



ASTARTA

1H19 operating and financial results

August 2019

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Summary P&L

EURk	1H18	1H19
Revenues, including	175 115	227 964
Agriculture	49 830	106 228
Sugar	67 487	55 322
Soybean	39 719	45 978
Dairy	14 654	16 749
Cost of sales, including	(154 192)	(205 683)
Effect of FV remeasurement of AP	(15 418)	(30 847)
Changes in FV of BA and AP*	47 478	46 448
Gross profit	68 401	68 729
Gross profit margin	39%	30%
EBIT	40 871	37 994
Depreciation & Amortisation	18 985	25 624
EBITDA, including	59 856	63 618
Agriculture	51 616	51 428
Sugar	7 402	4 098
Soybean	1 871	5 039
Dairy	801	3 454
EBITDA margin	34%	28%
Financial costs	(6 276)	(9 722)
Land lease costs	(7 011)	(8 733)
Forex gain/loss	9 748	10 119
Net profit (loss)	37 252	30 271
Net profit (loss) margin	21%	13%

*BA – Biological Assets, AP – Agricultural Produce

- Consolidated revenues increased by 1/3 to EUR228m in 1H19 compared to 1H18 driven by strong growth in the agricultural segment (47% share in total revenues in 1H19)
- Astarta capitalized on corn price growth by pushing through sales volumes to 512kt in 1H19 (more than two-fold compared to 1H18) thanks to abundant harvest in 2018
- Share of exports in total revenues increased correspondingly from 52% in 1H18 to 64% in 1H19
- Sugar revenues down by 1/5 to EUR55m as the Company reduced sugar production and sales amid depressed prices
- Soybean products brought in EUR46m of revenues, up by 16% y-o-y, on higher volume sales while the dairy revenues increased to EUR17m on favorable product prices
- Profitability remained subdued at 30% Gross Margin in 1H19 compared to 39% in 1H18 under pressure from the Sugar Segment and a higher share of FV measurement in Agricultural Produce in Cost of Sales
- Excluding the impact of IAS41, Gross Profit would have been EUR53m and EBITDA – EUR48m for 1H19

EURk	1H18	1H19
Gross Profit on cash basis	36 341	53 128
Gross Margin on cash basis	21%	23%
EBITDA on cash basis	27 796	48 017
EBITDA margin on cash basis	16%	21%



Summary Cash Flows

Summary Cash Flows - EURk	1H18	1H19
Pre-tax income	38 396	29 895
D&A	18 985	25 624
Financial interest expenses, net	4 873	8 804
Land lease expenses	7 011	8 733
Changes in FV of BA and AP	(47 478)	(46 448)
Forex gain/loss	(9 748)	(10 119)
Income taxes paid	(1 336)	(1 418)
Working Capital changes	14 732	78 154
Operating Cash Flows	26 539	93 395
Agricultural capex (incl. silo)	(13 106)	(15 724)
Other	(7 110)	(71)
Investing Cash Flows	(20 216)	(15 795)
Debt proceeds	89 231	46 745
Debt repayment	(68 175)	(95 462)
Finance interest paid	(4 630)	(9 132)
Land lease repayment	(13 439)	(16 389)
Financing Cash Flows	1 259	(74 238)

- In 1H19 Astarta focused on maximizing its operating cash flows through release of working capital and sale of inventories
- This allowed the Company to repay net EUR49m of finance debt and improve overall leverage
- As at 30 June 2019 the Company was in breach of certain financial covenants under a number of bank loans, however management believes that the banks will not demand accelerated repayment of the loans
- Capex was reduced to maintenance levels across the segments apart from finalizing the 5-year investment project of completing 550kt silo storage facilities in 2019

Summary Balance Sheet

EURk	YE18	1H19
Right-of-use asset (land)	80 723	91 757
Biological assets (non-current)	17 064	18 121
PP&E and other	280 815	291 689
Inventories, including	234 939	92 953
<i>RMI*</i>	182 333	49 165
Biological assets (current)	16 004	160 973
AR and other	76 259	74 960
Cash and equivalents	13 492	17 989
Total Assets	719 296	748 442
Equity	362 969	417 190
Long-term loans	1 542	744
Lease liability (mainly land)	59 063	68 900
Other	15 808	15 084
Non-current liabilities	76 413	84 728
ST debt and similar	230 601	187 989
Current lease liability (mainly land)	17 742	17 223
Other	31 571	41 312
Current liabilities	279 914	246 524
Total equity and liabilities	719 296	748 442
Net debt, including	295 456	256 867
<i>Lease liability (mainly land)</i>	76 805	86 123
Adj Net Debt = (ND - RMI)	113 123	207 702
EBITDA (LTM)	56 872	60 634
<i>Net Debt/EBITDA (LTM)</i>	5,2	4,2
<i>Adj Net Debt/EBITDA (LTM)</i>	2,0	3,4

*RMI = Finished Goods



Production of key crops

kt	2016	2017	2018
Corn	415	339	622
Wheat	313	237	242
Sunseeds	72	73	117
Soybeans	91	63	69
Sugar beets	2,556	2,311	1,814

Yields of key crops

t/ha	2016	2017	2018
Corn	8,7	6,4	9,8
Wheat	5,8	5,0	4,7
Sunseeds	2,6	2,3	2,9
Soybeans	2,2	2,2	2,9
Sugar beets	56	50	46

Sales volumes of key crops

kt	2016	2017	2018	1H18	1H19
Corn	267	394	358	189	512
Wheat	133	383	270	52	17
Sunseeds	60	55	78	46	18

Prices

EUR/t	2016	2017	2018	1H18	1H19
Corn	152	142	148	143	153
Wheat	134	141	163	150	176
Sunseeds	319	315	289	303	290

Financial results

EURk	2016	2017	2018	1H18	1H19
Revenues	84 366	140 918	126 765	49 830	106 228
Cost of Revenues	(67 361)	(125 324)	(111 772)	(45 600)	(99 874)
BA revaluation	48 677	35 507	50 993	48 533	46 219
Gross profit	65 682	51 101	65 986	52 763	52 573
<i>Gross margin</i>	78%	36%	52%	106%	49%
G&A	(7 150)	(12 492)	(11 740)	(5 608)	(6 715)
S&D	(9 219)	(17 928)	(21 311)	(7 882)	(11 342)
Other income/costs	10 923	(1 569)	(3 608)	(586)	(484)
EBIT	60 236	19 112	29 327	38 687	34 032
EBITDA	76 019	39 080	59 014	51 616	51 428
<i>EBITDA margin</i>	90%	28%	47%	104%	48%

- Astarta capitalized on corn price growth by pushing through sales volumes to 512kt in 1H19 (more than two-fold compared to 1H18) thanks to abundant harvest in 2018
- Exports of total grains reached 95% of total volumes, or 525kt, compared to 80% in 1H18
- 1H19 revenues grew correspondingly to EUR106m making the agricultural segment the biggest contributor to the Company's consolidated revenues with 47% share
- Gross Profit and EBITDA remained flat at EUR53m and EUR51m
- G&A expenses declined from 11% to 6% of segment revenues, S&D costs - from 16% and 11%, correspondingly, on higher sales volumes and change of delivery terms

ASTARTA grain and oilseed crop yields vs average Ukrainian, t/ha

t/ha	2016		2017		2018	
	ASTARTA	Ukraine	ASTARTA	Ukraine	ASTARTA	Ukraine
Corn	8,7	6,6	6,4	5,4	9,8	7,8
Wheat	5,8	4,2	5,0	4,1	4,7	3,7
Sunflower	2,6	2,2	2,3	2,0	2,9	2,3
Soybeans	2,2	2,2	2,2	2,0	2,9	2,6
Sugar beet	56	48	50	46	46	49

Source: Company data, Ukrstat

Achievements

- Among Top 5 agricultural land banks in Ukraine
- Record high harvest of crops exceeding 1.0mt in 2018
- Crops yields typically higher than the average Ukrainian ones
- Increase in own storage facilities (silo & warehouses) to 550 kt
- Purchased 200 grain hoppers to enhance logistics
- Technological improvements in fertilizer and plant protection application

Outlook

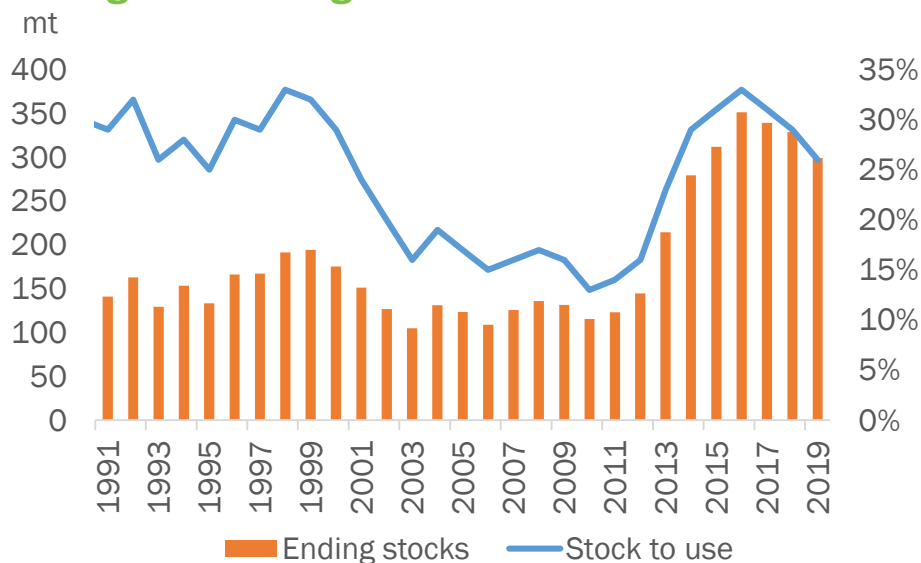
- Completion of the EUR61m Silo Project in 2019 (2/3 of newly constructed facilities operational as of 1H19)
- Further improvements in the crops growing technologies
- Wide ranging cost cutting measures
- Enhancing management control through IT solutions



Global agricultural market fundamentals

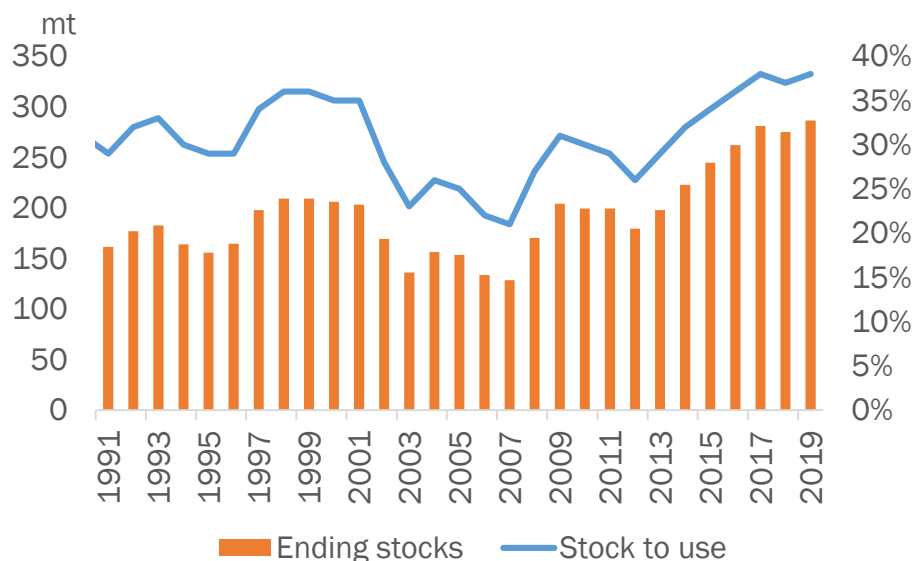


Corn global ending stocks vs stock to use



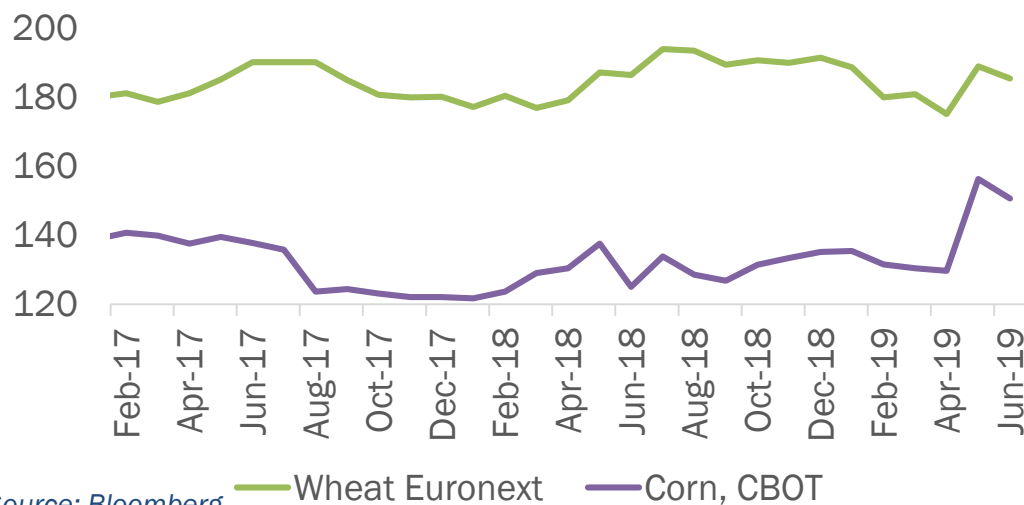
Source: Bloomberg

Wheat global ending stocks vs stock to use



Source: Bloomberg

Global prices, EUR/t



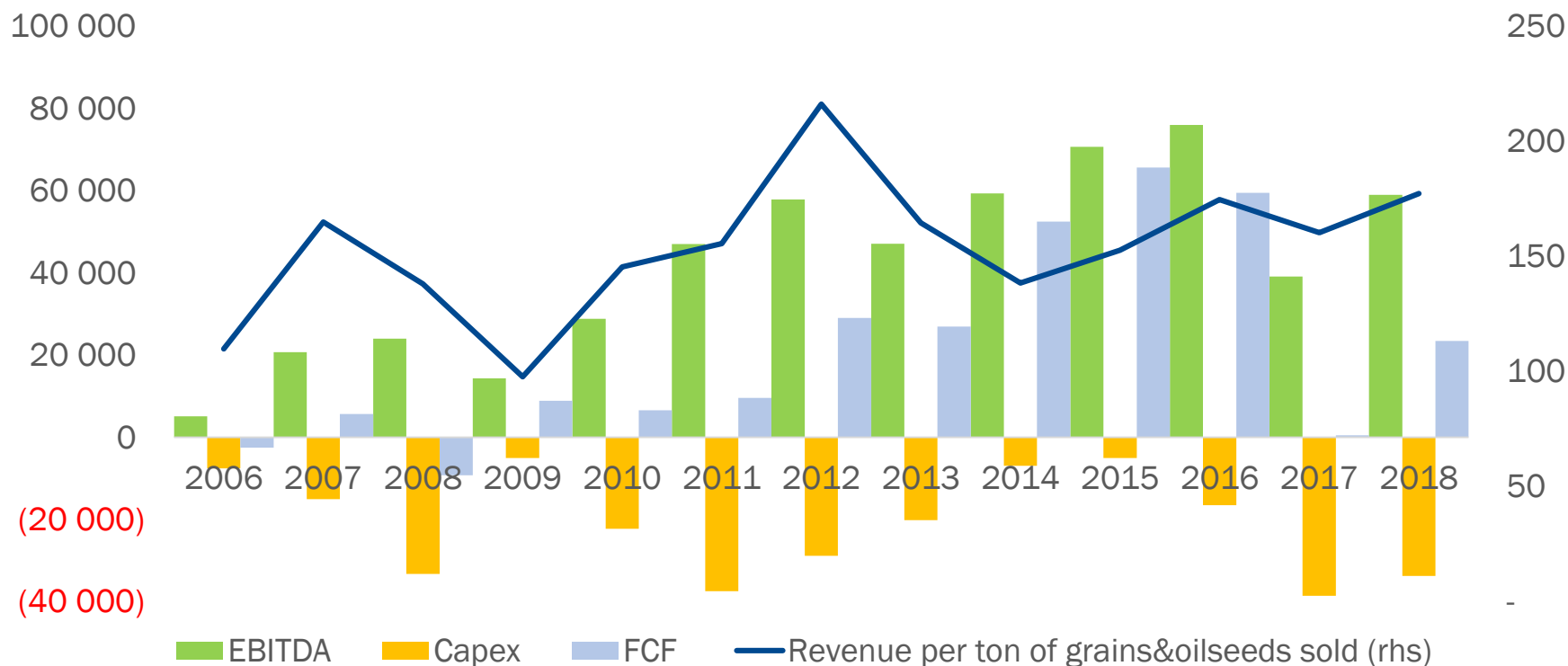
- In the 1H19 corn was the key driver in the global grains market, due to significant pressure of global corn supply and demand estimates
- Uncertainty over planting campaign in world's biggest corn producing country (the USA) as well as swine fever in the world's biggest corn consuming country (China) created high jump in global feed grains prices in spring of 2019

Source: Bloomberg

Wheat Euronext (green line) and Corn, CBOT (purple line)



FCF of the agricultural segment for 2006 – 2018



2006-2018		Units
Average revenue per ton of product sold	EUR/t	160
EBITDA	EURm	549
Capex	EURm	(270)
FCF	EURm	279



Production

	Unit	2016	2017	2018
Sugar production	kt	505	463	352
Own sugar beet	%	66%	79%	60%
Sugar beet processed	kt	3,443	3,077	2,472

Sales volumes

kt	2016	2017	2018	1H18	1H19
Sugar	390	444	325	185	153
Sugar-by products	115	130	133	50	44

Prices

EUR/t	2016	2017	2018	1H18	1H19
Sugar	423	425	328	340	329

Financial results

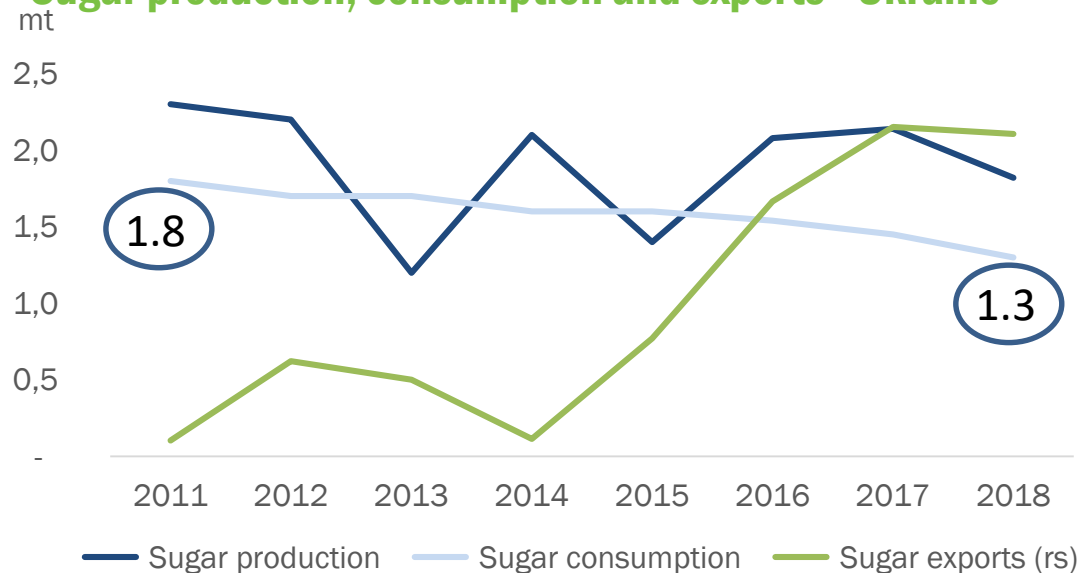
EURk	2016	2017	2018	1H18	1H19
Revenues	174 519	200 565	119 436	67 487	55 322
Cost of revenues	(105 644)	(130 972)	(103 779)	(56 978)	(50 351)
Gross profit	68 875	69 593	15 657	10 509	4 971
Gross margin	39%	35%	13%	16%	9%
G&A	(11 237)	(6 669)	(7 533)	(2 765)	(2 771)
S&D	(9 312)	(12 739)	(15 079)	(5 039)	(3 845)
Other income/costs	334	(1 538)	(2 304)	383	(76)
EBIT	48 660	48 647	(9 259)	3 088	(1 721)
EBITDA	59 120	63 417	(289)	7 402	4 098
EBITDA margin	34%	32%	(0,2%)	11%	7%

- Sugar revenues down by 1/5 to EUR55m in 1H19 versus the previous year as the Company reduced sugar output and sales amid depressed prices
- Prices in EUR continued to fall from EUR340 per ton in 1H18 versus EUR329 in 1H19 due to appreciation of the local currency
- Gross Margin compressed from 16% in 1H18 to 9% in 1H19 on cost inflation
- Segment EBITDA amounted to EUR4.1m in 1H19 compared to EUR7.4m in 1H18

Sugar market



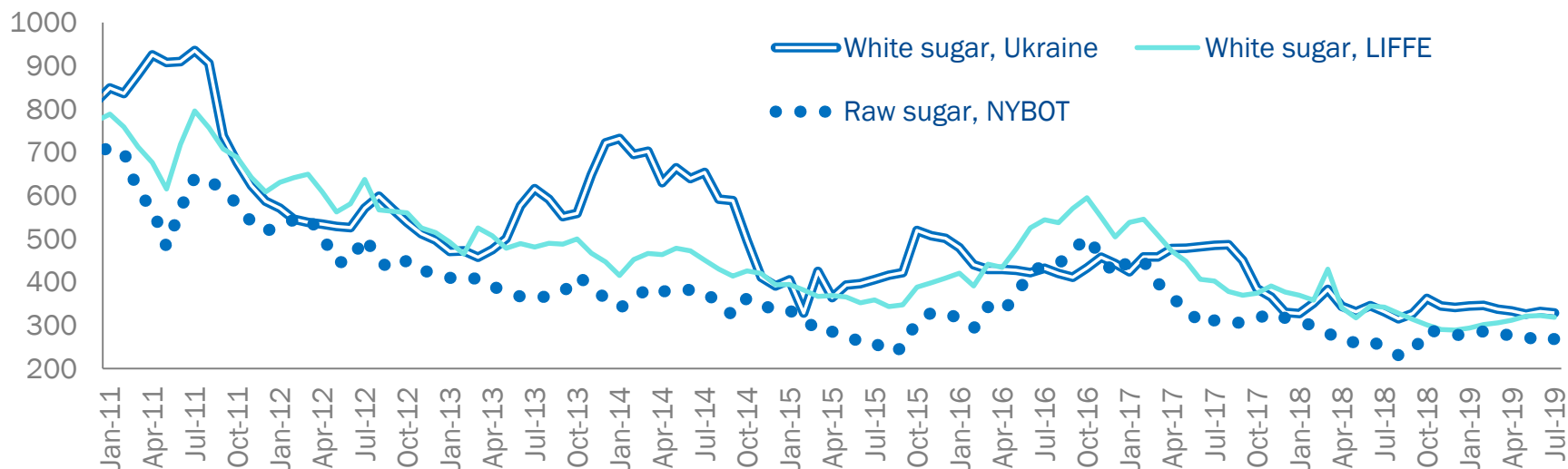
Sugar production, consumption and exports - Ukraine



- Local sugar consumption dropped by 1/3 to an estimated 1.3mt since 2013
- The market is still working through the 0.5mt production/consumption gap since 2016
- At the same time, the Ukrainian market has become fully integrated into global sugar trade flows allowing for sizeable exports (0.6mt in 2018) when the global sugar prices are more favourable
- However, global prices have been at their historical lows for several years, putting additional pressure on the Ukrainian sugar market. Ukraine's total sugar exports totaled only 0.2mt in 1H19

Source: Ukrstat

Sugar prices, USD/t



Source: AAA

Key achievements

- Preserved leadership position on the Ukrainian sugar market with market share at 25-30%
- Sustained high quality sugar despite adverse weather conditions:
- High quality sugar production in 2017-2018 was 87% from total volume of sugar produced compared to 71% in 2015-2016
- Certified production (OHSAS, ISO, FSSC) which allowed to preserve key client relationships with reputable clients such as Coca-Cola, Nestle, Pepsi, Danone (c. 1/5 of total sales)

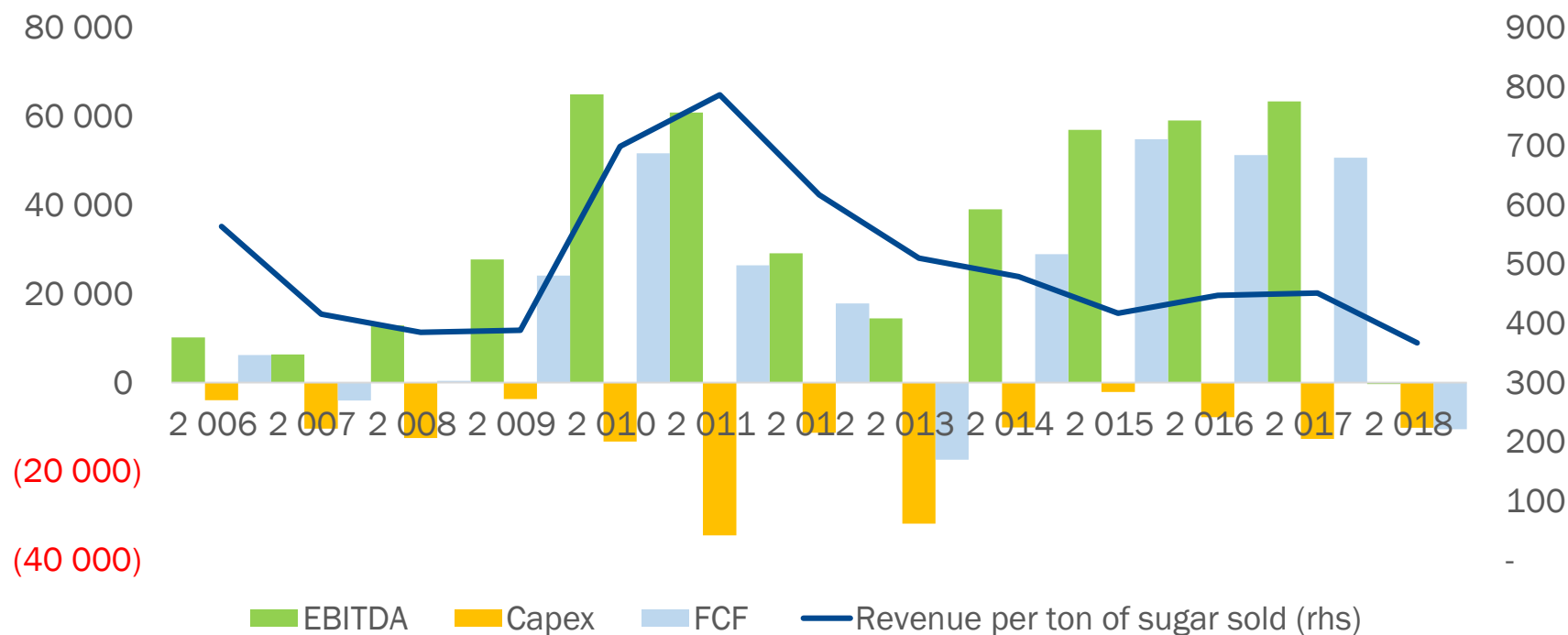
Outlook

- Amid market downturn the Company put one sugar plant out of operations in 2018 and another in 2019 (7% and 17% of total capacities, correspondingly)
- Sugar beet planting area reduced by 13% to 36k ha from 40k ha a year ago, targeting sugar production at 300-350kt





FCF of the sugar segment for 2006 - 2018



2006-2018		Units
Average revenue per ton of product sold	EUR/t	495
EBITDA	EURm	445
Capex	EURm	(164)
FCF	EURm	281



Soybean processing

Soybean products - output

kt	2016	2017	2018	1H18	1H19
Soybean meal	158	153	158	89	91
Soybean oil	39	40	41	23	24

Soybean products – sales volumes

kt	2016	2017	2018	1H18	1H19
Soybean meal	151	144	141	78	93
Soybean oil	35	36	42	22	26

Soybean products - prices

EUR/t	2016	2017	2018	1H18	1H19
Soybean meal	329	323	341	329	326
Soybean oil	697	689	598	621	568

Key achievements & Outlook

- Preserved leadership position locally with 1/5 share in local soybean processing volumes
- Strong exports of nearly 90% of sales volumes in 1H19
- High quality of the products, certification for the international standard GMP + B2 aimed at widening of customer base
- One of potential areas for further expansion

Financial results

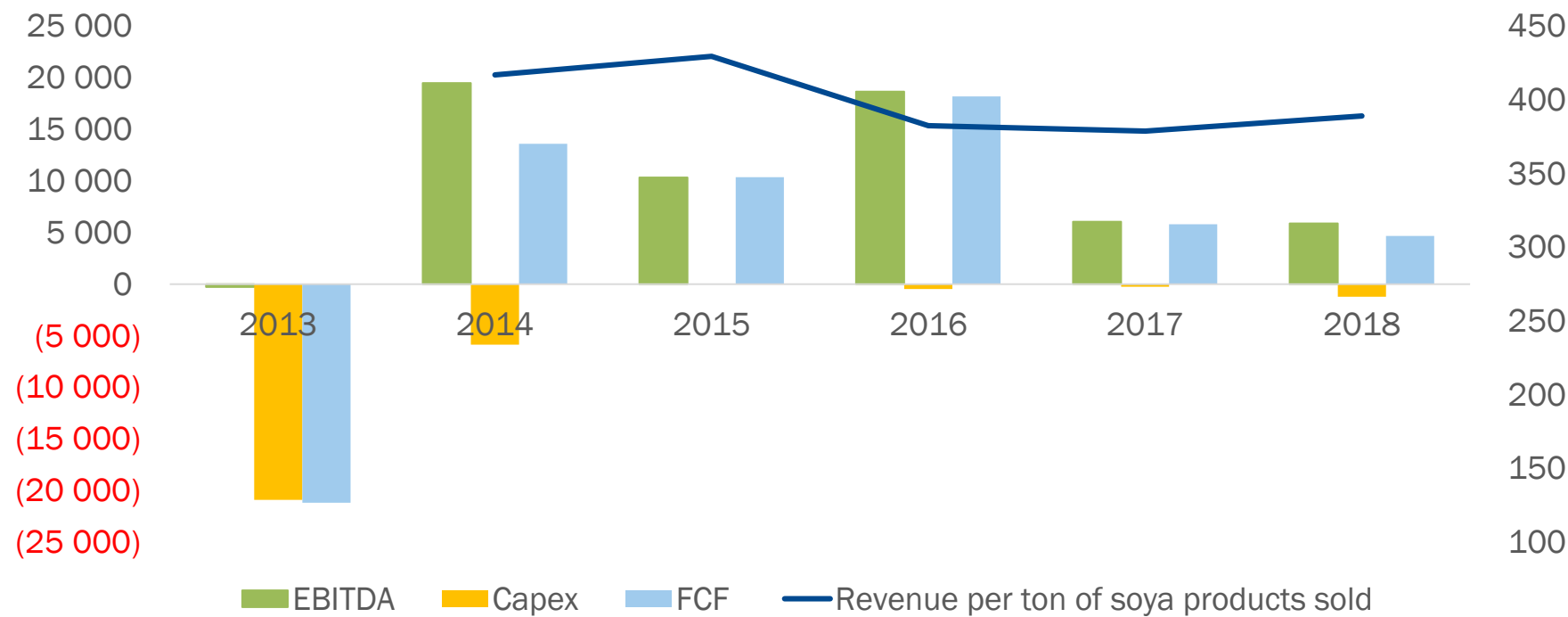
EURk	2016	2017	2018	1H18	1H19
Revenues	74 951	72 713	74 290	39 719	45 978
Cost of revenues	(53 447)	(64 261)	(64 650)	(36 431)	(38 565)
Gross profit	21 504	8 452	9 640	3 288	7 413
<i>Gross profit margin</i>	29%	12%	13%	8%	16%
G&A	(507)	(636)	(746)	(228)	(248)
S&D	(3 276)	(2 427)	(3 533)	(1 577)	(2 588)
Other income/costs	(192)	(630)	(639)	(160)	(249)
EBIT	17 529	4 759	4 722	1 323	4 328
EBITDA	18 654	6 056	5 889	1 871	5 039
<i>EBITDA margin</i>	25%	8%	8%	5%	11%

- Soybean products sales and revenue volumes increased by 1/5 in 1H19 compared to the previous year
- Gross Margin doubled from EUR3.3m to EUR7.4m on more favourable input costs, leading to EBITDA increase from EUR1.9m to EUR5.0m





FCF of the soybean processing segment for 2013 - 2018



2013-2018		Units
Average revenue per ton of product sold	EUR/t	396
EBITDA	EURm	60
Capex	EURm	(29)
FCF	EURm	31

Milk production, herd and productivity

	2016	2017	2018	1H18	1H19
Milk production, kt	107	110	106	55	52
Herd, k heads	30	27	27	26	25
Milk yield, kg/day	18,8	20,0	19,3	20,0	20,7

Milk sales and prices

	2016	2017	2018	1H18	1H19
Milk sales, kt	103	105	103	54	51
Milk price, EUR/t	217	263	258	244	297

Key achievements & Outlook

- Astarta is of the largest industrial milk producers in Ukraine supplying high quality product to milk processors (3/4 of the country's milk output still coming from households)
- Increase in the qualitative indicators of milk: fat and protein content grew with extra grade milk sales increased to 1/3 of total
- Commissioning of the Feed Center to centralize provision and distribution of different types of homogenous high-quality feed
- Continued modernization of cattle farming facilities, improvement of cattle genetics and milk yields
- Optimization of farms by closing inefficient facilities

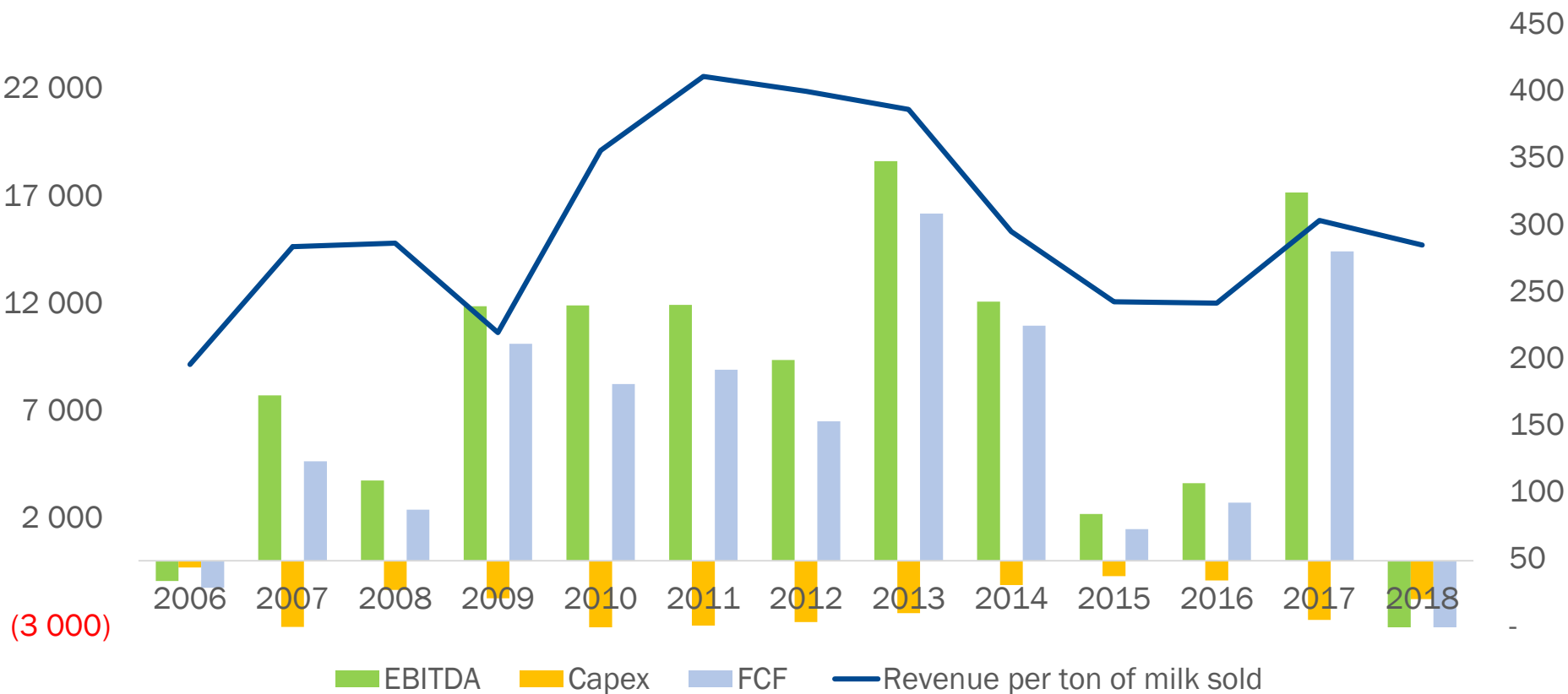
Financial results

EURk	2016	2017	2018	1H18	1H19
Revenues	24 827	31 795	29 309	14 654	16 749
Cost of revenues	(20 341)	(23 355)	(24 852)	(12 169)	(13 374)
BA revaluation	(3 464)	9 869	(8 989)	(1 055)	229
Gross profit	1 022	18 309	(4 532)	1 430	3 604
<i>Gross profit margin</i>	4%	58%	(15%)	10%	22%
G&A	(1 639)	(2 595)	(2 154)	(1 292)	(725)
S&D	(453)	(487)	(431)	(209)	(171)
Other income/costs	3 357	(91)	297	136	(11)
EBIT	2 287	15 136	(6 820)	65	2 697
EBITDA	3 615	17 150	(3 585)	801	3 454
<i>EBITDA margin</i>	15%	54%	(12%)	5%	21%

- Profitability driven by the mix of milk price performance, volatility of the local currency and revaluation of the biological assets
- Improved profitability in 1H19 in more favourable milk price environment



FCF for the dairy segment for 2006 - 2018



2006-2018		Units
Average revenue per ton of product sold	EUR/t	306
EBITDA	EURm	105
Capex	EURm	(25)
FCF	EURm	80



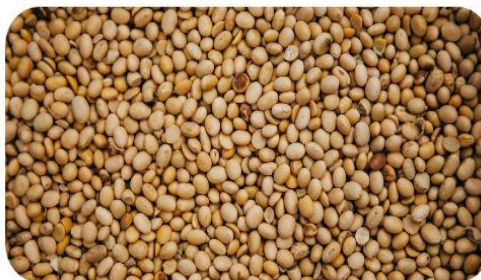
Financial goals

- Release working capital and reduce capex to stable maintenance levels while sugar product margins remain historically low
- Reduce leverage to a sound level
- Wide ranging cost cutting measures to reduce fixed and variable costs across the board



Operational goals

- Retain No 5 agricultural land bank position in Ukraine while increasing grain and oilseed crop yields
- Further development of infrastructure capabilities to reduce dependency on third parties on higher volume of exports with an ultimate goal of reducing logistics costs
- Preserve leadership with 1/4 share in the local sugar market while retaining long-term relationships with key industrial consumers
- Promptly optimise capacities, output and costs in response to market volatility
- Selective expansion in soybean and/or other oilseed processing areas and higher exports volumes
- Optimisation of dairy milk farms to realise higher margins and synergies with the agricultural segment
- Careful expansion of the product mix towards higher value added processing and direct customer access

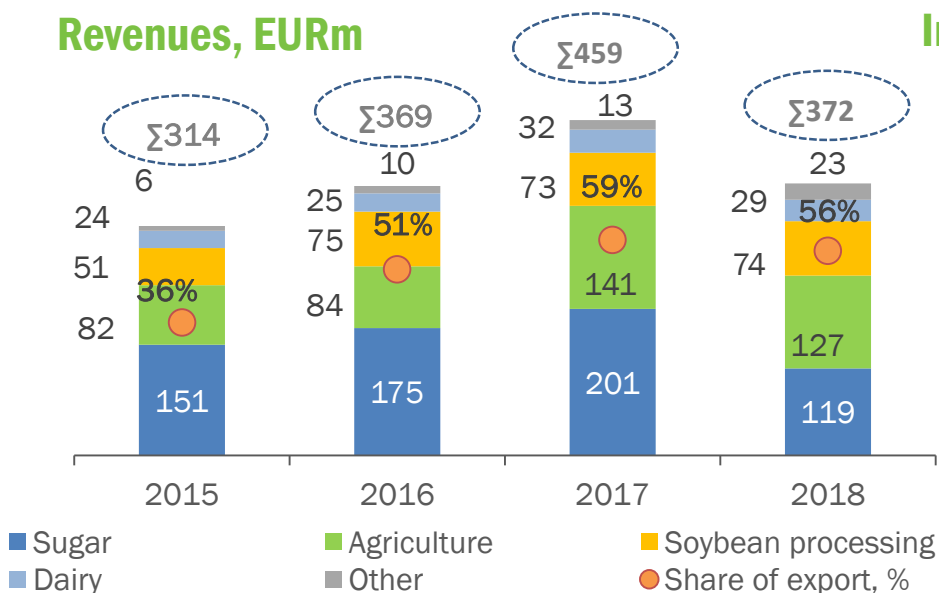


Summary Financials

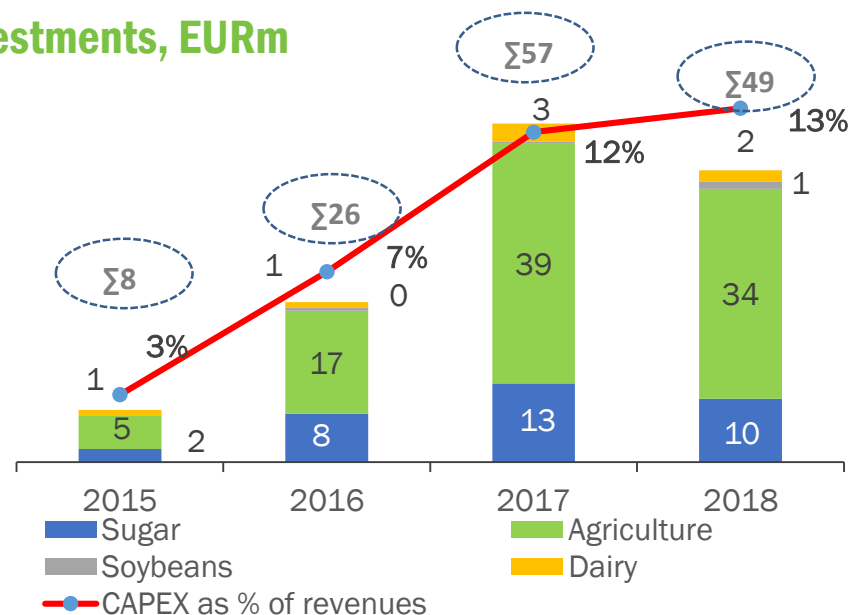
Last four years highlights



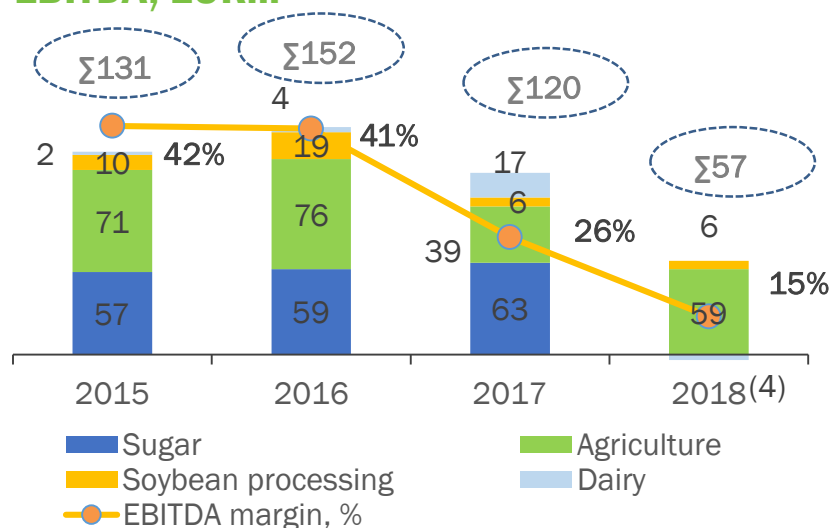
Revenues, EURm



Investments, EURm



EBITDA, EURm



Leverage

EURm	2015	2016	2017	2018
Net Debt/EBITDA	1,32	0,96	1,08	5,20
Adj Net Debt (ND-RMI*)/EBITDA	0,5	(0,2)	(0,1)	2,0
Finance costs (ex forex)/Ave Gross Fin Debt	14%	15%	7%	8%
Finance costs (ex forex)/EBITDA	25%	18%	9%	26%

*RMI = Finished Goods

Consolidated Balance sheet



EURK	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Right-of-use asset	-	-	-	-	-	-	-	-	-	-	-	-	80 723
Biological assets	3 701	6 380	5 150	12 747	14 926	20 148	43 961	45 497	30 397	19 291	15 209	22 437	17 064
PP&E and other	32 714	79 147	78 513	111 096	147 754	231 479	244 097	320 661	237 209	232 303	264 805	244 152	280 815
Non-current assets	36 415	85 527	83 663	123 843	162 680	251 627	288 058	366 158	267 606	251 594	280 014	266 589	378 602
Inventories:	45 910	51 855	57 859	69 500	119 512	191 904	217 919	245 872	157 277	153 384	222 615	194 727	234 939
Incl RMI*	36 111	36 305	38 903	51 624	89 014	139 107	170 085	160 486	114 401	108 884	179 626	146 262	182 333
Biological assets	7 157	15 216	14 620	19 962	38 955	54 071	52 975	28 952	26 813	17 937	13 739	17 104	16 004
TA receivable and other	26 644	19 026	14 695	16 179	29 334	55 026	65 473	45 290	19 986	37 515	45 763	39 471	76 259
Cash and cash equivalents	2 991	1 068	5342	1 930	2 158	17 597	11 933	6 721	34 858	31 209	12 439	15 406	13 492
Current assets	82 702	87 165	92 516	107 571	189 959	318 598	348 300	326 835	238 934	240 045	294 556	266 708	340 694
Total assets	119 117	172 692	176 179	231 414	352 639	570 225	636 358	692 993	506 540	491 639	574 570	533 297	719 296
Equity	61 800	99 074	60 098	118 508	209 054	306 813	327 952	370 509	220 246	240 493	353 175	347 800	362 969
Long-term loans	8 092	5 647	11 897	52 436	55 774	107 593	154 800	114 361	106 447	12 907	48 198	44 757	1 542
Lease liability	-	-	-	-	-	-	-	-	-	-	-	-	59 063
Other	3 322	10 254	6 777	11 840	12 386	20 564	16 685	18 990	17 391	20 061	26 102	14 181	15 808
Non-current liabilities	11 414	15 901	18 674	64 276	68 160	128 157	171 485	133 351	123 838	32 968	74 300	58 938	76 413
Short-term and current loans	27 712	45 634	80 517	32 359	56 813	102 233	97 397	156 671	144 919	191 029	110 115	100 951	230 601
Current lease liability	-	-	-	-	-	-	-	-	-	-	-	-	17 742
Other	18 191	12 083	16 890	16 271	18 612	33 022	39 524	32 462	17 537	27 149	36 980	25 608	31 571
Current liabilities	45 903	57 717	97 407	48 630	75 425	135 255	136 921	189 133	162 456	218 178	147 095	126 559	279 914
Total equity and liabilities	119 117	172 692	176 179	231 414	352 639	570 225	636 358	692 993	506 540	491 639	574 570	533 297	719 296
Net Debt (incl lease)	32 813	50 213	87 072	82 865	110 429	192 229	240 264	264 311	216 508	172 727	145 874	130 302	295 456
Adj. Net Debt = (ND-RMI)	(3 298)	13 908	48 169	31 241	21 415	53 122	70 179	103 825	102 107	63 843	(33 752)	(15 960)	113 123
EBITDA	11 314	30 820	30 893	50 398	100 708	110 830	85 904	64 971	119 569	130 694	152 144	120 242	56 872
Net Debt/EBITDA	2,9	1,6	2,8	1,6	1,1	1,7	2,8	4,1	1,8	1,3	1,0	1,1	5,2
Adj Net Debt/EBITDA	(0,3)	0,5	1,6	0,6	0,2	0,5	0,8	1,6	0,9	0,5	(0,2)	(0,1)	2,0

*RMI = Finished Goods

Consolidated statement of profit and loss



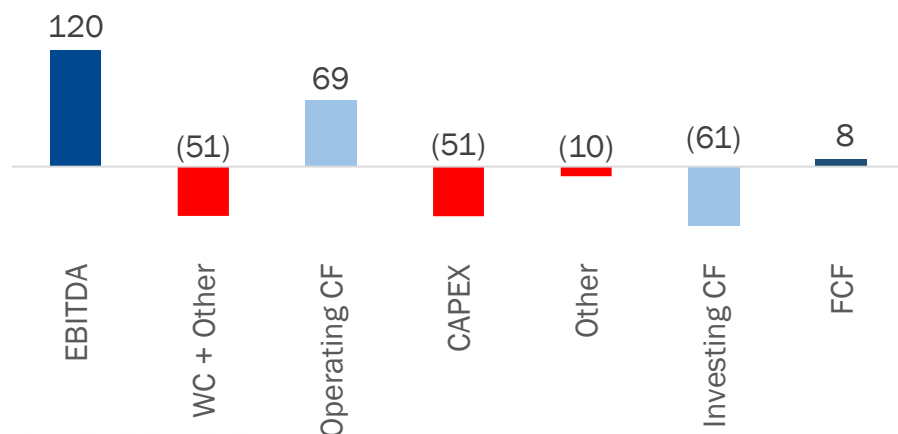
EURk	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues	68 051	87 747	123 382	128 239	219 330	303 587	352 582	327 042	351 902	313 997	368 891	458 601	372 222
Cost of revenues	(55 295)	(66 867)	(96 262)	(82 638)	(128 319)	(193 480)	(285 731)	(292 839)	(267 994)	(218 806)	(256 618)	(355 477)	(323 882)
Changes in FV of BA/ remeasurement	1 311	3 722	7 527	(2 241)	177	10 767	41 166	47 278	47 006	47 629	45 213	45 376	42 004
Gross profit	14 067	24 602	34 647	43 360	91 188	120 874	108 017	81 481	130 914	142 820	157 486	148 500	90 344
General and administrative expense	(5 956)	(7 572)	(11 959)	(8 114)	(9 267)	(10 949)	(24 050)	(23 083)	(23 191)	(19 013)	(21 181)	(24 134)	(24 245)
Selling and distribution expense	(3 060)	(4 185)	(6 926)	(5 524)	(7 267)	(13 258)	(20 408)	(22 655)	(21 540)	(20 341)	(22 346)	(34 523)	(42 818)
Other	2 388	12 932	5 681	10 970	12 856	(3 311)	(2 853)	(1 694)	5 307	4 533	10 475	(7 985)	(10 279)
Profit from operations	7 439	25 777	21 443	40 692	87 510	93 356	60 706	34 049	91 490	107 999	124 434	81 858	13 002
Finance costs and income	(5 597)	(7 437)	(41 308)	(11 554)	(12 118)	(17 725)	(18 494)	(24 901)	(159 298)	(93 694)	(40 651)	(17 798)	(14 818)
Interest expense on lease liability	-	-	-	-	-	-	-	-	-	-	-	-	(15 484)
Other	3 665	4 624	9 062	736	4 234	14 365	2 637	12 075	624	(268)	1 285	(1 367)	361
Profit before tax	5 507	22 964	(10 803)	29 874	79 626	89 996	44 849	21 223	(67 184)	14 037	85 068	62 693	(16 939)
Income tax (expense) benefit	256	80	3 209	(425)	415	(2 466)	860	1 077	(892)	1 904	(2 425)	(853)	(4 172)
Net profit	5 763	23 044	(7 594)	29 449	80 041	87 530	45 709	22 300	(68 076)	15 941	82 643	61 840	(21 111)
ROE	9%	23%	(13%)	25%	38%	29%	14%	6%	(31%)	7%	23%	18%	(6%)
EBITDA by segments													
Sugar	10 182	6 339	12 898	27 787	64 986	60 897	29 170	14 467	39 062	57 022	59 120	63 417	(289)
Agriculture	5 072	20 704	23 965	14 331	28 823	47 008	57 878	47 085	59 356	70 699	76 019	39 080	59 014
Soybean processing									19 481	10 324	18 654	6 056	5 889
Dairy	(448)	7 707	3 735	11 849	11 890	11 910	9 346	18 610	12 071	2 185	3 615	17 150	(3 585)
EBITDA margin by segments													
Sugar	20%	11%	16%	34%	41%	31%	14%	7%	25%	38%	34%	32%	(0,2%)
Agriculture	45%	98%	81%	43%	71%	59%	55%	55%	83%	87%	90%	28%	47%
Soybean processing									26%	20%	25%	8%	8%
Dairy	(11%)	105%	41%	132%	69%	46%	29%	55%	41%	9%	15%	54%	(12%)

Consolidated Cash Flows

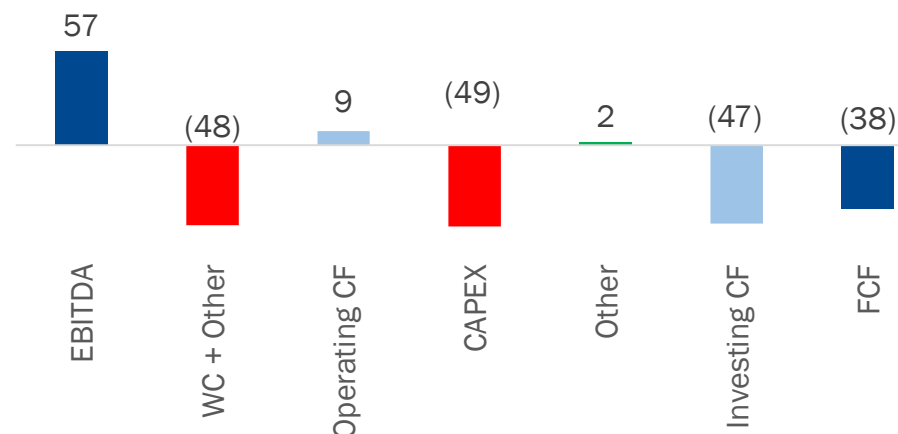


EURk	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PBIT	5 507	22 964	(10 803)	29 874	79 626	89 996	44 849	21 223	(67 184)	14 037	85 068	62 693	(16 939)
Depreciation and amortization	3 875	5 043	9 450	8 178	13 198	17 474	25 198	27 133	25 367	22 101	28 904	36 677	39 862
Gain on acquisition of subsidiaries	(3 589)	(5 050)	(8 951)	(172)	(4 016)	(12 582)	(1 745)	(12 108)	-	-	(1 230)	(68)	-
Interest expense	4 068	5 350	7 131	8 201	8 400	15 226	20 941	18 903	20 865	26 983	21 022	9 107	13 127
WC changes	(25 620)	(21 632)	(28 879)	(16 103)	(56 826)	(80 877)	(28 826)	16 681	24 492	2 011	(25 377)	(8 818)	(8 741)
Income taxes paid	(68)	(139)	(132)	(69)	(95)	(285)	(239)	(439)	(606)	(1 082)	(1 869)	(3 608)	(2 236)
Other	(3 282)	(4 157)	29 914	(15 822)	(15 082)	(8 315)	(43 015)	(32 756)	90 836	24 165	(24 158)	(27 298)	(16 556)
Operating CF	(19 109)	2 379	(2 270)	14 087	25 205	20 637	17 163	38 637	93 770	88 215	82 360	68 685	8 517
Purchase of PPE and other assets	(10 912)	(22 703)	(38 133)	(10 362)	(33 771)	(58 180)	(51 090)	(54 350)	(26 962)	(9 988)	(20 994)	(51 425)	(49 115)
Proceeds from sales of PPE	767	1 459	520	209	14	223	395	123	374	326	716	195	58
Sale (purchase) of financial investments	(846)	-	72	377	(1 271)	(1 355)	(325)	658	489	37	-	-	-
Other	38	(2 574)	(5 683)	4 627	(4 974)	(31 337)	12 160	10 645	(22 670)	7 401	7 915	(9 909)	1 623
Investing CF	(10 953)	(23 818)	(43 224)	(5 149)	(40 002)	(90 649)	(38 860)	(42 924)	(48 769)	(2 224)	(12 363)	(61 139)	(47 434)
Proceeds from loans and borrowings	31 843	64 116	101 975	34 821	80 515	193 920	178 590	254 136	164 780	108 336	139 811	163 268	191 170
Repayment of loans and borrowings	(15 453)	(44 125)	(51 773)	(41 680)	(61 548)	(106 916)	(133 772)	(231 829)	(180 281)	(158 651)	(191 125)	(157 035)	(116 355)
Other	20 314	(416)	2 388	(990)	(3 855)	(14 738)	(20 539)	(21 549)	(22 830)	(31 146)	(21 951)	(12 205)	(38 765)
Financing CF	36 704	19 575	52 590	(7 849)	15 112	72 266	24 279	758	(38 331)	(81 461)	(73 265)	(5 972)	36 050
Change in cash and equivalents	6 642	(1 864)	7 096	1 089	315	2 254	2 582	(3 529)	6 670	4 530	(3 268)	1 574	(2 867)
Cash as at 1st January	503	2 991	1 068	949	1 930	1 121	5 003	7 606	2 574	12 835	16 782	11 114	14 330
Currency translation difference	(4 154)	(59)	(7 215)	(108)	(1 124)	1 731	21	(1 503)	3 591	(583)	(2 400)	1 642	1 745
Cash and cash equivalents as at YE	2 991	1 068	949	1 930	1 121	5 106	7 606	2 574	12 835	16 782	11 114	14 330	13 208

2017



2018

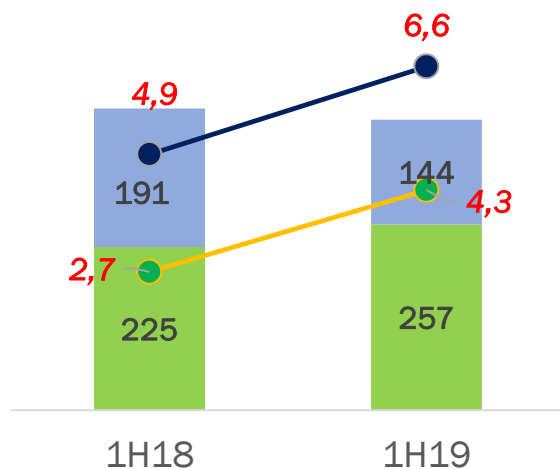


Appendix

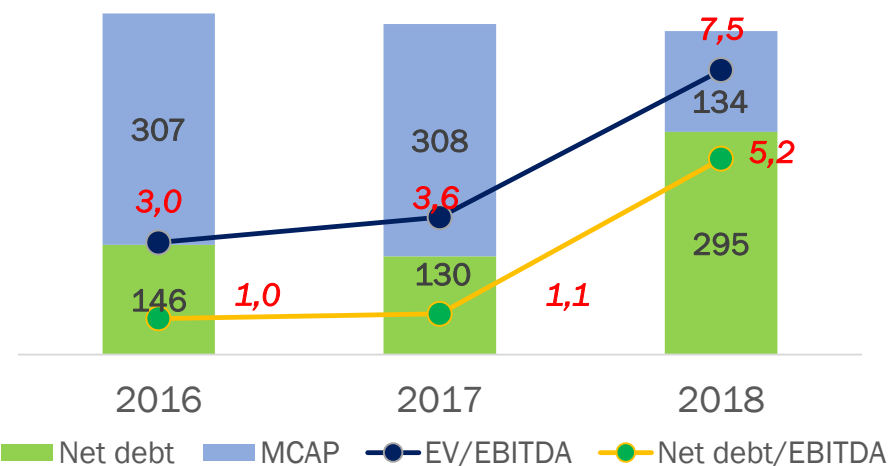
Valuation and capital structure



EV 1H19 versus 1H18



EV 2016-2018



Equity Coverage

Brokers	PEKAO
	IPOPEMA
	DRAGON
	CITI
Target Price	PKO BP
	7.4 USD
	(28.0 PLN)
	6.6 USD
Price at 30.06	(24.5 PLN)

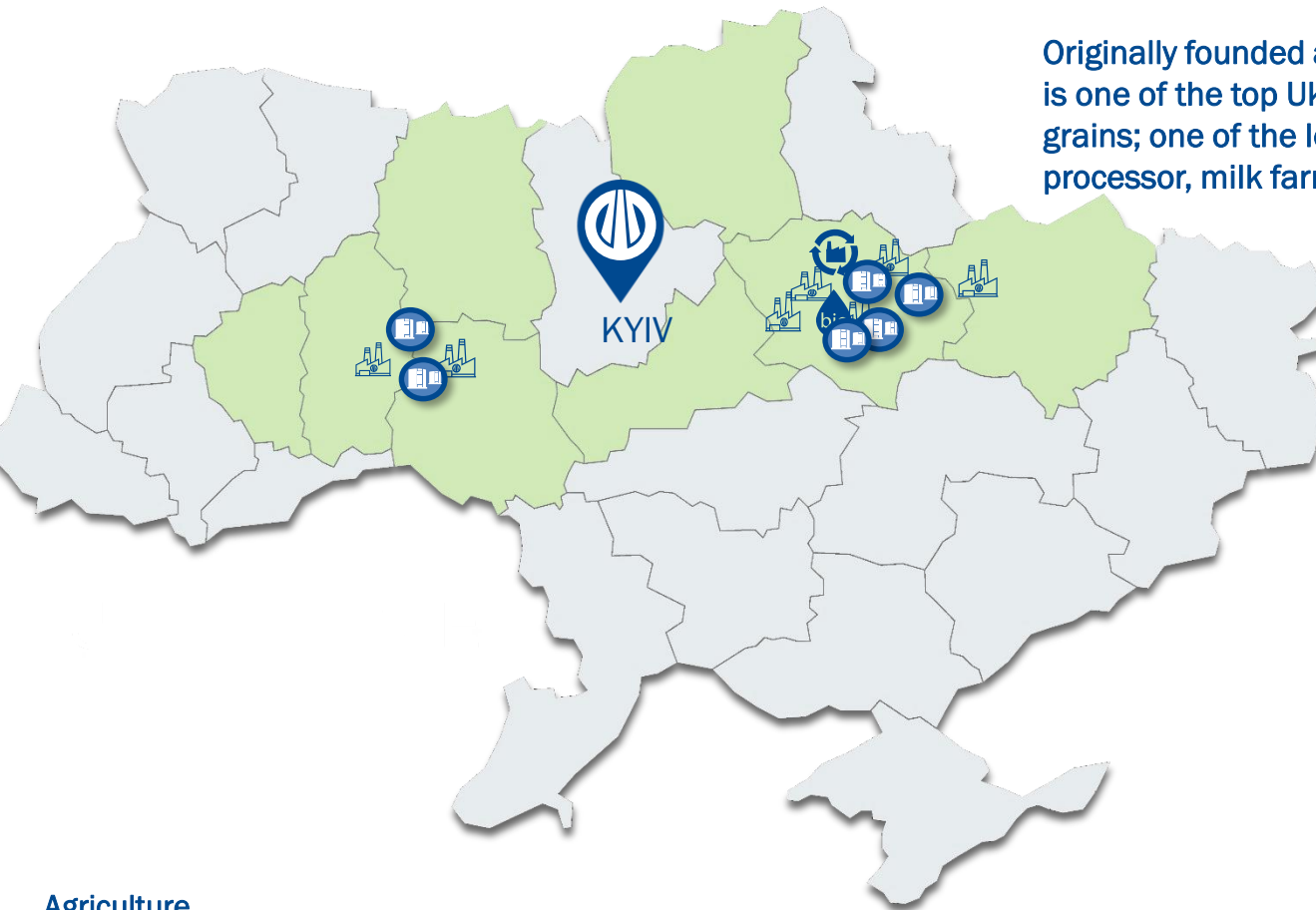
Top 10 shareholders

Name	Share
Viktor Ivanchyk	38%
Fairfax	28%
Kopernik	5%
Aviva OFE	4%
Nationale-Nederlanden	3%
Metlife	3%
Heptagon Cap	1%
PZU OFE	1%
Swedbank	1%
Treasury shares	3%

Board of Directors

Director	Position	Background
Viktor Ivanchyk	ED, CEO	Founder and key shareholder
Howard Dahl	NED, Chairman	Various US board positions
Viktor Gladkyi	ED, CFO	Ex-Citi, Swedbank, Ukrexim, NBU
Marc Van Campen	ED, CCO	Various EU board positions
Gilles Mettetal	NED	Ex-EBRD agrisector head
Huseyin Arslan	NED	Various positions at AGT

Source: Bloomberg, Company's data



Originally founded as a sugar business 26 years ago, now is one of the top Ukrainian producers and exporters of grains; one of the leading sugar beet and soybean processor, milk farming

Sugar

- 7 Sugar plants in Ukraine, daily capacity - 39kt of sugar beet
- 1/3 of the local sugar market by consumption
- 350-500kt of sugar output in 2016-2018
- Bioenergy plant

Soybean processing

- Soybean processing plant, annual crushing capacity - 220kt
- 1/5 of Ukrainian soybean processing volumes
- 158kt of soybean meal and 41kt of soybean oil output in 2018

Agriculture

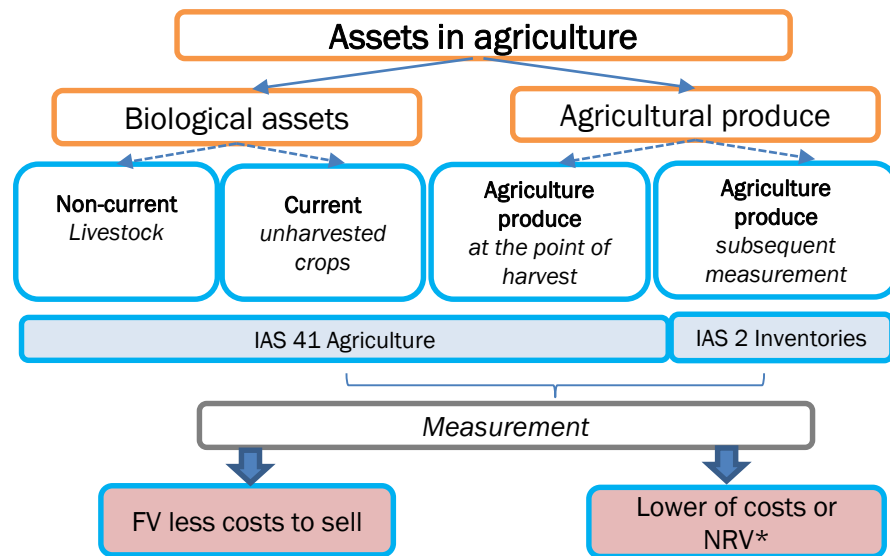
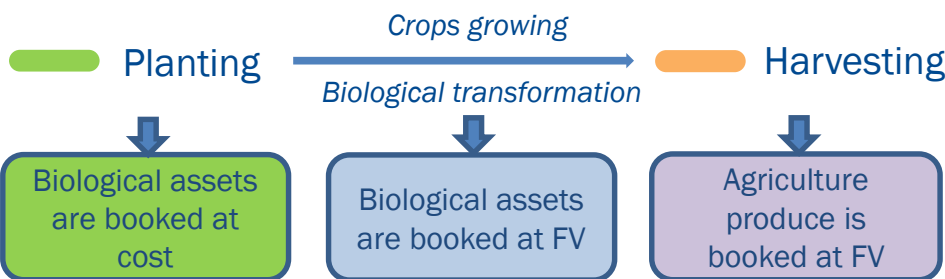
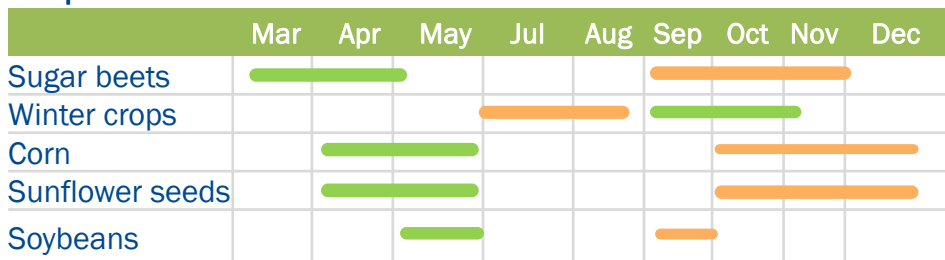
- 240k ha of leased land (Poltava, Vinnytsya, Ternopil, Khmelnytsky, Kharkiv, Cherkasy, Chernihiv, and Zhytomyr regions)
- Among Ukraine's Top 5 agriproducers by land bank and production
- 1.0m t of grain and oilseed output in 2018 (key crops – corn, winter wheat, sunflower, soybeans)
- 1.8m t of sugar beet crop in 2018
- 6 grains silo, storage capacity – 550kt
- 2 seed plants

Dairy

- One of the largest industrial milk producers
- Dairy farms with 25k cows, daily output – c.300 ton of milk
- 106kt of milk production in 2018
- Own feed center



Crops calendar



*NRV – net realizable value

The **FV of crops** is estimated by PV of net CF expected to be generated from crops discounted at a current market-determined rate, using the following assumptions:

- forecasted period for harvesting and crops sales
- WACC
- crop yields
- crop prices (projected spot price at the moment of harvesting)
- production costs for crops and costs to sell

The **FV of livestock** is estimated by PV of net CF expected to be generated from livestock discounted at a current market-determined rate (milk and meat produced) using the following assumptions:

- 6 years productive life
- turnover of cows
- WACC
- milk yield, milk and meat prices (current)
- production cost of milk and costs to sell
- CPI and PPI