

FINANCIAL RESULTS, for the year ended 30 June 2016

20th of June, 2017

Financial Highlights

	<i>FY 2016</i>
EBITDA*, USD thousand	5,810
EBITDA margin, %	9%
Gross margin, %	46%
Total principal amount of debt including guarantees, USD thousand	1,053,589

*EBITDA before administrative costs relating to debt restructuring

- ❖ Financial statements issued for the financial year ended 30 June 2016 are the first comprehensive audited financial statements issued by the new Mriya management.
- ❖ Due to the fact that Mriya Agro Holding PLC (the ultimate parent company of the group) is under liquidation, financials are presented under the IFRS 5, which are applicable to companies in liquidation.
- ❖ The main feature of IFRS 5 is that all items of property, plant and equipment are measured at lower of cost or net realizable value and are not depreciated.
- ❖ Debt is accounted for nominal value including accruals of all contractual interest, penalties and costs under existing defaulted credit agreements.

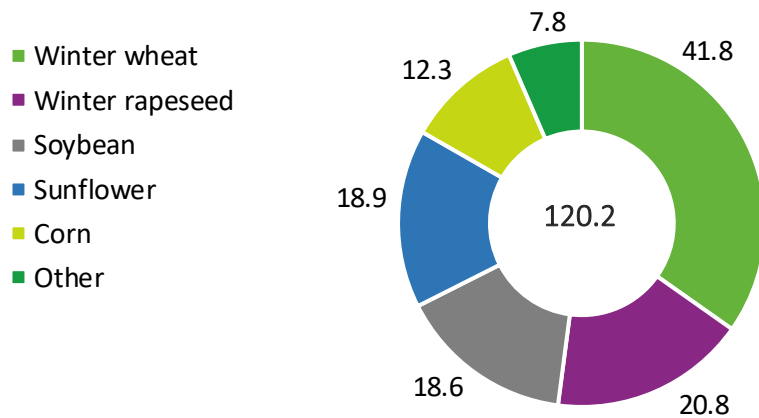
Cash Flow Highlights, USD thousand

	<i>FY 2016</i>
Net cash used in operating activities	(14,163)
Net cash used in investing activities	(3,196)
Net cash used in financing activities	(2,050)
Effect of exchange rate fluctuations on cash and cash equivalents	(2,641)
Cash and cash equivalents at 1 July 2015	27,401
Cash and cash equivalents at 30 June 2016	5,351

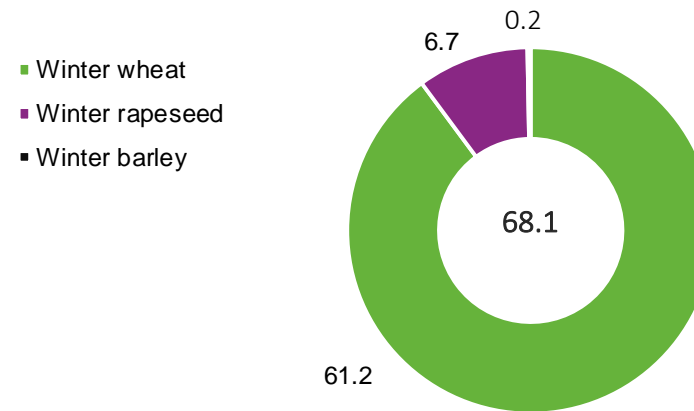
P&L Highlights, USD thousand

	<i>FY 2016</i>
Revenue	67,888
Costs of sales	(60,292)
Changes in fair value of biological assets	23,334
Gross profit	30,930
Results from operating activities before restructuring costs	5,810
Results from operating activities	(3,209)
Finance income	66
WC and fin. lease interest expenses	(2,943)
Foreign exchange loss	(73,645)
Finance costs, excluding WC and fin. lease interest expenses	(233,605)
Income tax expense	(1,510)
Loss for the period	(314,846)
Foreign currency translation reserve	62,337
Total comprehensive loss	(252,509)

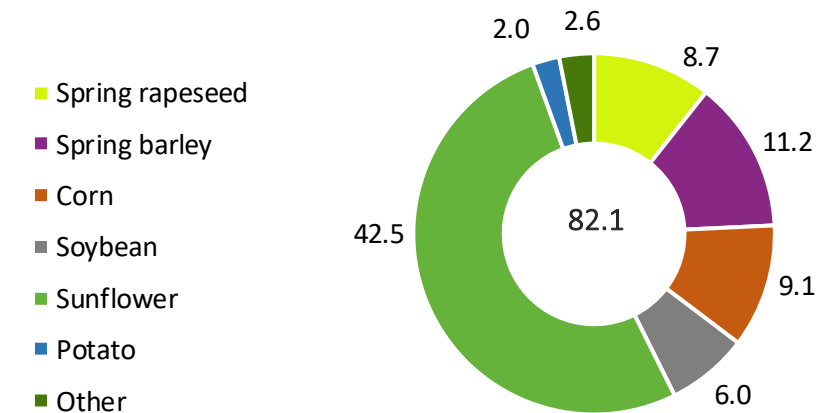
Harvested area per crop, kha



Sown area per winter crop as of 30 Jun 2016, kha



Sown area per spring crop as of 30 Jun 2016, kha

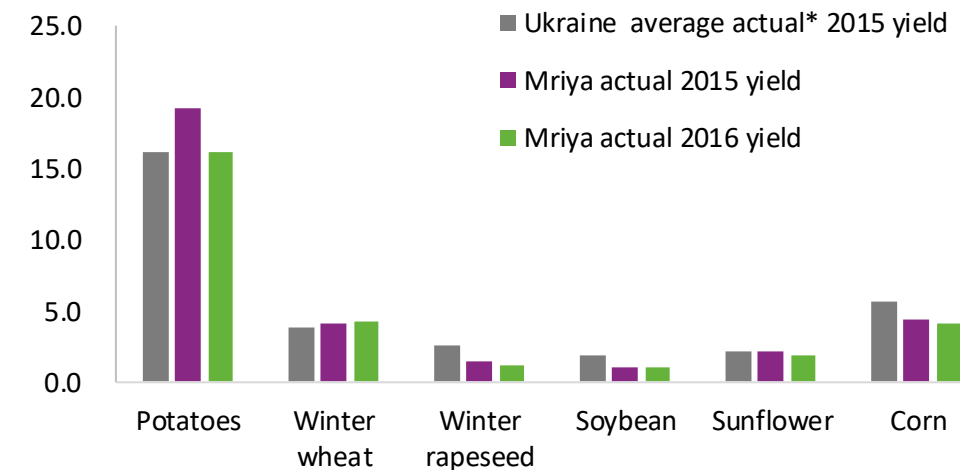


❖ In FY 2016 Mriya harvested 120 kha, of which winter wheat and winter rapeseed accounted for more than 50% of total harvested area, followed by spring crops (sunflower and soybean). For the next season company planted 68 kha of winter crops and 82 kha of spring crops.

❖ Mriya's yields in 2015 (FY 2016) were affected by the following key factors:

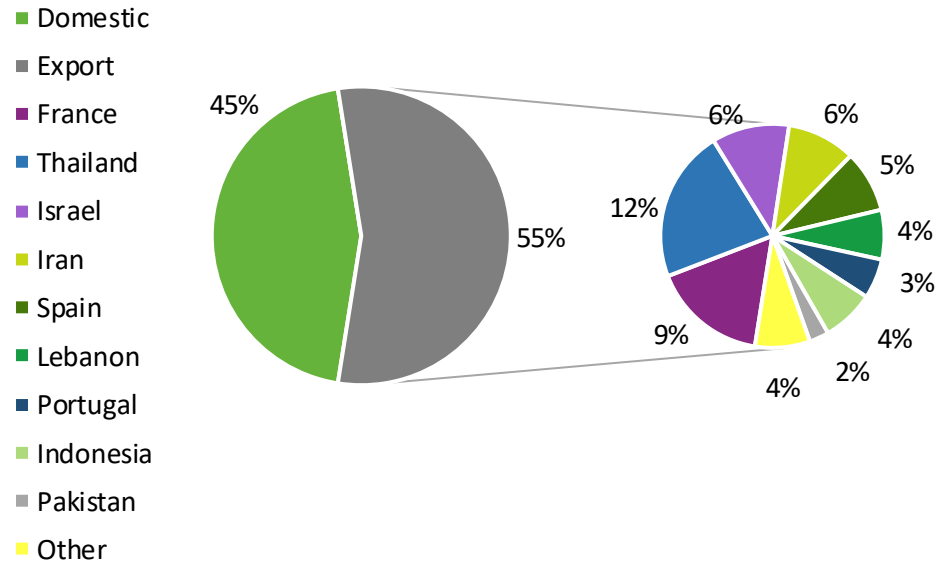
- Control over the company was taken by new management, who experienced some challenges before starting to operate the company efficiently.
- Delays in W/C financing.
- Unfavorable weather conditions.
- Operational and financial problems resulted from the actions of previous owners as well as continuous hostile actions by previous owners and management.

Crop yield (net), mt/ha

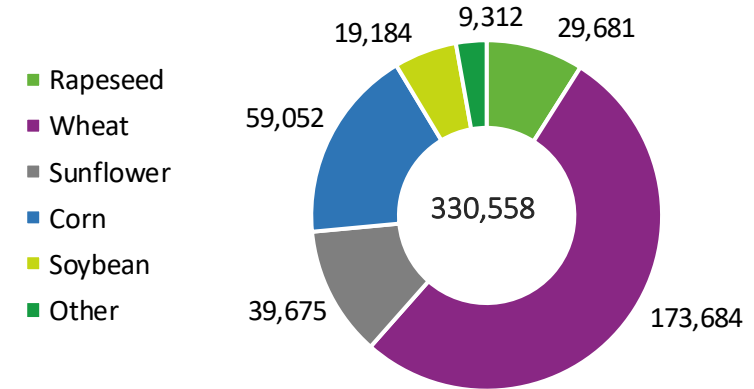


*Source: State Statistics Service of Ukraine

Sales breakdown by destinations

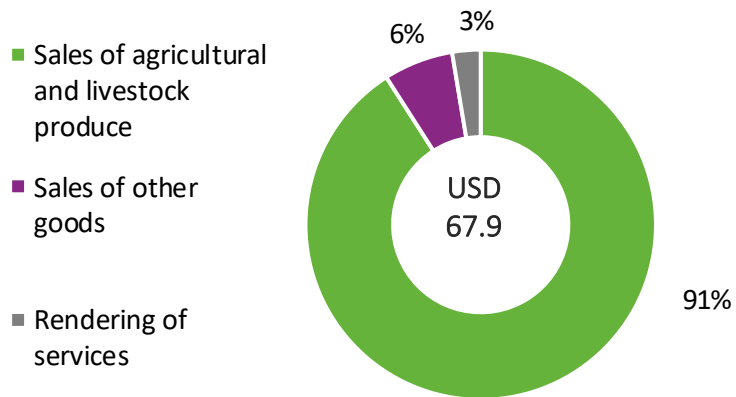


Sales per crop, mt

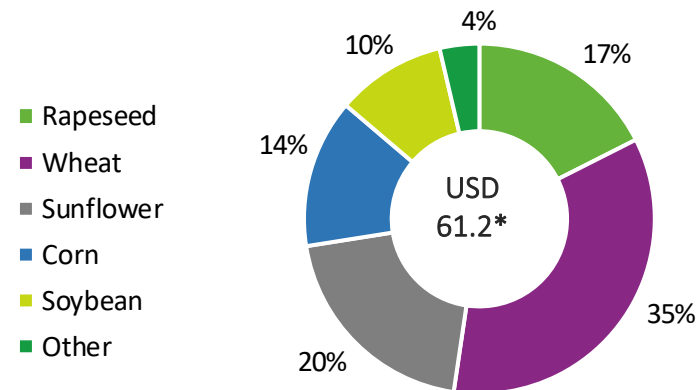


- ❖ In FY 2016, export sales volume amounted to 192 kmt. The company exported corn, wheat, rapeseed and soybean. The main export destinations were Thailand, France and Israel.
- ❖ Domestic market sales totaled 139 kmt and consisted mainly of wheat and sunflower.

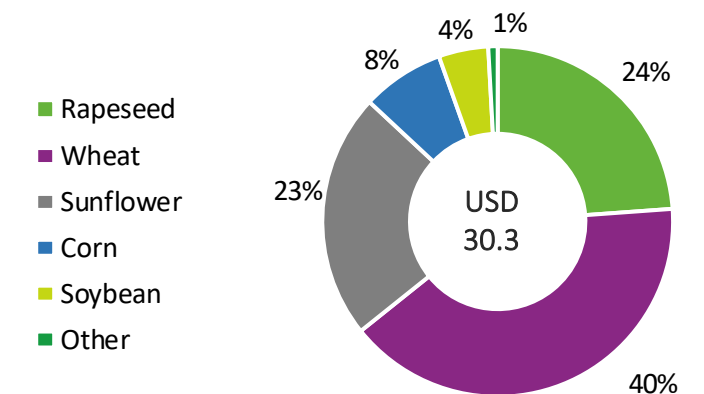
Revenue breakdown per segment



Revenue from sales of agricultural produce per crop



Gross profit from sales of agricultural produce per crop



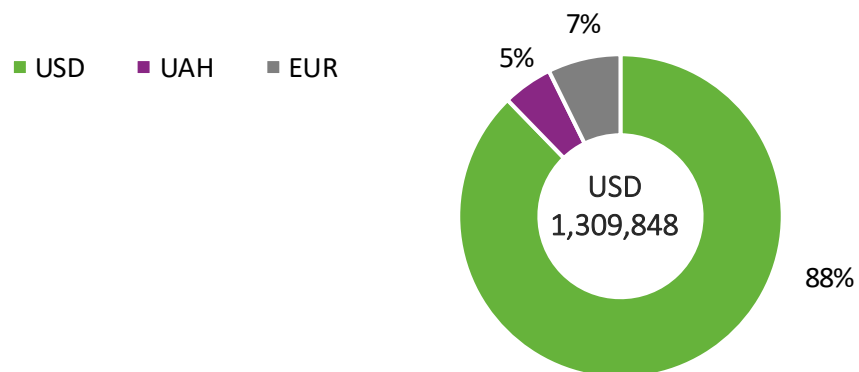
- ❖ Total Mriya revenue in FY 2016 was USD 68 million. It was mainly generated by sales of agricultural and livestock produce that amount to USD 62 million. Over USD 7 million of revenue stood for non-cash sale transactions, which are primarily sale of agricultural products in exchange for land lease services.
- ❖ Services provided by the company include reception and shipping of crops, as well as cleaning, drying and storage of crops at the company's elevators.
- ❖ Sales of other goods mainly represent sales of starch and sugar.

*Slightly decreased in comparison to H2 2015 due to currency exchange differences

Debt Profile

	30 Jun 2016, USD thousand	01 Jul 2015, USD thousand
Bonds issued principal amount	471,636	471,636
Bank loans and supplier credits principal amount	385,075	437,437
Working Capital loans principal amount	27,000	25,000
Total principal amount debt	883,711	934,073
Interest accrued	181,488	101,856
Interest accrued on Working Capital loan	216	167
Penalties on loans accrued	244,433	61,537
Total debt	1,309,848	1,097,633
Provision for guarantees principal amount	169,878	226,997
Interest and penalties on guarantees accrued amount	70,879	6,453
Total debt including guarantees	1,550,605	1,331,082

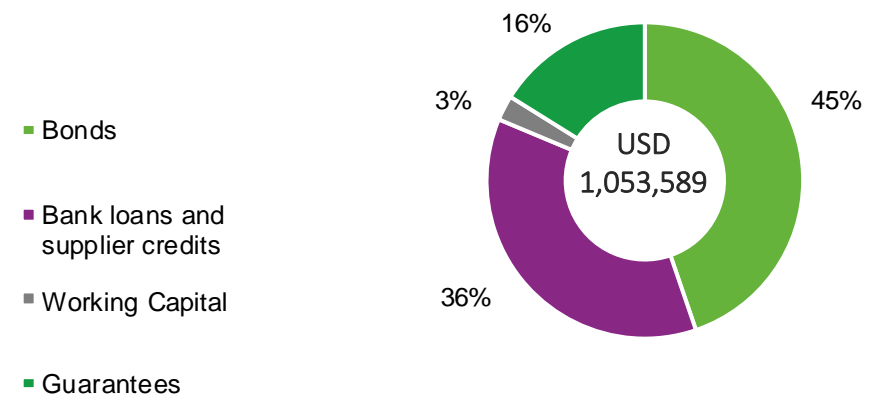
Total debt breakdown by currency



Comments

- ❖ In May 2016 Mriya obtained USD 27 million of Working Capital facility out of which USD 9 million were to refinance the remainder of the Working Capital facility that it raised in June 2015. Also in FY 2016 the company repaid USD 16 million out of USD 25 million of 2015 Working Capital.
- ❖ Changes in loans and borrowings are mainly represented by accrued interest, recognized guarantees, fines and penalties which are included in financial costs.

Principal amount debt including guarantees breakdown



Balance Sheet Highlights, USD thousand

	<i>as of 30 Jun 2016</i>	<i>Opening as of 01 Jul 2015</i>
Property, plant and equipment	135,241	159,558
Inventories	7,951	7,483
Biological assets	51,623	42,083
Cash and cash equivalents	5,351	27,401
Other assets	15,695	10,891
Total assets	215,861	247,416
Share capital	63	63
Share premium	86,245	86,245
Currency translation reserve	62,337	-
Revaluation reserve	76,172	-
Retained earnings (accumulated deficit)	(1,604,071)	(1,213,053)
Total equity (deficit)	(1,379,254)	(1,126,745)
Bond issued	572,786	527,142
Loans and borrowings	709,846	545,324
Working Capital loans	27,216	25,167
Provision for guarantees	240,757	233,450
Other liabilities	44,510	43,078
Total liabilities	1,595,115	1,374,161
Total equity and liabilities	215,861	247,416

Comments

- ❖ The cost of property, plant and equipment as of 30 June 2016 was calculated based on the fair value, evaluated by an independent appraiser – BDO Consulting LLC. The appraiser used the depreciated replacement cost and market approach.
- ❖ Changes in the cost of property, plant and equipment in comparison to opening Balance Sheet were related to changes in market conditions, currency exchange differences and write-offs due to the physical observation results.
- ❖ The company didn't make any payments on its legacy debt, as the restructuring proposal is being developed and negotiated.

Thank You

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