



## ESTABLISHMENT AND DEVELOPMENT OF DCH BUSINESS

In **1995**, Oleksandr Yaroslavskiy became a shareholder of UKRSIBBANK. In **1998**, he occupied the position of the President, and from **2003** was the Honorary President of the bank. In **1999**, the financial institution obtained control over the majority shareholding of Northern GOK and Dniprovsky Iron & Steel Integrated Works (DMK). Northern GOK was sold after its privatization in 2003, and, in 2004, Mr. Yaroslavskiy exited from holding of DMK. In **2005**, due to the efforts of the shareholders, in particular O. Yaroslavskiy, the bank stood among the top five leaders in terms of assets.

In **2000**, Ukrainian Aluminum, O. Yaroslavskiy's company, became a minority shareholder of Mykolaiiv Alumina Refinery Plant, one of the largest non-ferrous smelters in Europe. While the enterprise was in the orbit of Yaroslavskiy's interests, it successfully overcame many industrial and economic recessions. The successful exit from this business took place in **2004**.

O. Yaroslavskiy's business strategy always presupposed purchasing potentially attractive assets, implementation of changes for improvement of business and increasing its attractiveness and exit from the investment at the highest possible peak of value. In particular, Ukrainian tire maker Rosava became such an investment that received the necessary resources for successful development and a partnership base in Ukraine and abroad while being within the investment portfolio of Yaroslavskiy (**2002-2005**).

The **2000s** and **2010s** were marked by a profitable sale of the key assets in Yaroslavskiy's investment portfolio with further investments into new perspective companies and business lines. The sale of UKRSIBBANK to French BNP Paribas became the landmark exit from the business. The transfer of this asset started in **2006** till its full completion in **2010**. The second successful deal was the sale of Cherkasy Azot Chemical Plant. Metalist Football Club, which had been in Yaroslavskiy's ownership from **2005**, was sold in **2012**.

In **2007**, to consolidate the assets within a single legal entity, DCH Investment Management financial and industrial group was founded and headed by Oleksandr Yaroslavskiy. DCH deals with management of the beneficiary owner's investment portfolio and is in search of new attractive objects and areas of investments.

In **2007**, Yaroslavskiy's assets were complemented by a large regional company Hi Raise Constructions, an integrated business for design and construction of objects to their sale and further operation and concrete and concrete mixtures production. While being a part of DCH Group, the enterprise launched a concrete plant, renovated its fleet of construction and specialized machinery and implemented a set of investment projects in Odesa, Kyiv, and Kharkiv regions. The exit from this investment took place in **2009**.

While being a part of DCH, Merefa Glass Company, at that time the leading glass containers manufacturer in Eastern Ukraine, implemented innovative technologies and raised its production processes to the international standards. Within **2006 - 2008**, the enterprise carried out complete modernization and built up capacity. A new plant was constructed based on the technologies of a German company HEYE International. DCH exited from this business in **2011**.

Since **2011**, DCH Group has been focusing on development as one of the priority business areas. It constructed Kharkiv Palace Hotel 5\* for Euro-2012, the only five-star hotel in Kharkiv. Another milestone was purchase of Karavan shopping and entertainment centers in Kyiv, Kharkiv, and Dnipro in **2013**. In October **2024**, Karavan Outlet in Kyiv was sold to Dragon Capital. Vozdvyzhenka Residential Complex (**2006-2014**) also became a landmark project in the development area.

Co-investment in the format of a public-private partnership in construction of a new terminal of Kharkiv Airport as part of the city's preparation for Euro-2012 is one of the largest infrastructure projects in DCH's portfolio. DCH coordinated construction of the modern passenger and cargo terminals, restoration and reprofiling of the old terminal historic building, and redevelopment of the adjacent territory. This investment was among several investments within the preparation of Kharkiv for Euro-2012 final for which DCH as the main investor allocated more than \$300 mln of equity funds. The next infrastructure project of DCH, development of a new airport in Dnipro, started in **2020**. The project also had the format of a public-private partnership. Oleksandr Yaroslavskiy, as a private investor, planned to invest \$70 mln into the new Dnipro airport. The main investment object was a 3-story passenger terminal with an area of 26,680 sq. m.

In **2016**, DCH purchased the majority shareholding of Kharkiv Tractor Plant (KhTZ), a legendary machine-building enterprise with a worldwide reputation and almost centennial history. KhTZ also served as the ground for elaboration of Ecopolis KhTZ, a new-generation multisectoral business park, of an innovative business ecosystem model. The projected clusters of the object included the following: industrial park, IT-cluster, logistical, trade, research, education, and medical clusters. The projected investments amounted to about \$1 bln by 2033.

In **2017-2018**, the investment portfolio of DCH was complemented by Sukha Balka Minery consisting of two iron ore mines and Dniprovskiy Metallurgical Plant (DMZ), which is one of the top manufacturers of cast iron, steel, and rolled metal in Ukraine. These assets were included in DCH Steel, the vertically integrated mining and smelting cluster.

The financial sector in Yaroslavskiy's portfolio is represented by INGO (**2017**) and ORANTA (**2020**) insurance companies, and Bank Credit Dnipro, the shareholder of which Yaroslavskiy became in **2020**. INGO is one of the largest insurance companies in Ukraine in terms of the amount of premiums, equity assets, and insurance coverage amounts. ORANTA was established in 1921 as Ukrderzhstrakh, one of the oldest insurance companies. ORANTA has a multi-branch network composed of more than 400 offices throughout the country and insures more than 2.5 million clients annually. Bank Credit Dnipro is a universal bank providing the full range of banking services and is among TOP 20 financial institutions of Ukraine in terms of the amount of assets. The Bank's reliability and the efficiency of its activity are confirmed by the recognized rating agencies and the business community.

The portfolio of O. Yaroslavskiy also includes 21.2735% of Ukrtatnafta PJSC. On November 05, **2022**, to provide for the country's needs in conditions of martial law, this enterprise of strategic importance was alienated by the state. Upon completion of the martial law, according to the legislation, the mentioned assets may be returned to the owners, or their value be compensated.