

Business Description -

- #1 shell egg and egg products producer in Ukraine and Eurasia.
- 53% share in the industrial production of shell eggs and 93% share in the production of dry egg products in 1H2012.
- Production facilities are located in 14 of 24 regions of Ukraine and also in the Autonomous Republic of Crimea.
- greenfield Avis and Chornobaivske complexes and Imperovo are on schedule. Production sites are fully compliant with European standards. The actual utilization of the sites corresponds to the operational plans of the Company
- Export to 34 countries. Key sales export destinations are MENA and Asia.

Financial Summary

| | 9M2012 | 9M2011 | 2011 | 2010 |
|----------------------|--------|--------|------|------|
| Revenue | 446 | 335 | 553 | 440 |
| Gross Profit | 174 | 128 | 224 | 158 |
| EBITDA | 194 | 141 | 246 | 194 |
| Net Income | 157 | 110 | 196 | 185 |
| EPS, \$ | 24 | 17 | 30 | 32 |
| Profitability | | | | |
| Gross margin, % | 39% | 38% | 40% | 36% |
| EBITDA margin, % | 44% | 42% | 44% | 44% |

Operational Summary

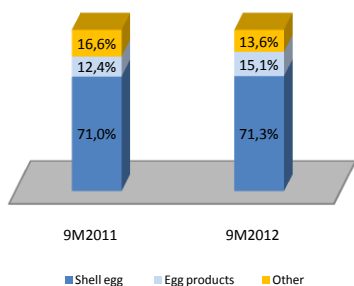
| | | | 9M2012 | 9M2011 | 3Q2012 | 3Q2011 |
|--------------|------------------------|---------------------|--------|--------|--------|--------|
| Shell eggs | production | mln pcs | 4,685 | 4,398 | 1,579 | 1,523 |
| | sales to third parties | mln pcs | 3,9 | 3,5 | 1,5 | 1,4 |
| | export | mln pcs | 303,9 | 107,5 | 149,7 | 101,2 |
| | avgr selling price | UAH/egg (excl. VAT) | 0,7 | 0,5 | 0,6 | 0,6 |
| Egg products | processed | mln pcs | 800 | 785 | 259 | 251 |
| | avgr selling price | mln pcs | 7,5 | 6,9 | 7,4 | 7,1 |

Our Leading Brand

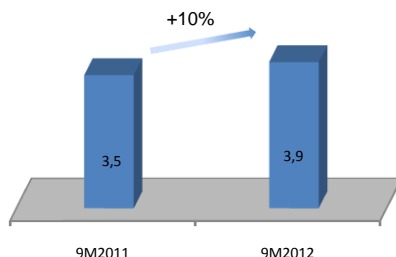
- In 3Q 2012, the Company started offering its Kvochka-branded products through Megamarket, Ashan and Perekrystok retail chains. As at 30 September 2012, the Company's branded products were sold in 12 major national retail chains.
- The Company is expanding its products' presence in traditional retail outlets through a distributor. In the reporting period, Kvochka-branded products were sold in over 350 traditional retail outlets. In total the Company's packaged products are sold in over 1,500 outlets.
- AVANGARDCO IPL continues to expand the shelf presence of Kvochka-branded products through large marketing campaigns and in-store advertising and promotions.

Key Diagrams

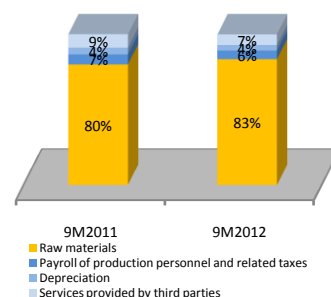
Sales by segments, % of revenue



Sales to Third Parties, bln pcs



COGS by Items, %



Investments projects

- "Avis" – new poultry farm (Khmelnitsky region) with the capacity of 5.2 mln laying hens and ca 1,616 mln shell eggs once fully operational



- Imperovo – the biggest egg processing plant in Europe. The plant is being gradually modernized to process to 10 mln eggs per day from current 3 mln and to increase the annual production to 42 thou tons of egg products from current 12 thou tons



- "Chornobaivske" – new poultry farm (Kherson region) with the capacity of 6 mln laying hens and ca 1,865 mln shell eggs once fully operational

Construction status:

"Avis":

- ✓ Stage 1 of rearing site: commissioned and current birds placement is 1.5 mln or 100% of capacity;
- ✓ Stage 1 of industrial site: commissioned and current birds placement is 3 mln hens or 100% of capacity;
- ✓ Feed mill (500 thou tons/year capacity): the equipment has been delivered and installation works are under way;
- ✓ Grain elevator (56 thou tons capacity): completed and in October 2012 the grain elevator received its first shipments of grain.

"Chornobaivske":

- ✓ Stage 1 of rearing site: commissioned and current birds placement is 1.5 mln or 100% of capacity;
- ✓ Stage 1 of industrial site: commissioned and current birds placement is 1.75 mln hens or 100% of capacity;
- ✓ Feed mill (500 thou tons/year capacity) and grain elevator (56 thou tons capacity): the equipment has been paid for and will be delivered starting February 2013. The site is being prepared for construction, which is scheduled to begin in December 2012.

"Imperovo":

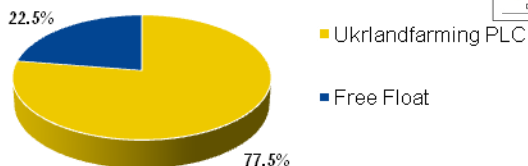
- ✓ Currently the Company is implementing stage 1 of capacity expansion from 3 to 6 mln eggs processing per day.

Key Ratios

| | 3Q2012 | 1H2012 | 1Q2012 | YE2011 |
|-----------|--------|--------|--------|--------|
| P/S | 1,2 | 1,1 | 1,3 | 0,8 |
| P/E | 3,4 | 3,3 | 3,8 | 2,2 |
| EV/EBITDA | 3 | 3 | 3,4 | 2,1 |

Shareholder Structure -

Share Capital Structure



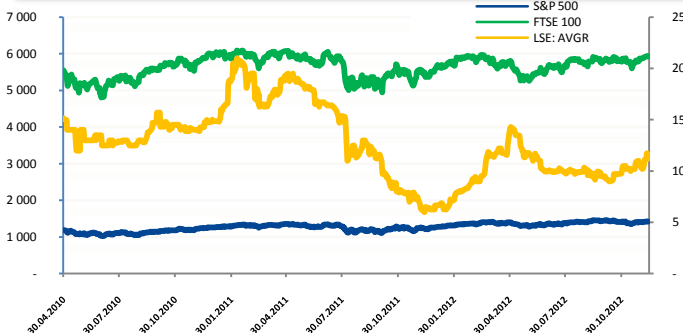
Source: Company data

- In Sep 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 | | Bonds | |
|------------------------|---|-----------------------|---|
| Ticker | AVGR | Format | Reg S |
| Stock Exchange | LSE | Amount, \$ mln | 200 |
| Deal Size | 1,437,500 new ordinary shares in the form of GDRs | Maturity | 29 October 2015 |
| Use of Proceeds | Finalization of new capacity expansion programs | Coupon | 10%, payable semi-annually in arrears on 29 Apr and Oct commencing on 29 Apr 2011 |
| Proceeds | USD 208 m | Listing | LSE |
| Offer Price | \$15.0 per GDR | Issue Rating | B (Fitch Ratings) |

GDR's Performance -



Bond's Performance -



Board of Directors -



Oleg Bakhmatyuk
Non-Executive Chairman
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Oleg Bakhmatyuk graduated from the Economy and Law Institute in Chernovtsi, 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.



Iryna Marchenko
Chief Financial Officer
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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. She was appointed as a general director of Mriya K in 2003. In 2007 she became a director of the Company's Management Accounting and Reporting department. Iryna Marchenko became a Financial Department Director of the Company in 2010.



Oleg Pohotsky
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.



Oksana Prosolenko
Head of Business Development
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Mrs. Prosolenko graduated from the Getman Kyiv National Economic University in 2008 with an Economic Sciences Diploma. She was a Marketing and Analysis Department director at the Ukrainian Union of Poultry Breeders Association from 2005 to 2006 and a senior marketing specialist at Borispol Agro-Trade bird breeding company. Oksana Prosolenko worked as a marketing director of the Company from 2007 to 2009. She was appointed as a head of business development in 2010.



Nataliya Vasylyuk
Chief Executive Officer
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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.

IR & PR-Contacts

Alina Korniets

Acting Head of Investor Relations

Mob.: +38 067 664 49 99

E-mail: a.korniets@avangardco.ua

Lidia Slivotska

Head of Public Relations

Mob.: +38 067 447 97 42

E-mail: lidia.slivotska@avangard.co.ua