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VITAGRO

European integration of the agricultural sector. Investment projects

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VITAGRO: KEY FIGURES, 2021

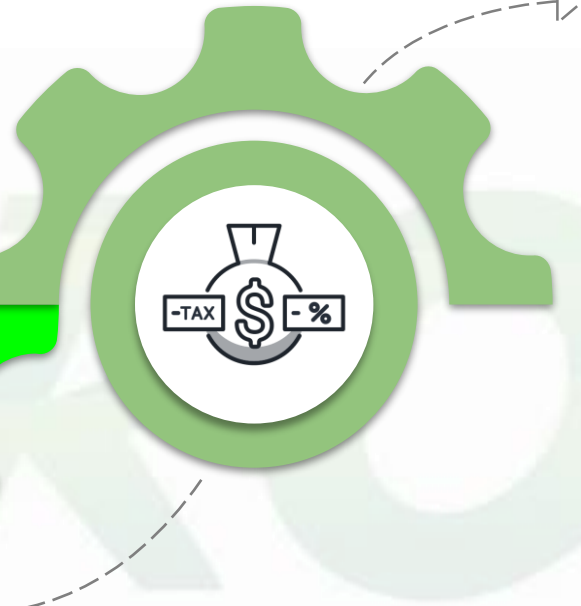
Founded in
1999



\$211.3M
revenue



\$101 M
EBITDA



5 000
employees



16 MWp
Solar power plants



Bank of land
85 000 ha



Bioethanol
production plant



Grain Elevator business
400,000 tons



Biomethane
production plant



Seed and plant
protection products
plants



Sunflower oil
production



5 000
Cattle population



One of the TOP 5 fruit
gardens in Ukraine



110 000
Pigs population



Ceramic blocks
factory



9 Asphalt
plants



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UKRAINIAN AGRIBUSINESS CHALLENGES IN 2023

- LOW ADDED VALUE PRODUCTS
- PROBLEMS WITH EXPORTS
- ACCESS TO MARKETS
- ACCESS TO CAPITAL

NEW STRATEGIC INITIATIVES IS OUR ANSWER TO THESE CHALLENGES

**BIOMETHANE
PRODUCTION**



**BIOETHANOL
PRODUCTION**



**DEEP CORN AND
SOYBEAN PROCESSING**



BIOMETHANE PRODUCTION



- Cheapest renewable gas at the moment
- Plenty of raw material – agricultural waste
- Transporting through existing gas networks
- Cheap organic fertilisers as a co-product

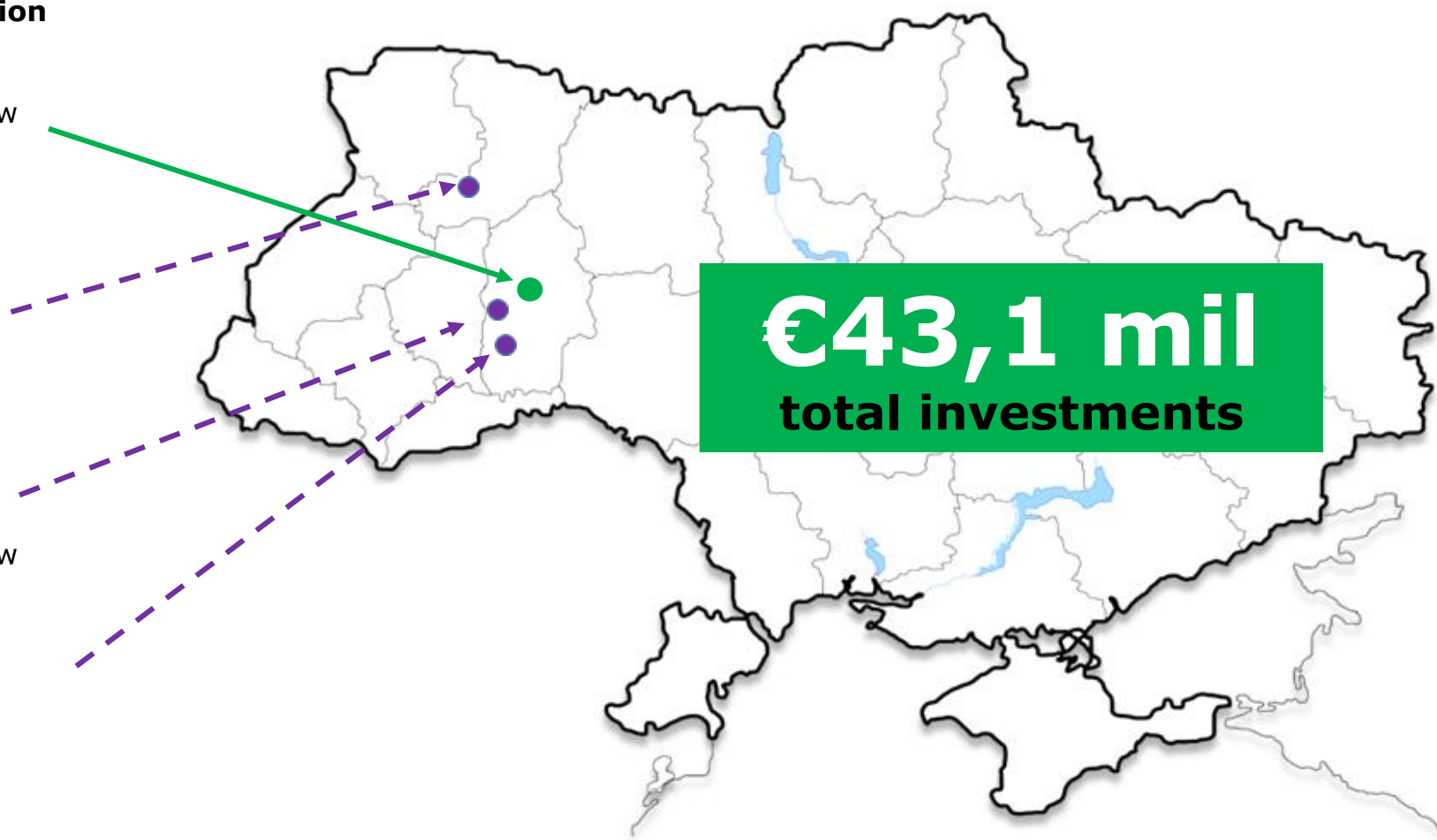
Biomethane development strategy

Pilot project №1, Khmelnytskyi region
3 million m³/year
90 000 tons of organic fertilizers
 Pig manure, cattle manure, silage, straw
Investment: 7.6 million EURO

Project №2 - Rivne region
7 million m³/year
100 000 tons of organic fertilizers
 Cattle manure, pig manure, straw
Investment: 15 million EURO

Project №3 - Khmelnytskyi region
7 million m³/year
100 000 tons of organic fertilizers
 Pig manure, cattle manure, silage, straw
Investment: 15 million EUR

Project №4 - Khmelnytskyi region
3 million m³/year of biogas
45 000 tons of organic fertilizers
 Pig manure, straw
Investment: 6,5 million EUR



€43,1 mil
total investments

Biomethane production plant №1

Total investment: € 7 600 000

Location: Khmetlnytsky region

Planned capacity: 3 mil m3 of biomethane annually

Investment source: group's own funds

Commissioning date: October 2023

Raw material:

waste of group's animal farms

Potential biomethane buyers:

EU industrial companies

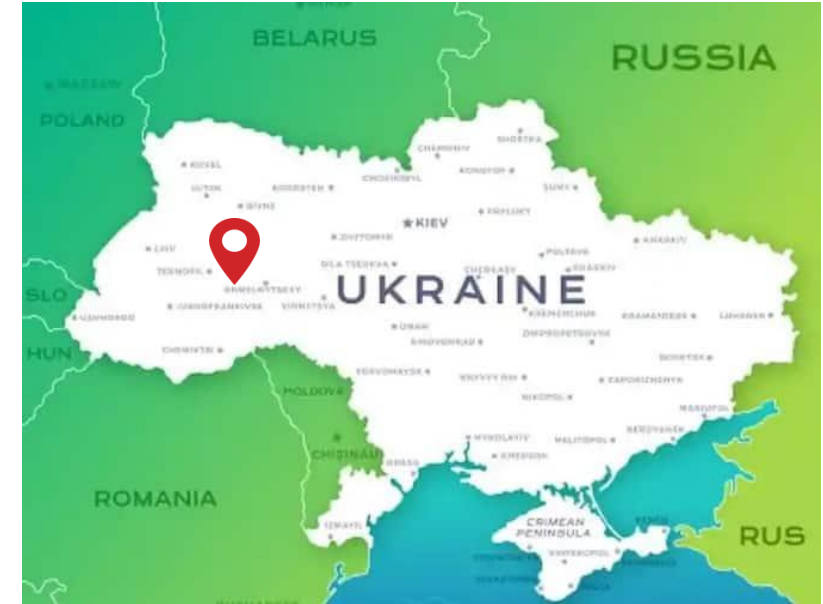
Co-product:

organic fertilizers (90 000 tons annually), planned to be used on the group's land

Potentially:

First in Ukraine CO2 liquefaction project (4 000 tons CO2 annually)

- ✓ Natural gas grid connection
- ✓ Electrical grid connection
- ✓ Land lease agreement
- ✓ Equipment installed
- ✓ Finishing the construction process



Biomethane plant photos

(September 2023)

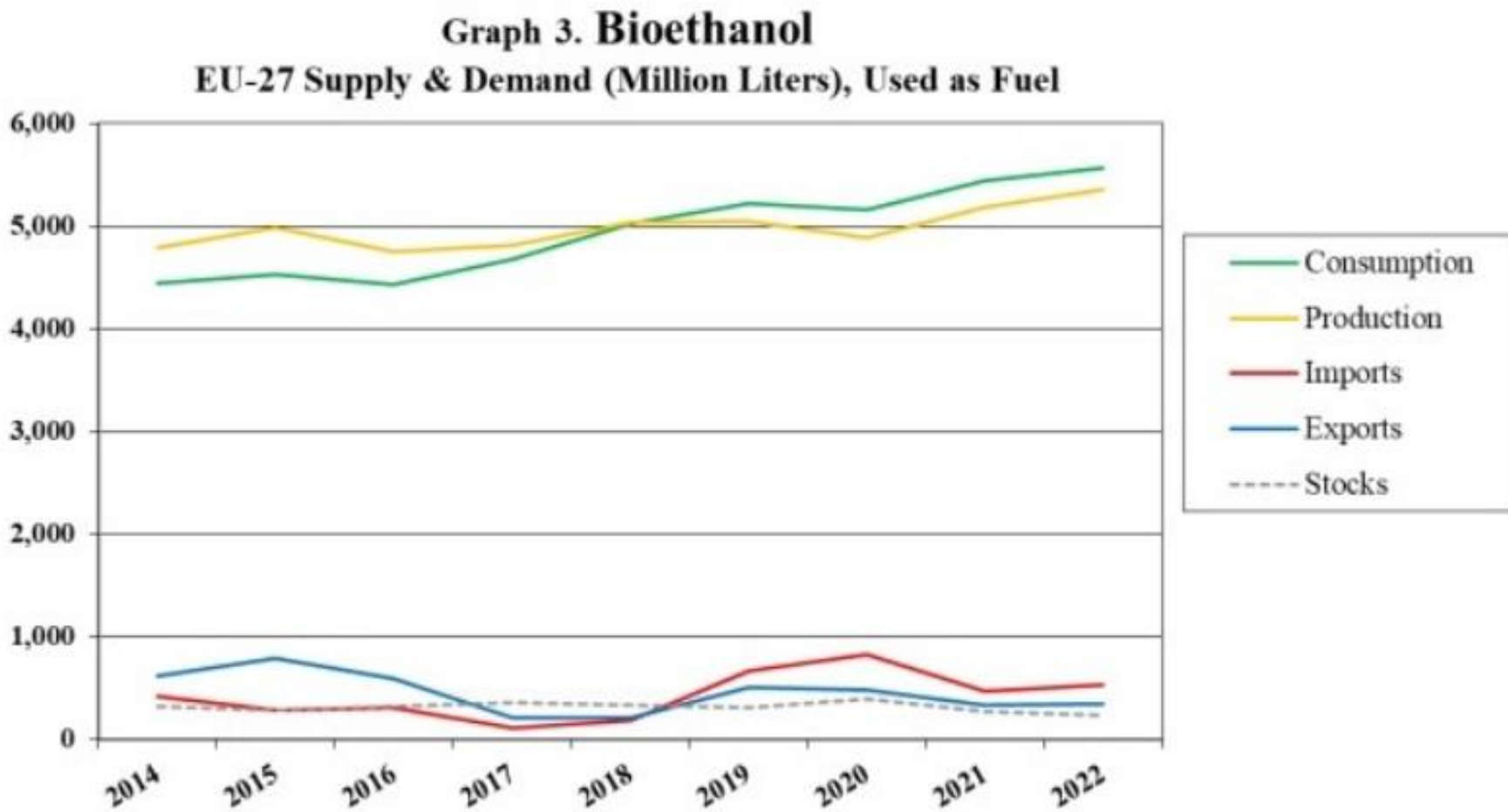


BIOETHANOL PRODUCTION



- Wide range of use in industry and fuels
- Plenty of raw material – corn
- Much lower CO2 emissions comparing to fossil fuels
- Rising demand in the EU
- International certification is important - ISCC
- Valuable co-products – protein feed additives, CO2

The consumption and demand for bioethanol in the EU are rising



Source: EU FAS Posts

Bioethanol production plant

Total investment € 17 000 000

In 2022, the VITAGRO purchased a distillery in the Ternopil region.

During 2023, the plant was modernized for the production of bioethanol and DDGS - a high-protein feed additive for animals.

Annual production plan:

Ethanol – 33-35 000 m³

DDGS – 25-28 000 tons

Commissioning date:

October 2023

Raw material:

Corn (supply from the nearest agricultural companies and own fields)

Potential consumers:

For ethanol: European fuel traders, industrial manufacturing companies

For DDGS: European feed mills, husbandries

Co-product:

Distillers dried grains with solubles (DDGS)

The plant will produce green heat for its needs (biomass) and will fully comply with European regulations (Renewable Energy Directive II). The expected CO₂ reduction at the plant will be more than 85%.



INTEGRATION OF UKRAINE INTO EUROPEAN MARKETS – STRONGER TOGETHER



EUROPEAN TREND – LOWERING CARBON EMISSIONS INTO THE ATMOSPHERE



Europe is transforming the way agriculture manages the soils and landscapes.

The goal is to drastically increase their capacity to store and accumulate carbon, thus lowering greenhouse gases emissions.

VITAGRO is moving in this direction, researching and testing new technologies – **NO TILL** and **ROTATION CROPS**

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

CBAM is a mechanism for taxation of the products with high carbon footprint, which enter the European markets.

Ukrainian products will also be eligible for this tax.

So creating products with low carbon emissions, we make them more attractive for export to the EU.



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**THANK YOU FOR YOUR
ATTENTION!**