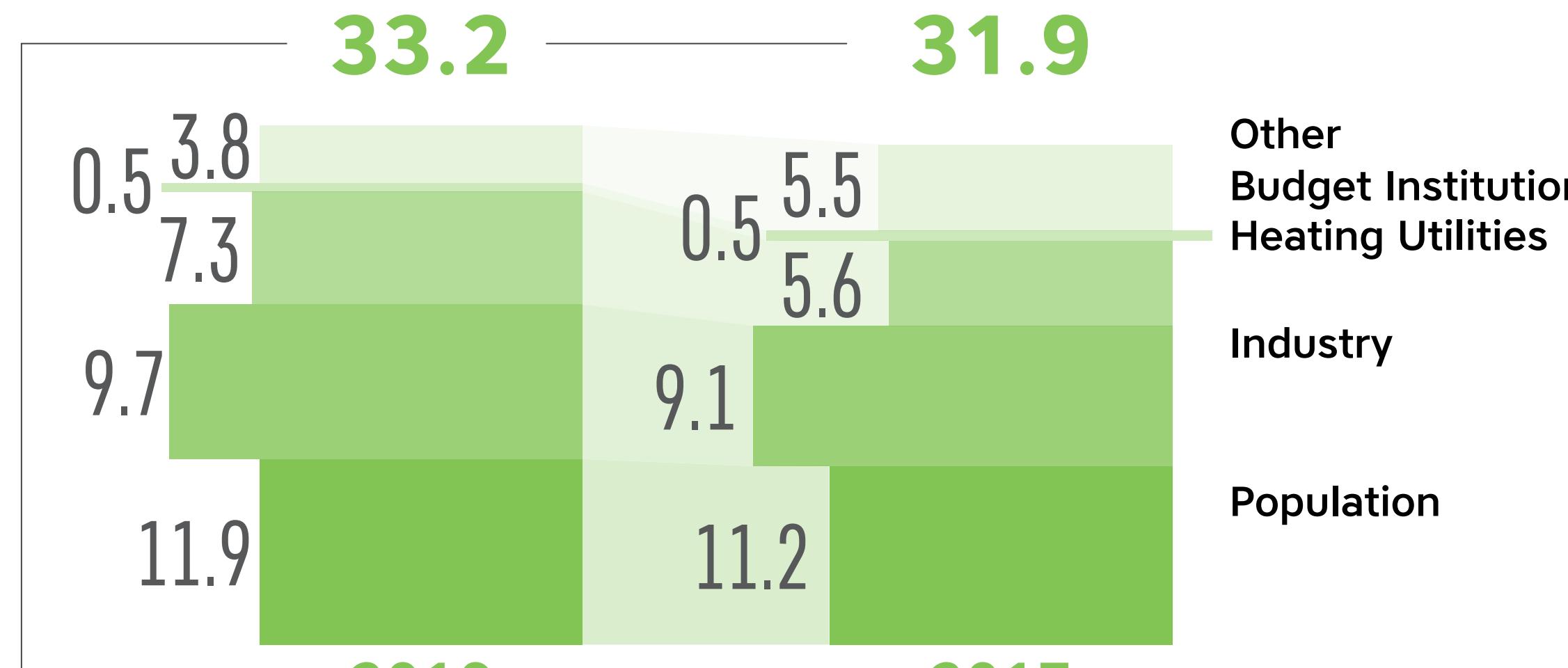


The purpose of this presentation is to present the Natural Gas market in Ukraine and therefore seek financing from our banking partners



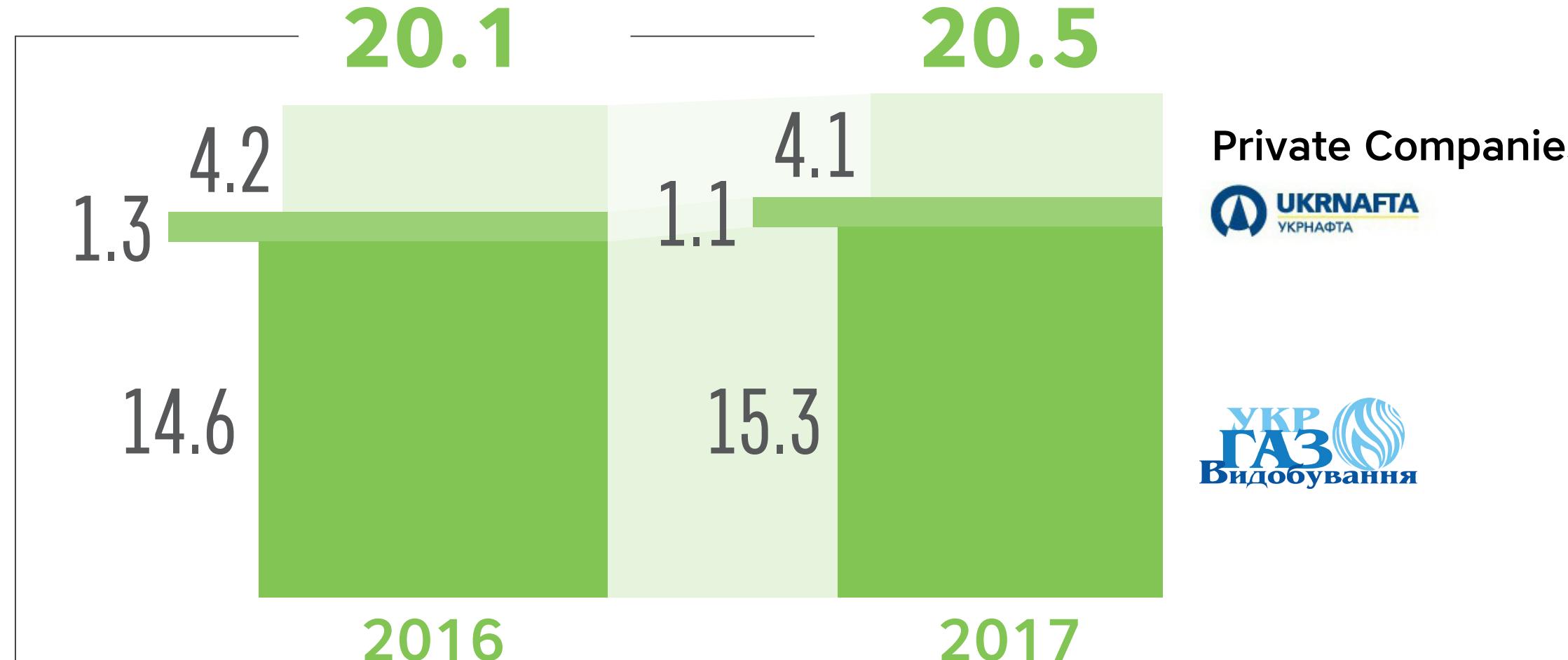
# Ukrainian Natural Gas Market

Consumption\*, billion m<sup>3</sup>

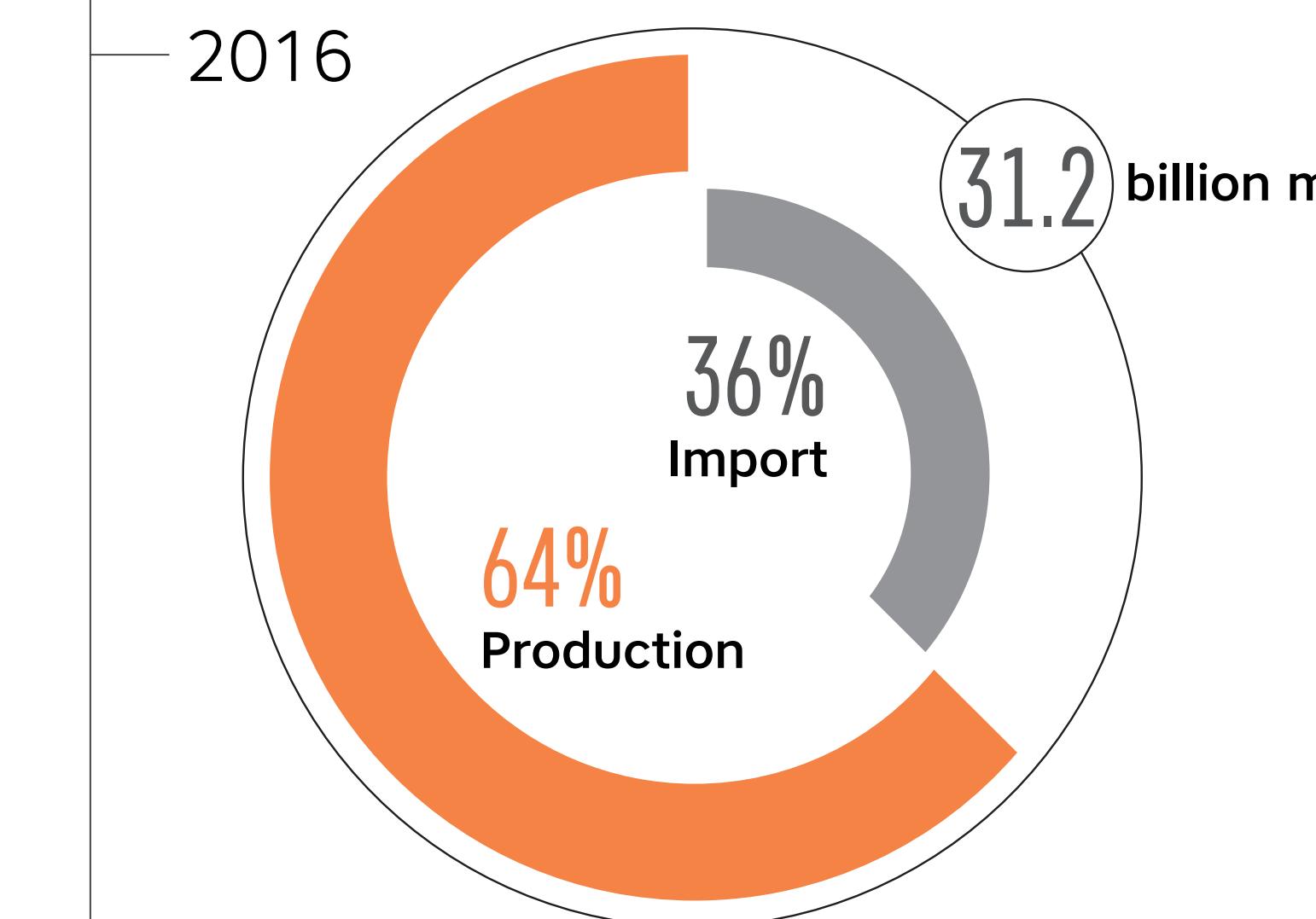
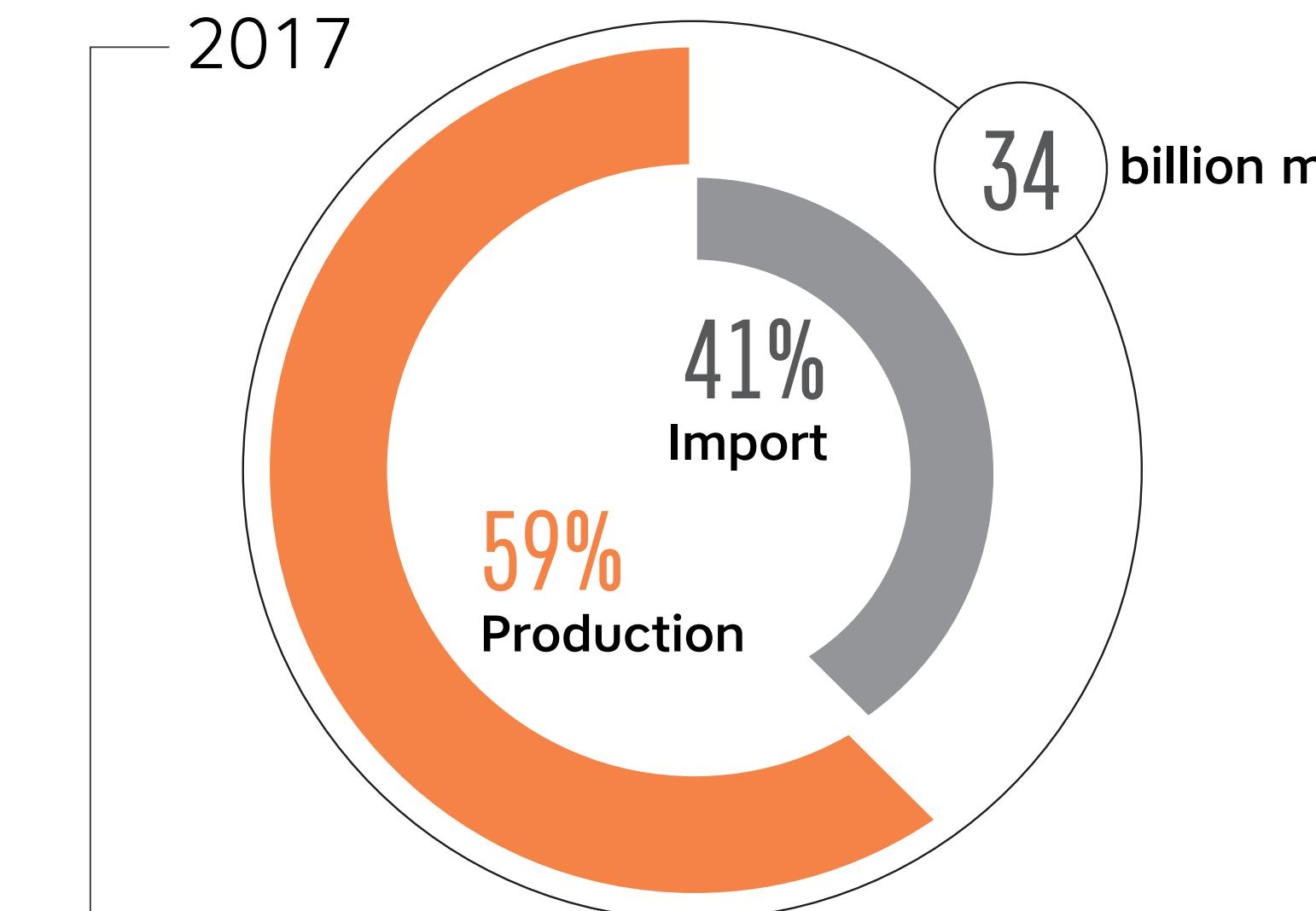


\*including stocks from previous period

Natural gas production, billion m<sup>3</sup>

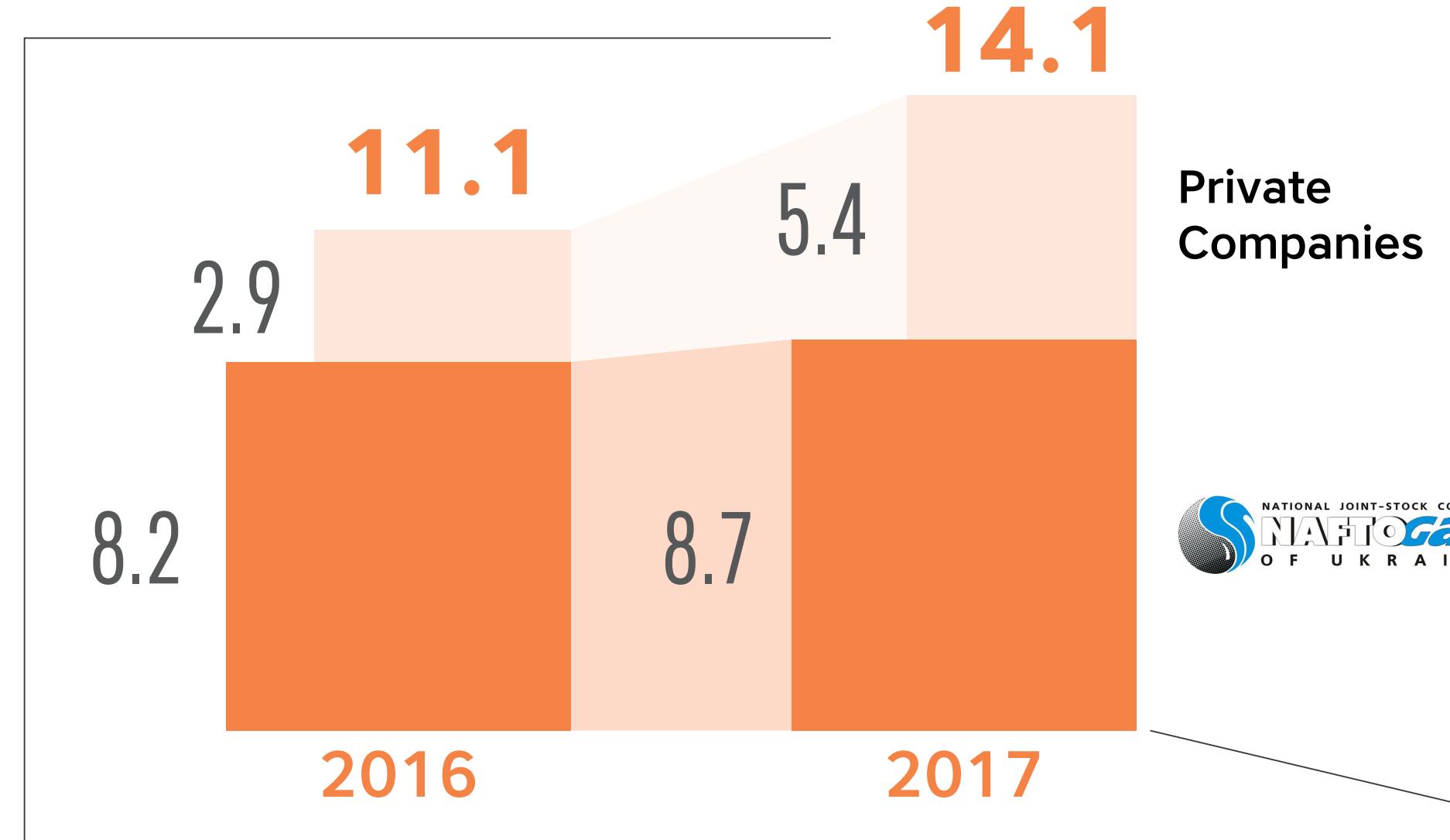


Natural gas market structure

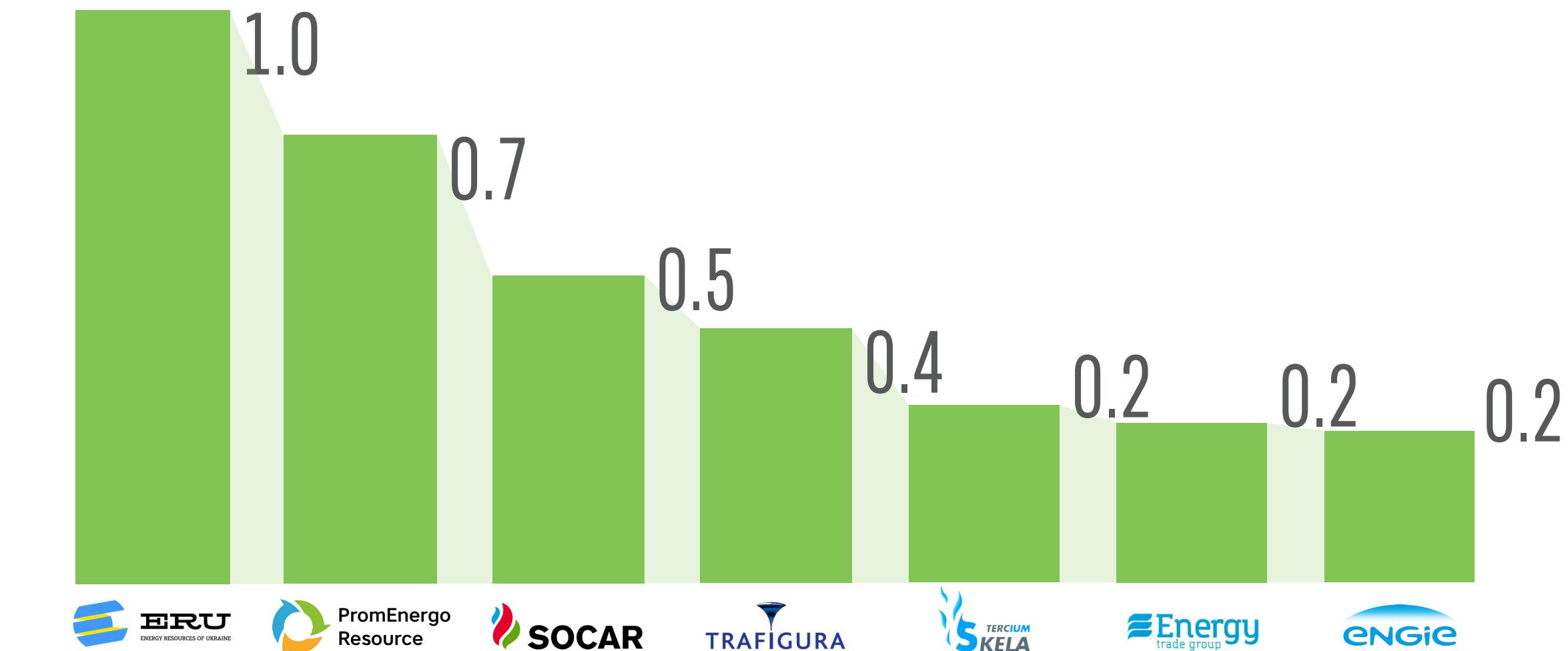


# Import of Natural Gas to Ukraine

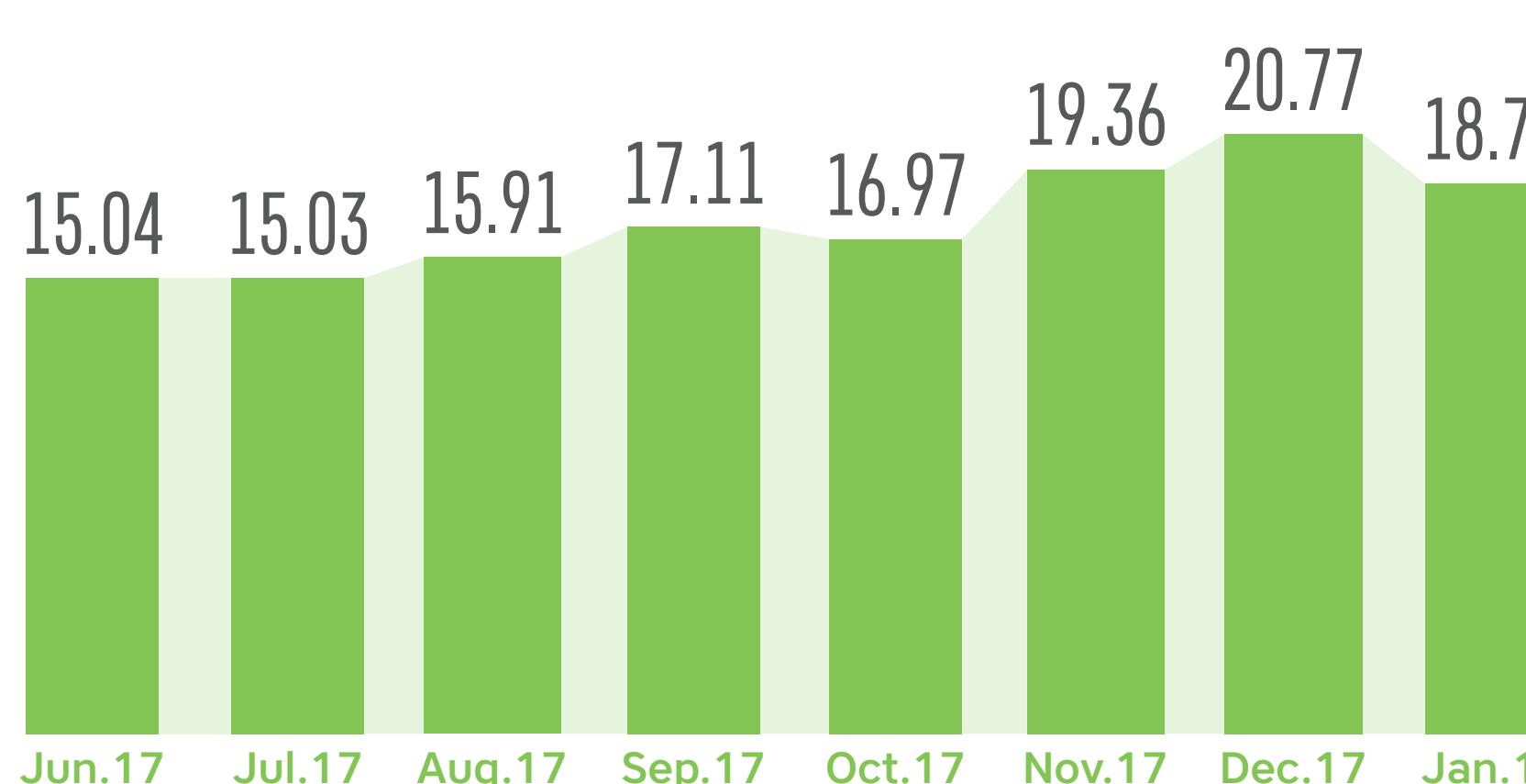
Natural gas import, billion m<sup>3</sup>



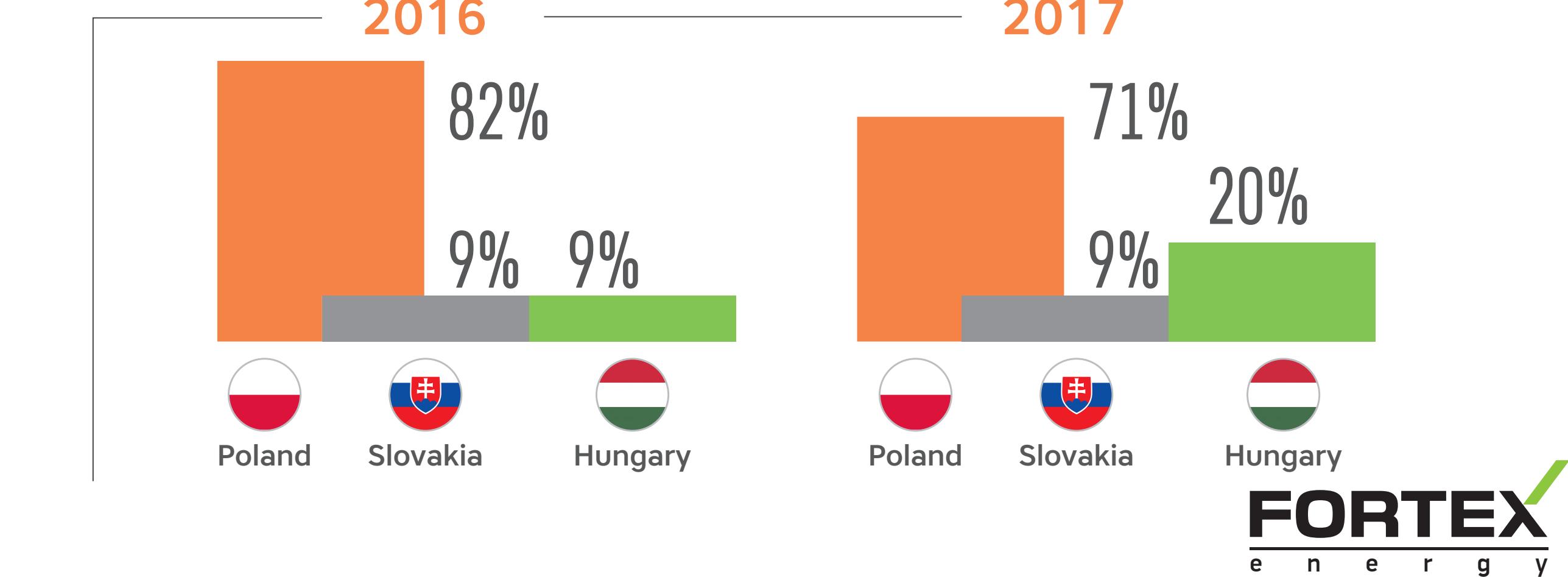
Main private importers in 2017, billion m<sup>3</sup>



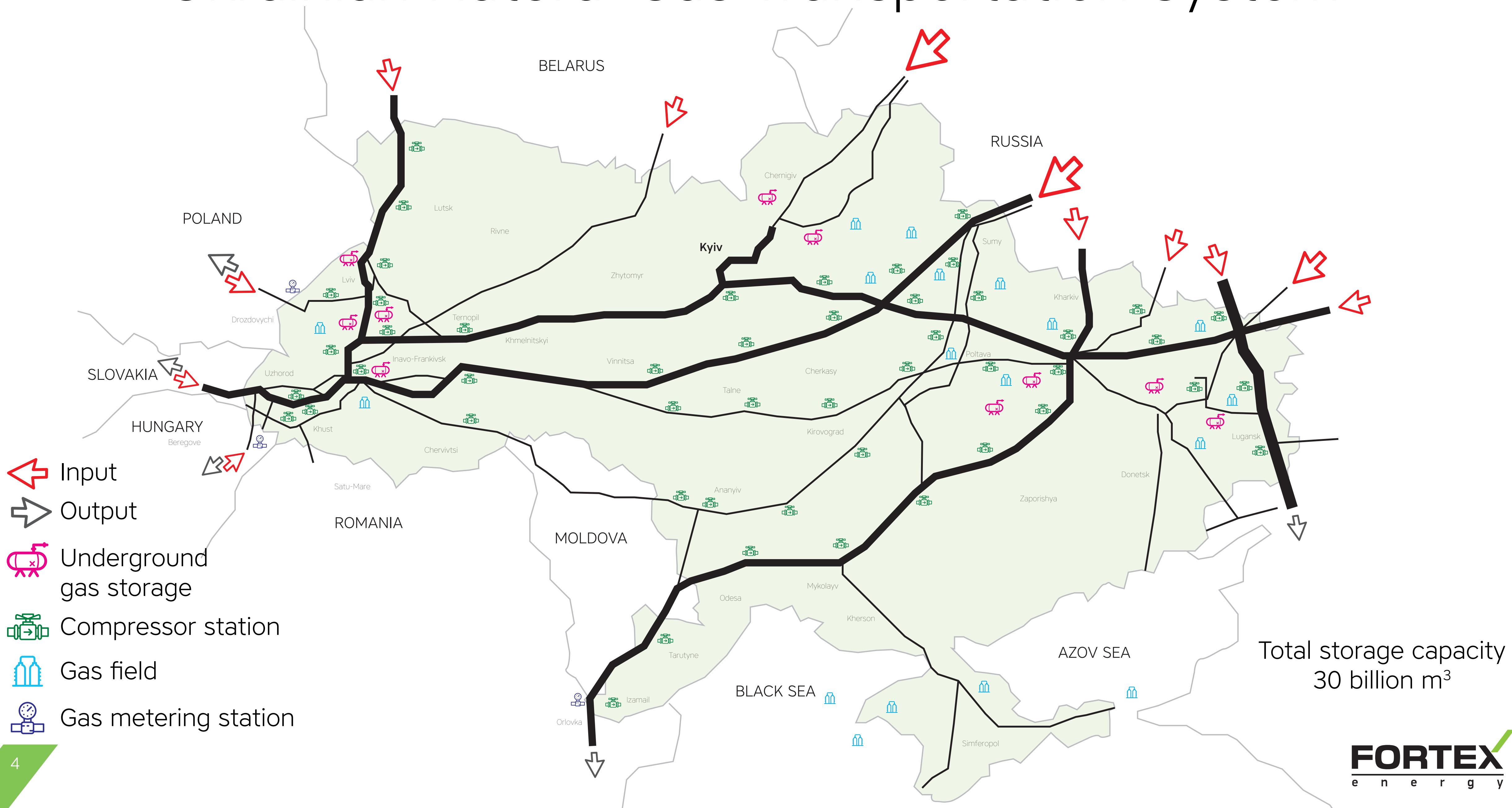
Spot TTF prices, €/MWh



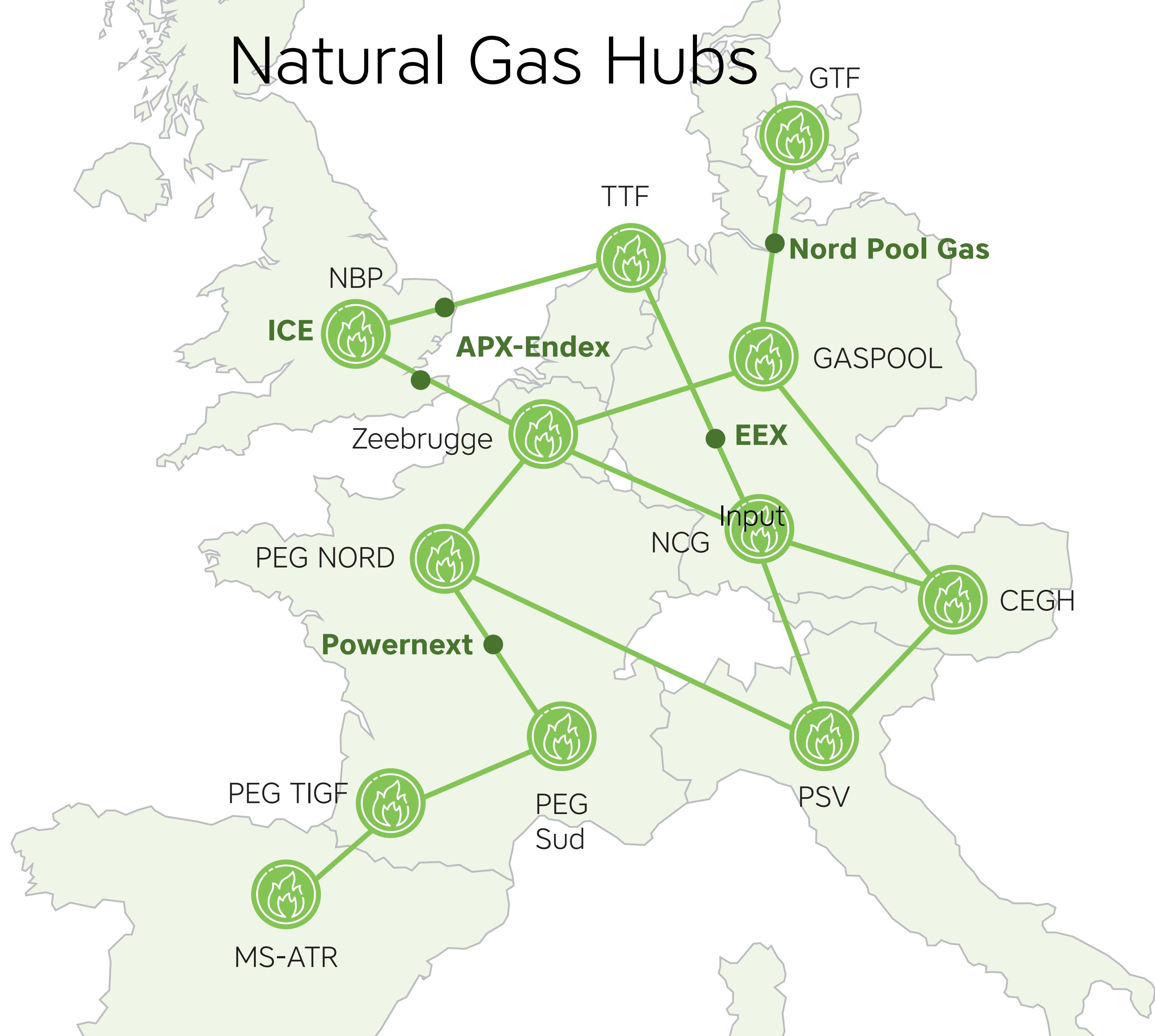
Natural gas import structure\*



# Ukrainian Natural Gas Transportation System



# Natural Gas Hubs

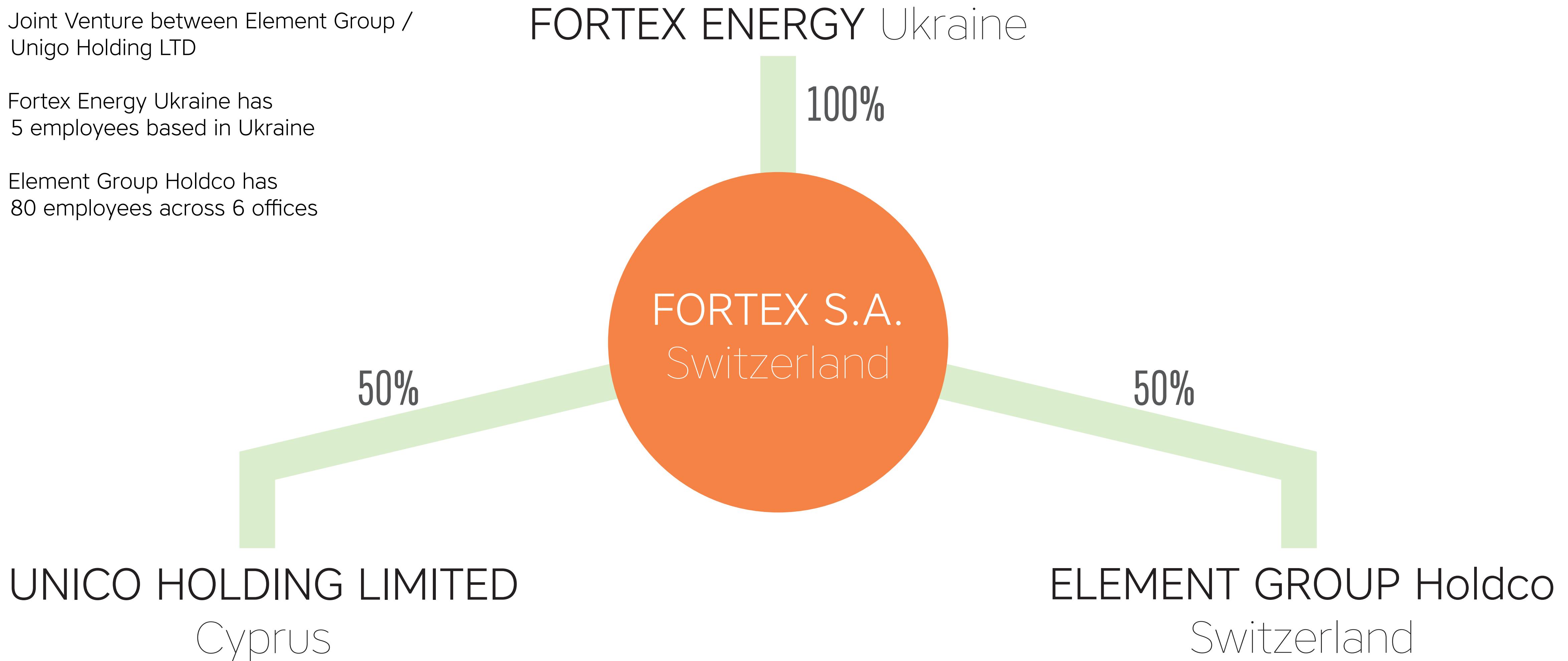


Gas Hub

Gas Exchange

# Fortex Energy: Who we are

- Joint Venture between Element Group / Unigo Holding LTD
- Fortex Energy Ukraine has 5 employees based in Ukraine
- Element Group Holdco has 80 employees across 6 offices



# Expertise of Fortex Energy Management Team in Natural Gas

**5 years**

natural gas experience  
in Ukraine market

**3 years**

trading experience

**10 suppliers**

deal with 10 different  
suppliers

**20 clients**

supplied around 20 clients

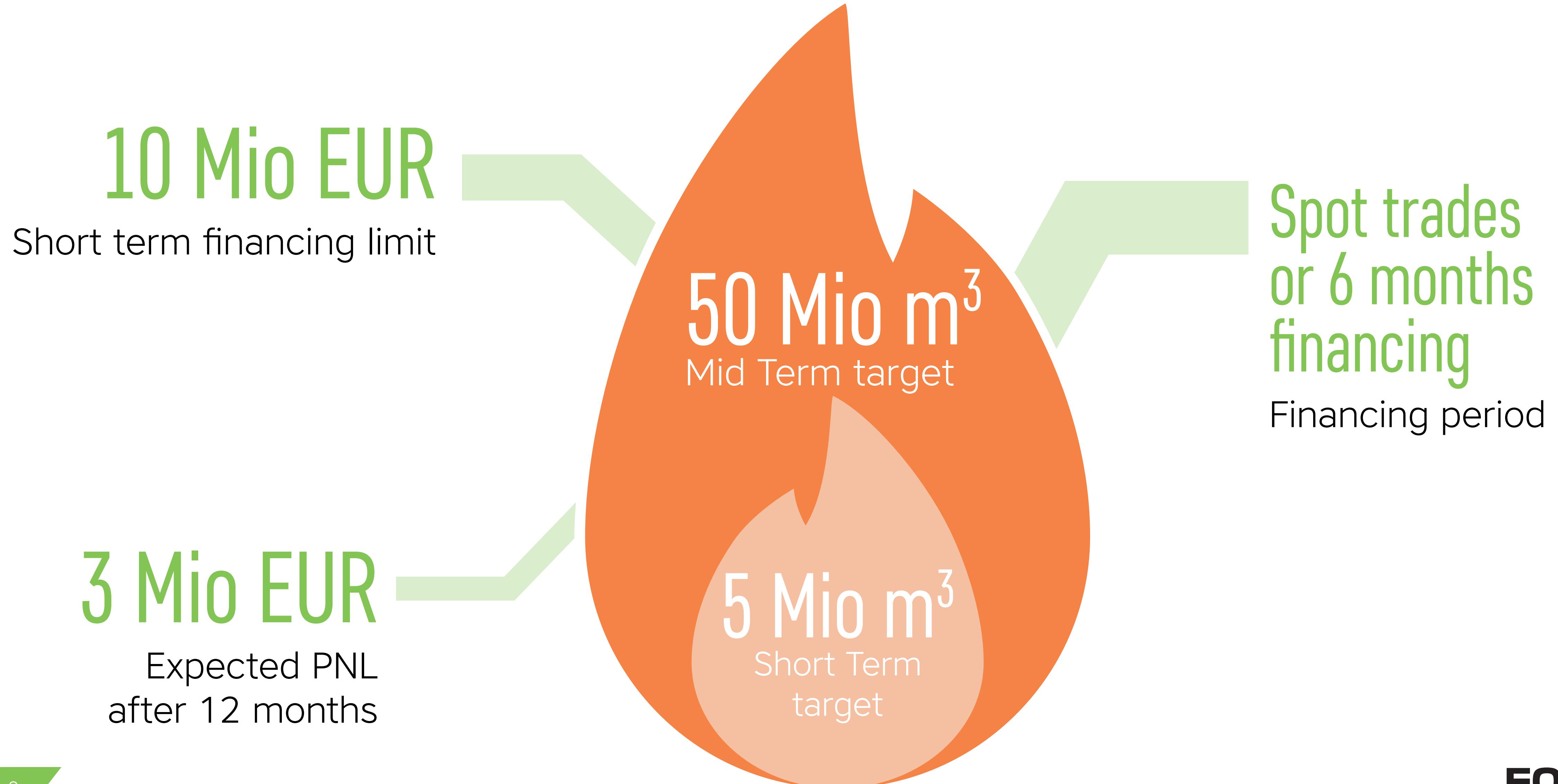
**50 Million m<sup>3</sup>**

Annual volumes of 50 Million  
m<sup>3</sup> (4.2 Mio m<sup>3</sup> / month)

**450 Mio UAH**

Revenues of 450 Mio UAH /  
14,6 Mio EUR / year

# Business plan



# Suppliers

## International Suppliers:

AOT Energy Poland



Gunvor Group



Trafigura



DUF energy



AXPO trading



CF Partners



## Local Suppliers (producers):

UKRNAFTABURINNYA



UKRNAFTA



CADOGAN GROUP



BURISMA



# Clients



# Payment terms from Customers

## Prepayments

50% after Contract and  
50% the 10th of the next  
month

POSSIBILITIES:

## Decade Payment

every 10 days (10th of the month –  
20th of the month – 30th of the month) 30% of  
monthly value after delivery (30-30-30) and last  
10% the 5th of next month

## Deferred payments

one month after supply

# Risk Management



# Price Risk

## Live price monitoring with Web Ice for Natural Gas

Netherlands TTF					Germany NCG					UK					Italy PSV				
	BID	OFFER	Settlement	Daily Move		BID	OFFER	Settlement	Daily Move		BID	OFFER	Settlement	Daily Move		BID	OFFER	Settlement	Daily Move
Jul18	21.38	21.5	21.492	0.01	Jul18			21.636		Jul18	52.15	52.22	52.45	-0.23	Jul18	23.5	23.7	23.595	0.10
Aug18	21.35	21.48	21.466	0.01	Aug18			21.548		Aug18	53.83	54.02	53.99	0.03					0.00
Sep18	21.28	21.53	21.468	0.06						Sep18	54.95	55.37	55.3	0.07					
Oct18	21.425	21.625	21.554	0.07						Oct18			55.75						
Nov18	21.875		22.024							Nov18			60.65						
Dec18	22.075		22.229							Dec18			63.24						
Jan19	22.2		22.307							Jan19			64.03						
Feb19			22.297							Feb19			64.53						
Winter18	22.01	22	22.059	-0.06	Winter18			22.164		Winter18	61.4	61.65	61.548	0.10	Winter18	23.75	24.25	24.038	0.21
Summer19	18.75	18.875	18.793	0.08	Summer19			19.047		Summer19	47.85	47.95	47.801	0.15					0.00
Winter19	20.03	20.25	20.15	0.10						Winter19	55.3	55.45	55.296	0.15					
Summer20	17.355	17.6	17.533	0.07						Summer20	43.2	43.6	43.298	0.30					
Winter20	18.93	19.15	19.022	0.13						Winter20	51.85	52.99	51.972	1.02					
Summer21	17.125		17.306							Summer21	42.4		42.764						
Q3 18	21.4	21.4	21.475	-0.08						Q3 18	53.73	53.8	53.898	-0.10					
Q4 18	21.875	21.95	21.935	0.01						Q4 18	59.6	60.39	59.872	0.52					
Q1 19	22.15	22.21	22.187	0.02						Q1 19	63.05	63.49	63.262	0.23					
Q4 19	19.685	20.335	19.89	0.45															
Cal 19	19.95	19.975	19.906	0.07															
Cal 20	18.455	18.83	18.55	0.28															
GBP/USD 1.311 1.3114																			