

### Business Description -

- #1 shell eggs / dry egg products producer in Ukraine\*
- Company continues to implement its sales strategy to diversify sales channels by increasing share of **export and retail chains**
- Export constituted **38%** of the Company's total revenue and **41%** of eggs and egg products revenue as of **9M2014**. Company exported to **33 countries**. Main export destinations: **MENA, Asia, SSA and the CIS**
- Sales of packaged eggs under the umbrella brand "Kvochka" increased by five times to **160 million in 9M2014 vs 9M2013**

\*According to data from SSCU, Pro-Consulting

### Financial Summary

\$'000	9M 2014	9M 2013
Revenue	354,693	466,542
Gross profit	102,085	186,597
EBITDA	108,628	205,025
Net Income	(5,747)	161,468
EPS, \$	(1)	25

### Operational Summary

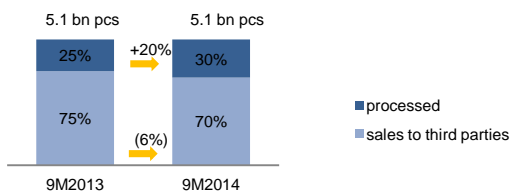
	9M 2014	9M 2013
Total flock, mln birds	25,9	31,4
Laying hens, mln birds	18,5	24,6
Shell eggs production, mln pcs	5,1	5,1
Shell eggs av. selling price, UAH/egg (excl. VAT)	0,71	0,65
Eggs processed, mln pcs	1,5	1,3
Egg products av. selling price, \$/kg	6,51	7,61

### Our Leading Brand

- Non-branded and branded shell eggs are sold in the **main retail chains** in Ukraine
- "Kvochka" demonstrates positive dynamics in the leading Ukrainian supermarket chains.
- In 9M2014 the Company **sold 160 mln pieces** packaged eggs under the umbrella brand "Kvochka", which was **30% higher** compared to the 9M2012

### Key Diagrams

Production of shell eggs by volume, %



### Modern Facilities and High-Quality Products

- On September 30, 2014, the "Imperovo Foods" egg processing plant received **EU approval to export egg products**
- On August 18, 2014, the Company received a **certificate of Kosher status** of its shell eggs and egg products, and is currently getting ready to make the first shipment to Israel

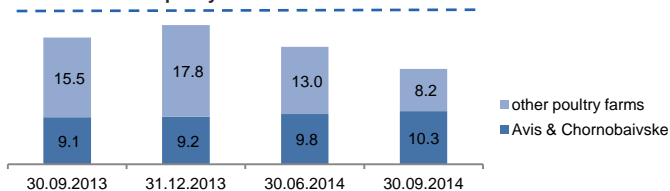


### Key Ratios & Profitability

Ratios	9M 2014 as at 30.09.2014	9M 2013 as at 30.09.2013
P/S	0.8	1.1
P/E	2.8	3.0
EV/LTM EBITDA	3.0	3.2
total debt/LTM EBITDA	1.7	1.1
<b>Profitability</b>		
Gross margin, %	29	35
EBITDA margin, %	31	44

Source: Bloomberg data

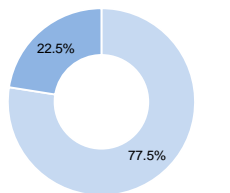
Total number of laying hens, mn heads  
capacity = 30.1



Note: the actual number of laying hens down by 25% YoY and by 31% from the YE2013 to 18.5 mn heads as at 30 September 2014 due to conflict in East Ukraine and the annexation of Crimea

## Shareholder Structure -

### Share Capital Structure



- 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

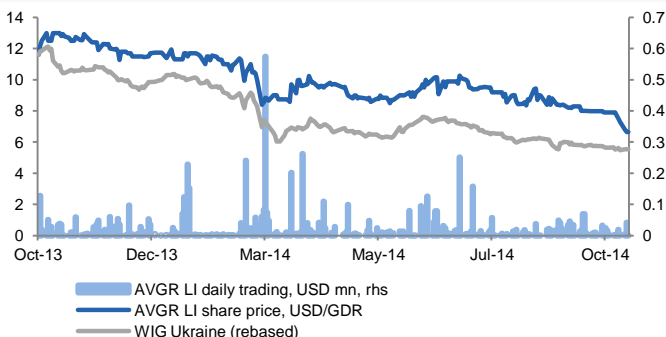
### GDR/ADR's

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

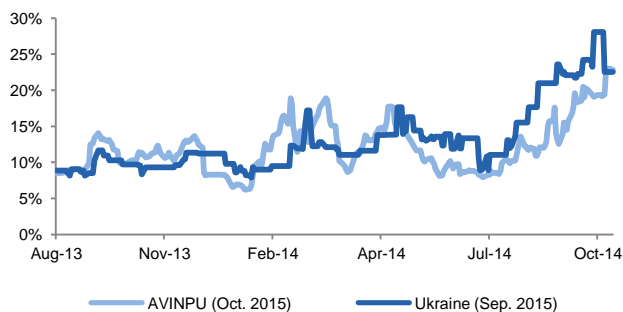
### Bonds

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,*  
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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*  
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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

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