



IPO + FINANCING OPTIONS

IS THERE A WAY TO GET
CHEAPER FINANCING FROM
BANKS?

Market changes and challenges

- Ukrainian banks understand the threats of the changing market, so to sustain their growth they have to diversify the range of instruments
- The takeover of the top Ukrainian banks by European banks brings certain advantages to “second tier” Ukrainian banks

Choosing the way to attract financing

What are the main criteria from the borrower's point ?





The general requirements of any (Ukrainian?) borrower:

- To get cheaper financing
- To get long-term financing
- To get sufficient amount of financing
- To get less strict requirements towards collateral

Getting cheaper financing

- Trade Finance instruments (Letters of Credit & Guarantees)
- ECA covered loans

Getting long term financing

- ECA covered financing
- Forfaiting



Getting sufficient amount of financing

- Factoring operations



Requirements regarding collateral

- Factoring
- Letters of Credit & Guarantees



Does each Ukrainian company need IPO?

- Quite often the potential borrower starts looking for financing before any business plan is worked out
- Certain requirements as to the project to be financed are the same irrespective the method of the financing attraction – don't hope for a miracle ☺
- Fashion should not be the only and the main reason for choosing the way of financing

- A company meeting the requirements of IPO, deserves better financing terms due to higher transparency.
- So, IPO is not only the direct way of financing, as it brings indirect advantages while attracting other sources of financing



Banker's advice

- Become transparent
- Become efficient
- Talk to your bankers
- Understand what you really need
- Think twice before making life more complicated 😊