

# Financing agricultural companies in Ukraine



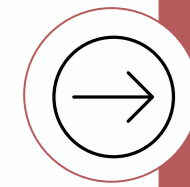
## Bank loan

- + Accessibility
- + Prevalence
- + Possibility to finance current expenses



## Agricultural receipts

- + Possibility to use the future harvest to obtain funds
- + Opportunity to receive funds not only from banks



## Direct investment

- + Free of charge
- + Simple involvement procedure
- + Unlimited intended use



## Issue of securities

- + Long-term funds
- + Low cost of funds
- + Opportunity to earn on the securities price rise
- + Limited control over the funds targeted use



## Leasing

- + Relatively simplified registration procedure
- + No need for additional collateral



## Promissory notes

- + Simple registration procedure
- + No associated costs (insurance, collateral)

### PECULIARITIES

- The need for properly executed and liquid assets for collateral
- Short-term funds
- High interest rates
- Strict control of the intended use
- High associated costs (insurance, collateral, bank fees)

- The need to adjust the land bank
- The cost of the registration procedure

- Finance the agricultural company at one's own cost
- Risk of a new co-owner involvement
- Complicated withdrawal of invested funds (via contribution to the authorized capital)

- Complicated procedure for issuing securities
- Significant investments in preparation for the issue of securities

- Can only be used for the purchase of machinery/equipment
- Related costs (insurance)
- The risk of losing almost fully paid equipment due to non-payment of the installment

- Can be used exclusively to execute a debt for goods or services actually delivered