

## Regulatory Story

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**PJSC Cherkizovo Group** - CHE Acquisition of share capital by strategic partner  
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PJSC Cherkizovo Group  
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**Moscow, October 30, 2015 - PJSC Cherkizovo Group (LSE:CHE; MOEX:GCHE), Russia's largest meat and feed producer, announces the acquisition of 5.06% of its outstanding share capital by strategic partner.**

Grupo Corporativo Fuertes, S.L. one of Spain's largest agricultural holdings, became the owner of 5.06% of PJSC Cherkizovo Group in the open market. The total representation of Grupo Corporativo Fuertes, S.L. has an approximate valuation of 30 million dollars.

The annual revenue of Grupo Corporativo Fuertes S.L. is over 1.4 billion euros, it employs over 6,000 people.

PJSC Cherkizovo Group and Grupo Corporativo Fuertes S.L. entered into a strategic partnership in 2012 having launched a joint turkey production complex in the Tambov region, poised to become Russia's largest turkey growing facility once it is completed in 2016.

Sergey Mikhailov, Chief Executive Officer, PJSC Cherkizovo Group, said: "We are honoured that our long-term strategic partner has decided to acquire a substantial stake in our company at the time when Western companies have pulled back their investments and are cautious about the future growth of the Russian market. We are indeed the largest vertically integrated agricultural holding in Russia. We are a company that has grown out of strong family traditions into a leader in innovations and efficiency. We adhere to world class standards in corporate governance and financial

reporting. I believe all of the above has set us aside from our peers and motivated a company as large and as influential as Grupo Corporativo Fuertes S.L. to invest not only in a joint venture with us, but also in our future market value, which we are already jointly building."

Tomás Fuertes, president of Grupo Fuertes noted: "We started looking for a strategic partner in Russia 10 years ago. Four years ago we chose PJSC Cherkizovo Group because we spoke the same business language: long-term goals, leadership ambitions, quality, transparency, modernization. Both of our companies grew into agro-industrial holdings from small family companies, with strong traditional values and passion for agriculture.

The Russian consumer market is number six in the world. For years its agricultural potential has been undervalued. Today we strongly believe that Russia's agricultural sector is becoming a real driver of the country's economy. In our view, PJSC Cherkizovo Group, to a large extent, defines the agricultural scene. For us it is a proxy for the sector, a reliable and open partner, with whom we are set to become the leaders in turkey production in Russia.

We also believe that Russia has all the makings of becoming a leader on the export market, and Cherkizovo Group, in our view, will be in the lead. That is why a decision to become a shareholder was an obvious one for us, and the one that will incentivize us to work towards long-term value of all the businesses of PJSC Cherkizovo Group".

### **About Cherkizovo Group**

Cherkizovo Group (LSE:CHE; MOEX:GCHE) is Russia's largest meat and feed producer. The Group is in the top three manufacturers of poultry, pork and processed meat. The company's best known brands are Cherkizovo, Petelinka and Kurinoe Tsarstvo. Chairman of the Board Igor Babaev and his family control 65 % of Cherkizovo Group, and 35 % of the shares are quoted on the London Stock Exchange (LSE) and the Moscow Exchange.

Due to its vertically integrated structure, which includes agricultural land, grain storage facilities, feed production, livestock breeding, growing and slaughtering, as well as meat processing and integrated distribution, Cherkizovo is the largest agro-industrial holding in Russia. The company's

2014 consolidated revenue was 69 billion rubles; Cherkizovo produced more than 800,000 tonnes of meat products and 1.4 million tonnes of feed.

Cherkizovo Group's growth strategy is both organic and through acquisition. Over the last ten years, Cherkizovo Group has invested more than 50 billion rubles in Russia's agricultural sector.

### About Grupo Fuertes

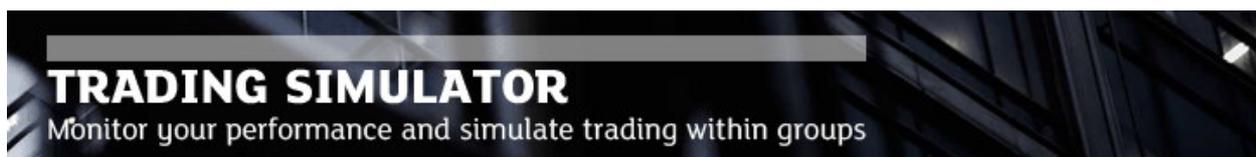
Grupo Fuertes is a large Spanish holding with more than 20 companies in its structure, most of which are involved in the agro-industrial business. They include well-known manufacturers, such as Agrifusa (agriculture), Cefusa (livestock breeding), El Pozo Alimentación (meat production and processing), Procavi (turkey meat production and processing), Sediasa (cutting and preparing food products), Fripozo (deep-frozen products) and others.

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