

UKRAINE NEWSLETTER Q2/2017 POLITICAL AND ECONOMIC NEWS

- Visa liberalization was signed in Strasbourg by European Parliament President Antonio Tajani and Maltese Minister for Home Affairs and National Security Carmelo Abela. After signing, the legislative act should be published in the EU's Official Journal. The visa-free regime will come into force in 20 days. (UNIAN)
- The U.S. Congress passed the defense spending bill for fiscal 2017, which provides for the allocation of \$560 million in aid to Kyiv, of which \$ 350 million will be used to strengthen the country's defenses. (UNIAN)
- The Premier Volodymyr Groysman on the ProZorro system: "Since August 1, 2016, we have started to introduce a new ProZorro system, which is already known far beyond the country's boundaries. It is meant to be transparent, open and competitive. During its use, we find the most effective solutions to public procurement. This was a significant work of the Ministry of Economic Development and Trade. Privatization will bring investments into the economy of our state and eradicate corruption in the public sector. A few weeks ago, together with the State Property Fund we decided to sell state-owned companies using ProZorro system. This is the next step, which will give its result." (Ukrinform)
- The European Union has decided to pay EUR10 million in the first fixed tranche of budgetary support under a large EU program aiming at supporting Ukraine in implementing a comprehensive Public Administration Reform (PAR) Strategy for the period 2016-2020. (Information and Communication Department of the Secretariat of the Cabinet of Ministers)

UPCOMING EVENTS AND FAIRS

GRAIN UKRAINE

07-08.07.2017 | Odessa | Ukraine | Tel.: + 380 44 201 1156

NANOTECHNOLOGY AND NANOMATERIALS

23-26.08.2017 | Chernivtsi National University | Chernivtsi | Ukraine |
 Tel.: +380 372 526 235

INTERNATIONAL CONFERENCE BLACK SEA OIL TRADE

19.09.2017 | Hilton Hotel Kyiv | Kyiv | Ukraine |
 Tel.: + 380 44 393 5400

TRANS UKRAINE

27-29.09.2017 | Exhibition Complex of Odessa Sea Commercial Port | Odessa | Ukraine | Tel.: + 380 48 728 6494

REX International Trade Show of Advertising, Marketing, and the Mass Media

26-28.09.2017 | KyivExpoPlaza | Kyiv | Ukraine |
 Tel.: + 380 44 461 93 06

T-REX International Trade Show for Technologies, Equipment and Materials for Production of Advertising

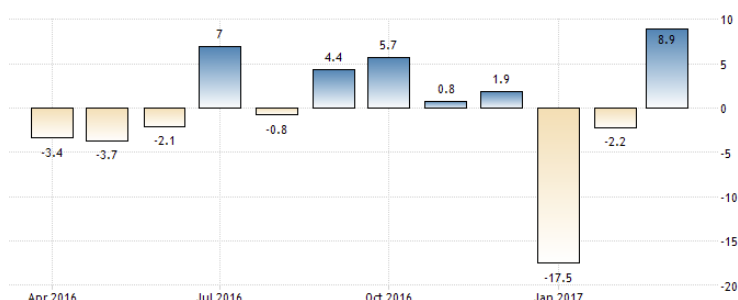
26-28.09.2017 | KyivExpoPlaza | Kyiv | Ukraine |
 Tel.: + 380 44 461 93 06

ABOUT VI2 PARTNERS

VI2 Partners GmbH is an international M&A and corporate finance advisor, based in Vienna, Kyiv and London, with a focus on M&A, Debt Restructuring, and Consulting/Lobbying. Our core markets are CEE and Germany/Austria/Switzerland. **We support prime international clients to acquire, protect, restructure and develop critical assets in Ukraine.**

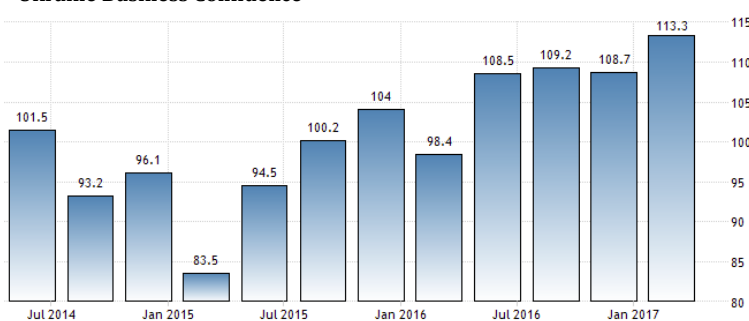
STATISTICS

Ukraine Industrial Production MoM



Source: State Statistics Service of Ukraine

Ukraine Business Confidence



Source: World Economic Forum

Other Figures of Interest

- Ukraine reached a foreign trade surplus of US\$106.2 million in January-March 2017 against a deficit of \$142.5 million year-over-year (State Statistics Service of Ukraine)
- Grain export boosted to 4.54 million tonnes in March up 52 percent from 2.98 million tonnes in February thanks to record sales of maize (UkrAgroConsult)
- S&P Global Ratings forecasts Ukraine's real GDP may grow by 1.9% in 2017 and further to 2.8% in 2018.
- The International Monetary Fund and the World Bank predict Ukraine's GDP may grow by 2% in 2017.
- As of May 17, 2017 Ukraine sets a new record - in the current marketing year, 39.14 million tonnes of cereals was exported, which is by 120,000 tonnes more than in the whole 2015/2016 MY (Reuters).
- Ukraine's largest oil producer, Ukrnafta, posted UAH 71.1 million, or US\$2.7 million, in net profit in Q1 2017 against a net loss of UAH 510 million, or \$19.3 million, y-o-y (Ukrnafta press service).
- Ukraine rose 18 positions in the global Open Data Barometer ranking released by the World Wide Web Foundation (World Wide Web Foundation)

SELECTED CASE WORK

- Support of IFC/World Bank in Ukraine to manage a problematic credit relation in the agricultural sector.
- Credit restructuring for a US/Danish grain producer.
- Manage Top Management change and replacement for an international investor.