

Presentation
UniCredit's Ukrainian Day in Warsaw 2014
Ovostar Union

5-6 March 2014



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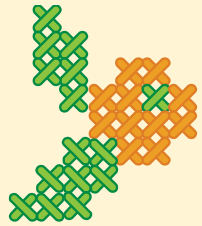
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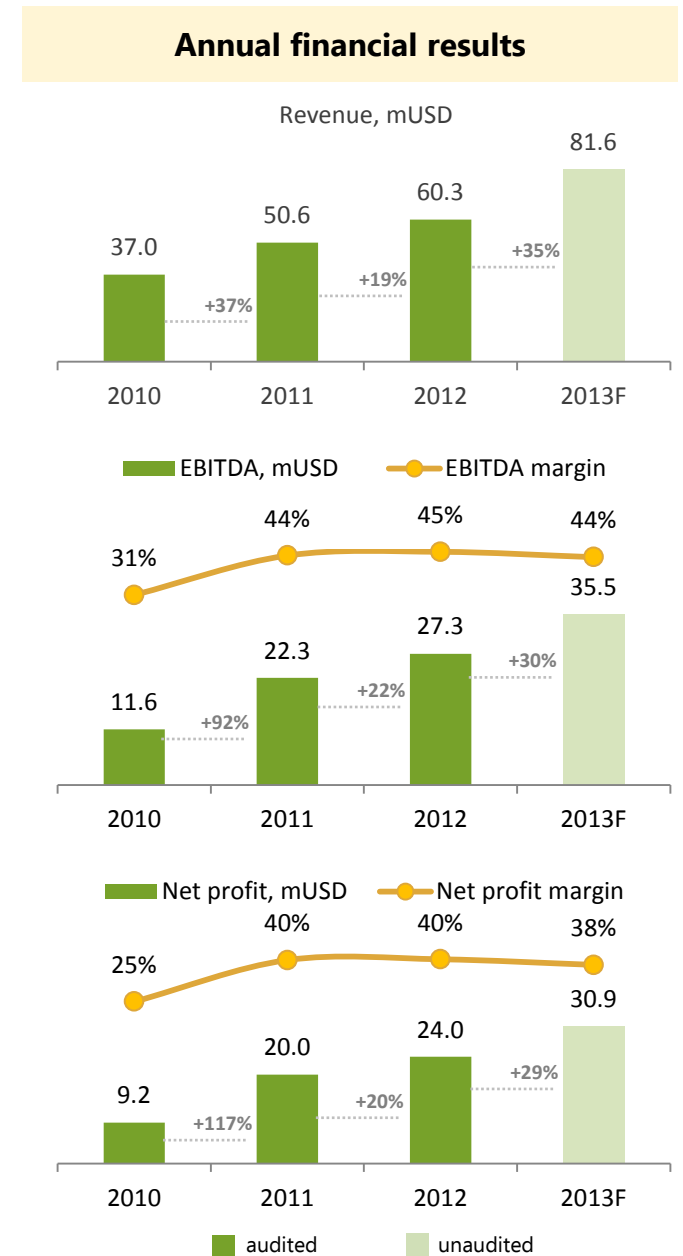


Section 1

Financial results (unaudited)

Financial results overview

- ❖ Based on unaudited results, in 2013 our revenue increased by 35%, EBITDA by 30%, net profit by 29% in USD terms
- ❖ Forecasted value of biological assets revaluation in 2013 – c. 7 mUSD
- ❖ Selling expenses increased due to growth in volumes sold, administrative expenses remained similar to 2012
- ❖ Egg segment remained main contributor to the total revenue in 2013
- ❖ Positive operating cash flow (mUSD 23) maintained in 2013
- ❖ Total assets increased by 33% to mUSD 160; asset structure similar to 2012
- ❖ Total liabilities increased by 78% to mUSD 21
- ❖ Total debt has increased after acquisition of Landes Bank Berlin loan in 2013



Financial statements

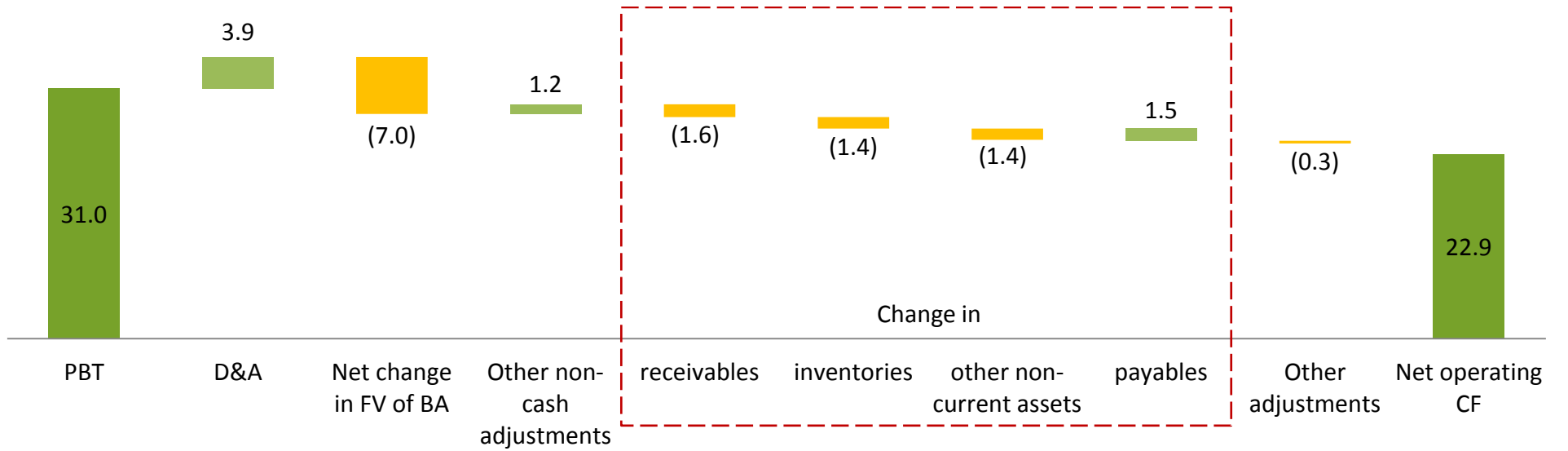
Balance sheet in USD thousands	31/12/13 F (unaudited)	31/12/12 (audited)	31/12/11 (audited)
<i>Non-current assets</i>	111,016	85,677	47,533
Non-current biological assets	42,662	32,331	20,517
PPE and intangible assets	66,900	53,265	25,600
Other non-current assets	1,373	81	1,416
<i>Current assets</i>	48,752	34,121	45,382
Current biological assets	14,043	8,754	1,921
Inventories	12,096	10,648	10,645
Trade and other receivables & prepayments	13,405	13,567	11,275
Cash and cash equivalents	8,608	1,152	21,541
Total assets	159,768	119,798	92,915
Owners' equity	138,960	108,099	84,057
Non-current liabilities	11,890	2,001	2,604
Current liabilities	8,918	9,698	6,254
Total liabilities	20,808	11,699	8,858
Total liabilities and equity	159,768	119,798	92,915

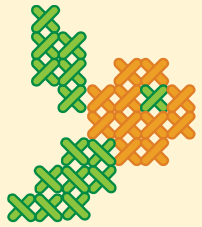
Cash flow statement in USD thousands	2013 F (unaudited)	2012 (audited)	2011 (audited)
Net CFFO	22,836	16,837	10,272
Net CFFI	(11,437)	(37,646)	(17,795)
Net CFFF	(3,929)	540	28,820
Net increase/(decrease) in cash and cash equivalents	7,470	(20,269)	21,297

Income statement in USD thousands	2013 F (unaudited)	2012 (audited)	2011 (audited)
Revenues	81,591	60,335	50,626
Net change in BA revaluation	7,042	10,995	6,935
Cost of sales	(52,941)	(42,237)	(27,362)
Gross profit	35,692	29,093	23,264
SG&A	(6,780)	(5,568)	(4,875)
Other operating income, net	2,724	249	2,243
Operating profit	31,636	23,774	20,632
Depreciation	3,898	3,485	1,635
EBITDA	35,534	27,259	22,267
Finance income/(costs), net	(627)	521	(679)
Profit before tax	31,009	24,295	19,953
Income tax expense	(137)	(298)	33
Profit for the period	30,872	23,997	19,986

Cash and debt position in USD thousands	31/12 2013 F (unaudited)	31/12 2012 (audited)
Cash and cash equivalents	8,608	1,152
Total debt	14,462	4,425

Analysis of operating cash flow and EBITDA (unaudited)





Section 2

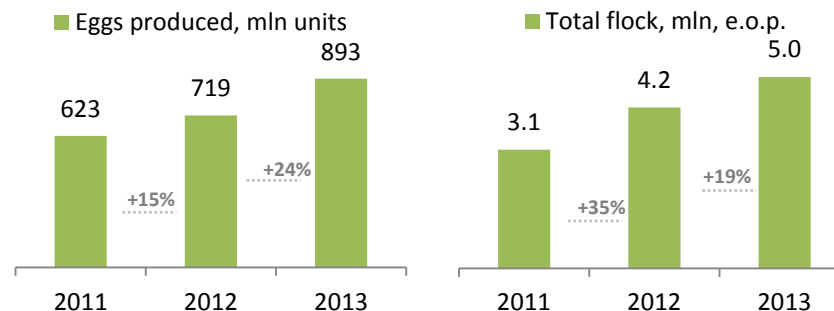
Segment overview

Egg segment

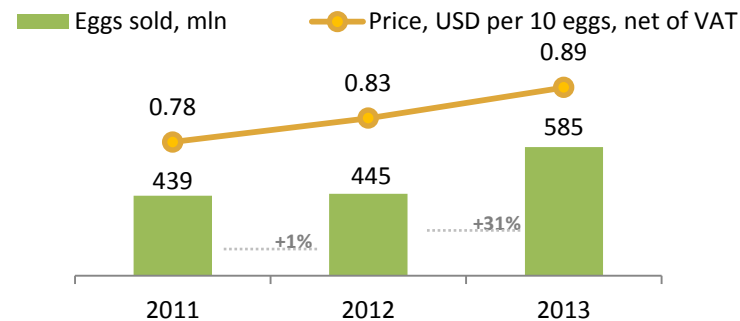
- ❖ Volumes of eggs produced increased year-on-year by 24% as a result of growth in laying hens flock
- ❖ Laying hens flock at 31/12/2013: 4.0 mln hens
- ❖ Reconstruction of Vasylkiv laying hens site successfully completed

- ❖ Selling price of eggs increased in 2013 mainly due to increased price of packaged eggs in the second half of the year and growth of egg volumes sold to retail chains
- ❖ The share of branded egg sales in 2013 was similar to 2012 – 81% vs 83%

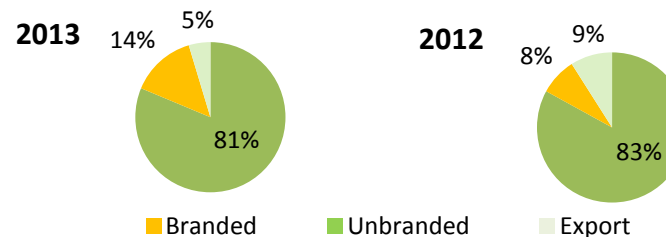
Egg production volumes and flock dynamics



Shell egg prices and volumes sold



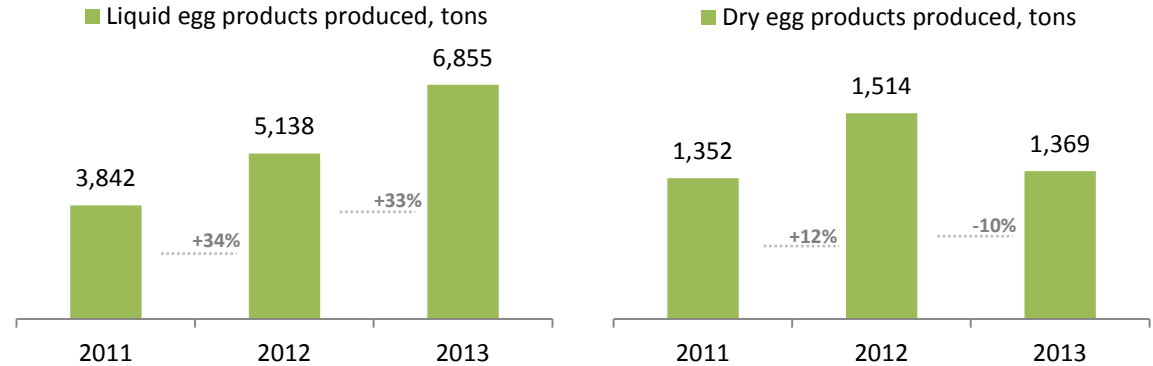
Our egg sales channels



Egg products segment

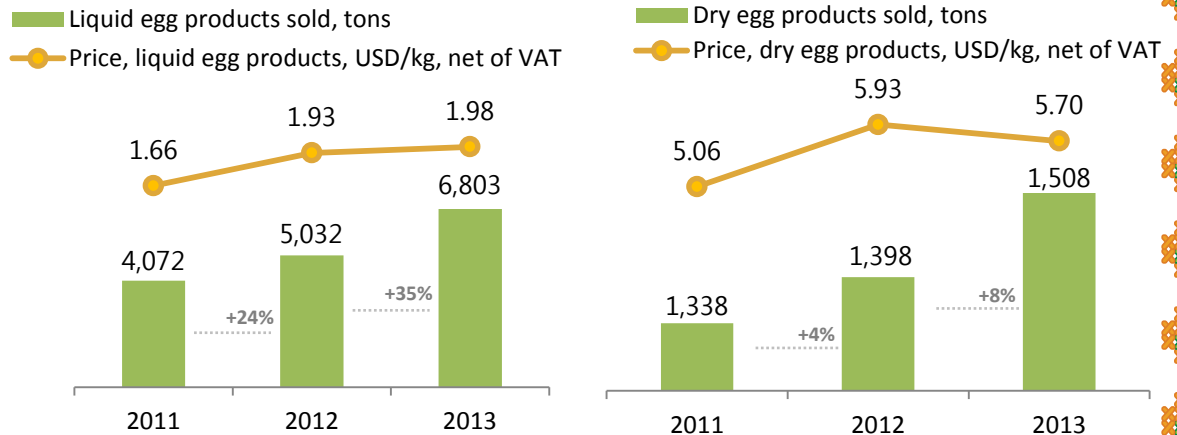
- ❖ Liquid egg products production increased in 2013 in line with customers' demand
- ❖ Less dry egg products produced in 2013 than in 2012 due to focus on production of liquid egg products

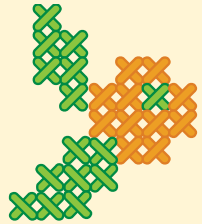
Egg products production volumes



- ❖ Our B2B clients increased their demand for liquid egg products in 2013
- ❖ Average selling price of dry and liquid egg products changed due to difference in product mix

Liquid and dry egg products prices and volumes sold





Section 3

2014 operational results forecast

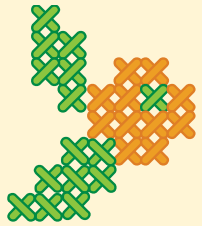
Plans for 2014

- ❖ In 2014 we have started investments on our second laying hens site
- ❖ Ovostar Union has signed an agreement with Salmet purchasing laying hens buildings and cage equipment with a total capacity of 2.1 mln hen places
- ❖ The purchased equipment can be compliant with enriched cage format

Projected operational results

	2012	2013	2014F
Laying hens places capacity, eop, mln	3.9	5.4	5.8 - 6.4
Shell eggs production, mln	719	893	1,100 - 1,200
Dry egg products produced, tons	1,514	1,369	1, 500 - 1,700
Liquid egg products produced, tons	5,138	6,855	7,500 – 8,500
Sunflower seeds processing, tons	12,522	15,286	15,000 – 17,000

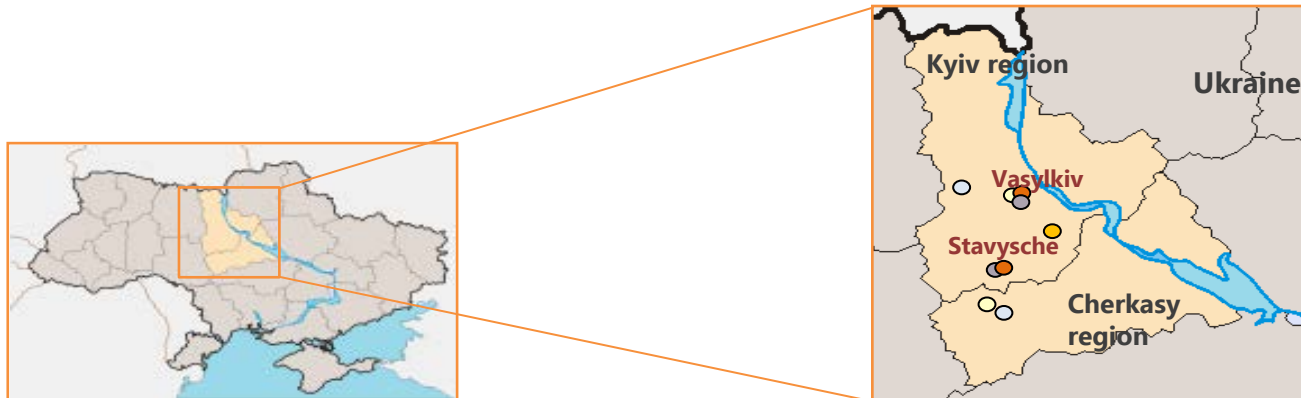
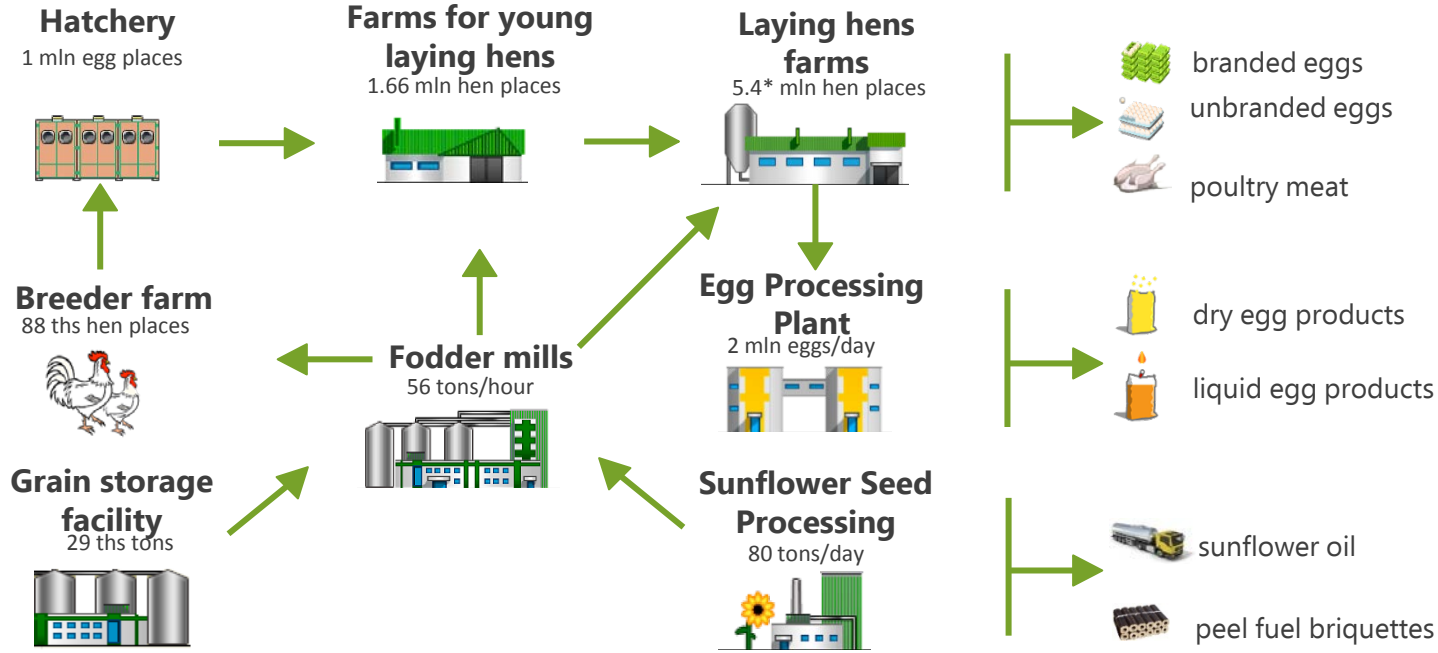




Section 4

Appendices

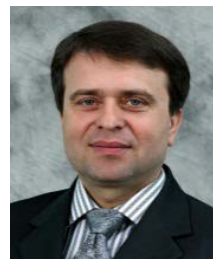
Business model and locations



Management team



Name: Borys Bielikov
Position: CEO



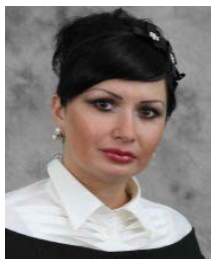
Name: Vitaliy Veresenko
Position: Chairman of the Board



Name: Tatiana Komarova
Position: CFO



Name: Sergei Sovgira
Position: Executive Director



Name: Nataliia Malovana
Position: Commercial Director



Name: Vitaliy Voron
Position: Production Director



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