

BUSINESS DESCRIPTION

- Founded in 2003, AVANGARDCO IPL is the largest producer of shell eggs and dry egg products in Ukraine and Europe.
- The Company operates one of the largest flocks of laying hens in Europe and has modern production facilities across Ukraine.
- AVANGARDCO is Ukraine's largest exporter of shell eggs and dry egg products, and for over a decade it has supplied fresh, high-quality products to customers all over the globe, including to its key export markets in the Middle East, Africa, Asia, the EU and the CIS region.
- As the Company is vertically integrated, AVANGARDCO manages the full production cycle and owns its feed mills, hatcheries, rearing and laying farms, two full-cycle poultry complexes, biogas unit, long-term storage facilities and the Imperovo Foods egg processing plant.
- The Company employs new production technologies to ensure the safety and quality of its products.
- A combination of modern technologies and vertical integration enables AVANGARDCO to remain a cost-efficient producer, selling its products at competitive prices.
- Today, AVANGARDCO is proud to be one of the most efficient, cost-effective and technologically advanced industrial producers of shell eggs and egg products in Ukraine and Europe.

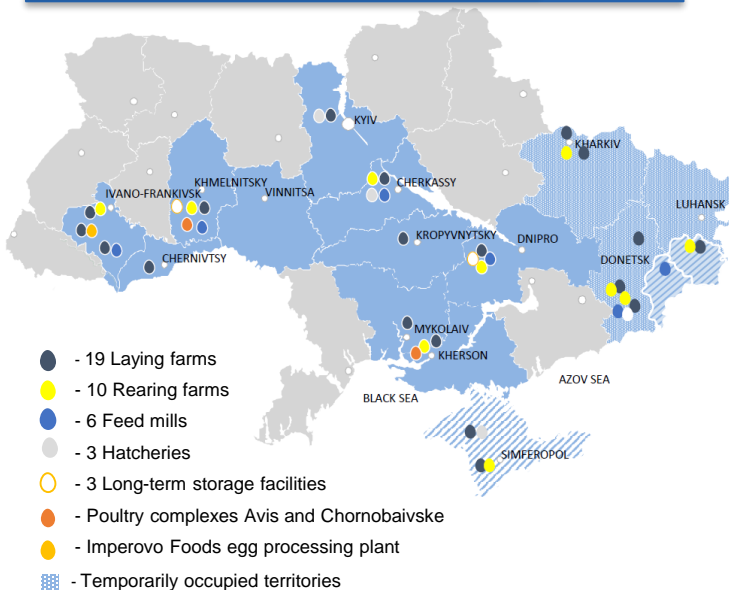


AVANGARDCO HOLDS **30%** OF THE INDUSTRIAL SHELL EGG MARKET IN UKRAINE

AVANGARDCO HOLDS **66%** OF THE DRY EGG PRODUCT MARKET IN UKRAINE

AVANGARDCO GENERATED **52%** OF UKRAINE'S REVENUE FROM THE EXPORT OF SHELL EGGS AND EGG PRODUCTS

ASSET MAP



AVANGARDCO has suspended its operations in the temporarily occupied territories

OPERATIONAL SUMMARY

	2017	2018	%
Total flock, million heads, eop	9.5	13.4	41%
Laying hens, million heads, eop	9.3	10.5	13%
Shell egg production, million pcs	2,399	2,625	9%
Shell egg sales, million pcs	1,869	2,106	13%
Shell egg export, million pcs	558	822	47%
Shell egg av. sales price, UAH/10 eggs (excl. VAT)	1.17	1.56	33%
Shell egg av. sales price, USD/10 eggs (excl. VAT)	0.044	0.057	30%
Dry egg product production, tonnes	6,368	6,482	2%
Dry egg product sales, tonnes	3,264	11,114	241%
Dry egg product export, tonnes	2,561	5,708	123%
Egg product average sales price, USD/kg	4.30	3.51	(18%)

FINANCIAL SUMMARY

USD'000	2017	2018	%
Revenue	127,887	169,878	33%
Gross Profit/ (Loss)	(10,137)	1,675	-
Gross Profit Margin, %	-	1%	-
Operating Loss	(3,792)	(15,931)	-
EBITDA	11,757	(898)	-
EBITDA Margin, %	9%	-	-
Net Loss	(7,469)	(55,794)	-
Loss per share (basic and diluted), USD	(1)	(9)	-

OUR PRODUCTS

- Table shell eggs (branded and unpackaged)

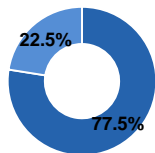


- Dry and liquid egg products

- QUALITY ASSURANCE



SHAREHOLDER STRUCTURE



■ Ukrlandfarming PLC ■ Free Float



EUROBONDS

FORMAT: Reg S
AMOUNT: USD 200 million
MATURITY: 29 October 2018 (the maturity was extended via Scheme of Arrangement on 28 October 2015)
COUPON:

- 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");
- 10% payable semi-annually in arrears on 29 April and 29 October of each year, commencing 29 April 2016, subject to the following PIK and cash payment provisions:

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

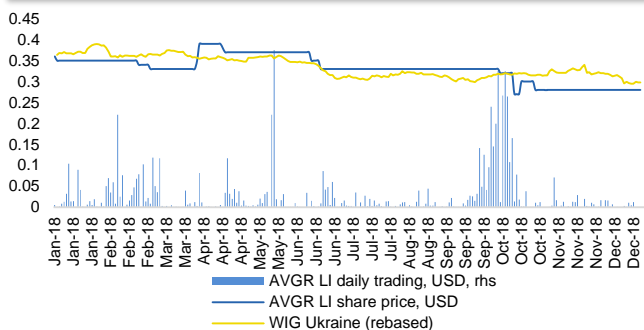
LISTING: LSE

*AVANGARDCO IPL continues to be in discussions with various creditor groups to agree the terms of a holistic restructuring of its indebtedness. As part of these discussions, the Company is working with an ad hoc committee of bondholders regarding the treatment of AVANGARDCO's US\$200,000,000 10.0% Notes due in 2018 (ISIN: XS0553088708). Further updates will be made as the restructuring develops and will be available at: [🌐](#)

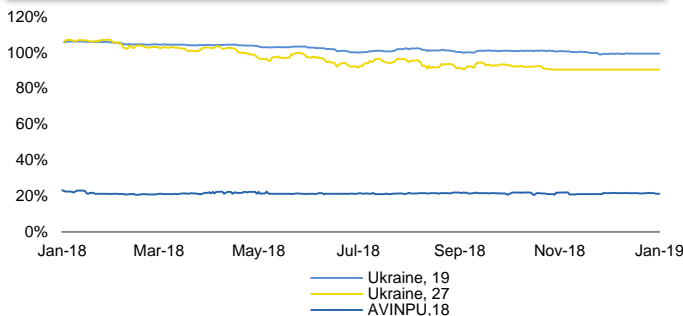
GDRs

TICKER: AVGR LI
STOCK EXCHANGE: LSE
DEAL SIZE: 1,437,500 new ordinary shares in the form of GDRs
USE OF PROCEEDS: Finalisation of capacity expansion programme
PROCEEDS: USD 208 million
OFFER PRICE: USD 15.0 per GDR

GDR PERFORMANCE



EUROBOND PRICE



BOARD OF DIRECTORS

Oleg Bakhmatyuk
Chairman of the Board
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Mr. Bakhmatyuk founded Avangard in 2003 and Ukrlandfarming PLC in 2007. Between 2010 and 2013, Mr. Bakhmatyuk served as Chairman of the Board of Directors of AVANGARDCO IPL, remaining on the Board after this time. Mr. Bakhmatyuk again took over as Chairman of the Board of Directors of AVANGARDCO IPL in April 2016. Oleg Bakhmatyuk owns several other companies in the food, transport, real estate and finance sectors.

Oleg Pohotsky
Board Member, Independent director
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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.

Nataliya Vasylyuk
Board Member, CEO
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Ms. Vasylyuk 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 Avangard in 2007. Between 2007 and 2010 she served as CEO and from April 2010 to January 2013 while staying on as CEO she also became a member of the Board of Directors of AVANGARDCO IPL. Nataliya Vasylyuk served as Chair of the Board from January 2013 to April 2016. She retook the position of CEO in April 2016.

Iryna Melnyk
Board Member, CFO
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Ms. Melnyk was appointed as financial director of Stanislavska Trading Company in 2005 and was appointed CEO of Ukrmyaso in 2007. Ms. Melnyk joined Avangard in 2010 as Deputy Chief Financial Officer. Iryna Melnyk was promoted to Chief Financial Officer of AVANGARDCO IPL in 2013. Ms. Melnyk became a member of the Board of Directors of AVANGARDCO IPL in September 2016.

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