

Industrial Meat Supply **INDEX**

**IMS Index -
Cherkizovo Group
Analytics**

January – June 2020

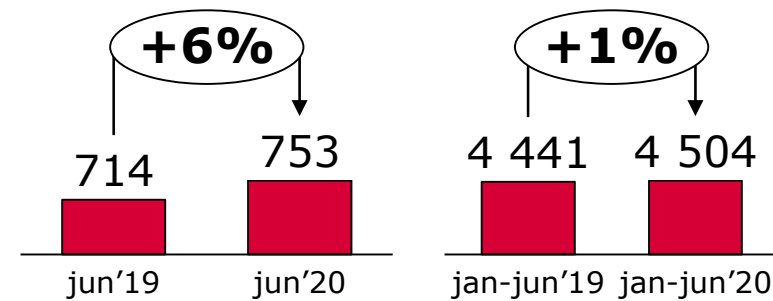
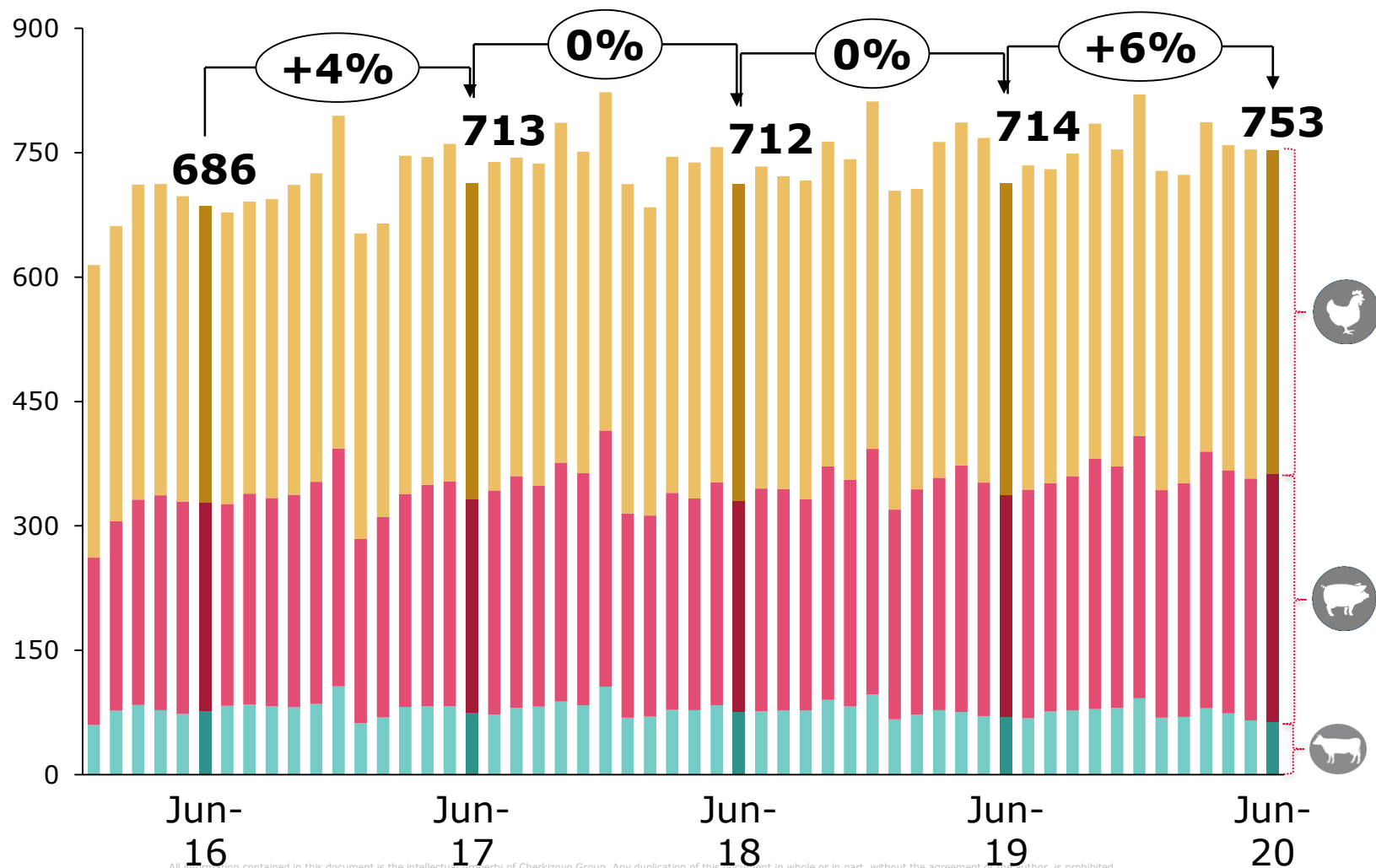
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Cherkizovo Index - industrial meat supply (IMS) in Russia

Including beef, pork and poultry, 000 t cwe

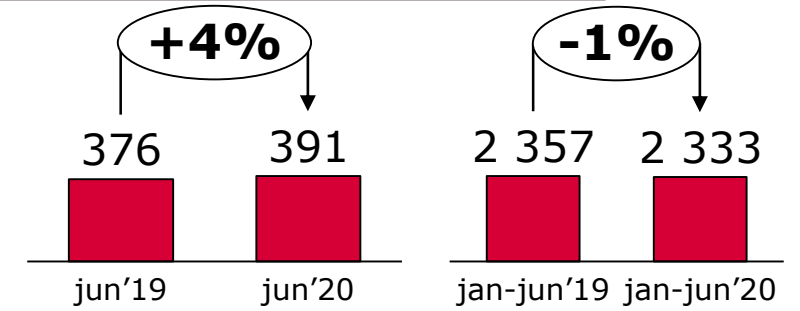
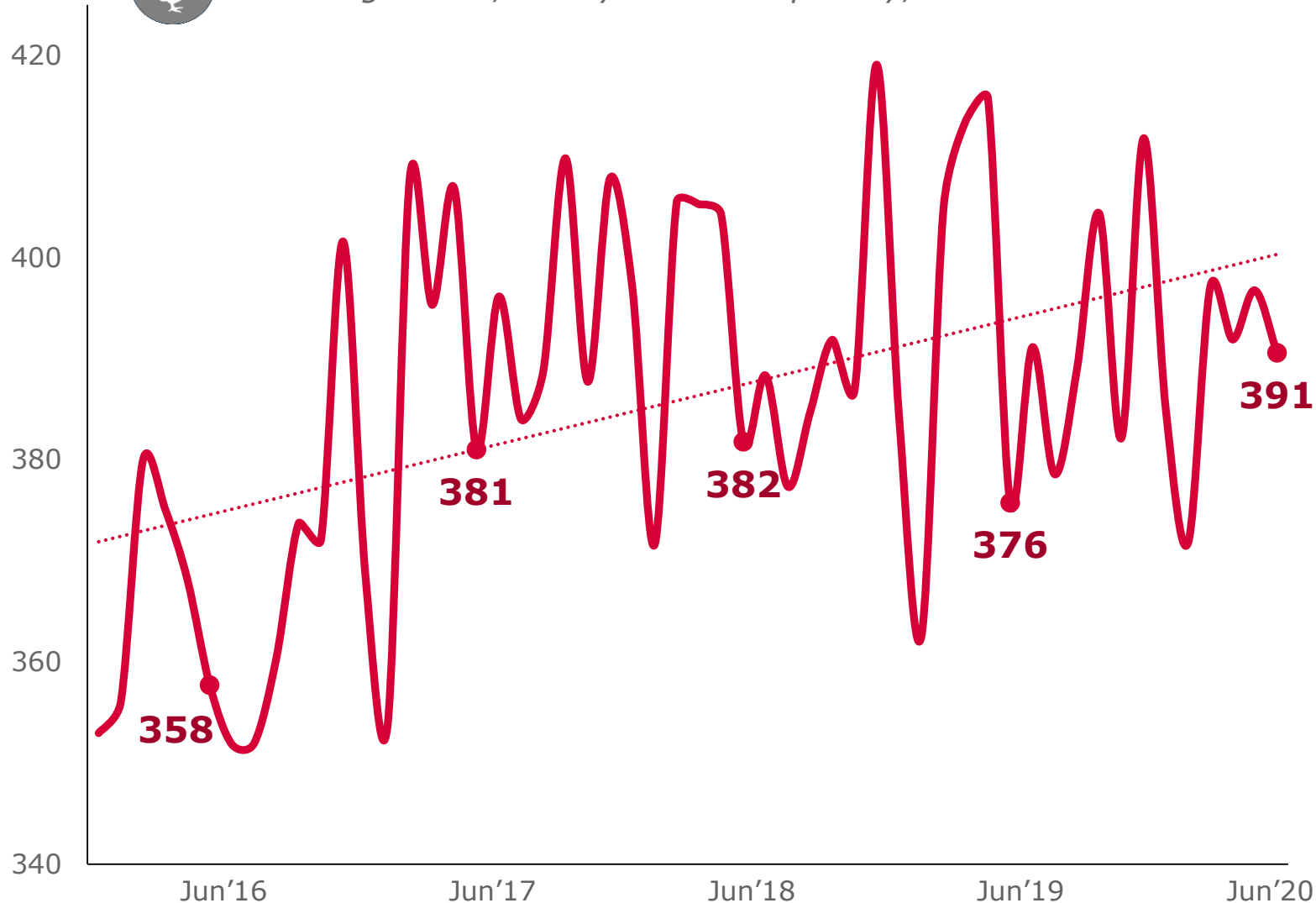


- Industrial Meat Supply Index (IMS) increased by +1% in Jan - Jun 2020 (all changes in percent are year-on-year in this presentation).
- The index rose by +6% in June. Poultry and pork supply grew while beef supply decreased.

IMS Cherkizovo Index - poultry

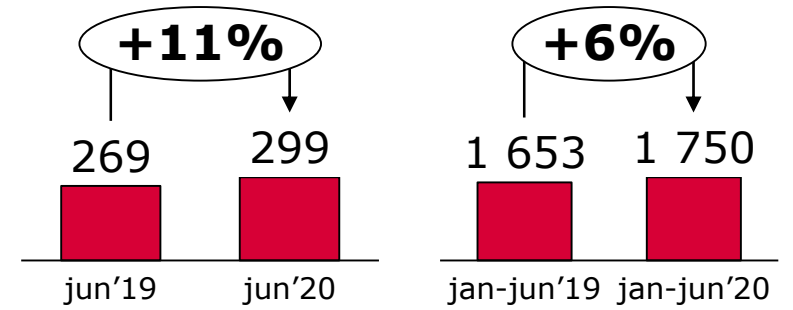
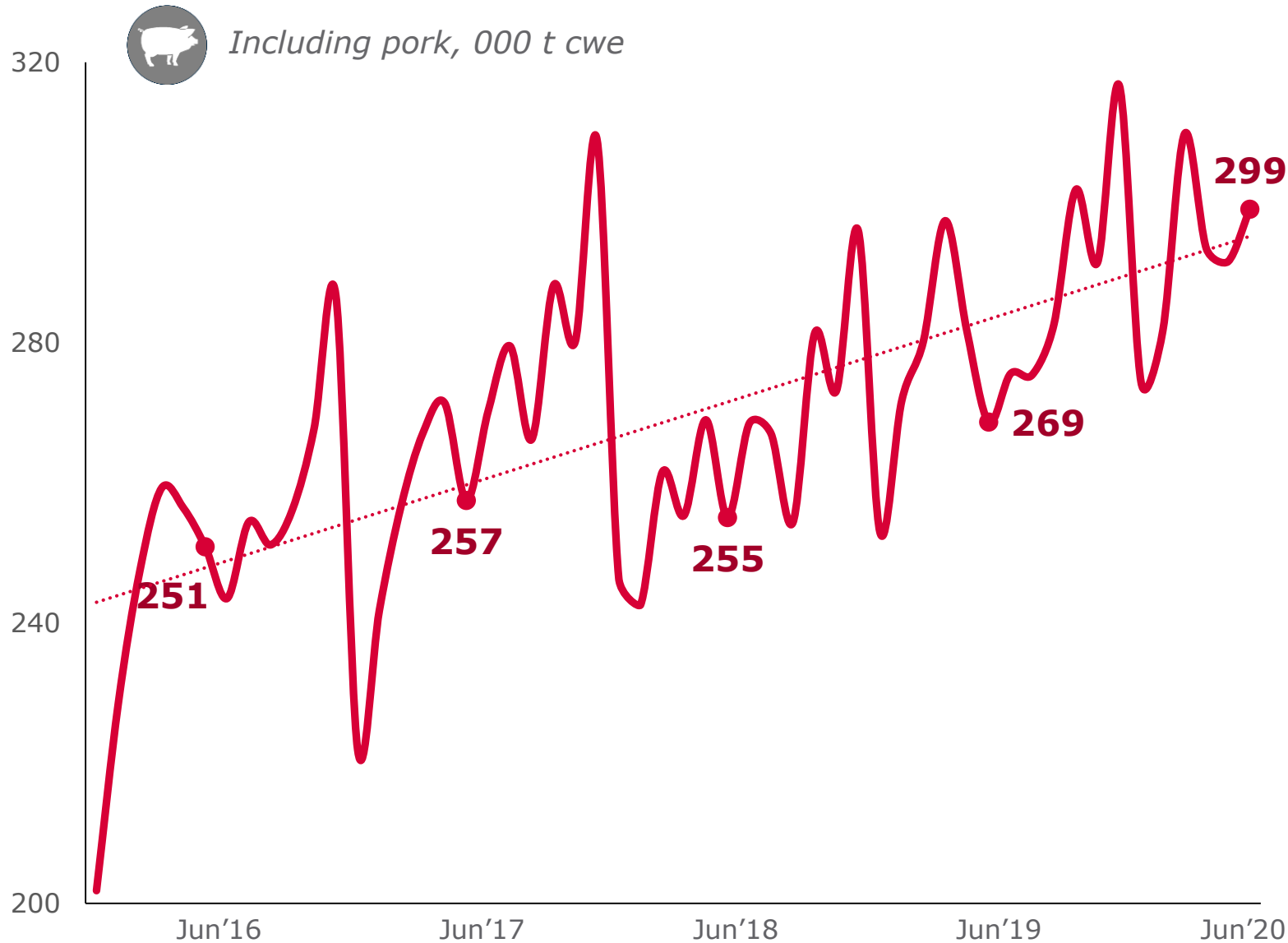


Including broiler, turkey and other poultry, 000 t cwe



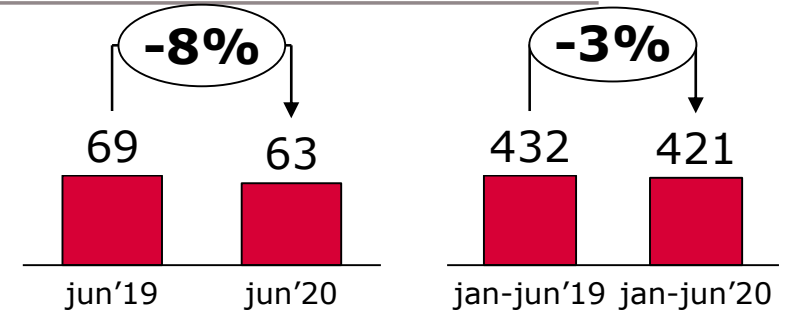
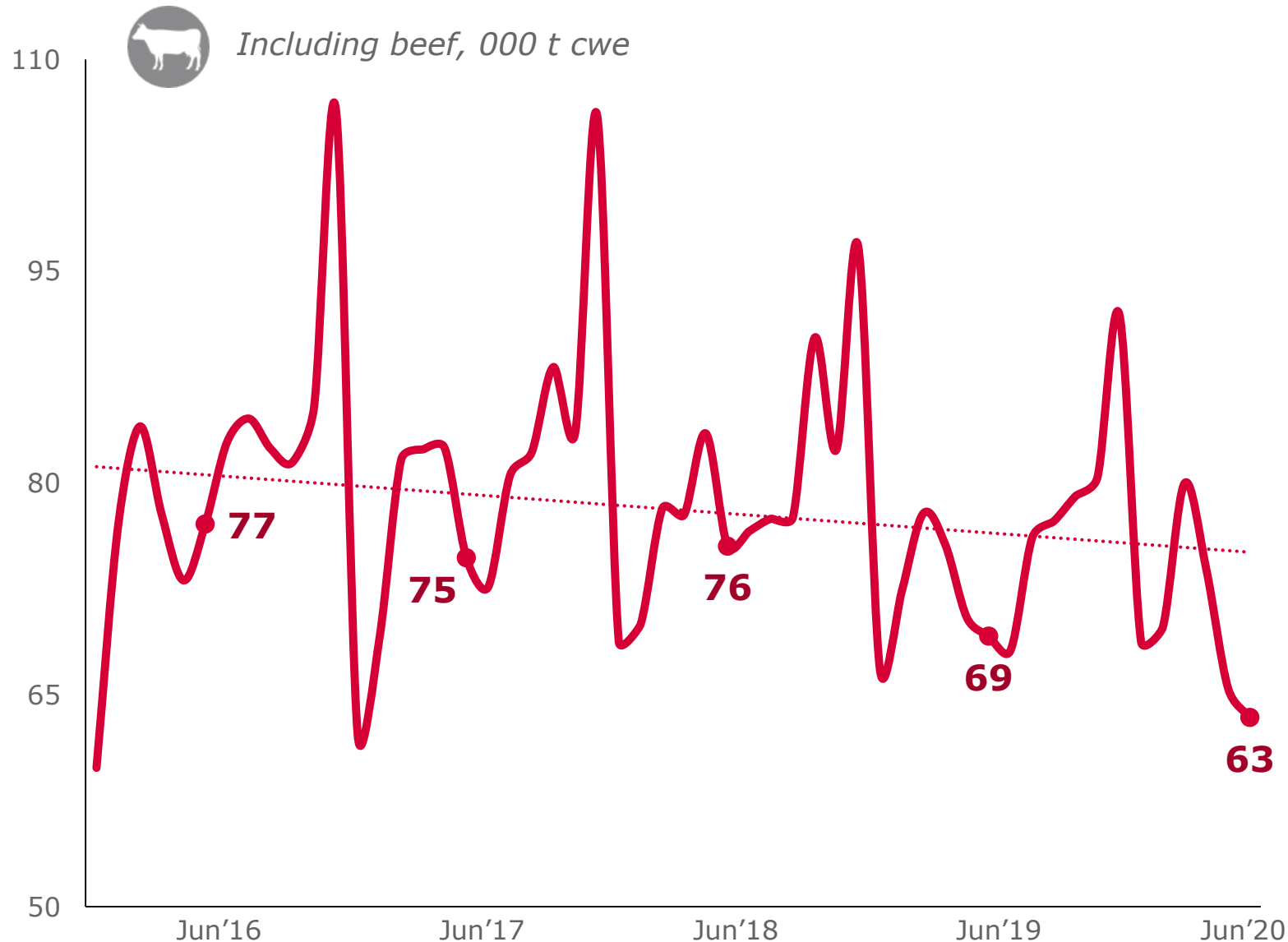
- IMS Index of poultry Jan - Jun 2020 declined by -1%.
- In May the index increased by +4%. In our view (there is no official statistics for different species), broiler production recovered while turkey production stayed stable (there was replacing of Eurodon production volumes). Also, according to our estimates, both import (+8%) and export rose (+62%).

IMS Cherkizovo Index - pork



- IMS Index of pork in Jan - Jun 2020 rose by +6%.
- In June the index increased by +11%. Production growth rate in June was at a record high (+18%). The difference between supply and production growth is due to dramatic declining import (-98%) and increasing export of pork (+274%). Import volumes significantly reduced due to cancellation of duty-free import of pork and introduction of 25% flat duty.

IMS Cherkizovo Index - beef



- IMS Index of beef in Jan - Jun 2020 declined by -3%.
- In June IMS beef Index fell by -8% again despite domestic production increased by +6%. The difference between supply and production growth is due to significant decreasing of import (-28%) and almost threefold export growth (+195%) in connection with the opening of China.

- IMS Indexes are calculated by Cherkizovo Group (Cherkizovo) for informational purposes only. In Cherkizovo's analysts opinion, they are important for understanding market dynamics but are not intended as investment advice.
- Industrial Supply of Meat includes industrial production, import and export of meat. Official statistics are used in calculation. Live and product weights are converted to carcass weight. Some exported meat parts are excluded from calculation as by-products.
- The exact formulas of the Indexes should be considered as Cherkizovo's intellectual property and are not public.
- The Indexes may be adjusted retrospectively as the input data may be recalculated by Federal State Statistics Service. Apart from that, insignificant percentages (<1%) of the indexes are estimated as there is no official information on the date of publication.