

ABOUT VI2 PARTNERS

VI2 Partners specializes in portfolio assets management, direct investments, investment banking, ICO, capital raising and debt restructuring, services for investors to enter new markets (Ukraine and Eastern European countries, EU).

The activities of **VI2 Partners GmbH** are aimed at ensuring economic growth, efficiency and increasing customers' profitability. Our qualified and experienced team plans, scouts and executes investment opportunities, performing customers' tasks on a high-quality level, above the accepted standards.

VI2 Partners actively cooperates with commercial, government structures and investors around the globe, with whom we built long-term relationships based on the principles of transparency, trust, effectiveness and confidentiality.

POLITICAL AND ECONOMIC NEWS

Mriya Farming PLC (UK) and SALIC UK Ltd (Saudi Agricultural and Livestock Investment Company, United Kingdom) announced that they have **entered into a share purchase agreement** for the sale to SALIC of the Mriya group's Ukrainian farming assets, including infrastructure facilities, machinery, and companies owning land lease agreements.

The Ministry of Finance of Ukraine has **placed \$725m through a private placement of short term notes maturing in 2019**. This issuance is subscribed by worldwide leading investors who have reaffirmed their financial support to Ukraine. This transaction allows Ukraine to meet its FX liquidity needs, while benefiting from flexible conditions from investors. Ministry of Finance remains committed to its previously communicated debt strategy, and plans fully execute external borrowing plan through commercial and official borrowings in 2018. (Ministry of Finance of Ukraine)

The World Bank at the request of the Ukrainian authorities is preparing a **policy-based guarantee (PBG)** to support key policy and institutional reforms to promote economic growth, fiscal sustainability, and improved governance. "Once appraised and approved, the proposed operation would provide a **\$650 million IBRD guarantee** that is expected to help Ukraine **raise about \$800 million** through a private transaction in the lending market". (World Bank's Facebook page)

The economic sentiment indicator in Ukraine, calculated by the State Statistics Service, in the first quarter of 2018 was **110.1%** compared with 104.3% and 105% in the fourth and third quarters of 2017 respectively, indicating its **transition to the stage of recovery** (UNIAN).

UPCOMING EVENTS AND FAIRS

Ukrainian Energy Week
 02-04.10.2018 | National sport complex Olimpiyskiy | Kyiv | Ukraine
 Tel.: + 38 044 590 6774

7th Ukrainian Banking Forum
 11-12.10.2018 | Opera Hotel | Kyiv | Ukraine
 Tel.: + 38 044 581 7070

International Forum Fuel and Energy Complex of Ukraine
 06-08.11.2018 | International Exhibition Center | Kyiv | Ukraine
 Tel.: + 38 044 201 1161

Kyiv International Property Show 2018
 16-17.11.2018 | Hilton Kyiv | Ukraine
 Tel.: + 380 44 393 5400

International Industrial Forum
 20-23.11.2018 | International Exhibition Center | Kyiv | Ukraine
 Tel.: + 38 044 201 1161

Top Forum Ukraine
 04.12.2018 | Hilton Hotel | Kyiv | Ukraine
 Tel.: +357 25 03 00 30

SELECTED CASE WORK

- VI2 successfully supported IFC/WorldBank in re-possessing critical assets in a bad loan recovery with Mriya Group Ukraine.
- VI2 supported a Luxembourg based investment company to acquire a plus 200 million EUR residential development project in Monaco.
- VI2 is invited to speak and attend a panel session at the 7th CIS Banking Forum in Kyiv on October 11-12 on the topic of non-performing loans.

Ukraine GDP Growth Rate



Source: State Statistics Service of Ukraine

Real GDP grew **by 0.9%** in the third quarter of 2018 compared to the previous quarter (taking into account the seasonal factor) and by 0.8% compared to the second quarter of 2017, the State Statistics Service of Ukraine reports.

Ukraine Inflation Rate



Source: State Statistics Service of Ukraine

Headline inflation slows further decrease to 8.9% in July 2018 from 9.9% in the previous month and well below market expectations of 9.6%. It was the smallest inflation rate since September of 2016.

STATISTICS AND FIGURES OF INTEREST

- The ProZorro public e-procurement system in two years of its operation **saved UAH 55.3 billion** of budget funds, the press service of the Economic Development and Trade Ministry of Ukraine has reported.
- Ukraine's retail trade in January-July 2018 **grew by 6%** in comparable prices from January-July 2017, **to UAH 505.763 billion**. The largest increase in retail trade in the seven months of 2018 compared to the same period in 2017 was registered in Luhansk region (**23.4%**), Zakarpattia (**10.9%**), Poltava region (**10.5%**) and Donetsk region (**10.3%**). (State Statistics Service of Ukraine)
- Consumer prices **declined 0.7% m-o-m** in July after two months of zero growth, causing y-o-y inflation to **slow to 8.9% from 9.9%** in June. (Dragon Capital).
- Wholesale trade in the seven months of 2018 **increased by 5% year-over-year**, to UAH 1.190 trillion. (UNIAN) Profitable enterprises' results **grew by 7.3%**, **to UAH 289.737 billion (US\$10.4 billion)**, while unprofitable ones posted UAH 99.956 billion in losses (US\$3.59 billion), **19.4% down year-over-year**, the State Statistics Service of Ukraine reported on its website.