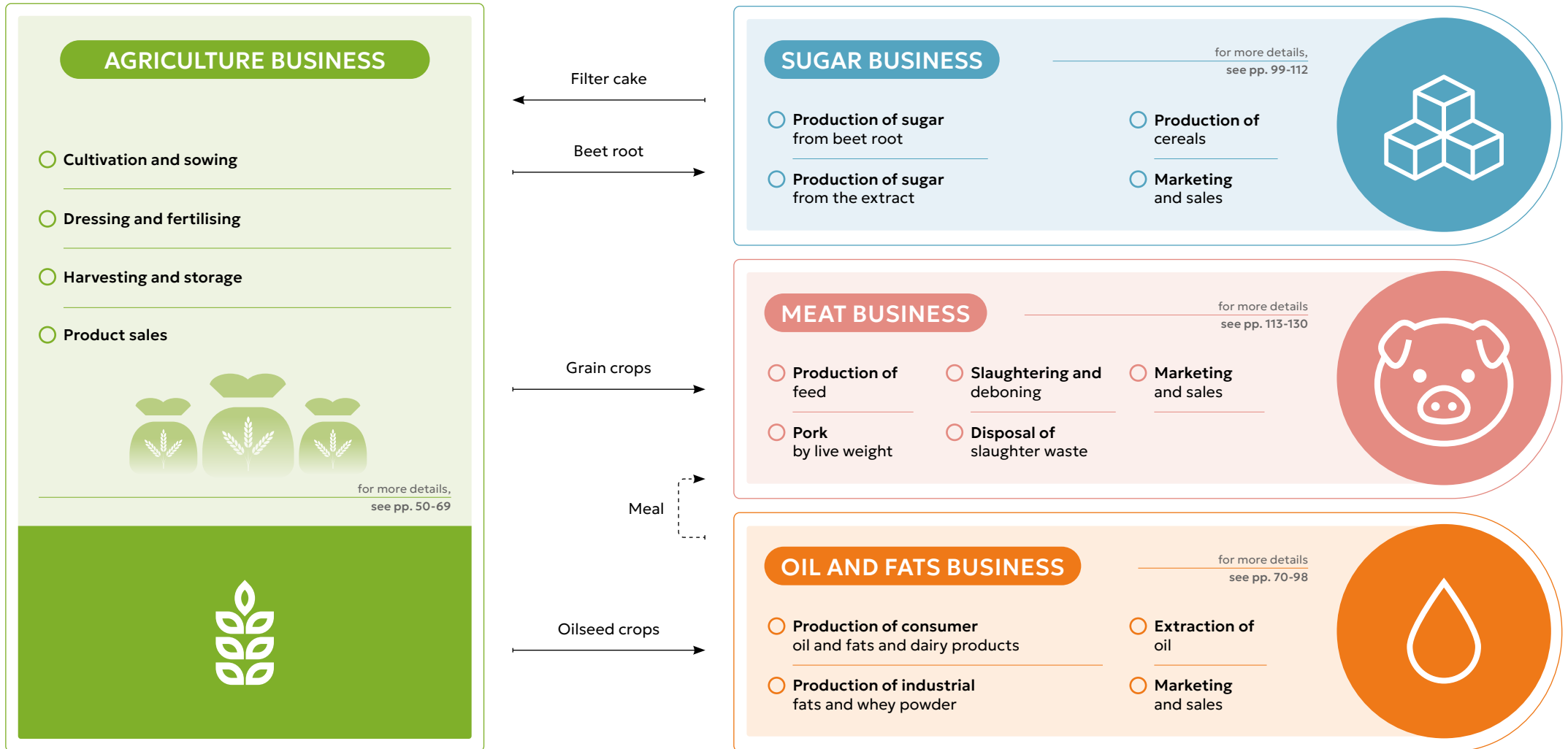


The **Oil and Fats Business** uses soya and sunflower seeds supplied by the **Agriculture Business** to make oil. The oil is then sold in bulk to third-party companies and is used at Rusagro Group's oil and fats plants to produce own branded products. Part of the meal, which is a by-product of the oil 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



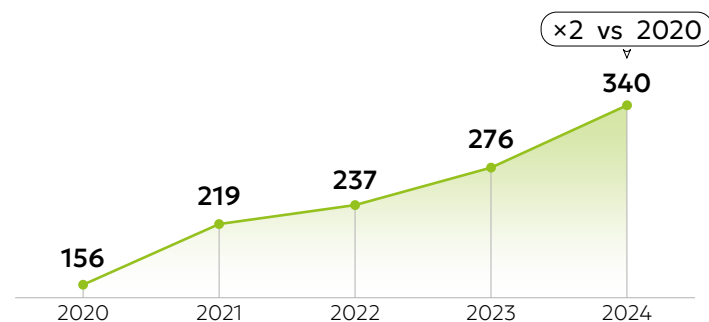
SUSTAINED GROWTH IN FINANCIAL PERFORMANCE

Ingredient N°2

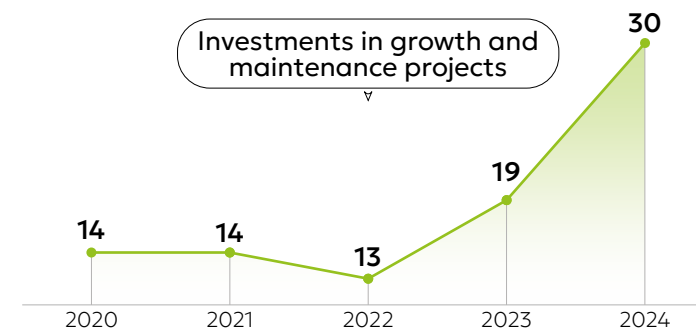
The achievement of the **Development Strategy's** top targets has allowed Rusagro Group to grow steadily.

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.

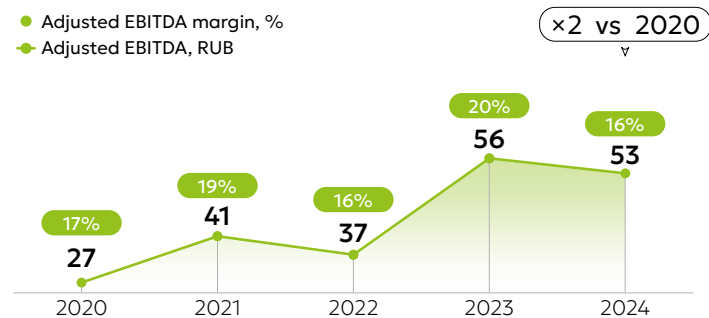
Revenues, RUB bn



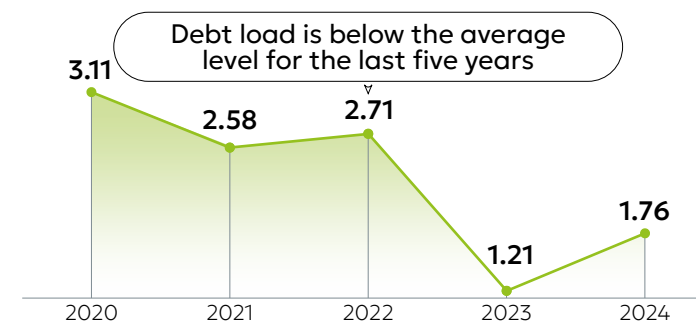
Investments, RUB bn



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

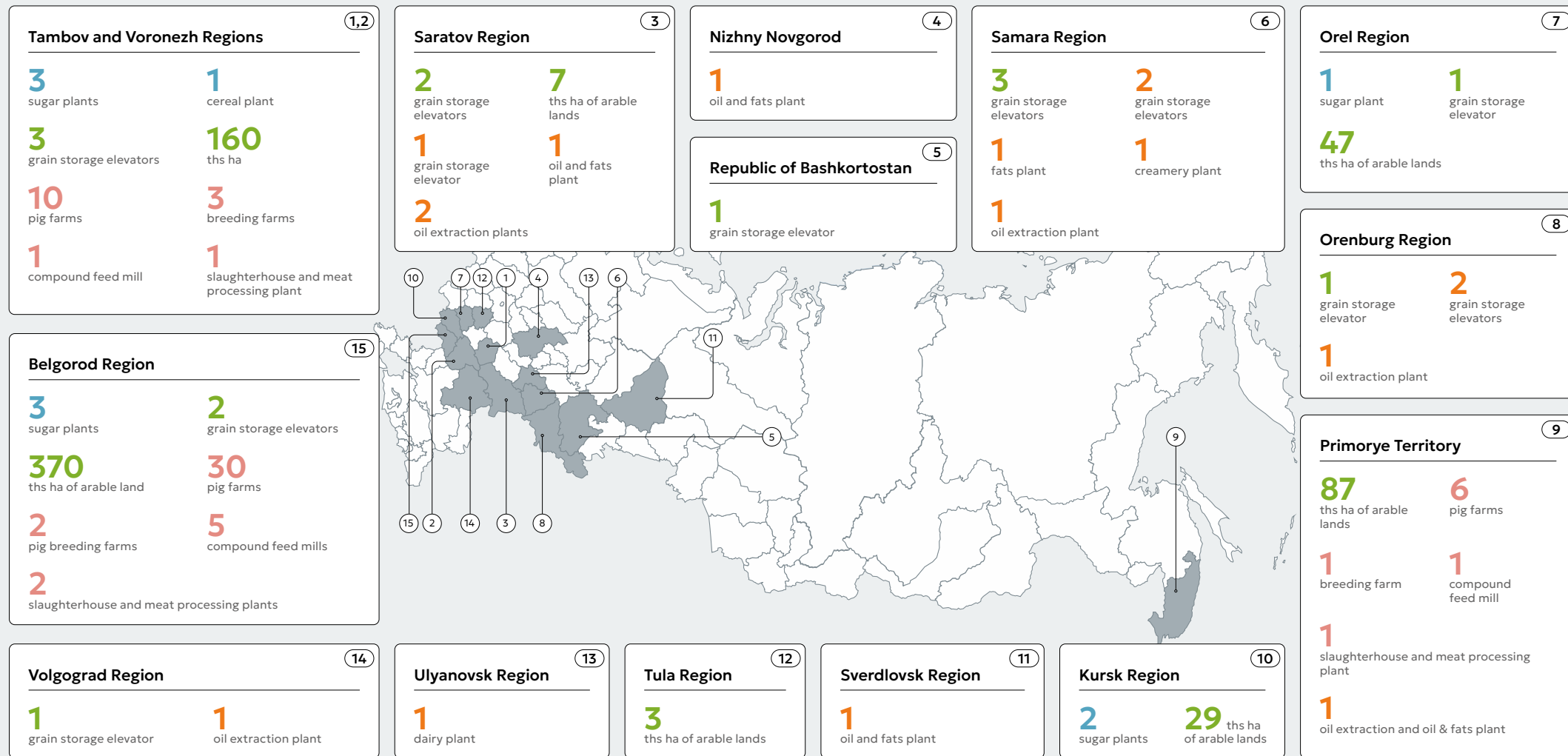
 **1.0** MNTPA
Sugar

 **1.1** MNTPA
Raw oil

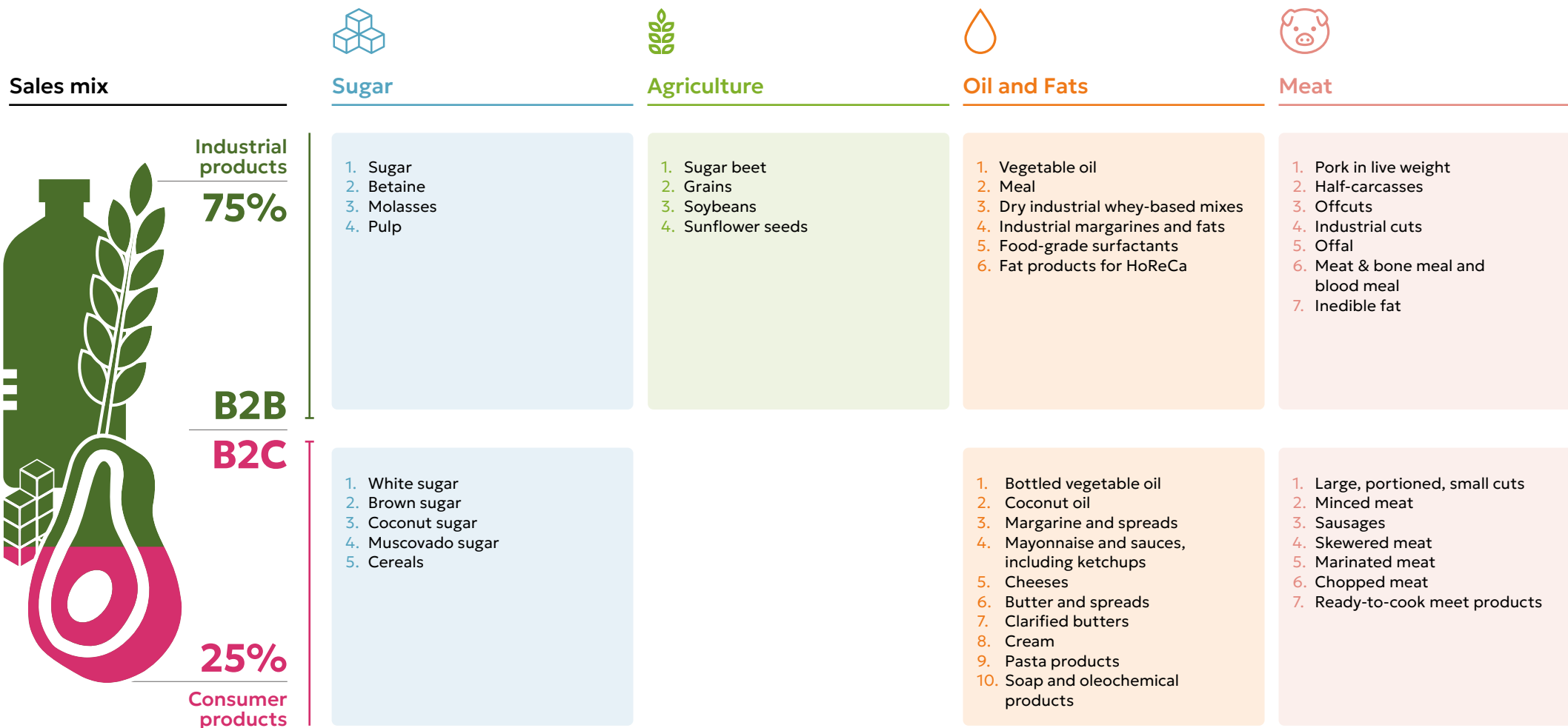
 **0.6** MNTPA
Production of pork in live weight

Geography of assets by segment and region

● Sugar ● Agriculture ● Oil and Fats ● Meat



Rusagro Group products



Rusagro Group brands

OIL AND FATS BUSINESS



SUGAR BUSINESS



MEAT BUSINESS



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

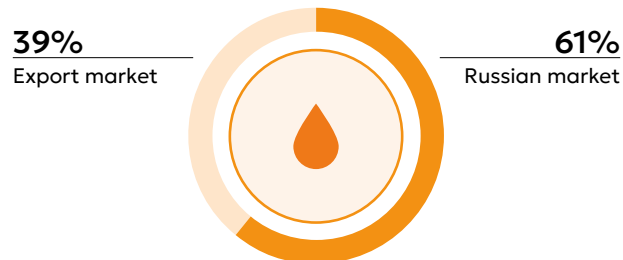
Sugar segment



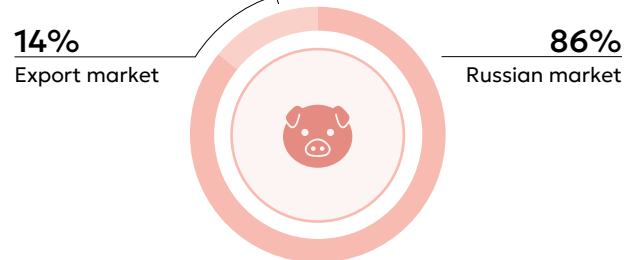
Agriculture segment



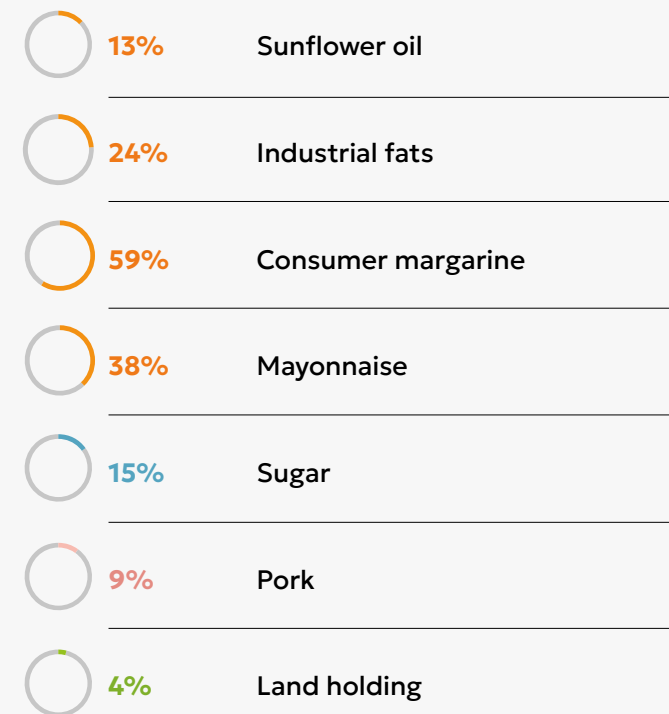
Oil and Fats segment



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

