

Business Description -

#1 shell eggs / dry egg products producer in Ukraine*

- 57% share in the industrial production of shell eggs in 2013
- 91% share in the production of dry egg products in 2013
- 90% share in export of eggs and dry egg products from Ukraine in 2013

Distribution and Sales

- The Company exports shell eggs as well as sells them to domestic wholesalers and retailers with an **increasing share of export and retail chains**
- The Company exports its products to **33 countries**
- Exports constituted **40%** of the Company's total sales as of YE2013
- Shell eggs are exported primarily to the **Middle East, Asia, Africa and the CIS**
- The Company's "Kvochka" – branded products are sold across Ukraine

Financial Summary

\$'000	1Q2014	1Q2013
Revenue	152,199	155,823
Gross profit	59,745	62,198
EBITDA	60,940	73,103
Operating profit	54,497	69,438
EPS, \$	7	6

Operational Summary

	1Q2014	1Q2013
Total flock, mln birds	34,0	27,2
Laying hens, mln birds	26,5	22,3
Shell eggs production, mln pcs	1,889	1,654
Shell eggs avrg. selling price, UAH/egg (excl. VAT)	0,67	0,68
Eggs processed, mln pcs	584	271
Egg products avrg. selling price, \$/kg	7,04	7,71

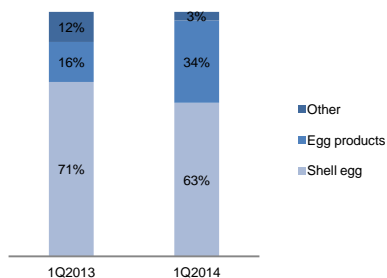
Our Leading Brand

- *Packaged shell eggs under the "Kvochka" umbrella brand are represented in the most popular consumer price segments*
- *Sales of packaged eggs under the umbrella brand "Kvochka" to 25.9 mln pieces (Q1 2013: 12.2 mln pieces) thanks to the growing popularity of the "Kvochka" brand among Ukrainian consumers.*

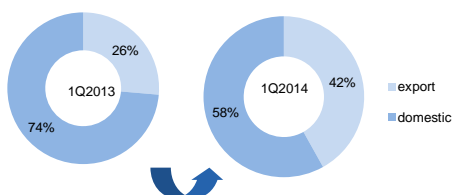


Key Diagrams

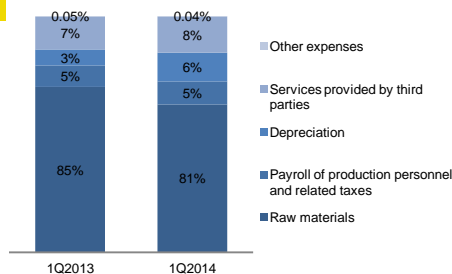
Sales Revenue Structures, %



Sales Structure of Eggs and Egg product, % of Revenue



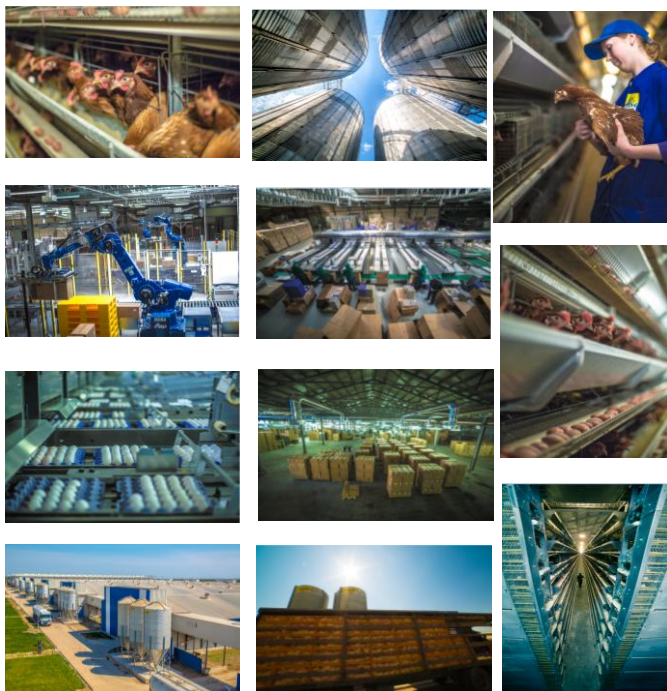
Cost of Finished Goods Sold Structure



Investments projects

"Avis" and "Chornobaivske" are launched; utilization of the capacities corresponds the Company's operation plans

The Company continues to gradually bring on line additional capacities in accordance with its investment programme. 41% of total flock as at 31 Mar. 2014 was placed at new complexes (36% of laying hens flock)

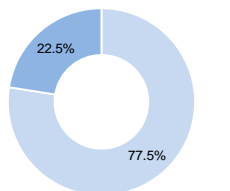


Key Ratios & Profitability

Ratios	1Q2014 as at 31.03.2014	1Q2013 as at 31.03.2013	1Q2012 as at 31.03.2012
P/S	0.9	0.8	1.3
P/E	2.7	2.3	3.8
EV/EBITDA	3.2	3.2	0.6
total debt/LTM EBITDA	1.2	1.3	n/a
Profitability			
Gross margin, %	39	40	50
EBITDA margin, %	40	47	43

Shareholder Structure -

Share Capital Structure



■ Ukrlandfarming PLC ■ Free Float



- In September 2011, with the goal to restructure and rationalize his ownership in agricultural assets Mr. Bakhmatyuk made a decision to transfer his 77.5% shareholding in Avangardco IPL to Ukrlandfarming PLC.

Securities Information

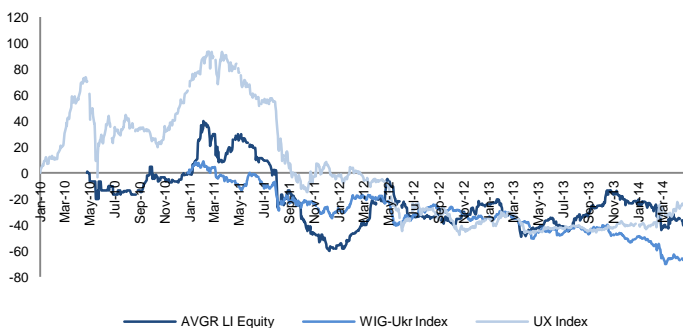
GDR/ADR's

Ticker	AVGR
Stock Exchange	LSE
Deal Size	1,437,500 new ordinary shares in the form of GDRs
Use of Proceeds	Finalization of new capacity expansion programs
Proceeds	USD 208 m
Offer Price	\$15.0 per GDR

Bonds

Format	Reg S
Amount, \$ mln	200
Maturity	29 October 2015
Coupon	10%, payable semi-annually in arrears on 29 Apr and Oct commencing on 29 Apr 2011
Listing	LSE
Issue Rating	B (Fitch Ratings)

GDR's Performance -



Bond's Performance -



Board of Directors -



Nataliya Vasylyuk
Chairwoman
of the Board
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Mrs. Vasylyuk obtained a Finance and Accounting Diploma at the Ivano-Frankivsk National Technical University of Oil & Gas in 2005. She began her career in 2004 as sales and marketing director at LLC Prykarpattya Financial Company, then from 2004 to 2007 she worked as a financial director in LLC Stanislavska Trade Company. Nataliya Vasylyuk joined the Company in 2007. In 2010 she became CEO of AVANGARDCO IPL. Natalia Vasylyuk became Chairwoman of the Board in 2013.



Oleg Bakhmatyuk
Board Member
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Oleg Bakhmatyuk graduated from the Economy and Law Institute in Chernovitsi, Ivano-Frankivsk region, with a Business Management degree. He obtained a second degree in 2005 at the Ivano-Frankivsk National Technical University of Oil and Gas (engineering, physics and management). He founded the Company in 2003. Oleg Bakhmatyuk owns several other companies involved in the food industry, transport, real estate and finance. In addition, Mr. Bakhmatyuk has held various management positions: he was a director of LLC Prykarpattya Financial Company in 2004, a president of LLC Stanislavska Trade Company in 2005 and a deputy chairman of Naftogaz of Ukraine from 2005 to 2006.



Oleg Pohotsky
Board Member,
Independent
director,
[Read more](#)

Mr. Pohotsky received his MBA from Harvard Business School and a doctorate degree in law from the University of Miami. He also obtained a Bachelor of Sciences in Chemical Engineering from the University of Clarkson. Oleg Pohotsky is the partner-founder of Right Bank Partners and is on the board of directors of two closed investment funds listed on the NYSE. He is also a member of the Consultation Council at Kaufman & Co, a Boston based boutique investment banking firm, and senior advisor at Governance Metrics International. Oleg Pohotsky became an independent director of the Board in March 2011.



Iryna Marchenko
Board Member,
CEO
[Read more](#)

Mrs. Marchenko graduated from the Kyiv Municipal Management Academy in 2004 with an accounting and audit qualification. She obtained an ACCA IFRS Diploma in 2008. Mrs. Marchenko joined the Company in 2007 and served as its CFO since 2010 to January 2013. Iryna Marchenko became Chief Executive Officer of the Company in 2013.

IR & PR-Contacts

Investor Relations

Public Relations

phone: +38 044 393 40 50
mob.: +38 067 214 84 23
e-mail: ir@avangardco.ua

Lidia Slivotska

Mob.: +38 067 447 97 42
E-mail: lidia.slivotska@avangard.co.uk