

Stock Market Update

Ukrainian Stocks Slide as MHP Drops Despite Profit Jump

Shares of Ukrainian companies declined last week, with Astarta (AST) among the worst performers, dropping 7% to PLN 45.55. Kernel (KER) slid 4%, while IMC lost 2.2%.

MHP's (MHPC) market value fell 5.4% to USD 597mn despite the company reporting solid first-half results. Revenue rose 10% and net income jumped 67%, though EBITDA unexpectedly slipped 11% to USD 236mn. The company continues to expand operations, and we see 34% upside in the stock over the next 12 months, to USD 7.50 a share.

Iron ore miner Ferrexpo (FXPO) dropped by 4.9% to GBp 50.7 (MCap of USD 412mn) and Enwell Energy (ENW) slipped by 11% to GBp 20.0 (MCap of USD 87mn).

In the war news, Romania says a Russian drone has breached its airspace - the second Nato country to report such an incursion. Earlier, Poland said it had shot down at least three Russian drones which had entered its airspace.

Meanwhile, Ukrainian drones have struck one of Russia's largest oil refineries. The strike on the Kirishi refinery, in Russia's northwestern Leningrad region, follows weeks of Ukrainian attacks on Russian oil infrastructure that Kyiv says fuels Moscow's war effort. The facility, operated by Russian company Surgutneftegas, produces close to 17.7 million tonnes per year (355,000 barrels per day) of crude, and is one of Russia's top three by output. Russia remains the world's second-largest oil exporter, but a seasonal rise in demand and sustained Ukrainian drone strikes have caused gasoline shortages in recent weeks. Gas stations have run dry in some regions of the country, with motorists waiting in long lines and officials resorting to rationing or cutting off sales altogether. To try to ease the shortage, Russia has paused gasoline exports, with officials on Wednesday declaring a full ban until Sept. 30 and a partial ban affecting traders and intermediaries until Oct. 31.

Highlights

STOCKS IN THE NEWS

- MHP Increases Net Profit by 67% YoY to USD 75mn in 1H2025

The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank's official website under the link below:

www.bank.gov.ua/en/about/support-the-armed-forces

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine

www.eavex.com.ua

TREND



UNITED24 charitable donations will be transferred to the official accounts of the National Bank of Ukraine and allocated by assigned ministries to cover the most pressing needs:

www.u24.gov.ua

MARKET INDEXES

	Last	1W ch	YTD
UX	1194	0.0%	0.0%
RTS	1060	-5.4%	18.7%
WIG20	2836	1.1%	29.4%
MSCI EM	1326	3.9%	23.3%
MSCI Global	972	1.8%	15.6%
S&P 500	6584	1.6%	12.0%

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.5%	0.0 p.p.	2.0 p.p.
UAH 1-year bond yield	16.4%	0.0 p.p.	0.0 p.p.
Ukraine-2029 yield	22.5%	1.1 p.p.	6.6 p.p.
Ukraine-2036 yield	16.4%	0.7 p.p.	2.0 p.p.

CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	41.50	0.0%	-1.8%
EUR/UAH	48.75	-0.1%	10.0%

Source: Eavex Capital

MHP Increases Net Profit by 67% YoY to USD 75mn in 1H2025

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MHP (MHPC LI)

Price: USD 5.58 Market Cap: USD 597mn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
2024	0.3	0.6	4.1	3.1	0.0%
2025E	0.3	0.6	5.0	3.9	0.0%

NEWS

Central-Ukraine-based, London-listed agro group MHP posted a first-half net profit of USD 75mn, up 67% from a year earlier. Revenue advanced 10% to USD 1.6bn, while EBITDA fell 11% to USD 236mn, weighed down by higher administrative expenses. The EBITDA margin narrowed to 14.4% from 17.7%.

As of end-June, the company's total debt stood at USD 1.7bn, with net debt-to-EBITDA at 2.3x, below the 3.0x covenant limit. Total assets amounted to USD 4.6 bn, with equity of USD 2.1bn.

MHP FINANCIALS						
USD mn	2Q2024	2Q2025	chg.	1H2024	1H2025	chg.
Net revenue	770	856	+11%	1,489	1,635	+10%
EBITDA	145	125	-14%	264	236	-11%
margin	18.8%	14.6%	-4.2 p.p.	17.7%	14.4%	-3.3 p.p.
Net profit (loss)	29	43	+48%	45	75	67%
net margin	3.8%	5.0%	+1.3 p.p.	3.0%	4.6%	+1.6 p.p.

Source: Company data.

COMMENTARY

MHP reported earnings of 71 cents per share for the first half of 2025. Full-year net income is projected at USD 120mn, or USD 1.12 per share, implying a price-to-earnings ratio of 5.0x at current levels. Given the company's business expansion, MHP stock looks undervalued on these multiples. The target price is set at USD 7.50, offering 34% upside.

Alongside evident wartime risks, the company faces significant currency exposure. During periods of hryvnia depreciation, MHP books losses on revaluation of its foreign-currency liabilities. In 1H 2024, it posted a USD 81 mn FX loss, while in the first half of this year it recorded a USD 14mn gain.

Exports generated USD 991mn in 1H2025, accounting for 61% of total revenue. Capital expenditures stood at USD 134mn over the period.

MHP's eurobonds due April 2026 traded at about 94.1 cents on the dollar, implying a yield to maturity of 20.3%.

QUOTES AND MULTIPLES FOR SELECTED UKRAINIAN LISTED COMPANIES

	Ticker	Last Price*	Absolute performance		MCap USD mn	EV USD mn	Free float	P/E		EV/EBITDA		EV/Sales 2025E
			1W	YtD				2024	2025E	2024	2025E	
UX Index	UX	1194	0.0%	0.0%								
Iron Ore Mining												
Ferrexpo	FXPO	50.7	-4.9%	-55.1%	412	300	25.5%	3.4	2.4	1.8	1.3	0.3
Oil & Gas												
Enwell Energy (ex-Regal)	ENW	20.0	-11.1%	-9.1%	87	-7	21.6%	3.5	2.9	na	na	na
Telecom												
Kyivstar	KYIV	10.95	1.4%	-11.2%	2,528	2,968	21.7%	8.9	8.6	5.0	4.9	3.0
Agro sector												
MHP	MHPC	5.58	-5.4%	12.0%	597	1,776	33.7%	4.1	5.0	3.1	3.9	0.6
Kernel (FY23, FY24, FY25)	KER	18.20	-4.0%	40.0%	1,471	1,677	5.4%	4.0	5.3	2.5	4.1	0.4
Astarta	AST	45.55	-7.0%	11.6%	306	485	37.0%	3.4	3.3	2.4	2.7	1.0
IMC	IMC	26.50	-2.2%	65.6%	259	273	18.3%	4.7	5.0	3.4	3.2	1.4
Banks										Price/Book		Price/Assets
Raiffeisen Bank Aval	BAVL	0.33	0.0%	32.0%	489		1.8%	4.9	5.0	0.8	0.7	0.10

Source: UX. PFTS. LSE. WSE. Eavex Research
* prices are in traded currency

QUOTES AND MULTIPLES FOR SELECTED U.S. COMPANIES

	Ticker	Price USD	Absolute performance		MCap USD bn	EV USD bn	P/E		EV/EBITDA		EV/Sales 2025E
			1W	YtD			2024	2025E	2024	2025E	
Индекс S&P 500	S&P 500	6584	1.6%	12.0%							
Technology sector											
Apple	AAPL	234	-2.5%	-8.6%	3,650	3,690	39	41	27	27	9
Microsoft	MSFT	510	3.0%	18.6%	3,789	3,779	43	39	28	26	14
NVIDIA	NVDA	178	6.6%	32.8%	4,359	4,329	67	53	58	46	30
Palantir Technologies	PLTR	171.4	12.0%	116.7%	374	370	747	467	616	411	90
Electric Utilities											
American Electric Power	AEP	109.5	1.3%	18.4%	58	102	21.6	18.8	13.3	12.8	4.9
Dominion Energy	D	60.1	3.3%	11.4%	50	93	21.0	20.2	13.9	13.1	6.2
Oil & Gas											
Exxon Mobil	XOM	112	2.8%	5.2%	493	508	14.5	14.1	7.1	6.7	1.4
Devon Energy	DVN	34.8	0.0%	11.5%	23	31	6.7	6.4	4.1	4.0	1.9
PBF Energy	PBF	27.5	-3.5%	8.3%	4.1	5.2	20.6	8.3	13.0	6.5	0.1
Iron Ore Mining											
VALE	VALE	10.67	2.6%	20.3%	46	58	4.9	4.6	3.8	3.4	1.3
Pharmaceutical											
Pfizer	PFE	23.9	-4.0%	-10.2%	136	193	31.5	27.7	14.0	13.3	3.1
Bristol-Myers Squibb	BMJ	46.2	-1.9%	-19.9%	94	137	neg	14.4	26.8	11.0	2.8

Source: Bloomberg

MAIN FINANCIAL FORECASTS FOR UKRAINIAN COMPANIES, USD mn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
Iron Ore Mining																
Ferrexpo	FXPO	750	950	1,100	140	170	230	18.7%	17.9%	20.9%	80	120	170	10.7%	12.6%	15.5%
Oil & Gas																
Regal Petroleum	RPT	80	55	65	49	52	57	61.3%	94.5%	87.7%	28	25	30	35.0%	45.5%	46.2%
Telecom																
Kyivstar	KYIV	915	919	990	604	592	610	66.0%	64.4%	61.6%	281	283	295	30.7%	30.8%	29.8%
Agro sector																
MHP	MHPC	3,021	3,046	3,150	445	566	450	14.7%	18.6%	14.3%	142	144	120	4.7%	4.7%	3.8%
Kernel (FY23, FY24, FY25E)	KER	3,455	3,800	4,200	544	680	410	15.7%	17.9%	9.8%	299	370	280	8.7%	9.7%	6.7%
Astarta	AST	628	645	482	199	202	181	31.7%	31.3%	37.7%	85	89	94	13.5%	13.8%	19.4%
IMC	IMC	139	180	200	3	80	85	2.4%	44.4%	42.5%	-21	55	52	-15.1%	30.6%	26.0%
Banks		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	4,977	4,643	4,886	575	615	683	594	488	453	126	100	98	21.9%	16.3%	14.3%

Source: Eavex Research

FINANCIAL FORECASTS FOR SELECTED U.S. COMPANIES, USD bn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E	2023	2024	2025E
Technology sector																
Apple	AAPL	383	391	395	126	135	137	32.8%	34.5%	34.7%	97	94	90	25.3%	24.0%	22.8%
Microsoft	MSFT	212	245	265	105	133	147	49.5%	54.3%	55.5%	72	88	96	34.0%	35.9%	36.2%
NVIDIA	NVDA	61	118	145	36	75	95	59.0%	63.6%	65.5%	30	65	83	49.2%	55.1%	57.2%
Palantir Technologies	PLTR	2.2	2.9	4.1	0.3	0.6	0.9	13.6%	20.7%	22.0%	0.2	0.5	0.8	9.1%	17.2%	19.5%
Electric Utilities																
American Electric Power	AEP	19.0	19.8	20.7	7.2	7.7	8.0	37.9%	38.9%	38.6%	2.2	2.7	3.1	11.6%	13.6%	15.0%
Dominion Energy	D	14.4	14.7	15.1	6.8	6.7	7.1	47.2%	45.6%	47.0%	1.9	2.4	2.5	13.2%	16.3%	16.6%
Oil & Gas																
Exxon Mobil	XOM	335	344	352	74	72	76	22.1%	20.9%	21.6%	36	34	35	10.7%	9.9%	9.9%
Devon Energy	DVN	15.3	15.8	16.2	7.5	7.6	7.9	49.0%	48.1%	48.8%	3.7	3.4	3.6	24.2%	21.5%	22.2%
PBF Energy	PBF	38.3	34.9	35.3	3.5	0.4	0.8	9.1%	1.1%	2.3%	2.1	0.2	0.5	5.5%	0.6%	1.4%
Iron Ore Mining																
VALE	VALE	41.8	41.0	44.0	15.6	15.2	17.0	37.3%	37.1%	38.6%	7.9	9.3	10.0	18.9%	22.7%	22.7%
Pharmaceutical																
Pfizer	PFE	58.5	59.4	62.0	9.6	13.8	14.5	16.4%	23.2%	23.4%	2.1	4.3	4.9	3.6%	7.2%	7.9%
Bristol-Myers Squibb	BMJ	45.0	47.4	48.8	19.4	5.1	12.4	43.1%	10.8%	25.4%	8.0	-7.3	6.5	17.8%	-15.4%	13.3%

Source: Bloomberg

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