

### Business Description -

#### # 1 producer of shell eggs and dry egg products in Ukraine and Europe\* :

- 36% share of the industrial production of shell eggs in Ukraine
- 79% share of the production of dry egg products in Ukraine

#### Vertically integrated business model and production facilities across Ukraine:

- Total production capacity of 8.6 bn eggs and 30.1 mn laying hens \*\*
- New full cycle poultry complexes Avis and Chornobaivske with total production capacity of 3.5 bn eggs and 11.2 mn laying hens:
  - ✓ State-of-the-art
  - ✓ Fully automated
  - ✓ Labor efficient
- Shell egg processing capacity of 6 mn eggs per day

#### The largest exporter of shell eggs and dry egg products from Ukraine:

- 64% share of the export market of shell eggs and dry egg products in Ukraine
- Export portfolio includes 42 countries with new export markets:
  - ✓ for dry egg products - Iran, Latvia and Italy
  - ✓ for shell eggs - Israel, Qatar

\*According to data from SSSU, Pro-Consulting, Egg Industry Journal ([www.WATTAgNet.com](http://www.WATTAgNet.com))

\*\* Including temporarily closed facilities in the East and Crimea

### Financial Summary

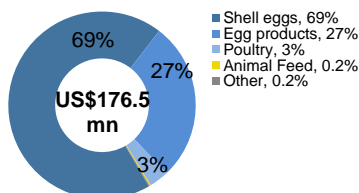
US\$'000	9M 2015	9M 2014
Revenue	176,477	354,693
Gross profit	12,920	102,085
EBITDA	(84,303)	108,628
Net Income/(Loss)	(150,486)	(5,747)
EPS, US\$	(23)	(1)

### Operational Summary

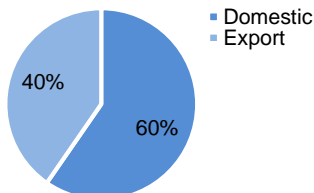
	9M 2015	9M 2014
Total flock, mn heads	19.0	25.9
Laying hens, mn heads	13.7	18.5
Shell egg production, mn pcs	2,735	5,114
Shell egg sales, mn pcs	2,308	3,499
Shell egg av. sales price, UAH/egg (excl. VAT)	1.13	0.71
Dry egg product production, tonnes	6,567	17,739
Dry egg product sales, tonnes	8,695	15,882
Egg product av. sales price, US\$/kg	5.57	6.51

### Key Diagrams

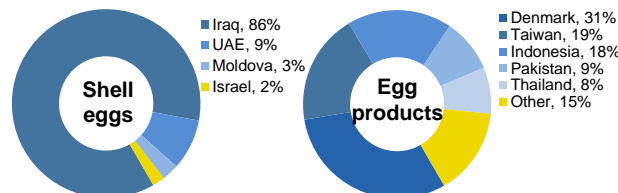
Revenue by segments, %



Export revenue, %



Top - 5 export markets, % of revenue



### Macroeconomics: key metrics

#### Weak macro-economic conditions in Ukraine continue to affect financial results and production:

- The Ukrainian Hryvnia depreciated 94% YoY \*\*\* against the US dollar during the 9M 2015 and stabilised at 21.72
- Inflation adversely impacts customers' purchasing power and impedes the recovery of private consumption, as highlighted by a YoY increase in CPI of 51.9% YoY as at September 2015
- Retail trade turnover fell 22.3% YoY for the period Jan-Sep 2015
- Laying farms as well as sales markets in Crimea and affected zone in Eastern Ukraine remain closed

\*\*\* Weighted average rate for the period

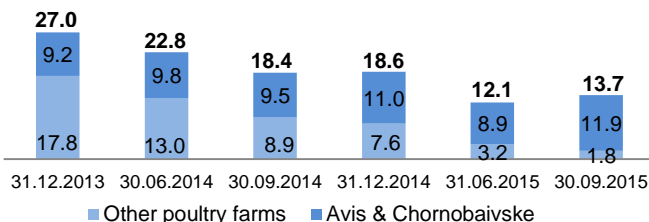
Source: SSSU, Company data

### Poultry flock management

#### One of the largest numbers of laying hens globally\*:

- 19.0 mn total flock as at 30.09.2015
- 13.7 mn laying hens flock as at 30.09.2015

#### Total number of laying hens, mn heads



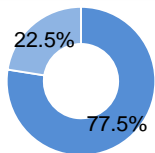
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### Key Ratios & Profitability

Ratios	30.09.2015	30.09.2014
P/S	0.2	1.0
P/E	n/a	7.0
EV/LTM EBITDA	5.8	3.5
Total debt/LTM EBITDA	-	1.7
<b>Profitability</b>		
Gross margin	7%	29%
EBITDA margin	-	31%

Source: Bloomberg data, Company data

## Shareholder Structure -



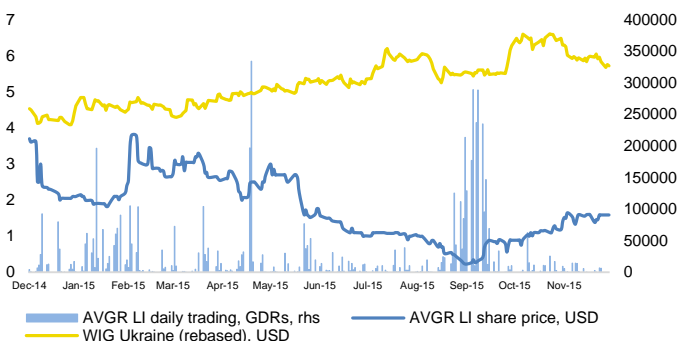
■ Ukrlandfarming PLC ■ Free Float



## GDRs

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	US\$ 208 mn
Offer Price	US\$15.0 per GDR

## GDR 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 served as CFO at LLC Stanislavska Trade Company. Nataliya Vasylyuk joined the Company in 2007. Between 2007 and 2010 she served as the CEO of Agroholding Avangard LLC and from April 2010 to January 2013 she served as CEO and member of the Board of Directors of AVANGARDCO IPL. Nataliya Vasylyuk has been Chairwoman of the Board since 30 January 2013.



**Oleg Bakhmatyuk**  
Board Member  
[Read more](#)

Mr. Bakhmatyuk graduated from the Chernivtsi Economy and Law Institute with a Business Management degree and from the Ivano-Frankovsk National Technical University of Oil and Gas, with a degree in engineering, physics and management. Oleg Bakhmatyuk founded AVANGARDCO IPL in 2003 and Ukrlandfarming PLC in 2007. Between 2010 and 2013 Mr. Bakhmatyuk was the Chairman and member of the Board of Directors of AVANGARDCO IPL. Since 2013 Mr. Bakhmatyuk has been a member of the Board of Directors of AVANGARDCO IPL. Since 2010 Mr. Bakhmatyuk serves as the Chairman and CEO of Ukrlandfarming PLC. Oleg Bakhmatyuk owns several other companies in the food, transport, real estate and finance sectors.



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

Mr. Pohotsky holds a MBA from the Harvard University Graduate School of Business and a Juris Doctor degree from the University of Miami Law School. He also holds a BSChE degree from Clarkson University. Mr. Pohotsky has been the managing partner of Right Bank Partners, a corporate governance and strategy advisory firm. He serves as Chairman of the Board of the H&Q Healthcare and Life Sciences Funds and as a director of the New America High Income Fund. All three closed-end funds are NYSE-listed. Mr. Pohotsky also serves on the Board of Advisors of Kaufman & Co., a Boston-based boutique investment banking firm and in the position of Senior Advisor to Governance Metrics International.

Mr. Pohotsky has served as an independent non-executive Director of the Company since 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 a Chief Executive Officer of the Company in 2013.

## IR & PR Contacts

Investor Relations

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## Eurobonds

On 28 October 2015, via Scheme of Arrangement the Company extended maturity of its Eurobonds from 29 October 2015 to 29 October 2018

Format	Reg S																					
Amount	US\$200 mn																					
Maturity	29 October 2018																					
Coupon	<ul style="list-style-type: none"> <li>The 5% coupon payable on 29 October 2015 (representing the semi-annual payment of the existing 10% coupon) was paid as follows: (i) 2% in cash and (ii) 3% as payment in kind ("PIK");</li> <li>10% payable semi-annually in arrears on 29 April and 29 October of each year, commencing 29 April 2016, but subject to the following PIK and cash payment provisions:</li> </ul> <table border="1"> <thead> <tr> <th>Interest payment date</th> <th>PIK interest %</th> <th>Cash interest %</th> </tr> </thead> <tbody> <tr> <td>29.04.16</td> <td>75</td> <td>25</td> </tr> <tr> <td>29.10.16</td> <td>75</td> <td>25</td> </tr> <tr> <td>29.04.17</td> <td>50</td> <td>50</td> </tr> <tr> <td>29.10.17</td> <td>50</td> <td>50</td> </tr> <tr> <td>29.04.18</td> <td>25</td> <td>75</td> </tr> <tr> <td>29.10.18</td> <td>0</td> <td>100</td> </tr> </tbody> </table>	Interest payment date	PIK interest %	Cash interest %	29.04.16	75	25	29.10.16	75	25	29.04.17	50	50	29.10.17	50	50	29.04.18	25	75	29.10.18	0	100
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Listing	LSE																					

## Eurobond Price -

