

# OPERATIONAL UPDATE, May 2016

29 June, 2016

- ❖ Mriya successfully completed the 2016 spring sowing campaign in the first decade of June. The beginning of the winter crops harvest is scheduled for the middle of July.
- ❖ In May, the company published its audited consolidated financial statements as of July 1, 2015. The report was presented as a consolidated opening balance sheet and established the opening financial position of the company after the new management appointment.
- ❖ Start of May, the company obtained \$27 million of bridge financing to cover Working Capital needs until harvest, out of which \$9 million are to refinance the remainder of the 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.
- ❖ In the mid-May, Mriya and Alfa-Bank Ukraine entered into the agreement on restructuring of a \$30 million secured loan. The agreement will enable the company to settle its overdue liabilities under the loan issued by Alfa-Bank Ukraine and service the debt on a scheduled basis. The agreement will be implemented by the end of 2016. The part of debt remaining after restructuring is expected to be repaid within 5 years.

## Winter crops 2015/16 - Sowing

Crop	In ground as of 31/05/16, kha	Total planned *, kha	Completion, %
Wheat	61,2***	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

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

## Comments

- Mriya has conducted all necessary preparation work on harvesting equipment, logistics and elevators and is fully ready to start its harvesting campaign, which is scheduled for the middle of July. The harvesting campaign will begin with winter wheat and barley, then proceed with winter and spring rapeseed.
- Winter wheat and barley yields are expected to be at the budgeted level or higher. Winter rapeseed suffered of bad weather conditions and was also affected by late fertilization because of the later than expected arrival of Working Capital. Its yield is forecasted to be at around 60% of the previously expected level.

## Spring crops 2016 - Sowing

Crop	In ground as of 31/05/16, kha	Total planned*, kha	Completion, %
Spring rapeseed	9,8	9,8	100%
Spring barley	11,2	11,2	100%
Sunflower	39,3	43,3	91%
Corn	9,1	9,1	100%
Soya	4,0	6,0	67%
Potato	2,0	2,0	100%
Other	1,6	2,5	66%
<b>Total</b>	<b>77,1</b>	<b>83,9</b>	<b>92%</b>

## Comments

- At the end of May, Mriya finished sowing spring rapeseed, corn and potato. Sowing of sunflower, soya and other crops for the company's livestock business were at that period near the end.
- The fields are currently in the phase of ongoing application of fertilizers and chemicals.

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

## Sales volumes shipped

<i>Crop</i>	<i>Shipped Apr 2016, kmt</i>	<i>Shipped May 2016, kmt</i>
Grains	4,21	0,11
Oilseeds	0,51	0,32
Other	0,00	0,01
<b>Total</b>	<b>4,72</b>	<b>0,44</b>

<i>Crop</i>	<i>Shipped Apr 2016, kmt</i>	<i>Shipped May 2016, kmt</i>
Export	1,40	0,00
Domestic sales	3,32	0,44
<b>Total</b>	<b>4,72</b>	<b>0,44</b>

## Inventory in elevators

<i>Crop</i>	<i>As of 30 Apr, kmt</i>	<i>As of 31 May, kmt</i>	<i>Change in inventory, kmt</i>
Grains	5,15	4,82	-0,32
Oilseeds	2,16	1,37	-0,79
Other	0,74	0,51	-0,23
<b>Total</b>	<b>8,04</b>	<b>6,70</b>	<b>-1,34</b>

## Comments

- Mriya concluded forward contracts for sale and export of its 2016 crops with big multinational traders such as ADM, Cargill, Louis Dreyfus, CHS, BTG Pactual Commodities.

# Thank You

10, Mazepa St  
Ternopil 46009, Ukraine

Hotline: 0800-508-805

E-mail: [investor@mriya.ua](mailto:investor@mriya.ua)

55-B, Khoryva St  
Kyiv 04071, Ukraine

