



**EAST CAPITAL**

## **PRESS RELEASE**

March 17, 2008

### **Dragon Capital and East Capital Bering Ukraine Fund acquire 70% stake in Chumak – one of Ukraine's top consumer brands**

Investment bank Dragon Capital and East Capital Bering Ukraine Fund jointly acquire a 70% stake from Chumak's co-founder, Professor Hans Rausing. Chumak is the largest tomato processing company in Central and Eastern Europe and one of Ukraine's top brands.

Dr. Tuve Johannesson, representing Professor Hans Rausing, comments: "Dragon Capital was selected as an advisor and core investor in this transaction to divest our share in Chumak. Chumak represents one of our most successful direct investments into the former Soviet Union, thus the company's further success and strong shareholder support are very significant to us. The Rausing family is very pleased that this agreement has been reached with two very successful and experienced investors such as Dragon Capital and East Capital. Their proven local knowledge and international approach make us feel confident that they will ensure – together with the founders – that Chumak remains leader in the vegetable business in Ukraine and continues to play an important role as responsible corporate citizen and role model in Kakhovka, Kherson Region".

Brian Best, Dragon Capital's Managing Director of Investment Banking, says: "Chumak is one of the strongest FMCG brands in Ukraine with a unique supply chain and production platform combined with strong local consumer knowledge. We see excellent business opportunities, especially in the agricultural division, and we will continue to aggressively expand the company together with its founders and East Capital. We plan significant equity and debt capital raising on foreign markets to make this happen."

Carl Sturen, co-founder and Managing Director of Chumak, comments: "First of all, our organization, my partner Johan Boden and I want to thank Professor Rausing for the past 12 years of successful cooperation. As co-founders of Chumak, the staying shareholders and management, Johan and I welcome our new partners and look forward to continue our growth together in the rapidly developing Ukrainian and neighboring markets".

"Chumak is a fantastic entrepreneurial company that we met already in 1997. Very early on Chumak realized and seized the opportunity in the dynamic Ukrainian market – known as the 'bread basket' of the former Soviet Union. We see a lot of renewed opportunities in the fast growing food and agricultural sectors", says Aivaras Abromavicius, Partner at East Capital.

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## About Chumak

Chumak is one of Ukraine's most famous food companies, known for its expertise in processing and marketing natural high-quality food products made in Kherson region, Ukraine's agricultural heartland located near the Black Sea coast. The company is one of the largest producers of ketchup, mayonnaise, sauces, canned vegetables and pasta in Ukraine. Chumak, established in 1996 by two Swedish businessmen, Carl Sturen and Johan Boden, sells its products under the brand Chumak, which is today one of Ukraine's most popular FMCG brands. The company owns a state-of-the-art production facility and a logistics center in Kakhovka (Kherson Region) and also has commercial offices in Kyiv, Minsk and Moscow. Chumak employs about 1,000 people.

[www.chumak.com](http://www.chumak.com)

## About Dragon Capital

Dragon Capital is Ukraine's largest securities brokerage, investment banking, private equity and asset management firm offering a full range of services to institutional, corporate and private clients. Established in 2000, the company is an independent partnership controlled by management, with a minority stake held by Goldman Sachs. Dragon Capital is the largest broker on the Ukrainian stock market, with a 30% market share in 2007. The firm has completed 22 IPOs and private placements for Ukrainian companies since 2005, raising \$1.5bn. Dragon's asset management arm has \$1bn under management. Financial magazine *Euromoney* has recognized Dragon Capital as the Best Equity House in Ukraine in 2002 and 2004-2007.

[www.dragon-capital.com](http://www.dragon-capital.com)

## About East Capital and East Capital Bering Ukraine Fund

Founded in 1997, East Capital is a leading, independent asset manager specialising in Eastern European financial markets. The company, which is headquartered in Stockholm, with offices in Paris, Tallinn, Moscow, Oslo, Hong Kong, Milan and Vienna, actively manages over EUR 5.7bn, basing its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams.

The aim of the East Capital Bering Ukraine Fund is to achieve long-term capital appreciation from investments in Ukrainian equities, both listed and unlisted. Investments in the Fund are closed for four years.

[www.eastcapital.com](http://www.eastcapital.com)