

Agro-Industrial Group Uspikh – Oil Seed Extraction Plant

The investors are offered an opportunity to invest into the production and sale of refined sunflower and soybean products. The project involves the construction of a modern and highly profitable plant for the processing of sunflower seeds and soybeans. The processing capacity of the plant will be 1500 tons of sunflower seeds per day, or 850 tons of soybeans per day. An investment of 33.6 million USD will be used for the construction of the plant and the financing of working capital of the project. The investor's IRR is expected to be no less than 44%.

Investment attractiveness:

- ✓ Ukraine is the world leader in the production of sunflower oil. At the same time, the equipment of the largest oilseed processing plants is worn out.
- ✓ The extraction method could significantly reduce the net cost of production and, as a consequence, the profit margin will rise up to 11.5%.
- ✓ The ability to process several types of crops minimizes production risks and increases the efficiency of the plant.
- ✓ Strategic allocation of the plant in the east of the country, where agricultural enterprises grow about 35% of Ukrainian sunflower; close proximity to sea ports, allowing maximum load of the plant with raw materials and minimization of logistics costs. An additional advantage is the favorable location of roads and railway lines, accelerating the sales of products and reducing transportation costs.
- ✓ The growing demand for sunflower oil will guarantee the high price for the product.
- ✓ The use of modern energy-efficient equipment reduces direct operating costs by 20-30%.
- ✓ The production process is in line with European environmental standards. The technological line eliminates waste water and filters air pollution to 98.7%.
- ✓ High profitability of the project. Investor's IRR - 44%.

Exit strategy. There are several possible exit scenarios. The basic scenario involves the payment of dividends to the investor during the life of the project and a management buyout of the investor's share throughout the project in equal parts. The second scenario is the sale of the investor's share to a strategic investor. The third option is the exit of the investor during the company's IPO.

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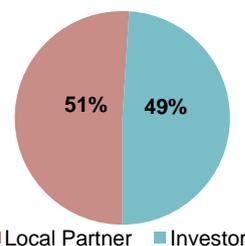
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Key figures

Project period	2016-2022
Year of investment	2015F
Investment amount	33.6millionUSD
Withdrawal from the project	2022F
Investor's cash flow	114.5millionUSD
Investor's IRR	44%
Investor's ROI	241%

Ownership structure



Financial performance of the project

MillionUSD	2016F	2017F	2018F	2019F	2020F	2021F	2022F
Revenue	215,8	214,4	214,8	219,3	223,5	227,3	229,4
VAT	-18,7	-18,9	-19,0	-19,0	-19,4	-19,8	-20,0
Net cost	205,9	205,9	207,0	209,7	213,1	217,7	220,0
EBITDA	28,6	27,4	26,8	28,6	29,8	29,4	29,4
<i>EBITDA margin, %</i>	13,3	12,8	12,5	13,1	13,3	12,9	12,8
Profit tax	0,3	0,4	0,5	0,9	1,2	1,2	1,2
Net profit	20,4	20,9	21,6	24,0	25,8	26,0	26,5
<i>Net profit margin, %</i>	9,4	9,8	10,1	11,0	11,5	11,4	11,5

Financial performance is calculated based on 330 working days per year and a minimum load of the plant line by 80%.