

INVESTMENT OPPORTUNITIES

REPUBLIC OF BELARUS



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS

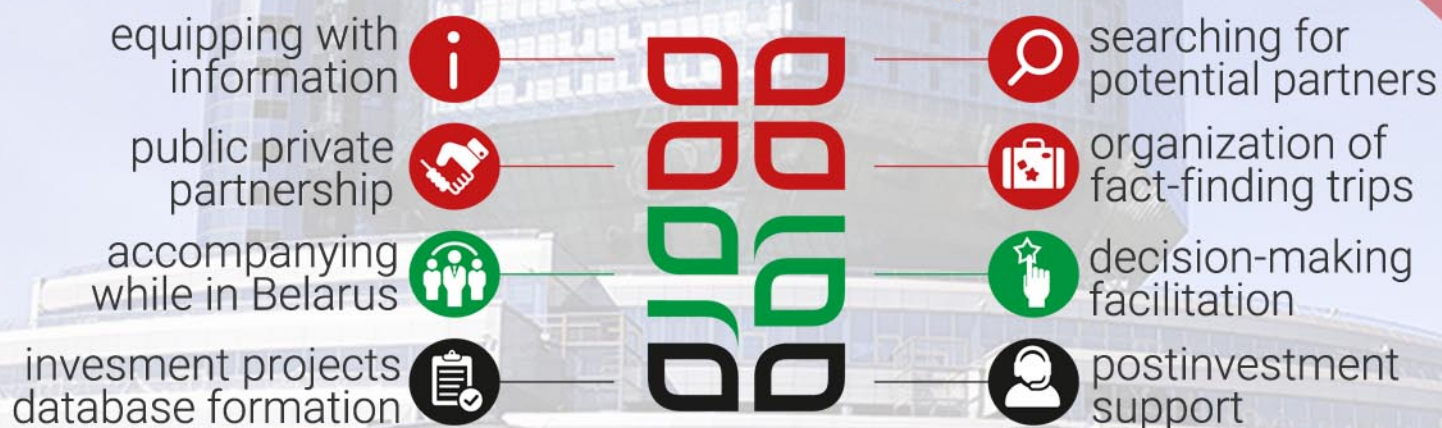


**BELARUSIAN
ENTERPRISES**



Investment
projects

Services free of charge



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REPUBLIC OF BELARUS

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M-10 HIGHWAY RECONSTRUCTION

ON THE BASIS OF PUBLIC PRIVATE PARTNERSHIP

Public Partner – Ministry of Transport and Communications



construction

ABOUT THE PROJECT

The project implies the reconstruction of the M-10 road section: the border of Russian Federation (Selische) - Gomel - Kobrin (km 109,9 - km 195,15) with upgrading to category I, as well as its subsequent efficient operation on a paid basis.

In addition, the project provides for an increase in the number of lanes from two to four, an increase in the permissible axle load from 10 to 11,5 tons, an increase in the speed limit for cars from 90 km/h to 120 km/h, for trucks from 70 km/h to 100 km/h.

Reconstruction of M-10 highway involves enabling the transit of domestic and foreign haulers and passenger cars registered outside the Customs Union on a paid basis, as well as passenger cars of residents of the Republic of Belarus free of charge.

- ✓ The project is to be implemented within the Public Private Partnership framework.
- ✓ The project is included in the State Program for Development and Maintenance of Motorways in the Republic of Belarus for 2017 – 2020.
- ✓ After the construction, the private partner is entitled to manage and maintain the facility during the term of agreement, after which it is handed over to the public partner.
- ✓ Availability payments will be used as a remuneration scheme.
- ✓ Current status: the project is at the stage of feasibility study conducted by the EBRD hired consultants.

KEY FEATURES



CAPEX

Investment amount:
~ \$ 200 000 000
(2015 prices)



PROJECT DURATION

20 YRS
Construction period
2 YRS
Operation period
18 YRS



IMPLEMENTATION

The stages of project implementation **will be defined within the feasibility study**



CONSTRUCTION OF KINDERGARTENS IN MINSK REGION

ON THE BASIS OF PUBLIC PRIVATE PARTNERSHIP

Public Partner – Minsk Region Executive Committee



social sphere

ABOUT THE PROJECT

The project goals:

providing Minsk region inhabitants with 610 places in preschool institutions according to social standards and in the field of educational services, sanitary norms;
reducing queues on kindergartens entering in Minsk region, where it is exigence;
improving quality of services provided by preschool educational institutions.

Problems and needs of the region:

lack of budget funds for providing children with places in kindergartens;
some of preschool institutions don't comply with social standards in the field of educational services and sanitary norms.

Project beneficiaries and users:

610 children at a preschool age;
Minsk region inhabitants, whose children at a preschool age are desperately in need of a preschool institution.

PROJECT STRUCTURE

- ✓ Construction of kindergarten in u.v. Senitsa;
- ✓ Construction of kindergarten in a.s. Machulischi;
- ✓ Construction of kindergarten in u.v. Mihanovich;
- ✓ Land plots used for design and construction are allocated;
- ✓ Appraisal study documentation is available, feasibility study is being developed.

KEY FEATURES



CAPEX

Total investment amount:

~ \$ 12 000 000



PROJECT DURATION

15-20 YRS



IMPLEMENTATION

The stages of project implementation **will be defined within the feasibility study**



CONSTRUCTION OF WASTE PROCESSING PLANT IN BOBRUISK CITY

ON THE BASIS OF PUBLIC PRIVATE PARTNERSHIP

Public Partner – Bobruisk City Executive Committee



waste
recycling

ABOUT THE PROJECT

The project involves construction of waste processing plant in Bobruisk city, provision with the equipment required for waste disposal; operation, maintenance and functional service of the facility during the term of the PPP agreement for the environmentally safe disposal of waste.

The main goal of the project is reduction of the volume of household waste disposal that will contribute to obtain the final product from secondary raw materials as well as to use additional thermal and electrical energy for own consumption and for needs of the region. The environmental aspect is also important in the project implementation because of the main method of waste disposal used at the moment – landfill dumping, which adversely affects ecological situation not only in Bobruisk city, but in the entire region.

PROJECT STRUCTURE

- ✓ Estimated PPP model - "Design-Construction-Funding-Operation".
- ✓ After the construction, the private partner is entitled to manage and maintain the facility during the term of the agreement, after which it is handed over to the public partner.

KEY FEATURES



CAPEX

Total investment amount:

\$ 26 660 000



PROJECT DURATION

15-20 YRS



IMPLEMENTATION

The stages of project implementation **will be defined within the feasibility study**



CONSTRUCTION OF BESHENKOVICHY HYDRO-ELECTRIC POWER PLANT

ON THE BASIS OF PUBLIC PRIVATE PARTNERSHIP

by Ministry of Energy · BelEnergo · VitebskEnergo



energetics

ABOUT THE PROJECT

The project involves the construction of hydroelectric power station on the Western Dvina river in order to generate green electricity and ensure partial coverage of peak loads in Vitebsk region. The study on selection of the hydropower equipment of Beshenkovichy Hydro Power Plant has shown that the preferable capital equipment for the station is turbines with a horizontal axis. Application of various quantity of hydrounits from 3 to 6 units is possible. The maximum expense of water through HPP is 465 m³/s. In order to secure the carrying capacity of the Western Dvina river there is a possibility of construction of a ship lock at the site of the HPP dam.

- ✓ The project is to be implemented within the Public Private Patnrnership framework according to the BOT scheme (Building – Operation – Transfer)
- ✓ The Republic of Belarus guarantees the purchase of the energy generated by a hydro-electric power plant and shall at its own expense construct power transmission lines required to secure power supply to the electric power system of the Republic of Belarus.
- ✓ Republic of Belarus provides the multiplying coefficients for the purchase of electrical energy generated from novel, not traditional and renewable energy sources

KEY FEATURES



CAPEX

Total investment amount:

\$ 186 000 000



INDICATORS

Installed capacity

33 MW

Energy generation,
in a normal water year

130 000 000 kWh



MARKET

Belarus **100%**

The Republic of Belarus
guarantees purchase of
produced energy



PRODUCTION OF MODERN METAL CUTTING TOOLS

at Orsha Tool Factory JSC



mechanical
engineering

ABOUT THE PROJECT

Investment project implies introduction of innovative technologies. As the demand is growing, the production of innovative metal cutting and auxiliary tools will make it possible to meet the needs for such a product at both domestic and foreign markets. Creation of new high-tech and export-oriented production is a final step of the project.

During the project implementation it is planned to develop, master, and put into mass production more than 300 names and typical sizes of new item types of cutter tools and accessory instruments of particular accuracy and productivity, allowing to implement the technological possibilities of high-precision and high-efficiency equipment.

- ✓ Main consumers are large companies of engineering, automobile and railroads industry, energy sector, agroindustrial complex.
- ✓ Manufactured products have advantages over similar products both in price and quality.
- ✓ The enterprise already has a well-developed infrastructure system, including access to railroads, storage facilities, qualified personnel, raw materials supply network, commodity distribution network.
- ✓ Further expansion of production as well as facilities upgrade are possible.

KEY FEATURES



CAPEX

Total investment amount:

\$ 56 900 000

Financial requirement
for investor:

\$ 48 900 000

Form of investor participation:
Additional issue of shares for
selling to investor



PRELIMINARY INDICATORS

Pay-back period
10 YRS

IRR
7.4%

NPV
\$ 5 000 000



MARKETS

EEU countries **60%**
incl. Belarus **40%**

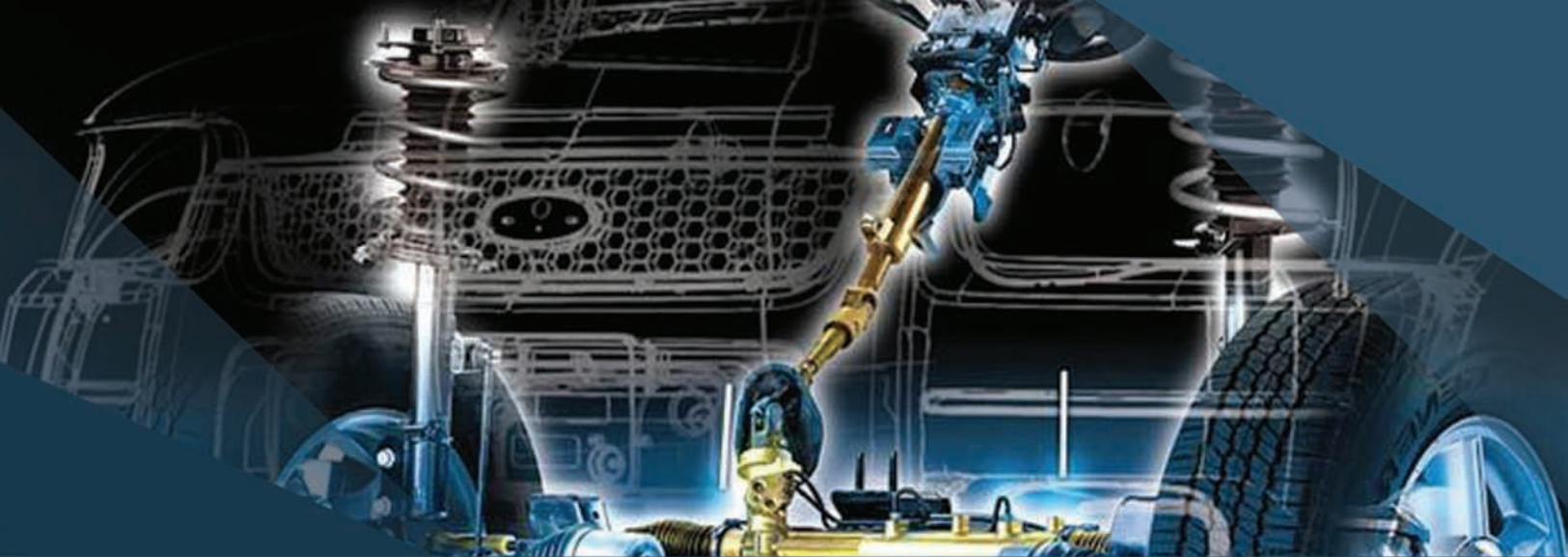
Other countries **40%**

The project is export-oriented

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00100

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PRODUCTION OF STEERING CONTROL UNITS FOR MOTOR VEHICLES

at Borisov plant "Avtogydrousilitel" OJSC



ABOUT THE PROJECT

Borisov plant "Avtogydrousilitel" specializes in production of automotive steering components for wide range of automotive vehicles, provides a complete set of car assembly conveyors for the largest car factories of Belarus, Russia and other CIS countries.

The main concept of this project is to create modern energy-efficient production with high productivity, capable to rearrange for market requirements and ensure high quality of products.

Implementation of this project will allow the company to create capacities for new production of steering systems, hydraulic cylinders and hydraulic lifts, including rack steering systems "BELGEE", using modern energy-saving technologies.

- ✓ Main consumers are the largest automotive plants of CIS: PJSC "Kamaz", OAO "GAZ", PJSC "Pavlovsky auto beads", PJSC "UAZ", PJSC "AZ Ural", LLC "Likino Bus", PJSC "Aw-toKrAZ", JSC "MTZ", JSC "MAZ". Target markets - Russian Federation and other CIS countries.
- ✓ Manufactured products have advantages over similar products both in price and quality.
- ✓ Investment resources allocation: purchase of equipment & technologies, preparation of production.

KEY FEATURES



CAPEX

Total investment amount:

\$ 45 000 000

Financial requirement for investor:

\$ 40 000 000

Participation form: to be discussed



PRELIMINARY INDICATORS

Pay-back period
4.8-5.75 YRS

IRR
22.27 %

NPV
\$ 8 800 000



MARKETS

EEU countries **98.5%**
incl. Belarus **28%**

EU countries **0.1%**

Other countries **1.4%**

The project is export-oriented



ESTABLISHMENT OF HIGH-PERFORMANCE ASSEMBLING OF ELECTRO-MEASURING INSTRUMENTS

at VZEP JSC



mechanical
engineering

ABOUT THE PROJECT

THE PROJECT INVOLVES

- Implementation of information technologies for automation of design work, account of movement of material values, electronic document management, the introduction of GALS-technologies.
- Development and improvement of testing facilities in order to reduce risks in the stages of development, pre-production, production.
- Modernization of assembly production, including SMD- mounting and final assembly

with the development of plastic mold workshop, control and test station.

- Development of the existing site equipment line SMD-mounting considering miniaturization of components base.
- Purchase of the equipment for automated control of SMD-mounting site.
- Automation of works on installation of bulk items. Automation of assembly production.

KEY FEATURES



CAPEX

Total investment amount:

\$ 11 300 000

Financial requirement
for investor:

\$ 3 600 000

Form of investor participation:
**Additional issue of shares for
selling to investor**



PRELIMINARY INDICATORS

Pay-back period

7-8 YRS

IRR

9.4%

NPV

\$ 13 000 000



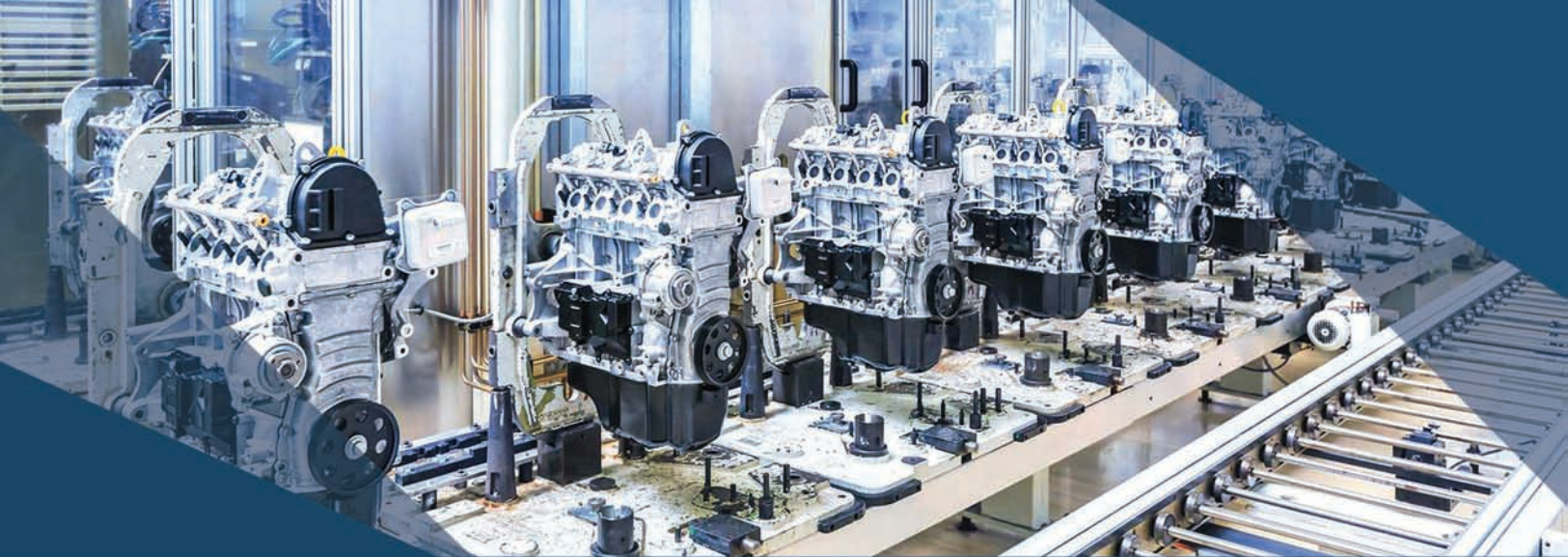
MARKETS

EEU countries **99.1 %**

incl. Belarus **66.6 %**

EU countries **0.2 %**

Other countries **0.7%**



PRODUCTION OF INTELLIGENT CONTROL SYSTEMS FOR MOTOR VEHICLES OF ECOLOGICAL CLASS EURO-5 AND EURO-6

at Ekran OJSC



ABOUT THE PROJECT

JSC "Ekran" is one of the leading manufacturers of elements of automotive electric equipment and automotive electronics, anti-lock braking systems and electronic control systems for pneumatic suspension for trucks and buses on the territory of the CIS.

The project includes the creation of conveyor assembly lines with the use of additive technology in order to develop a new generation of sensors, actuators and high-intelligence units of car control systems, which can take control without the driver. The business plan is developed; the project has passed the state examination in the State Science and Technology Committee of the Republic of Belarus.

PRODUCT RANGE

- ✓ Active vehicle safety systems: anti-lock braking system ABS for trailer part with function anti capsizing; anti-lock system of the tractor with road holding function; electronic drive system of brakes;
- ✓ Intellectual auto components: programmable sensors with a digital output on CAN-bus;
- ✓ Commutatorless motors.

KEY FEATURES



CAPEX

Total investment amount:

\$ 4 400 000

Financial requirement for investor:

\$ 1 400 000

Participation form: to be discussed



PRELIMINARY INDICATORS

Pay-back period

6 YRS

Dynamic pay-back period

7 YRS

NPV

\$ 1 200 000



MARKETS

EEU countries **95 %**

incl. Belarus **65 %**

other countries **5 %**



PRODUCTION OF HIGH-PERFORMANCE TWO-AXIS HEADS

at JSC MZOR



mechanical
engineering

ABOUT THE PROJECT

Development of new competitive import-substitution products - scales of overhead milling heads with transmitted power from 25 to 55 kW, intended for equipping spindle (milling and boring) heads of horizontal milling and boring machines for the purpose of expansion their technological capabilities.

- ✓ **Degree of the project readiness:** availability of feasibility study.
- ✓ **Form of investor participation:** purchase of shares / share in the authorized fund of the existent enterprise – up to 45%.



KEY FEATURES



CAPEX

Total investment amount:

\$ 3 200 000

Financial requirement
for investor:

\$ 3 000 000



PRELIMINARY INDICATORS

Pay-back period

3.08 YRS

Current market capacity

\$ 6 942 000



MARKETS

EEU countries **88 %**

incl. Belarus **55 %**

other countries **12 %**



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PRODUCTION OF NEW TYPES OF CABLE PRODUCTS AND WIRING HARNESSSES

at JSC "Shchuchin plant "Avtoprovod"



ABOUT THE PROJECT

The goal of the project is to develop new technologies for processing and manufacturing silicone rubbers for the production of fire-resistant cables (power cables, installation cables, control and management cables, fire protection cables), as well as modernization and upgrade of existing equipment to increase labor productivity, improve working conditions, product quality.

The company plans to master the serial production of new cable products during the project implementation period. These products are export-oriented and will be sold abroad.

Most of new types of cable products are not produced in the Republic of Belarus.

PRODUCT RANGE

- ✓ Fire resistant cables for fire protection systems;
- ✓ High heat-resistant cables with operating temperatures up to 180°C, used for connecting a variety of devices exposed to elevated temperatures;
- ✓ Wires for automotive vehicles with insulation resistant to heat up to 200 °C;
- ✓ Harnesses for agricultural, automotive and motorcycle equipment.

KEY FEATURES



CAPEX

Total investment amount:

\$ 3 570 000

Financial requirement
for investor:

\$ 2 950 000

Participation form:
to be discussed



PRELIMINARY INDICATORS

Pay-back period

5 YRS

IRR

27,7 %

NPV

\$ 234 000



MARKETS

EEU countries **64 %**
incl. Belarus **32 %**

EU countries **2 %**
other countries **2 %**



PRODUCTION OF HEAT AND SOUND INSULATION PLATES

at UE "Plant Belit"



mechanical
engineering

ABOUT THE PROJECT

Plant Belit is the largest producer of rags on the market of Belarus and Russia. The modernization of production in 2015-2016 made it possible to increase the production of rags to 850 tons per month. Further expansion of this production is planned, which will allow to increase the output of finished products to 1.250 tons per month. The average monthly demand for raw materials for the production of heat and sound insulation plates is 117 tons of textile waste, which equals to the average production capacity of this raw material per month.

- ✓ Heat and sound insulation plate is a combined insulation that is made from a mixture of a diluted natural and synthetic flap, flax fibers, as well as other fibers and waste with the addition of low-melting polyester fiber, fire-bioprotective additives.
- ✓ Expected contribution of the investor: acquisition, delivery and installation of new equipment.
- ✓ Basic marketing research is conducted, feasibility study has been prepared.

KEY FEATURES



CAPEX

Total investment amount:

\$ 4 300 000

Participation form:
to be discussed



PRELIMINARY INDICATORS

Pay-back period
1.7 YRS

Sales profitability
45.7%



MARKETS

EEU countries **30 %**
incl. Belarus **3 %**

EU countries **65 %**
other countries **5 %**



WORKSHOPS WITH ADMINISTRATIVE COMPLEX

by Zavod PAK PLC



real estate & property

ABOUT THE COMPLEX

Auxiliary workshops with administrative and household complex is proposed for sale or leasing. Currently state owned.

Situated in the city of Orsha, the complex was built in 1987. Total floor area is more than 16,000 sq.m. Land plot area is 2 ha.

Complex is fully equipped with all the conveniences necessary for production.

Workshops with 3-storeys administrative building located at the transeuropean road juncture with access to railway and M1 Brest-Moscow highway.

KEY ADVANTAGES

- ✓ A wide area of application
- ✓ Ventilation system
- ✓ Electricity and heating system
- ✓ Hot water and sewerage
- ✓ 10 km away from M1 highway
- ✓ Railway on site
- ✓ 20 km away from Bolbasovo airdrome

KEY FEATURES



OPPORTUNITIES

Possible purposes of use:

- ✓ industry
- ✓ logistics
- ✓ service



LOCATION

Vitebsk region



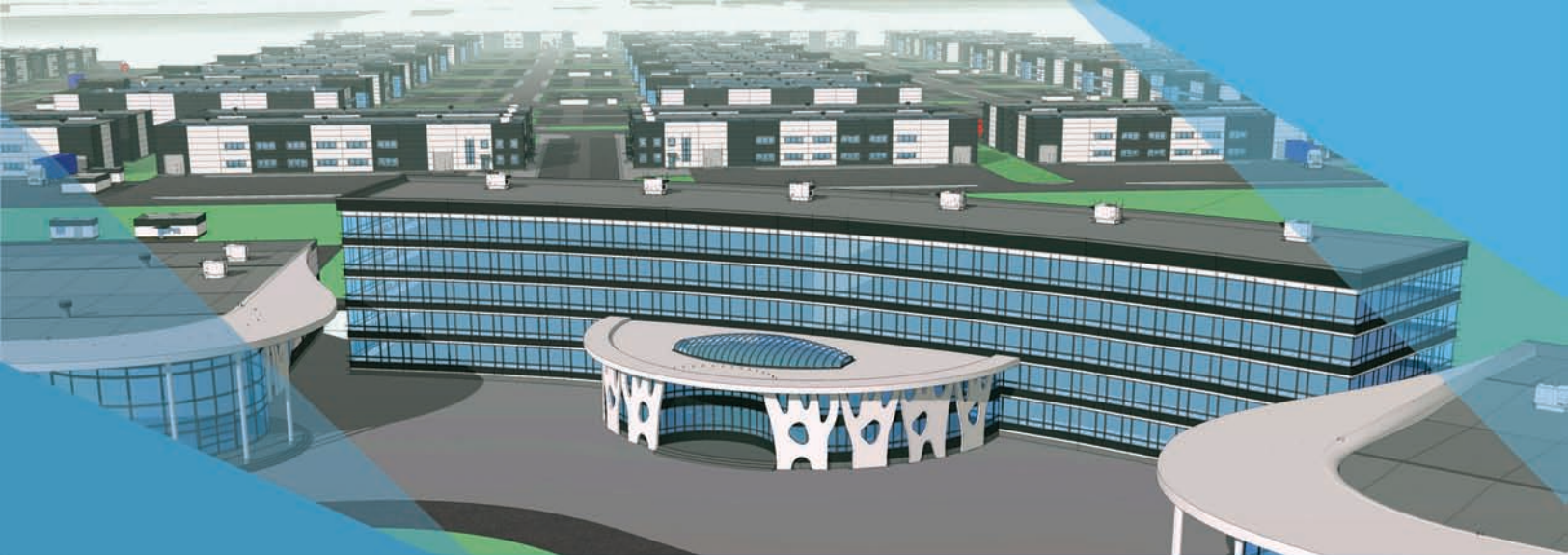
** situated in the free economic zone "Vitebsk"*



INVESTMENT VALUE

Total investment amount:

further to be evaluated



CONSTRUCTION OF BOLBASOVO MULTIMODAL LOGISTIC AND INDUSTRIAL COMPLEX. INDUSTRIAL ZONE

Bremino Group LLC



logistics and
transportation
industry

ABOUT THE PROJECT

The project implies the creation of a multimodal industrial and logistic complex (freight village with industrial segment) with total area of 230 ha at the crossroads – between ports of the Baltic Sea and the Black Sea and between the EU and Customs Union markets.

INDUSTRIAL ZONE. Possible business lines:

- Production and packaging of pharmaceutical products (generics);
- Bottling and packaging of cosmetics and perfumes;
- Packaging of tea, coffee, spices and etc;
- Production of clothing and footwear;
- Assembling of electronics and equipment;
- Production of other commodities.

KEY ADVANTAGES

- ✓ Location: close to the Russian border
- ✓ Agreements with Baltic ports: Bremino Group LLC is going to create train connecting the Baltic Sea Ports with Bolbasovo based on agreements with ports
- ✓ Free Warehouse procedure: a duty-free trade zone
- ✓ State support of the project: Decree of the President of the Republic of Belarus from July 21, 2015 № 334

KEY FEATURES



CAPEX

Total investment amount:

\$ 67 000 000

Form of investor participation:
Additional issue of shares for
selling to investor



PRELIMINARY INDICATORS

Pay-back period
10-15 YRS

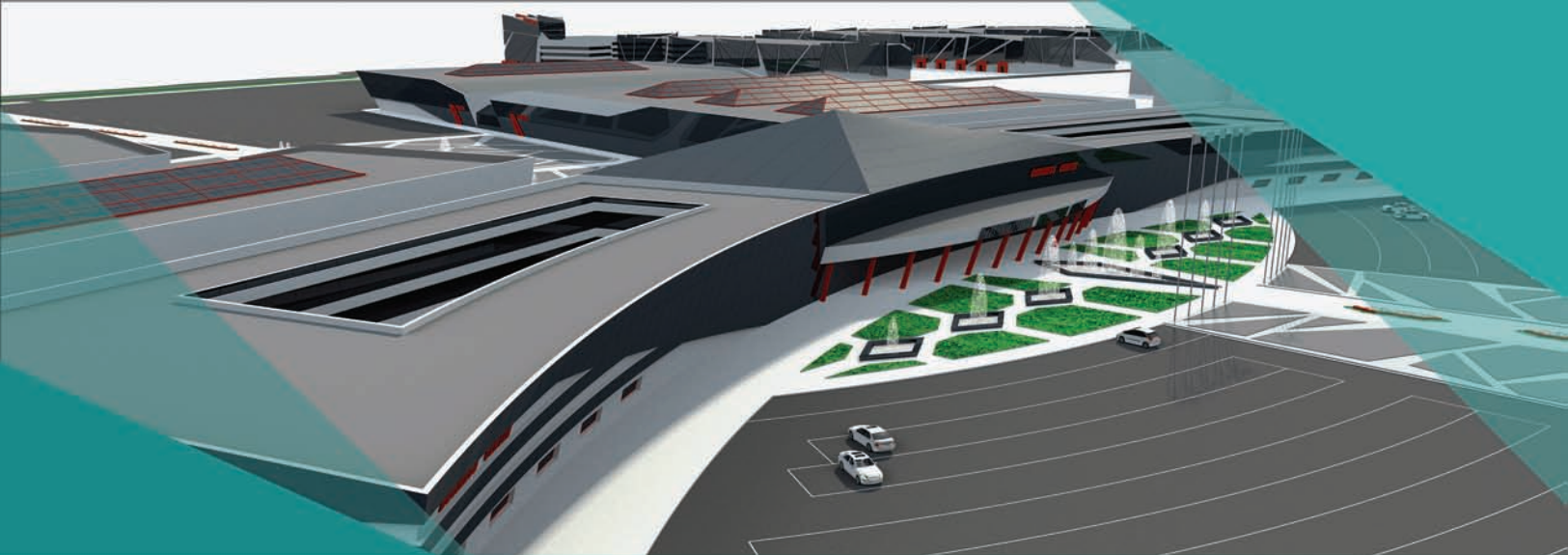
IRR
18.09%



MARKETS

EEU countries **95%**
incl. Belarus **15%**

EU countries **5%**



CONSTRUCTION OF INTERNATIONAL EXHIBITION COMPLEX

by Belarusian Chamber of Commerce and Industry



ABOUT THE PROJECT

These days, the last available specialized exhibition site in the Republic of Belarus is being dismantled. Exhibition events are held at non-specialized facilities mainly and in the first place – at sports venues. This fact negatively affects the level of ongoing events and hinders the development of the exhibition industry. There is a considerable demand for a specialized exhibition facility.

The first stage will include the construction and operation of an exhibition pavilion with an area of 10,000 square meters, built-on warehouses with an area of 2,000 square meters, an open exhibition area, a public and business center (for congress events, maintenance service and administration of the complex) of 5,000 square meters, and parking.

Construction period: 2017–2020.

- ✓ Absence of competition due to high market entry costs
- ✓ Buoyant demand for exhibition facilities
- ✓ The BelCCI takes part in project co-financing
- ✓ The project will be managed by the BelCCI. Project management implemented by investor is also possible.

KEY FEATURES



CAPEX

Total for the 1st stage

\$ 14 600 000

Expected investor's contribution

up to \$ 13 900 000

in form of participation in statutory fund



PRELIMINARY INDICATORS

Pay-back period

11-15 YRS

Annual revenue

\$ 5 000 000

IRR

9.37 %



CURRENT STATUS

A business plan (pre-project stage) was developed for the first stage. Construction site is specified.



CONSTRUCTION OF AN ADMINISTRATIVE AND SHOPPING COMPLEX "GOLDEN CLOUDS" WITH A HOTEL ON KALVARYJSKAJA STREET IN MINSK



construction

Minsk City Executive Committee

ABOUT THE PROJECT

The site is located on the major transportation highways, close to the subway. In accordance with the specific land use of the territory the project is designed as an integrated town planning ensemble in the existing urban surroundings. The buildings of the functional areas are interconnected.

The central part is assigned to a green recreational area. A dominating structure of the complex is a 25-30-storey building of a hotel. Apart from that it is planned to build entertainment, cultural, sporting and commercial centers with a multi-level parking.

KEY FEATURES



CAPEX

Estimated investment amount:

\$ 100 000 000 – 110 000 000

*incl. site preparation costs
– about \$ 20 000 000*



PRELIMINARY INDICATORS

Pay-back period
8–12 YRS

IRR
6–9 %



SITE

Site area
5.1 ha

Total area of the building
85 000 m²



INVESTMENT PROPOSAL: NEW PHARMACEUTICAL JOINT PRODUCTION

BZMP OJSC - Borisov Plant of Medical Preparations



health &
pharmaceuticals

ABOUT THE COMPANY

BZMP is a leader in production and supply of medicine in the Republic of Belarus. Foundation date – 1965. Land plot – more than 11 ha. Number of employees – more than 3 000.

Production volume in 2016 amounted to more than \$ 116 000 000. Company portfolio list accounts for more than 270 medicine products from 12 pharmacological groups.

MAIN FORMS OF MEDICINE MANUFACTURED: injection solution; powder for preparation of injections in bottles (antibiotics); tablets (including tablets with modified release); medicine in Capsules (hard gelatin); liquid phytochemical drugs (tinctures, medical drops); soft dosage forms (ointments, gels, liniments).

NEW PRODUCTION OPTIONS



medical sprays
aerosols
medicine in form of lyophilisate
hormones
solid dosage forms
 β -lactam antibiotics
inhalation solution
immunoglobulin
vaccines
medical contrast agents
anti-cancer drugs
APIs (active pharmaceutical substances)

KEY FEATURES



CAPEX

Total investment amount:

up to \$ 80 000 000

BZMP is ready to consider any share of investor participation in the investment project implementation, up to a controlling stake



BZMP PROVIDES

Land plot for construction
Support in development of design specifications
Experienced qualified staff
Cost financing in accordance with share
Development & registration of new drugs



MARKETS

Approximately 50% of produced medicine is exported to 24 countries worldwide, including EEU countries.



EXPERIMENTAL-INDUSTRIAL PRODUCTION OF PHARMACEUTICAL PRODUCTS USING BLOW-FILL-SEAL TECHNOLOGY

RUE “Belmedpreparaty”



ABOUT THE PROJECT

The purpose of realization of the investment project is creation of a fundamentally new for Belarus modern, standards-compliant GMP competitive production of medicines in the form of eye drops and solutions for injection blow-fill-seal technology based on the use of advanced technical and technological solutions.

Within the framework of realization of the investment project, installation of two production lines for the production of injectable pharmaceuticals and ophthalmic medicines with BFS technology will be carried out.

The range of drugs produced by the Enterprise includes over than 330 titles. Each year, the Enterprise replenishes its nomenclature for approximately 15 new drugs.

- ✓ Technical-economic feasibility study has been developed.
- ✓ As an investment RUE “Belmedpreparaty” is ready to consider:
 - investments in capital expenditures;
 - investments in the form of the latest technologies and developments;
 - the new form of medicaments nomenclature.
- ✓ Ownership, form of cooperation and size of deposits will be determined during the negotiations, taking into account mutual interests of the parties.

KEY FEATURES



CAPEX

Total investment amount:

\$ 21 400 000

incl. own resources of

\$ 2 400 000



PRELIMINARY INDICATORS

Pay-back period

9.1 YRS

IRR

5.7 %

NPV

\$ 122 000



MARKETS

Prospective domestic market share
78.3 %

Return on sales
23.9 % (in 2017 year)



PRODUCTION OF DISPOSABLE CONTAINERS FOR VENOUS BLOOD SAMPLING

Medplast JSC



ABOUT THE PROJECT

The aim of the project is the creation and development of new high-tech production of vacuum containers for the collection of venous blood samples using new technologies providing production of a wide range of products at the level of the best European counterparts.

The investment project has an import substitution goal. Production of disposable containers for sampling venous blood at scheduled volume will enable to meet requirements of medical institutions of the Republic of Belarus in polyethylene terephthalate test-tubes of sizes 13×75 mm, 13×100 mm, 16×100 mm, and thereby provide savings of foreign exchange reserves.

Period for project implementation – 3 YRS.

- ✓ Pre-feasibility study of the project has been completed, a business plan has been developed, medical and technical requirements for products have been developed together with the Gomel State Medical University.
- ✓ Product description: Disposable containers for sampling venous blood, used for blood sampling with the use of vacuum test-tubes (with or without the reactant).
- ✓ Investment resources allocation: R&D, construction, purchase of equipment & technologies, preproduction.

KEY FEATURES



CAPEX

Total investment amount:

\$ 7 200 000

Financial requirement for investor:

\$ 2 000 000

Form of investor participation in joint venture: to be discussed



PRELIMINARY INDICATORS

Pay-back period

6-8 YRS

IRR

26.1 %

NPV

\$ 2 600 000



MARKETS

The project is aimed at import substitution

Current market capacity of Belarus is 30 million items per year



PRODUCTION OF PHARMACEUTICAL SUBSTANCES AND CULTURAL MEDIA FROM DOMESTIC RAW MATERIALS

BelAseptika CJSC



ABOUT THE PROJECT

It is planned to develop and organize the production of the following pharmaceutical substances: cattle bile dry, bases of culture media, dehydrated culture media, pancreatic enzymes, Collagenase enzyme, gelatin, hydrolyzates of whey protein, soy, pea protein, wheat, corn, and pharmaceutical substances based on vegetable raw materials.

The purpose of the project is to create on the territory of Belarus the production of cultural media and pharmaceutical substances from domestic endocrine-enzymatic and special raw materials of animal and vegetable origin. The planned production will make it possible to produce value-added products.

KEY ADVANTAGES

- ✓ Experience: 20 years of presence in the market of disinfectants; the share of 30% in the market of disinfectants and antiseptics
- ✓ Guaranteed volumes of orders: participation in a state program of import substitution of medicines
- ✓ Developed distribution network through healthcare institutions, processing industry enterprises, hygiene and sanitation centers
- ✓ A valid license for production of pharmaceutical products

KEY FEATURES



CAPEX

Total investment amount:

\$ 5 300 000

Form of investor participation in joint venture: to be discussed



PRELIMINARY INDICATORS

Pay-back period

5-6 YRS

IRR

32.7 %



MARKETS

EEU countries **100 %**
incl. Belarus **60 %**



MINING AND CHEMICAL PLANT FOR DEEP COMPLEX PROCESSING OF PEAT



Institute for Nature Management. National Academy of Sciences
The peat enterprise "Turshovka", Minsk region

ABOUT THE PROJECT

The project involves the creation of an integrated enterprise for deep peat chemical processing to activated carbon (1,000 tons / year, integrated granular organic fertilizers (50,000 t / year); peat products for agricultural purposes - agglomerated peat, adsorbents, meliorants, also for desert greening, biologically active substances of humic nature (25,000 t / year). It is assumed that the created enterprise will be registered in the village Uhvala in Krupki district. Studied peat reserves of Turshovka in Minsk region provide raw materials for the production for 50-100 years. Technologies developed in the Institute of Nature Management allow to receive these types of products, which by their economic efficiency is 10-12 times higher than the current traditional, mainly fuel use of peat.

- ✓ Availability of research results on the project received by leading researchers of the Institute Nature Management.
- ✓ Availability of deeply explored reserves of raw materials for the production plant for 50-100 years.
- ✓ Presidential Decree dated May 7, 2012 № 6 "On stimulation of entrepreneurial activity in the medium, small towns, rural areas".
- ✓ **End product characteristics:** humic products, special granular peat sorbents with antiseptic properties, designed to improve the microclimate on the livestock and poultry farms.

KEY FEATURES



CAPEX

Total investment amount:

\$ 34 600 000

95% share in the newly established enterprise is proposed to investor



PRELIMINARY INDICATORS

Pay-back period

4.5-6.8 YRS

IRR

32.8%

NPV

\$ 4 600 000



MARKETS

Russia, Belarus,
Kazakhstan, Ukraine,
Poland, Latvia,
Lithuania



GREENERY PLANTING ON ARID SOILS

by National Academy of Sciences of Belarus



ABOUT THE PROJECT

Ameliorative and land-improving compounds are designed to improve and optimize agrochemical, physical and hydrological characteristic of soils.

Today the AridGrow Technology is the only, unique desert gardening technology that does not based on the water, and water is not its main component. The unique water-keeping effect of the Powdered Humic Soil Creator AridGrow and effective nutritional value of the Liquid Humic Soil Activator AridGrow allows to refuse completely from daily irrigating of the gardening plants and proceeding to a new watering technique - not more often than once per week.

WHERE TO APPLY

- ✓ Tested and already applied in countries of Middle East region
- ✓ Helps in restoration of the agrophysical, chemical and fertile properties of soils
- ✓ Designed for creation of a fertile soil layer in arid and droughty territories
- ✓ Allows to save not less than 30% of the irrigation water

KEY FEATURES



CAPEX

Total investment amount:
further to be evaluated
100% of registered fund is proposed to investor



PRELIMINARY INDICATORS

Pay-back period
3-4 YRS.
Annual revenue
\$1 000 000



CURRENT STATUS

Cost to Revenue rate:
22%
R&D works are being conducted since 1998
The product is licensed and registered



INVESTMENT PROPOSAL: PRIVATIZATION OF OJSC «MINSK MARGARINE PLANT»



The main activity:

OJSC Minsk Margarine Plant is a major Belarusian producer of margarine, mayonnaise, refined oils and fats, and condiments (ketchup, horseradish, mustard etc.).

Production capacities (by product categories):

The plant has the following production capacity per main product:

- margarine products – 13700 tons per year (capacity utilization of 56,2% in 2015);
- mayonnaise, ketchup, horseradish and mustard products – 11280 tons per year (capacity utilization of 59,1% in 2015);
- refined packaged vegetable oils – 7100 tons per year (capacity utilization of 50,7% in 2015).

Key advantages:

- ✓ Large domestic market shares in major product areas with strong domestic recognition of its flagship «ZOLOTAYA KAPLYA» brand.
- ✓ Sustained profitability and strong balance sheet: highly positive ratios – 2015 debt/equity ratio of 0,20 and current ratio of 3,1.
- ✓ Opportunities for duty-free export to the Eurasian Economic Union (Russian Federation, Kazakhstan, Kyrgyzstan and Armenia).
- ✓ Well-trained and motivated workforce (424 average employee number in 2015).



DEAL OPTIONS

disposal of equity investment (94,096%) or investment in the new factory site



QUALITY

The production process is carried out in compliance with ISO 9001:2007 and GOST national standards.



MARKET

Margarine products of OJSC "Minsk Margarine Plant" take 38.6 % of Belarusian market, mayonnaise – 27,7%
as of 2015



CONSTRUCTION OF AN ENERGY-SAVING GREENHOUSE

Combine "Vostok" OJSC



agriculture &
food industry

ABOUT THE PROJECT

Construction of an energy-saving greenhouse with an area of 6 hectares will increase the volume of products that are in demand among the population of Belarus and Russia almost all the year round. The operation of the new energy-saving greenhouse will lead to enhanced productivity and reduced energy consumption, increase of exports and additional profit.

It is planned to utilize the greenhouse for growing fresh cucumbers and gherkins, tomatoes, eggplants and peppers.

INVESTMENT RESOURCES ALLOCATION

- ✓ Infrastructure development
- ✓ Construction
- ✓ Purchase of equipment & technologies
- ✓ Preproduction

Investor's participation form: Joint Venture on the basis of a newly established enterprise.

KEY FEATURES



CAPEX

Total investment amount:

\$ 13 000 000

Financial requirement
for investor:

\$ 12 900 000



PRELIMINARY INDICATORS

Pay-back period

6.8 - 8.2 YRS

IRR

19.8 %

Annual revenue

\$ 1 700 000



MARKETS

EEU countries **100 %**
incl. Belarus **50%**



PRODUCTION OF DRIED POTATO FLAKES

Combine "Vostok" OJSC



ABOUT THE PROJECT

Combine Vostok operates since 1985 and specializes in the production of vegetables (open ground and greenhouse), potato cultivation. Assortment of cultivated vegetables includes domestic and foreign selection potato, onion, garlic, asparagus, reddish, cabbage, broccoli, carrots, beetroot, tomato, cucumber, zucchini, eggplant, etc.

According to the investment project it is planned to introduce a new production line with the capacity of 550 kg/h in order to start production of dried potato flakes. Among the positive effects of the project are the reduction of losses during potato storage, meeting the demand for dried potato flakes in Belarus, gaining access to new geographical markets.

KEY ADVANTAGES OF THE PRODUCT

- ✓ Long-term storage without substantial changes of quality indicators
- ✓ Strict control of quality and safety of raw materials
- ✓ Absence of dyes, additives and preservatives in the final product
- ✓ Ease of culinary preparation and good recoverability of the project

Investor's participation form: Joint Venture on the basis of a newly established enterprise.

KEY FEATURES



CAPEX

Total investment amount:

\$ 6 700 000

Financial requirement for investor:

\$ 3 350 000



PRELIMINARY INDICATORS

Pay-back period

3.2 - 4.5 YRS

IRR

15 %

Annual revenue

\$ 5 500 000



MARKETS

EEU countries **100 %**
incl. Belarus **35 %**



PRODUCTION OF FEED ADDITIVES OF ANIMAL ORIGIN

Belynichi Protein Factory OJSC



agriculture & food industry

ABOUT THE PROJECT

Belynichi protein factory is located in Mogilev region. The main activity of the company is providing services of utilization of animal waste for the meat processing enterprises, livestock complexes and other businesses.

The project includes purchase and installation of a fodder additives production line and two vehicles with the necessary equipment, including mechanisms of loading and unloading, roller containers and chutes for containers transportation. In order to install the equipment it is necessary to construct new premises. The main equipment will ensure processing of raw materials in the amount of not less than 60 tons per day into technical oil and flour feed of animal origin (meat and bone meal).

- ✓ **End product characteristics:** meat and bone meal - a dry crumbly mass, without dense lumps, with a specific smell and different color; a valuable source of energy with a high protein content, digestible fats and amino acids.
- ✓ **Investment resources allocation:** construction, purchase of equipment and technologies.
- ✓ **Investor's participation form:** contribution to the authorized fund of a newly established enterprise; purchase of share in the authorized fund of the existent enterprise.
- ✓ **Implementation period:** 2 years.

KEY FEATURES



CAPEX

Total investment amount:

\$ 8 500 000

Financial requirement for investor:

\$ 7 800 000



PRELIMINARY INDICATORS

Pay-back period

7.6 - 9 YRS

Annual revenue without VAT (after reaching the project capacity)

\$ 5 500 000

Period for reaching the project capacity

3 YRS



MARKETS

Belarus **35 %**
EU countries **20 %**
Other countries **45 %**



ORGANIZATION OF A NEW SEMI-FINISHED MEAT PRODUCTS PROCESSING at Bobruisk Meat Processing Plant OJSC



ABOUT THE PROJECT

The project implies the introduction of new technologies for the processing of semi-finished meat products using modern automated production lines at Bobruisk Meat Processing Plant.

The prerequisites for the development of the project are steady consumer demand for the ready to cook products and shift in priorities in home cooking towards using products that do not require much time for pre-treatment.

The objective of the project is to increase the production volume of the enterprise through the production of new (innovative) products of high quality and obtain a guaranteed stable income.

It is planned to produce packed large- and small-sized natural semi-finished meat products (meat for roasting, kebabs, meatballs, fresh sausages, minced meat, etc.).

INVESTOR PARTICIPATION

- ✓ From the investor's side it is expected to have an experience in the development of the meat industry and accordingly an experience in the joint implementation of the project of semi-finished meat products processing beginning from the equipment and technology ending with its implementation.
- ✓ The co-operation is possible in various forms: from the creation of a joint venture (the share of up to 95 % in a newly established enterprise is proposed to investor) or introduction of new technologies for the production under the brand name of the existing companies.

KEY FEATURES



CAPEX

Project value
€ 2 000 000

Financial requirement for investor
€ 1 900 000



PRELIMINARY INDICATORS

Pay-back period
2-3.5 YRS
Annual revenue
€ 9 300 000
IRR
24 %



MARKETS

EEU countries **100 %**
incl. Belarus **60 %**
The company is experienced in exporting meat products to Russia



PRODUCTION OF DRY DEMINERALISED WHEY



Moloko JSC, Vitebsk city

ABOUT THE PROJECT

JSC "Moloko" plans to build a plant for the production of dry demineralized whey with a capacity of 500 tons per day with the possibility of capacity expansion up to 1 thousand tons.

JSC "Moloko" is one of the largest milk processing enterprises in Belarus. The company produces more than 230 items. Production is delivered to all regions of Belarus, and covers such countries as Russia, Kazakhstan, China, Germany.



Віцебскае
малако

✓ Participation form of investor :
to be discussed

KEY FEATURES



CAPEX

Total investment amount:
\$ 59 000 000

The feasibility study has
been developed



PRELIMINARY INDICATORS

Pay-back period
4 YRS
IRR
35.49%



MARKETS

Belarus, Russia, India,
China, the European
Union



CONSTRUCTION OF LARGE CATTLE-BREEDING FARMS IN VITEBSK REGION

Vitebsk Region Executive Committee



agriculture & food
industry

ABOUT THE PROJECT

The project implies the greenfield construction of large cattle-breeding farms of 3000-5000 cattles each, import of breeding herds, development of fodder zones for cultivation of forage on lands of the agricultural organizations. The land plots are available on a leasehold basis.

The investor may also purchase not finished farms having various degree of readiness (up to 60 %). The land plot is also given for rent.

The further processing of meat raw may be done using the capacities of operating meat-packing plants in Miory, Glubokoye, Vitebsk and Orsha. Technologies on cooling of meat raw are mainly used, however freezing can be applied.

BENEFITS WITHIN THE PROJECT IMPLEMENTATION

- ✓ The government program in development of agricultural sector
- ✓ State support for creation of new enterprises in the rural area

KEY FEATURES



CAPEX

Project value

\$ 60 000 000

Financial requirement

\$ 60 000 000



PRELIMINARY INDICATORS

Pay-back period

7 YRS

Annual revenue

\$ 8 000 000

IRR

13 %



MARKETS

EEU countries **80 %**

incl. Belarus **10 %**

other countries **20 %**



INVESTMENT OPPORTUNITY: AGRICULTURAL FARM FOR SALE



agriculture & food
industry

"FALICHI" Farming Company" JSC

ABOUT THE COMPANY

The company specializes in the production of meat and dairy products. It is also involved in crop farming, which is mainly focused on provision of feed for livestock farming.

The cattle head amounts to more than 3 000 head.

In 2015 the gross milk production amounted to 5 700 tons. At the same time the enterprise produced 2 500 tons of grain and grain legumes.

Number of employees: 126

INVESTOR IS OFFERED TO ACQUIRE
UP TO 99.9982 % OF SHARES.

Finance Indicators	Period		
	2014	2015	6 months 2016
Net assets, \$ mln.	8.745	5.272	3.944
Revenues from sales, \$ mln.	2.312	3.759	1.020
Net profit, \$ mln.	0.262	0.433	- 0.086
Return on sales, %	4.9	5.0	6.4
The average salary, \$	681.4	383.82	379.0

KEY FEATURES



CAPEX

Market value
\$ 4 720 000

(according to an independent evaluation)



LOCATION

Minsk region



LAND

Total area **3 212 ha**
including
Farmland area **3 015 ha**



ESTABLISHMENT OF AN ENTERPRISE FOR EXTRACTION AND BOTTLING OF DRINKING WATER ON THE BASIS OF GROUNDWATER DEPOSITS

RUE Scientific Production Geology Center



ABOUT THE PROJECT

It is planned to implement the project within the following stages:

Stage 1: Obtaining permits, conducting geological survey, construction and equipping of the plant with production capacity of 32 mln litres of water per year (preliminary design, its appraisal, site preparation and construction of the production building with an area of 2000 m², installation of production equipment, start-up and commissioning works).

Stage 2: Extraction and bottling of drinking water in PET bottles of 18.9 and 5 liters volume and further realization on the markets of Belarus, Russia and other countries.

- ✓ Water deposits available in 5 districts: Osipovichi (Mogilev Region), Voronovo (Grodno Region), Kalinkovichi (Gomel Region), Soligorsk (Minsk Region), Baranovichi (Brest Region).
- ✓ Benefits within the project implementation: Decree of the President of the Republic of Belarus № 6 dated 7 May, 2012 "On stimulating entrepreneurial activity in medium, small towns, rural areas"
- ✓ Preliminary indicators:
Pay-back period **3.5-4 YRS**, IRR **21-26 %**

KEY FEATURES



CAPEX

Total investment amount:
\$ 28 200 000

Approx. investment
amount per 1 project:
**\$ 5 100 000 -
6 200 000**



DEPOSITS LOCATION



PROJECT STATUS

Research on evaluation of the reserves of ground waters suitable for commercial bottling has been fulfilled in 2008.



OIL DEPOSIT CONCESSION AGREEMENT

(POZNYAKEVICHY AREA OIL DEPOSIT)

Ministry of Natural Resources and Environmental Protection



oil &
refinery

AREA CHARACTERISTICS

Poznyakevichy area is a subsurface area in the projection of the earth's surface of 140 ha, situated in Narovlyansky district, Gomel region. In respect of oil-bearing lands, the plot is located within the southern district of the Pripyat oil and gas-bearing region with the density of the initial aggregate forecast hydrocarbon resources of 30 000 - 50 000 tons/km². Within the area, 9 seismic lines were worked out with total length of 48 linear km. The density of the network of informative seismic profiles is 4.1 linear km/km².

Poznyakevichy structure refers to the probable category II degree of safety. Intersalt sediments surface area is about 2.0 x 0.9 km, a promising area is 1.4 km². According to D1 category, the geological oil resources of Poznyakevichskaya structure are estimated at 706 thousand tons. Infrastructure & communication routes proximity: Yalsk railway station is 3 km to the north - east, highway Ovuch-Mozyr is 1.5 km to the east, railway station Kalinkovichy – Slovechno is 2.5 km to the west.

KEY FEATURES



OPPORTUNITIES

Geological oil resources

706 000 tons

Belarus is among main transit bridges for oil&gas between EU and EEU



LOCATION



Gomel region



PROVISION PERIOD

5 years

from the date of
concession contract



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