

# OPERATIONAL UPDATE, April 2016

27 May, 2016

- ❖ In April, Mriya went confidently ahead with the spring sowing campaign of 2016. By the end of the month, the company completed 50% of its spring sowing campaign plan and 30% of its planned works on winter crops. Overall weather conditions are favourable for completion of the spring planting campaign by the beginning of June.
- ❖ As a part of the company's program to restore its fleet of agricultural machinery, Mriya in April purchased two John Deere tractors and four Challenger No-till sowing machines.
- ❖ Start of May, the company obtained \$27 million of bridge financing to cover working capital needs until harvest, out of which \$9 million to refinance the remainder of 2015 Working Capital facility. The funds have been provided by Mriya's current creditors.
- ❖ The conditions under which the 2016 Working Capital facility was offered to the company, changed the overall restructuring parameters which were agreed among the Coordinating Committees of the creditors in November 2015 and therefore the creditors have entered into negotiations to agree on amended restructuring terms and conditions.
- ❖ On 11 May, the Cypriot court in charge of MAH PLC's provisional liquidation proceedings issued a winding up order against MAH PLC as supported by a number of Mriya's creditors. Subsequently, in addition to appointing the Official Receiver as Liquidator of MAH PLC, the court appointed Mr. Chris Iacovidis, previously the Provisional Liquidator of MAH PLC, as the Special Manager granting him all the powers that the Official Receiver has as Liquidator. The appointment of the Special Manager ensures both continuity of the management so that operations of Mriya remain unaffected by the winding up proceedings and continuity of actions in Cyprus.

## Winter crops 2015/16 - Sowing

<i>Crop</i>	<i>In ground as of 30/04/16, kha</i>	<i>Total planned *, kha</i>	<i>Completion, %</i>
Wheat	61,3***	60,6	101%
Rapeseed	6,7**	20,6	33%
Barley***	0,2	0,2	100%
<b>Total</b>	<b>68,1</b>	<b>81,3</b>	<b>84%</b>

\* Total area planned for sowing has been reduced from 97,4 kha to 81,3 kha due to the land bank rationalization

\*\*Taking into account the winter rapeseed losses of 13,9 kha, out of which losses of 0,5 kha occurred in April

\*\*\* As a result of the ongoing process of audit of land plots

## Comments

- Inspection of the condition of winter crops conducted in April revealed a loss of 0,5 kha of rapeseed. Therefore, the total loss of winter rapeseed constitutes 13,9 kha. This entire area has already been re-sown with spring rapeseed and sunflower.
- Winter crops received nitrogen fertilizers only in May, due to late WC arrival. The effect on winter rapeseed is a reduction in expected yield (-40% on 33% of the total rapeseed area). Winter wheat benefited from cold temperatures and spring rainfall, and is expected to produce budgeted yields.

## Spring crops 2016 - Sowing

<i>Crop</i>	<i>In ground as of 30/04/16, kha</i>	<i>Total planned*, kha</i>	<i>Completion, %</i>
Spring rapeseed	9,71	9,84	99%
Spring barley	11,17	11,17	100%
Sunflower	17,36	44,82	39%
Corn	1,41	9,08	16%
Soya	1,49	6,30	24%
Potato	1,61	1,99	81%
Other	0,41	2,40	17%
<b>Total</b>	<b>43,18</b>	<b>85,61</b>	<b>50%</b>

\* The spring sowing plan may be subject to insignificant changes due to optimization

## Comments

- Mriya has been successfully continuing its sowing campaign. In April, the company finished sowing spring barley. Spring rapeseed and potato were completed in early May, while sunflower, corn, and soya are scheduled to be completed by the end of May.
- Field works such as tillage, application of mineral fertilizers and spraying of plants are under way with some delays due to heavy spring rainfalls.

## Sales volumes shipped

<i>Crop</i>	<i>Shipped Mar 2016, kmt</i>	<i>Shipped Apr 2016, kmt</i>
Grains	0,00	4,21
Oilseeds	0,38	0,51
Other	0,08	0,00
<b>Total</b>	<b>0,46</b>	<b>4,72</b>

<i>Crop</i>	<i>Shipped Mar 2016, kmt</i>	<i>Shipped Apr 2016, kmt</i>
Export	0,00	1,40
Domestic sales	0,46	3,32
<b>Total</b>	<b>0,46</b>	<b>4,72</b>

## Inventory in elevators

<i>Crop</i>	<i>As of 31 Mar, kmt</i>	<i>As of 30 Apr, kmt</i>	<i>Change in inventory, kmt</i>
Grains	8,57	5,15	-3,43
Oilseeds	2,54	2,16	-0,39
Other	0,83	0,74	-0,09
<b>Total</b>	<b>11,94</b>	<b>8,04</b>	<b>-3,90</b>

## Comments

- The company is in the process of concluding forward contracts for sale and export of 2016 crops.

# Thank You

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