



Expansion of beef, poultry and horse meat processing

Products

Upon reaching full design capacity by 2031, the projected sales volumes are as follows: boiled sausages – 1,560 tonnes, semi-smoked and boiled-smoked sausages – 4,680 tonnes, raw smoked sausages – 468 tonnes, sausages – 6,240 tonnes, chilled semi-finished products – 1,560 tonnes, frozen semi-finished products – 3,120 tonnes, delicacies – 624 tonnes. The company plans to sell 80% of its products in the domestic market, and export the remaining 20% to Russia, Uzbekistan and Japan.

Project description

The Project provides the expansion of the existing production for the processing of beef, poultry meat and horse meat through the construction of a new plant with a capacity of 18,252 tons per year on a land plot with an area of 4 ha of the territory of the industrial zone "Almaty".

Company is obtaining a land plot for construction with an area of 4 hectares from the Akimat of Almaty.

Company

The Project Initiator is Karkyn 2030 LLP, which has been in operation since 2009 and is one of the leading sausage industry companies in Kazakhstan, producing 50 types of sausage and luxury items under the Nerlen trademark. It also has its own feeding yard for 1,600 heads of cattle. Company product is sold in retail and restaurants chains across Kazakhstan, such as Blinichik, Tep-tetti, Mir Pizza fast food outlets, and in Magnum Cash & Carry, Galmart, Small and GraMad supermarkets.

Market

- In 2022, the volume of production of sausages in Kazakhstan amounted to 66 thousand tonnes, and the volume of consumption - 108 thousand tonnes.
- In 2022, the volume of production of semi-finished products in Kazakhstan amounted to 116 thousand tonnes with an average annual growth rate of 1.3% in the period 2018-2022.
- At the end of 2022, imports of sausages reached 42 thousand tonnes, which is 11% less than in 2021. The main suppliers of sausages to Kazakhstan were Russia (33 thousand tonnes) and Belarus (8 thousand tonnes).
- As of 2022, in Kazakhstan, the volume of production of cattle meat and horse meat amounted to 534 and 157 thousand tonnes, respectively.

Investment attractiveness of the project:

- Investment – 11,060 thousand USD
- Project NPV – 26,784 thousand USD
- IRR – 35.1%
- Payback period – 7.42 years
- Discounted payback period – 9.19 years

What is the attractiveness of the project?

- **Advantageous location.** Production in Almaty offers optimum natural and climate conditions for developing animal farming. The region also has well-developed and extensive road and logistics infrastructure, linking it with other regions of Kazakhstan and neighbouring countries. Almaty Oblast is a significant region for the production of cattle and poultry meat. In 2022, in the Almaty Oblast, 105 thousand tonnes of beef, 113 thousand tonnes of poultry meat and 23.8 thousand tonnes of horse meat were produced.
- **Contract coverage and Initiator experience.** The Company has been a leading sausage industry producer in Kazakhstan since 2009, with a well-developed sales network across the entire country. Karkyn 2030 LLP produces 50 types of sausage and luxury items under the Nerlen trademark, which are sold in Shymkent, Blinichik, Tep-tetti, Mir Pizza fast food outlets, and in Magnum Cash & Carry, Galmart, Small supermarkets.

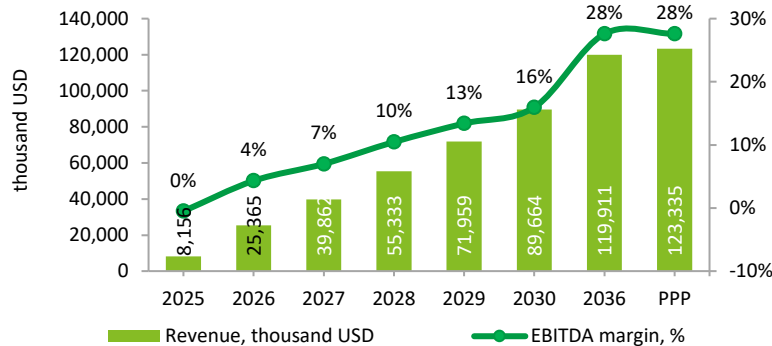
Investment proposal

The Project requires investment of 11,060 thousand USD (at the rate of 449.2 tenge), of which:

- 70% (6,041 thousand USD) – debt financing subject to collateral;
- 30% (2,589 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of a cheese-based product and cheese production plant for HoReCa

Products

Upon reaching full design capacity by 2027, the projected sales volumes are as follows: butter – 432 tonnes, cheeses – 648 tonnes, ricotta cheese – 78 tonnes, albumin curd – 104 tonnes, mixed nuts – 27 thousand tonnes, tomato sauces – 68 tonnes, dried apples – 34 tonnes, dried pears – 34 tonnes. The company plans to sell 80% of its products in the domestic market, and export the remaining 20% to Russia, South Korea and the UAE.

Investment attractiveness of the project:

- Investment – 8,630 thousand USD
- Project NPV – 8,322 thousand USD
- MIRR – 21.3%
- Payback period – 4.45 years
- Discounted payback period – 5.99 years

Project description

The Project provides the construction of a plant to product cheese-based products and cheese for the hotel and restaurant business in the Almaty industrial zone. A land with an area of 1 ha was leased for the construction of the plant (cadastral number 20-321-029-109, rent agreement until 12/31/2023). A positive summary conclusion has been received on the state review of Project plans (design and estimate documentation). Earth work has been completed to clean and mark the territory for future construction. Equipment has been ordered for cheese and vegetable production, as well as auxiliary equipment.

Company

The Project Initiator is Green Works LLP, which was created in 2019 to realise a production Project for the hotel and restaurant business. Green Works LLP is a subsidiary of Honest Group LLP, and has been specialising in restaurant and public catering business consulting services since 2015.

Market

- In 2022, the volume of cheese and cottage cheese production in Kazakhstan amounted to 35 thousand tonnes, and the volume of consumption - 29 thousand tonnes.
- In 2022, the volume of production of dried fruits, butter, tomato sauce and nuts in Kazakhstan amounted to 69 thousand tonnes, 22 thousand tonnes, 17 thousand tonnes and 6 thousand tonnes, respectively.
- At the end of 2022, the main suppliers of butter, albumin, cheese and cottage cheese to Kazakhstan are Russia, Belarus and Lithuania.
- As of 2022, Russia is the main exporter of butter, albumin, cheese and cottage cheese to Kazakhstan.

What is the attractiveness of the project?

- **Advantageous location.** The region is home to well-developed and extensive road and logistics infrastructure linking it to other regions of Kazakhstan and neighbouring countries. Almaty Oblast is a leader in terms of the production of raw milk, tomatoes, peppers, apples and pears. A total of 385 thousand tonnes of raw milk, 146 thousand tonnes of tomatoes, 136 thousand tonnes of peppers, 958 thousand tonnes of apples and 64 thousand tonnes of pears were produced in Almaty Oblast in 2022.
- **Eco-friendly product.** Food production using natural ingredients without semi-processed products and other additives is an advantage compared to imported equivalents and allows the Company to occupy a specific consumer niche.
- **Import substitution.** The construction of a plant to produce cheese and other food products will help reduce cheese imports in Kazakhstan (in 2022 – 35 thousand tonnes) and provide the domestic market with quality local products.

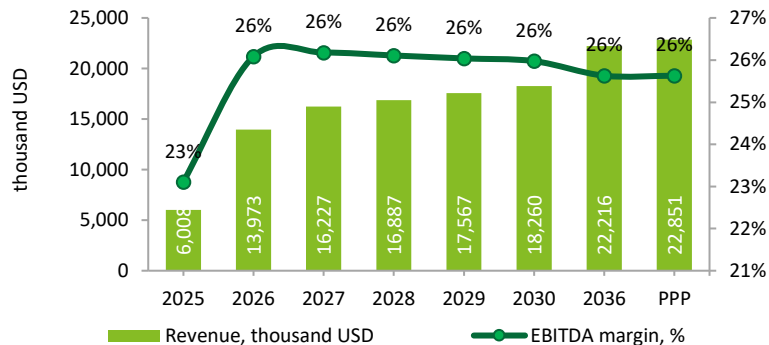
Investment proposal

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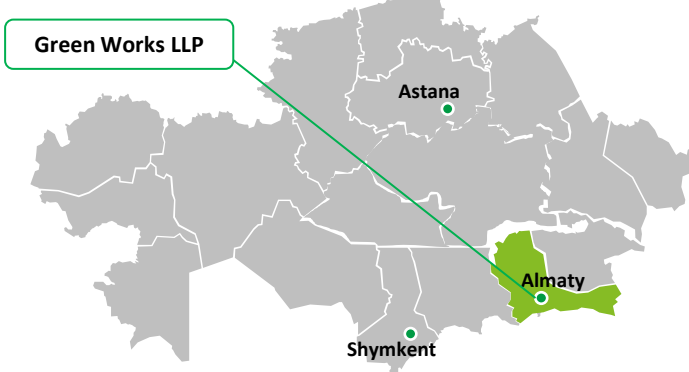
- 70% (6,041 thousand USD) – debt financing subject to collateral;
- 30% (2,589 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Trout production

Products

Upon reaching full capacity in 2031, company will have the capacity to sell 5,000 tonnes of sea trout per year. The company is planning to sell 50% of its product domestically and export the other 50% to Russia, Belarus, Kyrgyzstan, China and Vietnam).

Project description

The Project envisages farming of sea trout (*Oncorhynchus mykiss*) in 5,000 tonne/year fish hatcheries in Mangistau region.

Trout farming is to be performed in the Caspian Sea water area in hatcheries covering 3,000 ha, 20 km from Kuryk port. At the moment, the initiator signed a contract for cage fish farming for 49 years on an area of 3000 hectares in the Middle Caspian Sea with the territorial body of the Fisheries Committee of the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan, and also approved the resolution of the Akim of the Mangistau region on the assignment of the site to the Company.

Company

Organic Fish LLP was created to implement a Project for the hatchery farming and processing of sea trout.

Market

- In 2022, total fish production amounted to 183 million tonnes, which is 1% higher than in 2021. As at 2022, rainbow trout accounted for 2% of total fish produced globally. In 2022, the main fish producers were China (35%), India (8%) and Indonesia (7%).
- A total of 13.3 thousand tonnes of commercial fish was farmed in Kazakhstan in 2022, which is 82% higher than in 2021. For 2018-2022, the CAGR for commercial fish farmed at fish farms was at 23.8%, and 7.9% for fish caught.

Investment attractiveness of the project:

- Investment – US\$ 22,100 thousand
- Project NPV – 16,177 thousand USD
- Project IRR – 28%
- Payback period – 9.59 years
- Discounted payback period – 11.8 years

What is the attractiveness of the project?

- **Advantageous location.** Having production based in Mangistau region will provide access to a well-developed rail and road system, as well as sea routes, manage feedstock supplies as well as product supplies to neighbouring regions and countries. Kuryk port is located in a natural bay, at the crossroads of the East-West (“One Belt, One Route”) and North-South (Iran, India, Russia) trading corridors. The location provides access to Mangistau region consumer markets with a population of over 778 thousand, and the neighbouring Atyrau, Aktope and West-Kazakhstan regions, which are home to over 2.3 million people.
- **State support.** The Project is recognised as a priority for state support, making it eligible for a number of concessions and land grants.

Investment proposal

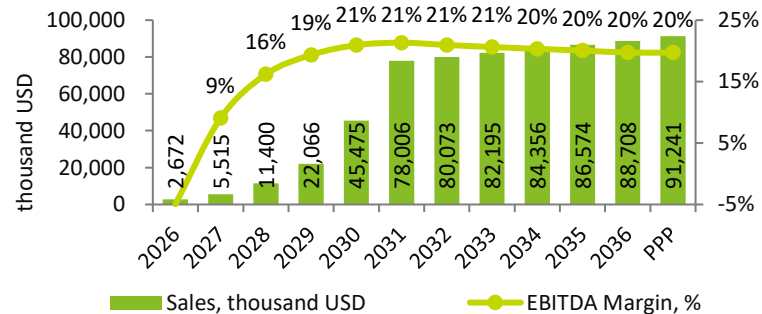
The Project requires investment of US\$ 22,100 thousand, of which:

- 88% (US\$ 19 500 thousand) – investor participation;
- 12% (US\$ 2,600 thousand) – initiator’s own funds.

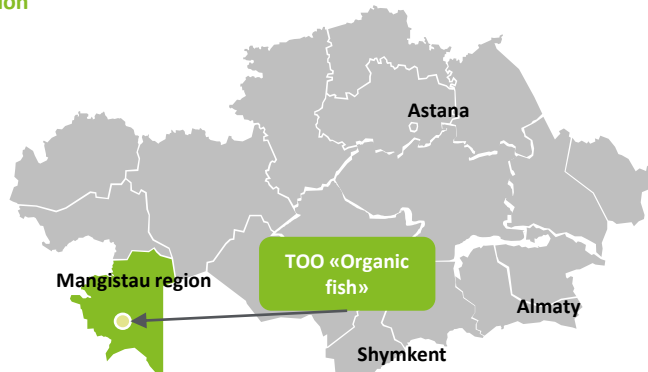
The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

The final investment structure will be determined after a preliminary design being developed by the Norwegian institute. At the same time, during the period 2020-2022, the Company has invested sufficient funds (2.8 million USD) to conduct marine research in the Middle Caspian Sea, a preliminary feasibility assessment of the project and the purchase of an aquaculture site for 49 years and is currently financing the development of project documentation and detailed marine baseline environmental studies at the site assigned to the Company.

Project profitability



Location





Mushroom and compost production plant

Products

Sales volumes upon reaching full design capacity in 2026 will be as follows:

- fresh champignons – 1,268 tonnes;
- compost phase 3 – 5,200 tonnes.

90% of the volume of products is planned to be sold on the domestic market, the rest of the products will be exported to Russia.

Investment attractiveness of the project:

- Investment amount – 11,036 thousand USD;
- Project NPV – 2,444 thousand USD;
- IRR – 20.7%;
- EBITDA return – 42%;
- Payback period – 6.5 years;
- Discounted payback period – 11.9 years.

Project

The Project envisages the construction of a complex to produce fresh champignons on a 3.5 ha plot and a compost production plant (phase 3) on a 2.0 ha plot in Petropavlovsk, North-Kazakhstan Oblast. Mushrooms will be grown in 6 chambers over an area of 4,341.6 m², while the total area of the compost plant will be 4,000 m².

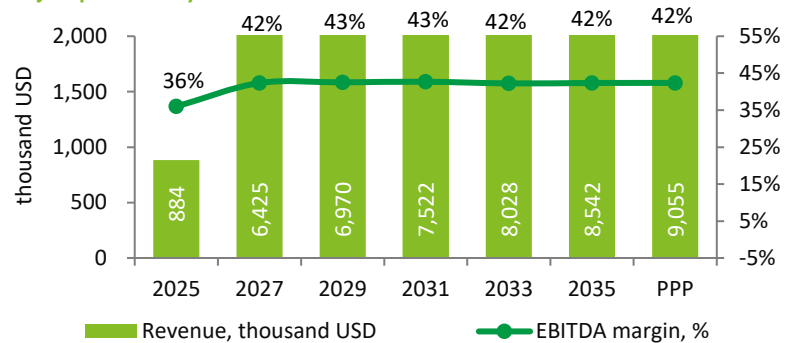
Project initiator

Eco Glade LLP was created in 2021 to implement a project to produce fresh champignons and compost. The Company is an official partner of Raduga LLP, which is a major Kazakhstan producer and distributor of consumer goods (flour, pasta, sunflower seeds and healthy breakfasts).

Market overview

1. As at 2022, the global mushroom market was worth 57.2 billion USD, and according to the Business Research Company should increase by 9.2% in 2023 to 62.4 billion USD. Furthermore, the Business Research Company predicts that the global mushroom market will increase to 90.9 billion USD by 2027, with CAGR at 9.8%.
2. Mushroom production in Kazakhstan is in the early stages of development. Dried champignon (whole, cut or crushed) imports into Kazakhstan amounted to 69 tonnes in 2022, while the main exporting countries were Russia (45 tonnes), China (24 tonnes) and Poland (100 kg).

Project profitability



Project location



What is the attractiveness of the project?

- **Substituting imports with an eco-friendly product.** The construction of a mushroom farm and compost plant will help reduce mushroom imports into Kazakhstan, which in 2022 amounted to 2,851 tonnes (49% of total mushroom consumption in Kazakhstan) and supply the local market with a quality domestic product. Furthermore, the plan is to grow mushrooms without genetically modified materials, which is an advantage compared to imported equivalents and helps occupy a definite consumer niche.
- **Full mushroom cultivation cycle.** The full production cycle will help better manage Project costs, including the supply of raw materials. Heating systems and artificial lighting will guarantee a year-round harvest, while fully controllable production cultivation systems will reduce infection and disease risks significantly.

Investment proposal

The Project requires investment of 11,036 thousand USD, of which:

- 70% (7,725 thousand USD) - debt financing subject to collateral;
- 30% (3,311 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Feed component production

Products

When design capacity is achieved in 2030, product range and annual sales will be as follows: wheat – 198,188 tonnes; barley – 42,775 tonnes; sunflower oil – 29,012 tonnes; sunflower meal – 28,640 tonnes; sunflower cakes – 28,268 tonnes; husk – 4,463 tonnes; soybean meal – 915 tonnes; peas – 29,071 tonnes. The Company is planning to sell 40% of product domestically. The remainder will be exported to Uzbekistan, Tajikistan, Kyrgyzstan, Iran, Afghanistan, UAE, China, Italy and Belgium.

Project description

This investment project envisages the expansion of current wheat, sunflower, soy and pea feed component production by increasing the Company's land bank to 185 thousand ha in Kostanai, Akmola, East-Kazakhstan and North-Kazakhstan Oblasts.

Company

The Initiator of the project is Aitas Agro LLP. Company incorporates 4 agricultural crop farming companies: Sekisovka LLP, Mileiko LLP, Zashchita Uba LLP and Shalaga Agro LLP in North-Kazakhstan Oblast. In 2022, its average agricultural product yield was 26.9 CWT/ha. In September 2023, total sowing area was 33 thousand ha. The main product customers are the poultry farms belonging to the affiliated JSC Aitas KZ.

Market

- The global animal feed market was worth 300 billion USD in 2022. According to the Business Research Company, it will be worth 439 billion USD by 2027, which is 46.6% higher than in 2022. CAGR for 2022-2027 is forecast to be 7.95%.
- In 2022, Akmola Oblast was recognised as the leader in terms of the consumption of all types of feed (17% of total consumption for the country). In North-Kazakhstan Oblast, the figure was 14%
- Akmola region also became the leader in the consumption of poultry feed in 2022 (21% of all consumed bird feed in the Republic of Kazakhstan).
- The volume of exports and imports of wheat and meslin in the Republic of Kazakhstan has been growing for the last 5 years. Imports to the Republic of Kazakhstan in 2022 amounted to 1,290 thousand tonnes (CAGR for the period 2018-2022 is 131%), and exports - 6,106 thousand tonnes (CAGR for the period 2018-2022 - 3%).

Investment attractiveness of the project:

- Investment – US\$ 117,257 thousand
- Project NPV – US\$ 80,229 thousand
- IRR – 48.4%
- Payback period – 5.17 years
- Discounted payback period – 6.34 years

What is the attractiveness of the project?

- **Advantageous location.** The Project is due to be implemented in East-Kazakhstan, North-Kazakhstan, Akmola and Kostanai Oblasts, which are ideal for crop farming. As at August 2023, the total cereal (except rice), cereal legume and oil seed sowing area in the above regions was 15,759 thousand ha (73% of the national figure). Average precipitation in the north and east of the country is 300-600 mm (compared to 100-200 mm in the south). In 2022, average crop yield in the above oblasts for peas was – 14.8 CWT/ha, wheat – 14.3 CWT/ha, barley – 16.7 CWT/ha and sunflower seeds – 14.1 CWT/ha.
- **State support.** The Project is recognised as a priority for state support, making it eligible for a number of concessions and land grants.
- **Initiator experience.** The Company is a leader in the Kazakhstan agriculture sector. The Company also has an extensive client base in Uzbekistan, Tajikistan, Afghanistan, UAE and China.
- **Utilising modern technology to ensure effective management.** The Company collects digital data on all production processes (IoT, CROPWISE, ERP and BI analytics), which allows for more accurate yield forecasting and detailed cost accounting. This includes real-time GPS monitoring of machinery.

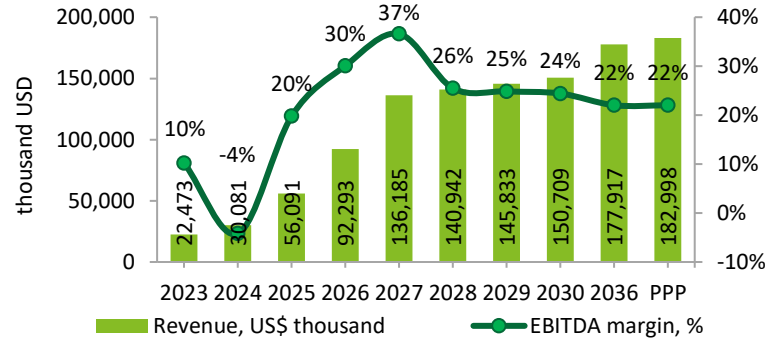
Investment proposal

The Project requires investment of US\$ 117,257 thousand (at the rate of 449.2 tenge), of which:

- 70% (US\$ 82,080 thousand) – debt financing subject to collateral;
- 30% (US\$ 35,177 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Meat and bonemeal tankage production plant

Products

The Company is planning to sell 30% of product domestically in Kazakhstan, and export the remainder to neighbouring countries (Russia, China and Turkey), and also to Thailand, Vietnam and the Philippines. Design capacity, which is planned in 2027, will equate to the following product range and production levels: meat and bonemeal tankage (category 1) – 2,656 tonnes; feather meal – 1,216 tonnes; blood meal – 344 tonnes; meat and bonemeal tankage (category 2) – 447 tonnes; feeding fat – 958 tonnes; technical fat – 129 tonnes.

Project

The Project envisages the construction of meat and bonemeal tankage production plant in the village of Kasym Kaisenov in East-Kazakhstan Oblast's Ulan District.

The Project will be implemented at JSC Ust-Kamenogorsk Poultry Farm (UKPF) on a 34.5 ha site (0.99 ha and 33.47 ha), held on a long-term 32-year lease. UKPF is one of the largest poultry farms in Kazakhstan, slaughtering 30 million birds per year (meat production of 60 thousand tonnes per year).

Currently, the Project plans are being developed (should be completed by October 2023) and talks are being held with potential core equipment suppliers

Project initiator

JSC Aitas KZ is a leading agricultural company in Kazakhstan, specialising in poultry meat production and processing, as well as grain and oil crop farming. Total meat production at the Company's Makin and Ust-Kamenogorsk poultry farms amounts to 160 thousand tonnes per year. The Company's poultry farms also produce meat and bonemeal tankage (9 thousand tonnes in 2022). Company product is represented extensively in Kazakhstan commercial and retail networks under the "Kus&Vkus" and "AMP" brands. The Company's Almaty pedigree poultry reproducer has capacity for up to 80 million eggs per year.

Market overview

- In 2022, the global animal protein feed market was worth 275.33 billion USD. The Business Research Company is also predicting that by 2027, the global animal protein feed market will have increased to 343.45 billion USD, with CAGR for 2023-2027 at 4.3%.
- In 2022, the production volume of meat and bone meal in Kazakhstan reached 12,018 tonnes, which is 22% more than in 2021. Imports of this product amounted to 2,824 tonnes in 2022, exports were 173 tonnes.

Investment attractiveness of the project:

Investment amount – 13,705 thousand USD;
 Project NPV – 7,967 thousand USD;
 IRR – 30.2%;
 Payback period – 5.36 years;
 Discounted payback period – 7.73 years.

What is the attractiveness of the project?

- **Advantageous location.** East-Kazakhstan Oblast has well-developed and extensive road and logistics infrastructure, linking it with other regions and neighbouring countries. By basing the Project at the Ust-Kamenogorsk Poultry Farm, which slaughters 30 million birds per year, the Company will be able to control end-product cost for the entire supply chain, including the supply of feedstock (meat processing and mortality surplus). East-Kazakhstan Oblast enjoys optimum natural and climate conditions and geographical position to develop animal farming.
- **Initiator experience.** JSC Aitas KZ is a leading company in the agricultural sector with 25 years of experience. It specialises in poultry meat production and processing, as well as grain and oil crop farming. Total meat production at the Company's Makin and Ust-Kamenogorsk poultry farms is 160 thousand tonnes per year. Its poultry farms also produce meat and bonemeal tankage (9 thousand tonnes in 2022). Company product is represented extensively in Kazakhstan commercial and retail networks under the "Kus&Vkus" and "AMP" brands. The Company's Almaty pedigree poultry reproducer has capacity for up to 80 million eggs per year.

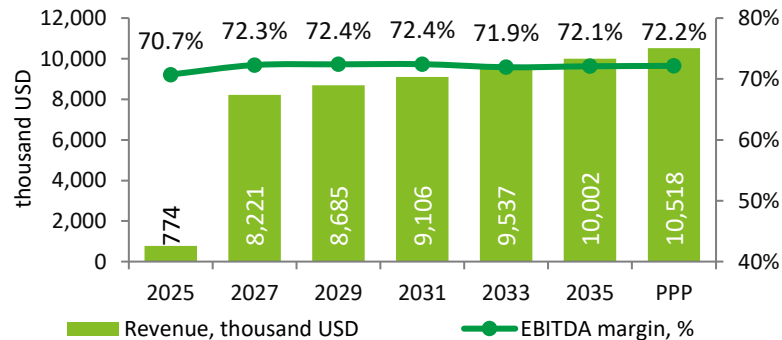
Investment proposal

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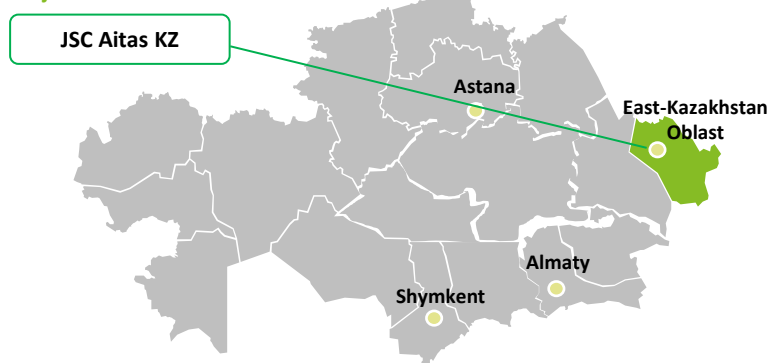
- 30% (4,112 thousand USD) – debt financing subject to collateral;
- 70% (9,594 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location





Construction of a full-cycle tomato paste production plant

Products

Under full design capacity, which should be achieved in 2027, the Plant will have capacity to produce 20,102 tonnes of tomato paste annually.

Up to 30% of product is due to be sold domestically in Kazakhstan, with the remainder exported to neighboring countries.

Project description

This investment project (the “Project”) envisages the construction of a full-cycle tomato paste production plant, as well as greenhouse complex in the Zhanakorgan District in Kyzylorda Oblast, 70 km from Turkestan. Current Project status:

- Long-term leases have been signed for the 2,993 ha greenhouse complex site, the 30 ha plant site, for a pumping station with an area of 2 ha, on the river bank for a pumping station with an area of 1 ha.
- Plant and greenhouse equipment suppliers have been determined
- Agreements reached with the authorities to connect to the nearest electricity power station.
- Technical specifications for gas were obtained for the construction of a gas distribution unit for the subsequent supply of natural gas to the plant.

Company

Kyzylorda AGROPlus LLP is part of the Orbis Kazakhstan Holding, via the parent company Orbis Agro LLP. Orbis Agro LLP manages an 11.8 ha vegetable and grain greenhouse complex (up to 80 thousand tonnes per year) in Kyzylorda Oblast.

Market

- In 2022 in Republic of Kazakhstan, the gross tomato harvest was 801 thousand tonnes with CAGR at 1.2% in 2018-2022.
- In 2018-2022 in Kazakhstan tomato yield was 26 tonnes per ha.
- As of 2022, the volume of tomato and processed vegetables consumption in Kazakhstan amounted to 852 and 96 thousand tonnes, respectively.
- In 2022, 91% of the volume of canned tomatoes imported into Kazakhstan (21 thousand tonnes) came from China.

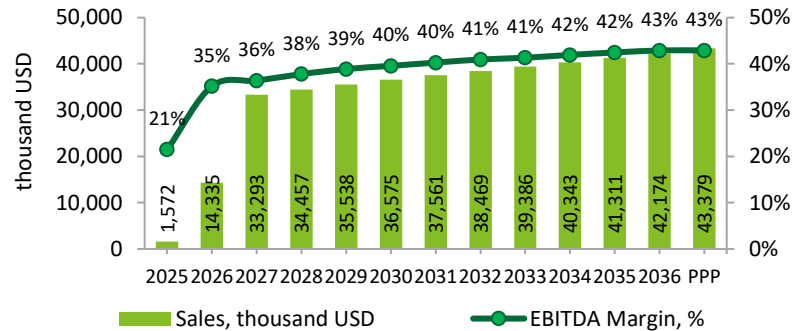
Investment attractiveness of the project:

- Investment – 44,068 thousand USD
- Project NPV – 9,020 thousand USD
- IRR – 22.9%
- Payback period – 6.6 years
- Discounted payback period – 11.64 years

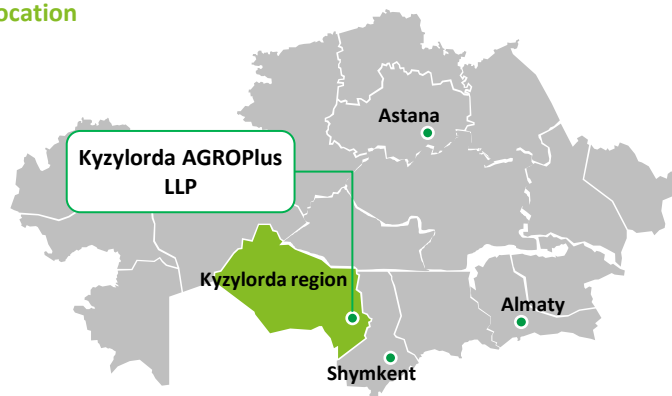
What is the attractiveness of the project?

- **Advantageous location.** Having production based in Kyzylorda Oblast will ensure access to a well-developed and extensive rail and road system to supply both raw materials and finished products to neighboring regions and other CIS countries.
- **Import substitution.** Plant construction will help supply the market with a high-quality domestic product and reduce imports of canned tomato goods to Kazakhstan, which were at 23 thousand tonnes in 2022. Imports of processed vegetables amounted to 75.1 thousand tonnes in 2022 (78% of the total consumption of processed vegetables in Republic of Kazakhstan).
- **Full production cycle and long storage period.** A full production cycle helps better control supply chain costs. An automated production management system will control tomato infection and disease risks. The use of high-temperature Cold Break and Hot Break production technology, as well as aseptic bag packaging extend the storage life of tomato paste to 24 months without special storage conditions.

Project profitability



Location





Construction of a modern high-tech tomato greenhouse complex

Products

Upon reaching full design capacity by 2025, the projected sales volume of tomatoes is 3,850 tonnes /year.

The structure of product sales is as follows:

- Domestic market – 1,925 tonnes (or 50%);
- Export to Russia – 1,925 tonnes (or 50%).

Project description

The Project involves the construction of a modern greenhouse complex with a total area of 5 ha for the cultivation of tomatoes. The implementation of the Project is planned in Geologicheskyy village near Zhezkazgan on a land plot of 7 ha. The initiator has registered a land plot of 7 ha, of which 5 ha are allocated for the construction of a greenhouse complex.

Company

Initiator of the project is Zhez Green Organic LLP. The Company was established in 2017 to build a modern high-tech greenhouse complex for growing tomatoes and does not have an operating business.

Market

- The gross harvest of tomatoes in Kazakhstan in 2022 was 801,000 tonnes, with an average annual growth rate of 1.2% in 2018-2022.
- Tomato harvest was stable in 2018-2022, averaging 26 tonnes per ha.
- The total area of greenhouses for growing tomatoes in 2022 was 689 ha, 1% more than in 2021.
- As of 2022, the volume of vegetable oil consumption in Kazakhstan amounted to 852 thousand tonnes, with an average annual growth rate of 1.3% over the period 2018-2022. In 2022, per capita consumption of tomatoes in Kazakhstan was about 43 kg.
- In 2022 imports of tomatoes reached 68 thousand tonnes, 42% more than in 2021. The main suppliers of tomatoes to the Kazakhstan were Uzbekistan (34 thousand tonnes) and Turkmenistan (31.2 thousand tonnes).

Investment attractiveness of the project:

- Investment– US\$ 17,705 thousand
- Project NPV – US\$ 6,911 thousand
- IRR – 27.7%
- Payback period – 5.37 years
- Discounted payback period – 8.04 years

What is the attractiveness of the project?

- **Environmentally friendly products and year-round harvest.** Environmental tomato growing without the use of genetically modified materials is an advantage over imported tomatoes and allows to occupy a certain niche in the consumer basket. Heating and artificial lighting systems ensure year-round harvesting.
- **Import substitution.** The construction of the greenhouse complex will reduce the volume of tomato imports to Kazakhstan (68 thousand tons in 2022) and provide the domestic market with quality domestic products.
- **Geographical location.** Developed and ramified system of railroads, existing in the region, allows organizing both raw material delivery and delivery to neighboring countries and abroad. Access roads connect the complex with highways of national and regional importance, with access to the neighboring regions of Kazakhstan and the Russian Federation.

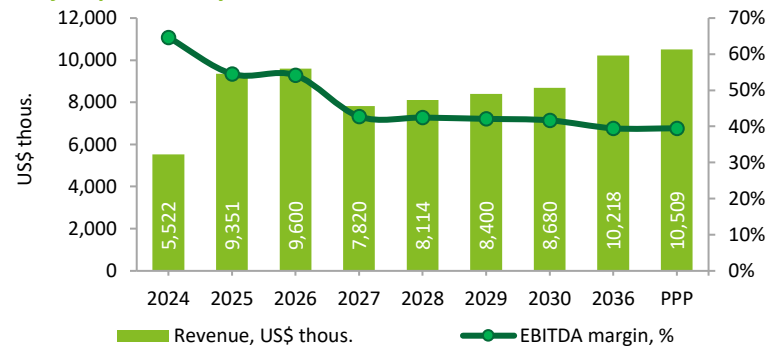
Investment proposal

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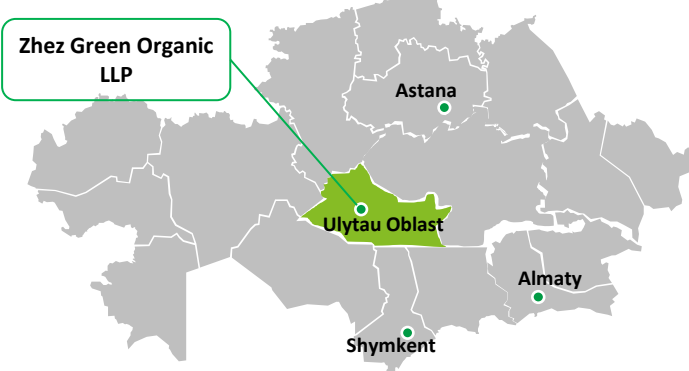
- 100% (US\$ 17,705 thousand) – debt financing subject to collateral;

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Project profitability



Location





Industrial quantity hydroponic green feed farming with a capacity of 20 tons per day

Products

The Project focuses on product sales throughout Kazakhstan. In 2025, production will reach 7.3 million tonnes of hydroponic green feed (“HGF”) at full capacity.

Project

The investment Project envisages the farming of hydroponic green feed in industrial quantities in the Akmola Oblast village of Novomarkova. The 20 tonne/day Project will be implemented on a 0.8809 ha site.

Current Project status:

- Design and estimate documentation has been drafted;
- The Company has a site connected to the required infrastructure at its disposal;
- Foundations are being created to build an HGF plant; talks are being held with equipment suppliers.

Project initiator

Zhana-Bereke LLP is part of the Altyn Taga (Holding) production cooperative and specialises in cattle breeding, cereal and legume cultivation, and feed production.

Market overview

- In 2022, the global animal feed market was worth 300 billion USD. CAGR for 2022-2027 is forecast to be 7.95%.
- In 2022, Kazakhstan produced 1,741 thousand tonnes of ready animal feed. CAGR for ready animal feed production in 2018-2022 was at 6.5%.
- The gross harvest of green feed grass, haylage, silage, grass meal and for other products increased 22.4% in Kazakhstan in 2022 to 571.2 thousand tonnes. CAGR for the same in 2018-2022 was at 1.3%.
- Animal feed imports into Kazakhstan were worth 61 million USD in 2022, which is 9% higher than in 2021. CAGR for imports into Kazakhstan in 2018-2022 was at 10.7%.

Investment attractiveness of the project:

Investment amount – 1,781 thousand USD;

Project NPV – 938 thousand USD;

IRR – 25.5%;

Payback period – 5.72 years;

Discounted payback period – 9.09 years.

What is the attractiveness of the project?

- **Eco-friendliness and high productivity.** The hydroponic system enables the effective use of water and energy resources. Plants receive only the quantity of humidity and nutrients they need, which helps reduce water and energy consumption compared to traditional feed cultivation methods. In addition, the modern hydroponic equipment used means plant cultivation processes can be automated and controlled. Automation simplifies management and increases the accuracy of any impact on plants, which aids optimum growth and productivity.
- **Experience.** The Initiator owns a cattle breeding complex and specialises in cattle breeding, cereal and legume cultivation, and feed production. It has 5,000 heads of cattle at its disposal, feed yards for 5,000 heads, and a meat processing plant with its own laboratory (60 heads per day).

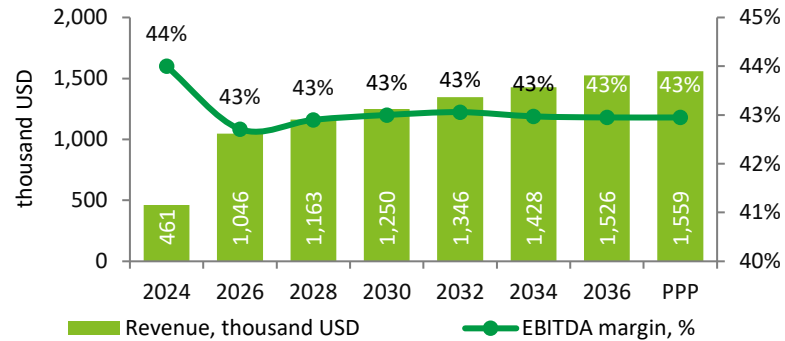
Investment proposal

The Project requires investment of 1,781 thousand USD (at the rate of 449.2 tenge), of which:

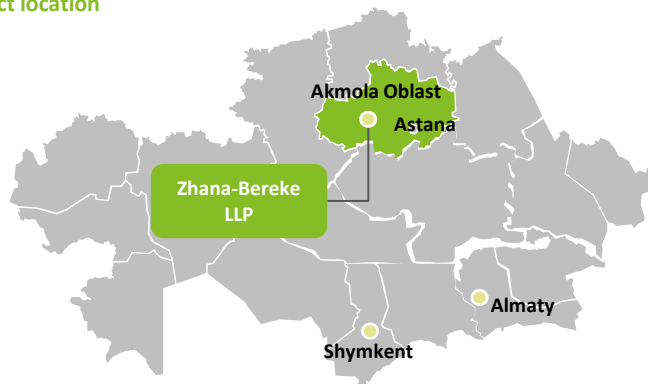
- 70% (1,247 thousand USD) – debt financing subject to collateral;
- 30% (534 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location





Veterinary vaccine production

Product

The veterinary vaccine production plant will reach its planned capacity of 80 million doses per year by 2025 and will produce:

- Vaccines against anthrax for large ruminants: 10,000 doses of monovalent vaccines per year and 12,000 doses of trivalent vaccines.
- Vaccines against anthrax for small ruminants: 16,000 doses of monovalent vaccines per year and 41,000 doses of trivalent vaccines.

Project investment attractiveness:

Investments: 391 thousand USD

Project's NPV: 10,345 thousand USD

IRR: 39.4%

Payback period: 5.31 years

Discounted payback period: 6.89 years

Project

This investment project envisages the production of monovalent and trivalent foot-and-mouth disease vaccinations for cattle, sheep and goats at an operational full-cycle biopharmaceutical plant in Dzhambul Oblast. Currently, the company has reached agreements with the Ministry of Agriculture of the Republic of Kazakhstan to purchase the full volume of produced vaccines.

Company

OtarBioPharm LLC is a manufacturer of biological and medicinal products. The company owns a plant for the production of immunobiological preparations that comply with the requirements of good manufacturing practice (GMP).

Market

- The loss of the foot-and-mouth disease-free status of a country hinders international and regional trade in meat and meat products. According to the estimates of the World Organisation for Animal Health (WOAH), the virus circulates among 77% of the global cattle population in Africa, the Middle East, Asia, and certain parts of South America.
- Currently, the foot-and-mouth disease vaccine is not produced within the territory of the Republic of Kazakhstan, and the country is entirely dependent on imports. In 2022, the Ministry of Agriculture of Kazakhstan purchased foot-and-mouth disease vaccines from Russia for a total amount of 3.5 million US dollars. The annual demand for foot-and-mouth disease vaccine amounts to 80 million doses.

Project's attractiveness

- **Existing infrastructure.** Project is planned to be implemented at the facility owned by the initiator, which is a plant for the production of immunobiological preparations. The plant complies with the requirements of good manufacturing practice (GMP) and has experience in contract manufacturing of over 5 million doses of the coronavirus infection vaccine.

- **Secured contracts.** The company has reached an agreement with the Ministry of Agriculture of the Republic of Kazakhstan regarding the purchase of the full volume of vaccines produced within the scope of the project.

- **Qualified personnel.** The plant employs 90 qualified staff with experience in industrial and other laboratories, including in the Ministry of Health's Biosafety Scientific and Research Institute.

Investment proposal

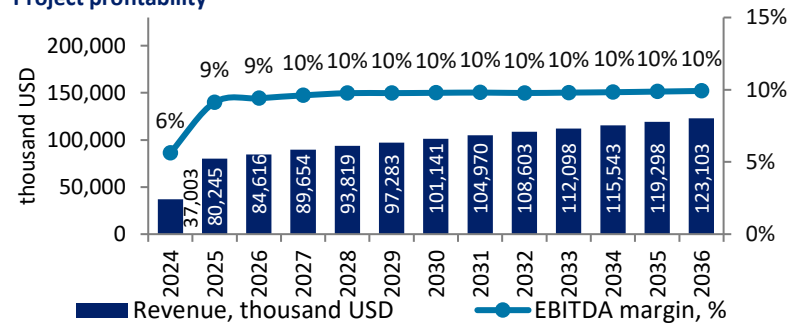
The Project requires investment of 391 thousand USD (at the rate of 449 tenge), of which:

- 100% (391 thousand USD) – investor participation.

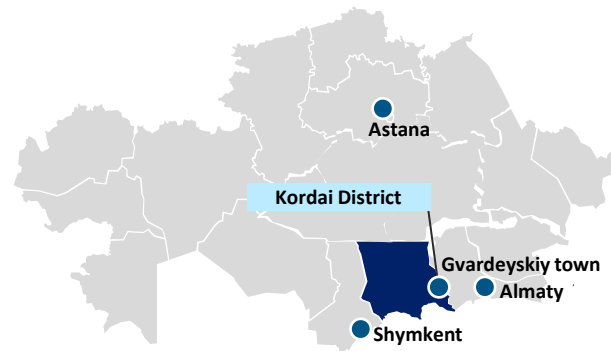
The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor. The investment allocation is as follows:

- 74% (291 thousand USD) – raw materials;
- 26% (101 thousand USD) – equipment.

Project profitability



Project location





Creation of an oil extraction plant in SEZ in Petropavlovsk

Products

Upon reaching full design capacity by 2028, the projected sales volumes are as follows: sunflower oil – 116 thousand tonnes, flaxseed oil – 12.9 thousand tonnes, rapeseed oil – 22.5 thousand tonnes, granulated sunflower meal – 82.3 thousand tonnes, granulated flax meal - 20.5 thousand tonnes, granulated rapeseed meal – 26.7 thousand tonnes, granulated husk (pellets) - 22.1 thousand tonnes. The entire oil production is planned for export to China, Uzbekistan, Iran, Turkey, and EU countries such as Poland and Belgium. The company aims to sell approximately 50% of the meal and husk volume in the markets of Uzbekistan and EU countries like France and Italy, while the remaining products will be sold on the domestic market.

Project description

The Project provides the construction of an oil extraction plant for the processing of vegetable oils with a capacity of 924 thousand tonnes per year in Qyzyljar Special Economic Zone in Petropavlovsk, North Kazakhstan region.

The configuration of the industrial site for the planned production has been finalised, along with the technical specifications for the design of the plant, production technology and the list of equipment to be supplied. The project roadmap has been approved.

Company

Initiator of the project is Atameken-Agro Oils LLP. The Company is a part of Atameken-Agro JSC, a large agricultural holding company consisting of 16 companies. Atameken-Agro JSC has been operating since 2003 and is a prominent player in the Kazakhstan agricultural sector, with a land fund exceeding 440,000 hectares in the North Kazakhstan and Akmola regions. The holding's companies annually produce around 400,000 tonnes of various crops, which are sold both domestically and internationally.

Market

- In 2022, the total harvested area dedicated to oilseeds reached 3.4 million ha, marking an increase of 437 thousand ha compared to the previous year.
- In 2022 in Kazakhstan, the volume of sunflower oil production amounted to 537 thousand tonnes. In 2018-2022 sunflower oil production has grown at a CAGR of 19.4%.
- As of 2022, the volume of vegetable oil consumption in Kazakhstan amounted to 457 thousand tonnes, which is 5% more than last year.
- In 2022, the entire volume of sunflower oil imported to Kazakhstan, totaling 60.9 thousand tonnes, came from Russia.

Investment attractiveness of the project:

- Investment – US\$ 46,582 thousand
- Project NPV – US\$ 67,471 thousand
- IRR – 30.7%
- Payback period – 5.74 years
- Discounted payback period – 7.65 years

What is the attractiveness of the project?

- **Advantageous location.** The production site is strategically planned in North Kazakhstan region, offering access to a well-developed transportation hub and ensuring efficient product delivery throughout Kazakhstan. The region benefits from an extensive railway network, connecting it to other parts of the country and neighbouring nations.
- **Proven track record.** The Company is affiliated with the prominent agricultural holding, Atameken-Agro JSC, comprising 16 companies. With a presence since 2003, the holding has established itself as a leader in the Kazakhstan agricultural sector. It has a land fund exceeding 440 thousand hectares in North Kazakhstan and Akmola regions, producing a diverse range of agricultural products. Annually, the companies within the holding collectively produce 400 thousand tonnes of crops, which are sold in both domestic and international markets.
- **Availability of raw materials.** Atameken-Agro JSC's portfolio includes subsidiaries engaged in the cultivation of sunflower, rapeseed and flax seeds. These crops serve as the primary raw materials for the Company's production.

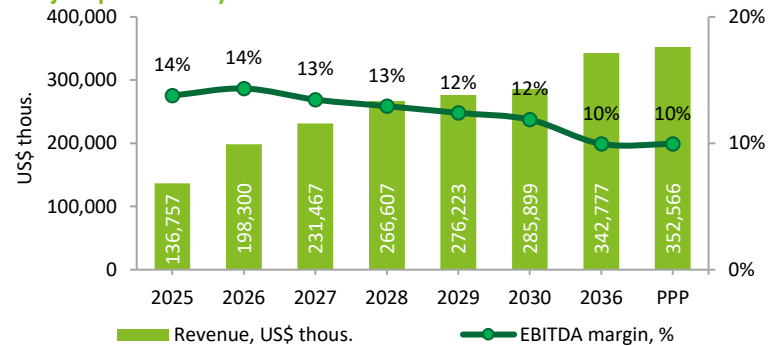
Investment proposal

The Project requires investment of US\$ 46,582 thousand (at the rate of 449.2 tenge), of which:

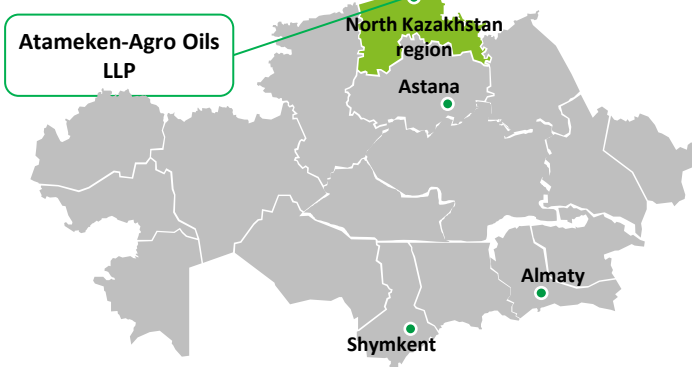
- 50% (US\$ 23,291 thousand) – debt financing subject to collateral;
- 50% (US\$ 23,291 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of fruit storage facility

Product

The Project is scheduled to be commissioned by 2024, reaching the full capacity - in 2028. Upon reaching the full capacity, the annual production volumes will be as follows: sale of apples - 6,935 tonnes; apple storage lease - 2,290 tonnes. 20% of the products is planned to be sold in the markets of Russia, 80% will be sold in Kazakhstan.

Project

This Project ("Project") plans to build a fruit storage facility with a capacity of 9,225 tonnes on an area of 3.8 ha in Almaty region. The Project will also build a sorting and packaging complex. The company plans to get a land plot for rent in the Almaty region within the framework of the Project.

Almaty region has a favorable location in terms of production capabilities and availability of transport communications for prompt delivery of finished products to the regions of Kazakhstan with subsequent access to foreign markets. Another advantage of the Project location is its proximity to consumer markets. As of April 2023, the combined population of Almaty region and the city of Almaty exceeds 3.7 million people.

Initiator

ISSYK FOOD LTD is a project company established for the construction of a fruit storage facility.

Market

- International purchases of imported apples in 2022 amounted to 12.5 million tonnes. The average annual growth rate of global imports from 2018-2022 was 11.4%. Russia was one of the largest importers of fresh apples in 2022.
- In 2022, 268 thousand tonnes of apples were harvested in Kazakhstan. The average annual apple harvest over the period 2017-2022 was about 235 thousand tonnes, and the average annual growth rate (CAGR) was 8.2%. The consumption of apples in the RK over the last 5 years shows a steady growth with an average of 337 thousand tonnes. In 2017 - 2022, the average annual growth rate of product consumption was 4%. The leaders in fruit consumption are Almaty city (88.9 kg), Mangistau region (87.5 kg) and Astana city (85.2 kg).

Project payback

Investment amount – US\$ 15,681 thousand

Project NPV – US\$ 3,095 thousand

IRR – 23.6%

Payback period – 7.61 years

Discounted payback period – 12.34 years

What is the advantages of the project?

Advantageous location. Location of the fruit storage is assumed in Almaty region, where the production of apples is widely developed. According to the results of 2022, the total planted area for apples in the region was 11,139 ha, the annual harvest of apples - 94.9 thousand tonnes.

Advanced, waste free and eco-friendly processing. Ripe apples that do not meet the standard for sale fresh are used in the processing industry for products such as jams, juices, apple puree, pectin.

Quality of goods sold. The company uses Control Atmosphere Storage Technology, which preserves fruit texture and color for up to 11 months (instead of 6 months).

State support. The Project is included in the list of priority sectors for State support, under which a range of benefits, preferences, and in-kind grants can be obtained.

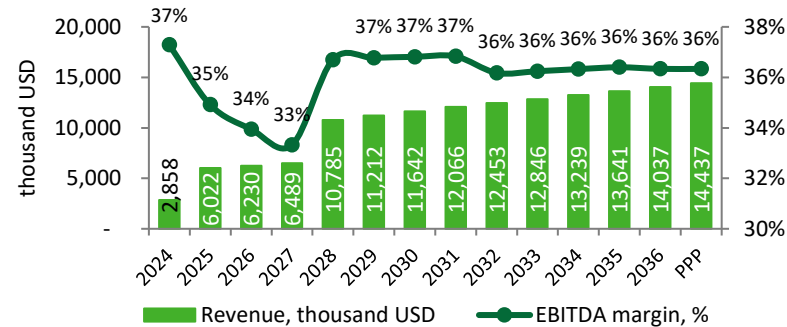
Investment and financing structure

The Project requires investment of US\$ 15,681 thousand (exchange rate: KZT 449), of which:

- 70% (US\$ 10,977 thousand) – debt financing subject to collateral;
- 30% (US\$ 4,704 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Profitability



Project location





Creation of Genetic Livestock Biotechnology Centre

Product

When reaching full capacity in 2029, the following sales volumes are planned on average per year: breeding material – 1,359 thous. doses, insemination services – 109 thous. units, genomic testing – 68 thous. units, embryo transplantation – 5 thous. units.

Genomic analysis and embryo transplantation services will be offered in the domestic market of Kazakhstan. The breeding material will be sold in both the domestic market of Kazakhstan and for export to Uzbekistan, Kyrgyzstan, Russia, Mongolia, Azerbaijan and Armenia.

Project

The investment project envisages the construction and establishment of the Genetic Livestock Biotechnology Centre. The Centre will encompass laboratories dedicated to cryopreservation, embryo transplantation and genomic analysis in the livestock breeding and personnel training. The project is being implemented on the basis of the production facilities of Asyl Tulik JSC. Currently, a 20-hectare land has been allocated for the construction of the centre in the Kabanbay village, Tselinograd district.

Company

Asyl Tulik JSC is a major breeding centre in Kazakhstan that focuses on introducing technology for obtaining, cryopreservation, storage, and utilisation of breeding material from highly productive cattle and small ruminant. Company has 22 years of experience. Asyl Tulik JSC has at its disposal a Center for animal breeding with a cryolaboratory equipped in accordance with international standards and a semen bank, which contains about 4 million doses of cattle and sheep semen.

Market

- As of 2022, the coverage of artificial insemination of the breeding stock of cattle in Kazakhstan is 15% (450 thousand heads out of 3.5 million heads of breeding stock). In 2022, import of breeding material in Kazakhstan reached 3.87 million US dollars, with an increase of 207% compared to 2021.
- Imports of breeding material to Russia in 2021 reached 25.8 million USD. In Uzbekistan, in 2021, imports of material for veterinary artificial insemination increased by 55%, reaching 147 thousand USD. In Kyrgyzstan, the volume of imports in 2021 showed a positive trend and amounted to 64 thousand USD.

Project investment attractiveness

Investments: 9,373 thousand USD

Project's NPV: 3,830 thousand USD

IRR: 33.4%

Payback period: 5.55 years

Discounted payback period: 8.65 years

Project's attractiveness

- Company's experience and established sales:** Asyl Tulik JSC is a company with 22 years of experience in the field of livestock breeding and cryopreservation of breeding material of highly productive cattle breeders. The Company has developed trade channels to Russia, Kyrgyzstan and Mongolia.
- Untapped market:** The market in Kazakhstan currently has only three cryopreservation centres and lacks embryo transplantation centres. This provides Asyl Tulik JSC with the opportunity to occupy an untapped niche and gain a significant market share within Kazakhstan.
- Involvement of a strategic partner:** Synetics, a leading genetics centre in France, is expected to contribute its expertise by providing training for local specialists in artificial insemination and embryo transplantation technology.

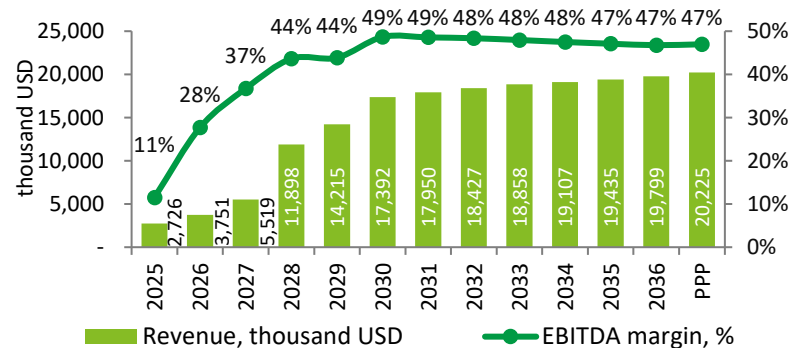
Investment proposal

The Project requires investment of 9,373 thousand USD (at the rate of 449 tenge), of which:

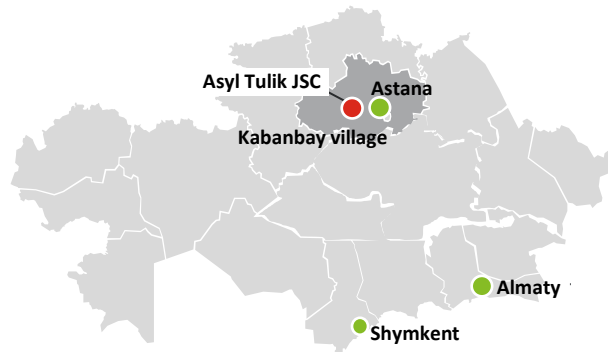
- 100% (9,373 thousand USD) – debt financing subject to collateral.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location





Breeding, cultivation, processing of fish products in Almaty region

Products

The following sales volumes are planned at full design capacity in 2029: carp – 470 tonnes, sazan – 353 tonnes, grass carp – 165 tonnes, silver carp – 165 tonnes, trout – 470 tonnes, zander – 353 tonnes, processed fish – 376 tonnes. Fish is sold in live, frozen and chilled forms.

The structure of product sales is as follows:

- Domestic market – 50%;
- Export – Russia (25%), China (10%), Uzbekistan (7,5%), Kyrgyzstan (7,5%).

Project description

The project involves expansion of the existing fish farm for breeding, cultivation and processing of fish products on a land plot of 155 ha in B. Kydyrbekuly village of Almaty region.

Company

The initiator of the project is Aiho LLP. Aiho LLP was founded with the purpose of creating a fish farm for the breeding, cultivation and processing of fish products. Currently, the company produces 140 tonnes of fish products annually. The Initiator has at his disposal a land plot of 155 ha. Water and power supply infrastructure is connected to the land plot.

Market

- In 2022, global imports of live fish reached \$2,642 million. USA, which is \$ 518 million. The United States is larger than last year's figure. In 2022, the total volume of marketable fish grown in the Republic of Kazakhstan amounted to 13.3 thousand tons, which is 82% more compared to 2021. At the end of 2022, carp (19%), trout (15%), pike perch (16%) and carp (14%) occupied significant shares in the structure of farmed fish in the Republic of Kazakhstan.
- At the end of 2022, imports of live fish to the Republic of Kazakhstan reached 177 tons, which is 14% less than in 2021. The main suppliers of live fish to the Republic of Kazakhstan were Russia (142 tons), Uzbekistan (18 tons), China (11 tons) and Kyrgyzstan (5 tons).
- In 2021, the volume of live fish imports in Russia and Kyrgyzstan amounted to 2.03 thousand tons and 107 tons, respectively. In 2022, the volume of live fish imports in China and Uzbekistan amounted to 29 thousand tons and 8 thousand tons.

Investment attractiveness of the project:

- Investment – 23,304 thousand USD
- Project NPV – 10,267 thousand USD
- IRR – 24.0%
- Payback period – 7.00 years
- Discounted payback period – 10.58 years

What is the attractiveness of the project?

- **Beneficial location.** Locating production in Almaty oblast provides access to a large market for the southern regions of the country (over 3.7 million people live in Almaty oblast and Almaty city alone). This region also has a developed and extensive road transport and logistics infrastructure that connects it to the regions of the country and neighboring countries.
- **Experience.** The company annually produces about 200 tonnes of fish products under its own brand name using modern technology. Manufactured fish products are sold both in the domestic and foreign markets.
- **Organic products.** Only organic food and minerals are used for fish farming. This approach to farming contributes to the creation of environmentally safe and sustainable products that meet modern market requirements.

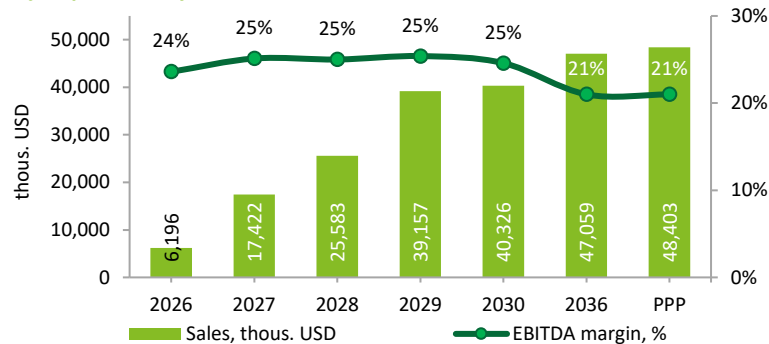
Investment proposal

Project requires investment of 23,304 thousand USD (at the rate of 449.2 tenge), of which:

- 70% (16,313 thousand USD) – is debt financing subject to collateral;
- or 30% (6,992 thousand USD) – investor participation.

The proposed financing structure of state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of a plant for deep complex processing of wheat grain (starch, gluten)

Products

The products are planned to be sold both in the domestic and foreign markets. The Initiator plans to export to neighboring countries such as Russia, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan.

The design capacity will be reached with the following annual range of products: wheat starch – 60,000 tons; gluten– 17,000 tons; lysine – 30,000 tons; bioethanol – 48,600 tons; compound feed – 40,000 tons.

Investment attractiveness of the project:

- Investments – 134,242 thousand USD
- Project NPV – 160,577 thousand USD
- IRR – 32.4%
- Payback period – 4.35 years

Project

This project (the "Project") provides the construction of a wheat grain deep processing production complex in Kostanay Oblast. The estimated area of its own land plot is 0.6 ha:

- Increasing the processing component in the gross regional product of Kostanay region;
- Creating 500 permanent jobs.

What is the attractiveness of the project?

- **Experience.** The Initiator has a mill complex for grain processing with a daily production capacity of 600 tons, a complex for production of mixed fodder and feed additives with a daily production capacity of up to 300 tons, and granaries with a total capacity of 60,000 tons. In addition, the company has accumulated 20 years of experience in sales and production of mixed fodder, wheat grain, rapeseed, barley, bran, and flour, and has trained personnel and established supply chains. The company's products are in demand both in Kazakhstan and overseas.
- **State support.** An extensive list of instruments of state support is available through specialized authorized organizations for the support of the agro-industrial complex.

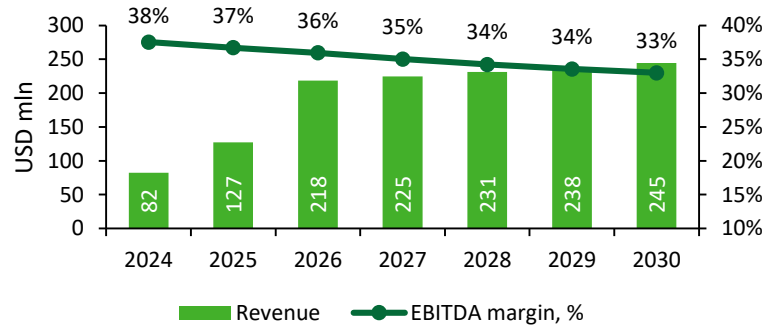
Project initiator

Vadisa M LLP was established in 2002. Main activity: flour production.

Market overview

- The products are planned to be sold both on the domestic market of the Republic of Kazakhstan (40% of the total sales volume) and export (60%).
- In 2021 the production volume of starch, inulin, wheat gluten, dextrin, other modified starch in Kazakhstan was 45 thousand tons, which is 3% more than in 2020. The average annual growth rate of production volumes was 38% from 2017 to 2021. Over the past 5 years, the decrease in imports of wheat gluten in percentage terms amounted to 91%.
- Export of wheat gluten for 5 years demonstrates a positive dynamics. The average annual growth rate for 5 years is 476%.

Project profitability



Project location





Construction of a sugar factory

Products

Sales volumes are as following:

- sugar – 148 thousand tonnes per year;
- molasses – 41.3 thousand tonnes per year;
- pressed pulp – 210.1 thousand tonnes per year.

Investment attractiveness of the project:

Investment – 377,134 thousand USD
 Project NPV – 49,572 thousand USD
 IRR – 16.3%
 Payback period – 8.9 years

Project

This investment project ("Project") envisages the construction of a 960 thousand tonnes/year sugar production plant. The Project aims to create over 400 jobs in the region.

Company

The Project Initiator is JSC Socio-Entrepreneurial Corporation based in the cities of Pavlodar and Turkistan. The Initiator manages assets and stimulates economic activity in Kazakhstan by attracting investment. The Initiator's mission is to contribute to the region's socio-economic development based on a public-private partnership.

Market

- A total of 170 million tonnes of sugar was produced and 171 million tonnes of sugar was consumed globally in 2021. By 2031, sugar production is expected to reach 190 million tonnes, while sugar consumption is expected to reach 188 million tonnes.
- In 2021, the global beet pulp market was worth 404 million USD, while global sugar beet molasses market was worth 2,270 million USD. By 2028, the global sugar beet pulp market will be worth 453 million USD, while the global sugar beet molasses market will increase by 133% reaching 5,281 million USD.
- In 2021, sugar production and consumption levels in Kazakhstan were 227 thousand and 533 thousand tonnes respectively. Imports accounted for 95% of demand in 2017-2021, while the deficit level reached 89%.

What is the attractiveness of the project?

- **Project location.** The plant will be located close to the main raw material suppliers. Furthermore, Pavlodar Oblast has well-developed road and logistics infrastructure, which helps reduce both time and delivery times for finished product to major cities in Kazakhstan and Russian border regions.
- **State support.** As the development of the sugar sector is a prerequisite for ensuring national food security, beneficial economic conditions are in place for reducing the financial burden on enterprises within the framework of the "Saving Simple Things", "2025 Business Road Map", "SIIDP 2020-2025" programmes and others.
- **Import substitution.** The country has seen a shortage of sugar products as production only covers domestic demand. In 2021, less than 7% of all sugar in Kazakhstan was made from local sugar beet. The construction of a plant with capacity to produce 148 thousand tonnes of sugar per year will help replace imports with quality local product.

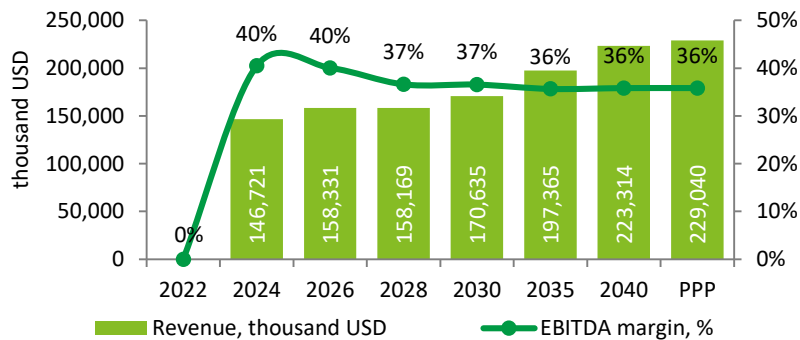
Investment proposal

The Project requires investment of 377,134 thousand USD, of which:

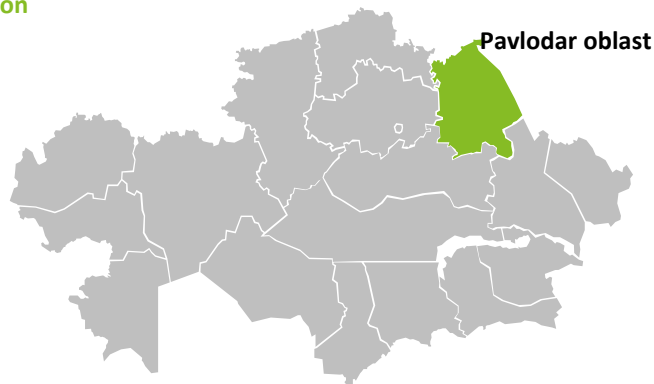
- 70% (263,993.8 thousand USD) – debt financing subject to collateral;
- 30% (113,140.2 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of a sugar factory

Products

Sales volumes are as following:

- sugar – 148 thousand tonnes per year;
- molasses – 41.3 thousand tonnes per year;
- pressed pulp – 210.1 thousand tonnes per year.

Investment attractiveness of the project:

Investment – 299,511 thousand USD

Project NPV – 40,641 thousand USD

IRR – 16.6%

Payback period – 8.5 years

Project

The project provides for the construction of a plant for the production of sugar with a processing capacity of 960 thousand tons in the industrial zone ("IZ") "Shardara" in the Turkestan region. The main suppliers of raw materials (sugar beet) within the framework of the Project implementation will be the agricultural enterprises of the region.

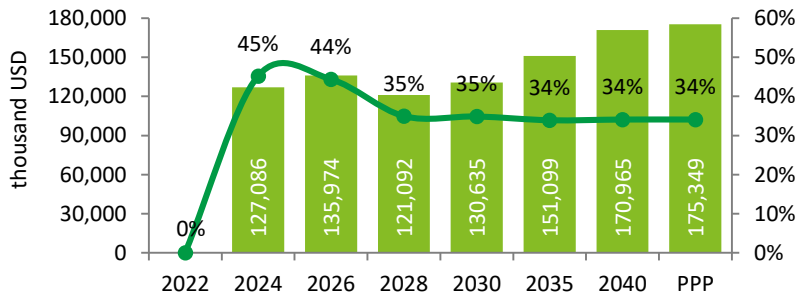
Company

State Institution "Ministry of Agriculture of the Republic of Kazakhstan" is a state body of the Republic of Kazakhstan, which operates in the areas of agro-industrial complex, irrigated agriculture and land reclamation, land resources and manages intersectoral coordination of state bodies in the field of activity within its competence.

Market

- A total of 170 million tonnes of sugar was produced and 171 million tonnes of sugar was consumed globally in 2021. By 2031, sugar production is expected to reach 190 million tonnes, while sugar consumption is expected to reach 188 million tonnes.
- In 2021, the global beet pulp market was worth 404 million USD, while global sugar beet molasses market was worth 2,270 million USD. By 2028, the global sugar beet pulp market will be worth 453 million USD, while the global sugar beet molasses market will increase by 133% reaching 5,281 million USD.
- In 2021, sugar production and consumption levels in Kazakhstan were 227 thousand and 533 thousand tonnes respectively. Imports accounted for 95% of demand in 2017-2021, while the deficit level reached 89%.

Project profitability



Legend: Revenue, thousand USD (Green bar); EBITDA margin, % (Green line with marker)

Location



Turkestan region

What is the attractiveness of the project?

- **Project location.** The plant will be located close to the main raw material suppliers. Furthermore, Turkestan region has well-developed road and logistics infrastructure, which helps reduce both time and delivery times for finished product.
- **State support.** As the development of the sugar sector is a prerequisite for ensuring national food security, beneficial economic conditions are in place for reducing the financial burden on enterprises within the framework of the "Saving Simple Things", "2025 Business Road Map", "SIIDP 2020-2025" programmes and others.
- **Import substitution.** The country has seen a shortage of sugar products as production only covers domestic demand. In 2021, less than 7% of all sugar in Kazakhstan was made from local sugar beet. The construction of a plant with capacity to produce 148 thousand tonnes of sugar per year will help replace imports with quality local product.

Investment proposal

The Project requires investment of 299,511 thousand USD, of which:

- 70% (209,657.7 thousand USD) – debt financing subject to collateral;
- 30% (89,583.3 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Construction of a full-cycle meat-processing plant

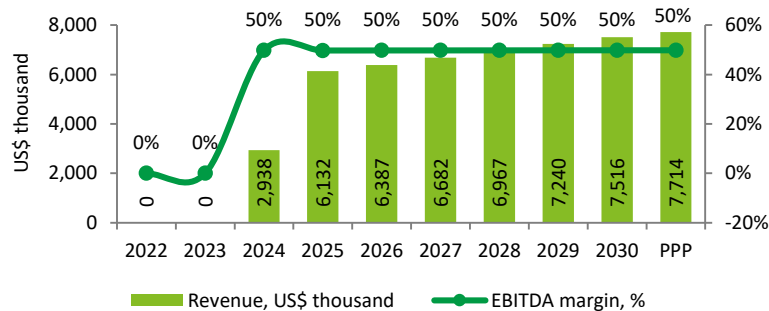
Products

Production and sales will be as follows: 150 thousand kg of hearts, 250 thousand kg of lungs, 550 thousand kg of livers, 30 thousand kg of kidneys, 2,500 kg of fat, 85 thousand kg of tails, 80 thousand kg of tongues, 100 thousand heads.

Investment attractiveness of the project:

Investment – 3,441 thousand USD
 Project NPV – 9,746 thousand USD
 MIRR – 34.0%
 Payback period – 3.20 years

Project profitability



Project

This investment project (the “Project”) envisages the construction of a full-cycle meat-processing plant with capacity of 100 thousand cattle per year in Kostanai Oblast’s Karabalyk District.

Company

The Project initiator is Terra LLP founded in 2009. The company is one of the largest breeders in the country. The Company’s feed yard is part of the “Zernovaya Industriya” holding.

Market

- Cattle meat production and consumption in Kazakhstan. The production of beef and veal reached 527.4 thousand tonnes in 2021. In 2026, according to the OECD, the level of production of beef and veal will reach 556.0 thousand tonnes.
- In terms of consumption, beef and veal are considered the most popular types of meat in Kazakhstan. Consumption of beef and veal reached 591.5 thousand tonnes in 2021. According to the OECD forecast, in 2026 the level of consumption of beef and veal will reach 628.9 thousand tonnes.
- In 2021, the production of fodder meat and bone meal in Kazakhstan reached 9,505 tonnes. In 2020, the production of cattle offal amounted to 80.7 thousand tonnes, cattle fat - 17.7 thousand tonnes, cattle raw hides and skins - 67.0 thousand tonnes.
- In 2021, Kazakhstan imported 9,521 tonnes of cattle meat (fresh or chilled), 9,972 tonnes of frozen cattle meat, 841 tonnes of cattle skin, 32 tonnes of chilled cattle offal, 1,633 tonnes of edible cattle offal, 1,033 tonnes of cattle, sheep, goat fat, 1,758 tonnes of meat and bone meal.

What is the attractiveness of the project?

- **Initiator’s extensive facilities.** Initiator assets include large areas of farm and grazing land, an operational meat processing plant and feed yard. In addition, the production site has been connected to electricity and water networks, as well as production area.
- **Process automation.** The Company operates equipment to control animal feeding and watering levels, RFID-technology to tag cattle and cull ineffective animals; uses unmanned apparatus to monitor the movement of animals, which enable it to partially “digitise” the production process, controlling and managing the main business processes, and organising the production cycle effectively.
- **Advantageous location.** Access to well-developed transportation infrastructure and significant land area, as well as water and specialised human resources make Kostanai Oblast an attractive target for the construction of a full-cycle meat processing plant, including from the perspective of veterinary and sanitary requirements.
- **State support.** An extensive list has been developed of state support tools through specialised authorised organisations supporting the animal husbandry sector.

Investment proposal

The Project requires investment of 3,441 thousand USD, of which: 70% (2,409 thousand USD) – debt financing subject to collateral; 30% (1,032 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Location





Production of immunobiological drugs (vaccines) for the industrial poultry sector with an SPF-embryo unit

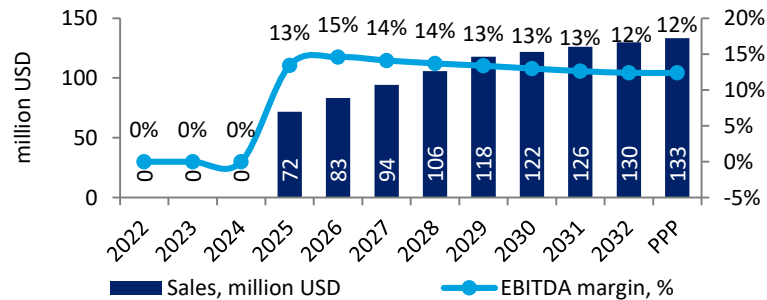
Products

When reaching the design capacity in 2025, the following production volumes are planned: live vaccines (against Gumborrough disease, Marek, Newcastle, ITL, infectious bronchitis, etc.) – more than 2 billion doses per year, inactivated vaccines (against Gumborrough disease, Marek, Newcastle, ITL, infectious bronchitis, etc.) – more than 1 billion doses per year.

Investment attractiveness of the project:

- Investment – 15,819 thousand USD
- Project NPV – 26,582 thousand USD
- IRR – 43.5%
- Payback period – 5.51 years

Project profitability



Project

The investment project (“Project”) envisages the construction of a plant to produce immunobiological drugs (vaccines), immunomodulatory and diagnostic tests that meet good manufacturing practice (GMP), ISO/IEC 17025, ISO 9001:2008 and ICH Q10 standards and requirements. The planned production capacity will be more than 3 billion doses of vaccines per year. A 1.35 ha site at the Company’s disposal has been allocated for construction.

The Project will help :

- create a full vaccine production cycle for industrial poultry with an SPF-embryo unit;
- develop patent protected anti-infectious medicines and veterinary drugs.

What is the attractiveness of the project?

- **Compliance with global standards.** Company product will meet global GMP, ISO/IEC 17025, ISO 9001:2008 and ICH Q10 standards. The Project plans to implement modern control methods using World Health Organisation (WHO) reference strains.
- **Company experience.** The Initiator possesses an extensive intellectual and material database and also employs highly-qualified experts. The Initiator currently sells a portion of its product for export to Central Asia, Azerbaijan, Armenia and Georgia.
- **Lack of competition.** The Company will be the only producer of immunobiological drugs for the industrial poultry sector, which has its own SPF-embryo unit.

Company

NPP Antigen LLP produces biological preparations and medicines. It produces 50-70 million doses of preventative veterinary drugs and 60-70 million diagnostic tests every year.

AntigenBioPharm Scientific and Production Centre LLP is due to be created in conjunction with potential investors.

Market

- The animal vaccine market, both domestically and overseas, is growing. According to Market Research Future, the global animal vaccine market will be worth 13 billion USD by 2027, with CAGR of 7% in 2021-2027. The greatest growth is forecast in the domestic poultry vaccine segment, where CAGR in 2021-2027 will reach 8.94%.
- Production of serum and vaccines used in veterinary science in 2021 amounted to 188 tonnes, which is 82% lower than in 2020. Production CAGR for 2017-2021 amounted to 41%.

Location





Creation of a full-cycle enterprise for livestock fattening and cattle meat processing and sale

Products

The range of products will be as follows: meat on steaks - 100 tonnes; beef sausages – 284 tonnes; boiled beef sausage – 142 tonnes, semi-smoked beef sausage – 142 tonnes. The company plans to sell products both on the domestic market of Kazakhstan and for export to China, Uzbekistan and Iran.

Investment attractiveness of the project:

NPV – US\$ 1,259 thousand
IRR – 18.6%
Payback period – 6.92 years
Discounted payback period – 12.66 years

Project

This investment project (the “Project”) envisages the creation of a full-cycle enterprise with a capacity of 4,000 for fattening livestock and processing and selling cattle meat. The enterprise includes the construction of a meat processing plant with a capacity of 1.2 thousand tonnes per year for processing cattle and a feedlot with an area of not more than 4 ha.

The construction of the meat processing plant is planned in Zhezkazgan, Ulytau region, on the territory of an industrial zone with an area of 1 ha.

Company

The initiator of the Project is IE Tuleuov S.Zh., which was created to implement the Project.

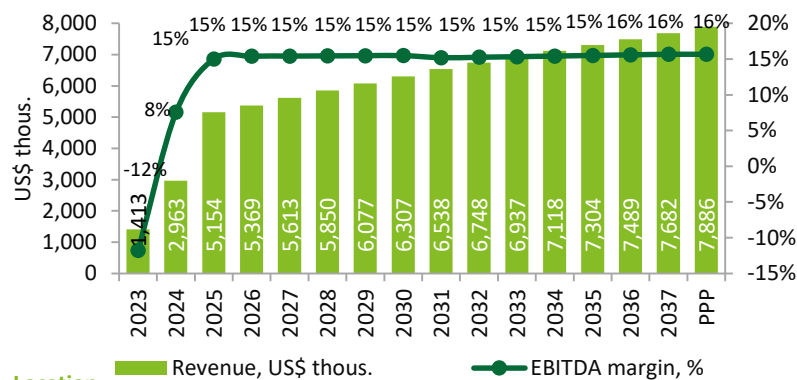
Market

- **Growing demand.** The production of cattle offal, fat and skin in Kazakhstan grew at a CAGR of 4.9% over the last five years. According to the forecasts of the Food and Agriculture Organization of the United Nations, the output of cattle products in the world will increase by 3% and reach 72.84 million tonnes by 2026.
- **Export potential.** Over the last 5 years, imports of cattle meat into China have quadrupled, reaching 12.5 million tonnes in 2021. Imports are expected to increase against the backdrop of a decline in domestic beef production in the country. Kazakhstan has an advantageous geographical location and well-established trade relations, which makes it possible for domestic suppliers to occupy a certain niche in the Chinese market.

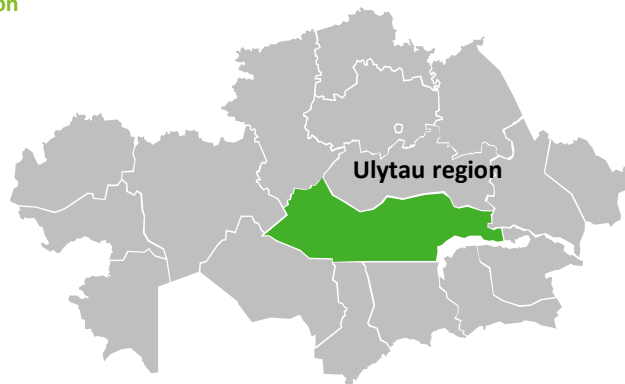
The attractiveness of the project

- **Advantageous location.** Ulytau region has optimal natural and climatic conditions and geographical location for the development of animal husbandry and is one of the leading regions of Kazakhstan in the production and processing of agricultural products. The share of agriculture in the total volume of the region's gross regional product for 2021 amounted to 3.6%, where 56.8% of the volume was livestock products.
- **Availability of raw materials.** It is planned to create an enterprise for the development of distant-pasture cattle breeding with at least 4,000 cattle. It is planned to purchase cattle from peasant farms in Ulytau region, and it is also planned to build a feedlot at the meat processing plant to stabilize supplies.

Project profitability



Location



Investment proposal

The Project requires financing of US\$ 3,685 thousand, of which:

- 70% (US\$ 2,579 thousand) - debt financing subject to collateral;
- 30% (US\$ 1,106 thousand) - Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Production of vegetable oil from rapeseeds, flax seeds, sunflower seeds

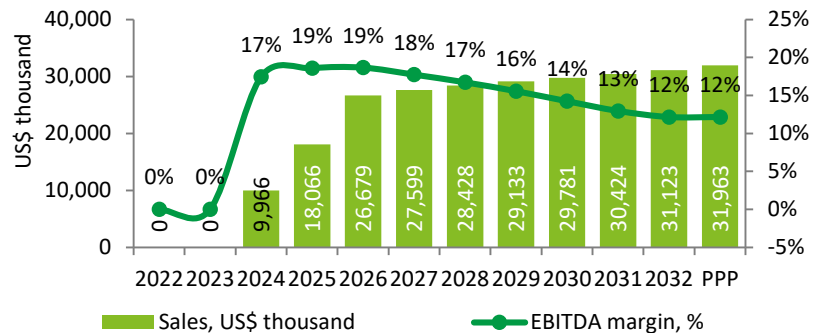
Commercial products

- Sunflower oil – 4,992 tonnes;
- Linseed oil – 2,016 tonnes;
- Rapeseed oil – 4,992 tonnes;
- Sunflower meal – 7,386 tonnes;
- Linseed meal – 2,743 tonnes;
- Rapeseed meal – 6,515 tonnes;

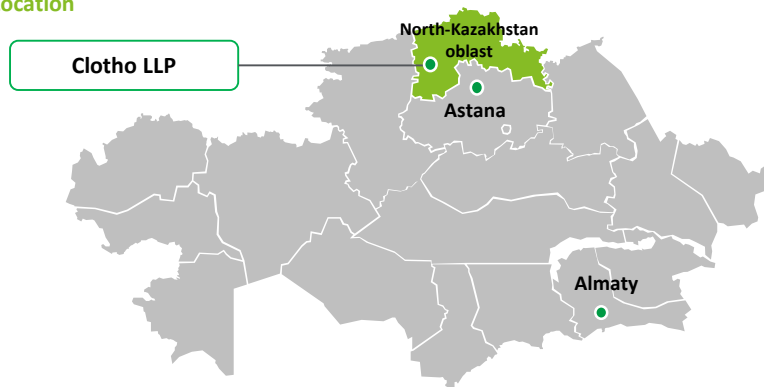
Investment attractiveness of the project:

Investment – US\$ 9,635 thousand
 Project NPV – US\$ 8,300 thousand
 IRR – 36,4%
 Payback period – 4.7 years

Project profitability



Location



Project description

The Project envisages the construction of an oil extraction plant for the production of vegetable oils with a capacity of 12 thousand tonnes per year in the village of Smirnovo of North-Kazakhstan oblast.

Company

Initiator of the project is Clotho Limited Liability Partnership. The Company's main activities include: Grain and legume crops cultivation, including seed production.

Market

- OECD-FAO predicts that vegetable oil production will grow at an average annual growth rate of 1.5% during the period 2021-2031 to 249 million tonnes by 2031.
- Over the last five years the average annual growth rate of sunflower oil production was 9.4%. According to the results of 2021 the production volume of refined sunflower oil reached 147 thousand tonnes, unrefined - 184 thousand tonnes per year.
- The dynamics of rapeseed oil production over the past five years has been unstable. During the period 2017-2019 the volume of production of this product increased almost 5 times to 69 thousand tonnes in 2019. However, in 2020-2021 there is a decline in rapeseed oil production due to the reduction of the harvest. In 2021, the production capacity of unrefined rapeseed oil was 266.5 thousand tonnes per year.
- During the 2017-2019 period linseed oil production showed a positive trend, reaching 20.7 thousand tonnes.

What is the attractiveness of the project?

- **Proximity to high-capacity markets.** The geographical proximity of the country to a large market (China) and, accordingly, a short transport shoulder allows the country to establish exports and take a significant share of its consumption market..
- **Beneficial location.** Location of production facilities is planned in the North-Kazakhstan oblast. Placement of production in this region will provide access to a large consumer market and a developed transport hub, which will ensure prompt delivery of products to the regions of Kazakhstan and Russia. The region has an extensive network of railways connecting the region with the rest of the country and neighboring countries.
- **State support for the Project.** Project activities are included in the list of priority industries for state support and obtaining appropriate benefits and preferences.

Investment proposal

The Project requires investment of US\$ 9,635 thousand, of which:

- 51% (US\$ 4,914 thousand) – debt financing subject to collateral;
- 49% (US\$ 4,721 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Growing and processing potatoes

Products

The annual volume of production and its sales in the following areas: commercial potatoes – 10,000 tonnes/year, seed potatoes – 4,000 tonnes/year, French fries – 2,400 tonnes/year.

Investment attractiveness of the project:

Investment – US\$ 11,044 thousand
 Project NPV – US\$ 16,035 thousand
 IRR – 53.6%
 Payback period – 4.7 years

Project

This investment project (the "Project") envisages the growing and processing of elite seed potatoes in Stepnogorsk. Product processing provides for peeling potatoes on a potato washing line. Potatoes of the first and second reproduction and those that do not meet the interstate standards of seed potatoes, will be sold for commercial purposes.

Company

The initiator of the Project is BioProm Technologies LLP. The main activity of the Company is related to the production and cultivation of elite seed potatoes. Between 2018 and 2020 The company worked on research and production tests with the Dutch company Farm Frites Beheer BV, in cooperation with which 860 tons of super-elite and elite varieties were grown on order.

Market

- The potato is the third most consumed food crop in the world, after rice and wheat. The volume of world potato production was 359 million tons in 2020.
- In Kazakhstan, the gross potato harvest in 2021 amounted to 4 million tons, while the adjusted sown area was 196 thousand hectares. The yield was at the level of 207 q/ha. The impact of drought has been minimal as all potatoes are grown on irrigated land.
- In Kazakhstan, potato production has been continuously increasing since 2017 with an average annual growth rate of 3.2%, reaching 4 million tons in 2021. Potato consumption in the country was 3 million tons in 2021.

The attractiveness of the project

- **Experience in agricultural activities.** The company specialises in the cultivation of elite potato seeds and has six years of experience in the agriculture and seed production.
- **Project location.** The production location region is distinguished by an extensive road transport and logistics infrastructure, which allows minimizing both the time and costs for the delivery of finished products to large cities of Kazakhstan and the border regions of Russia.
- **Import substitution.** Due to the lack of highly productive locally bred potato seeds, the dependence of the Kazakhstan market on imported seeds has increased. These seeds are often characterized by a high price and poor quality, which is one of the reasons for the low erratic yield. The solution to this situation is the creation of a system of practical seed production for growing elite seed potatoes in Kazakhstan.

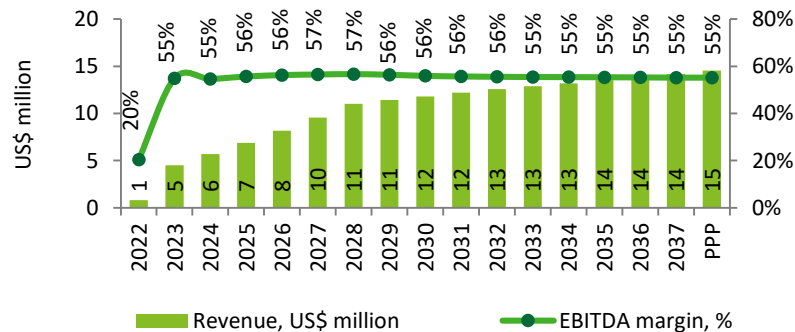
Investment proposal

The Project requires financing of US\$ 11,044 thousand, of which:

- 80% (US\$ 8,835 thousand) – debt financing subject to collateral;
- from 20% (US\$ 2,209 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Growing and processing potatoes

Products

When reaching the design capacity from 2024, the annual output will be 14 thousand tons of frozen French fries. It is planned to sell about 7 thousand tons annually on the domestic market, and about 7 thousand tons to the border regions of the Russia.

Project

This investment project envisages the construction of a plant with a capacity of 20,000 tonnes per year for processing potatoes and producing frozen fries in Akkol in Akmola oblast. The construction of the plant is planned on a land plot with a total area of 16 hectares. The Company also leases a plot with a total area of 38 hectares located 15 km from the plant construction site for the purpose of growing potatoes.

Project objectives:

- creation of capacities for the production of import-substituting products;
- increasing the export potential of the region;
- creation of more than 30 jobs.

Company

Alatau Mashroom Land LLP currently specializes in growing champignons in Akkol and carries out wholesale deliveries to the Sharyn market in Nur – Sultan.

Market

- **Growing demand and the impact of global taste preferences.** The volume of international purchases of processed potatoes in 2021 amounted to US\$ 7.97 billion. The average annual growth rate over the past 5 years was 3.6%.

Investment attractiveness of the project:

Investment – 113,007 thous. USD

NPV – 138,001 thous. USD

IRR – 48.2%

Payback period – 3.5 years

What is the attractiveness of the project?

- **Proximity to raw materials.** The key factor in the choice of production location is proximity to raw materials. On a land plot of 38 hectares, the Company plans to grow its own potatoes. In addition, over 160,000 tonnes of potatoes are grown annually in the North Kazakhstan, Akmola, Pavlodar, and Karaganda oblasts.
- **Proximity to the consumer market.** The region of the production location is distinguished by an extensive transport and logistics infrastructure, which minimizes both the time and costs of delivering products to major cities of Kazakhstan and the border regions of Russia.

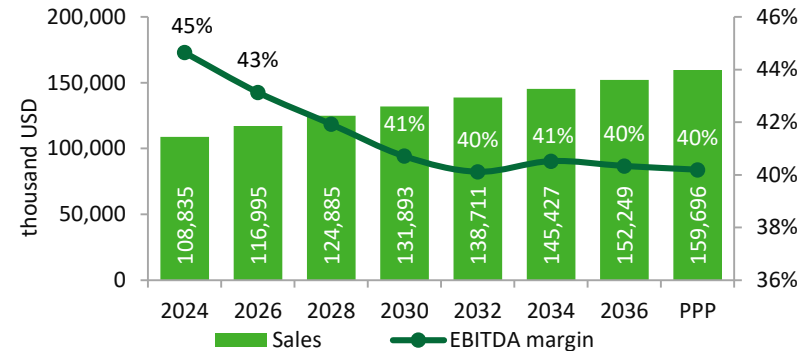
Investment proposal

The Project requires investment of 113,007 thousand USD, of which:

- 70% (79,105 thousand USD) – debt financing subject to collateral
- 30% (33,902 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Organization of a fish cluster. Construction of the second stage of the shrimp farm

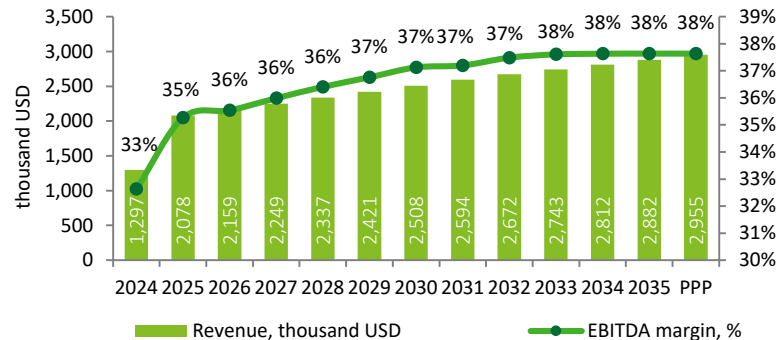
Production

Upon reaching the design capacity from 2025, the annual output will be 90 thousand kg of king shrimp. It is planned to sell about 72 thousand kg annually in the domestic market, and about 18 thousand kg for export to Russia, Uzbekistan, Kyrgyzstan and Azerbaijan.

Investment attractiveness of the project:

Investment – 2,645 thousand USD
 Project NPV – 1,202 thousand USD
 IRR – 26.9%
 Payback period – 5.5 years

Project profitability



Location



Project

This investment project (the "Project") envisages the construction of the second phase of a shrimp farm in the village of Erkin, Talgar region of Almaty oblast. The Project provides a capacity expansion of the existing shrimp farm from 45 tons to 135 tons per year.

Company

The initiator of the Project is Folle Faart Central Asia LLP. Folle Faart Central Asia LLP has commissioned the first stage of its shrimp farm, the products are produced under the brand Krevetka.kz. At the moment, with an annual capacity of 45 tons, the Company produces shrimp in four standard sizes: 30/40, 21/25, 16/20 and 13/15.

Market

- In 2021, the level of global shrimp production was 172 thousand tons, an increase of 13% compared to 2020. Shrimp production is projected to reach 219,000 tons by 2026 at a compound annual growth rate (CAGR) of 5% over the period 2021-2026.
- Kazakhstan has not developed its own shrimp production on an industrial scale to date. All products consumed in the country are imported.
- In 2021, imports of frozen shrimp reached 1,046 tons or 6,806 USD, with a CAGR of 16% over the period 2017-2021. Russia accounts for the largest share in the structure of frozen shrimp imports in 2021 (75% or 782 tons). The share of other countries was 25%.

What is the attractiveness of the project?

- **Experience.** LLP Folle Faart Central Asia project team has launched the first phase of a 2,000 square meter shrimp farm consisting of 16 pools, with a total production capacity of about 45 tons of king prawns per year. The company uses an innovative bioreactor technology to grow shrimp. The products are produced under the brand Krevetka.kz
- **Low competition.** Kazakhstan has not developed shrimp production on an industrial scale to date, with the exception of the production of the Initiator. A significant volume of products consumed in the country is imported from abroad.

Investment proposal

Project requires investment of 2,645 thousand USD, of which:

- 70% (1,852 thousand USD) – is debt financing subject to collateral;
- 30% (794 thousand USD) – investor participation.

The proposed financing structure of state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Extruded feed plant

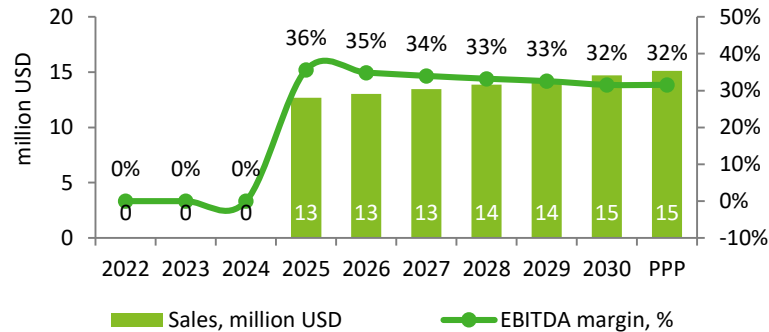
Products

The Project is focused on the sale of products in Kazakhstan and exports to Uzbekistan and Kyrgyzstan. When reaching the design capacity the sales volumes will be: feed for trout – 6 thousand tonnes/year.

Investment attractiveness of the project:

- Investment – 15,220 thousand USD
- Project NPV – 14,345 thousand USD
- IRR – 25.6%
- Payback period – 5.64 years

Project profitability



Project

The Project is planned to build a plant for the production of pelleted feed for trout in Baiserke village of Iliysk district of Almaty oblast. A land plot of 10 ha will be allocated for the construction of the facility in the Industrial Zone "Baiserke Agro".

Production capacity of the plant will be 6 thousand tonnes of products a year. The implementation of the Project contributes to the development of the processing industry of the region, providing the market with quality feed at affordable prices.

Company

The initiator of the Project is KazBioFeed LLP, established to implement the Project.

Market

- According to The Business Research Company, the global market of animal feed in value terms will reach 394 billion USD by 2026, an increase of 44.7% as compared with 2021. The segment of aquaculture feed takes 23% of the global market.
- In 2021, consumption of fish feed decreased by 26% compared to 2020 and amounted to 15.9 thousand tonnes. The average annual growth rate over the past 5 years reached 43%. In 2021, the share of domestic feed reached 94% (14,900 tonnes), while the share of imported feed – 6% (1 thousand tonnes).
- Today 14 enterprises are engaged in fodder production in Kazakhstan with a total capacity of 136 thousand tonnes per year.

What is the attractiveness of the project?

- **Beneficial location.** Placement of production is planned in Baiserke village of Iliysk region of Almaty oblast, 10 km from Almaty city. Location of production near Almaty city will provide access to the large consumption market and developed transport hub, providing prompt delivery to the regions of Kazakhstan. The region has an extensive network of railways linking the region with the rest of the country and neighboring countries, as well as an international airport. Moreover, the plant will be located in the Industrial Zone "Baiserke Agro", which provides the project with the necessary infrastructure (gas supply, communication lines, water supply).
- **Zero-waste production.** The resulting production waste will be used for the production of high-calorie animal feed.
- **State support of the Project.** Project activities are included in the list of priority industries for state support and receiving appropriate benefits and preferences.

Investment proposal

The Project requires investment of 15,220 thousand USD, of which:

- 70% (10,654 thousand USD) – debt financing subject to collateral;
- 30% (4,566 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Location



Almaty Region



Creation of a full cycle to cultivate sugar sorghum, process and produce sugar syrup and animal feed

Products

Commissioning is scheduled for 2023, with design capacity due to be achieved in 2023. The planned product range is:
 organic sorghum syrup - 16,277 tonnes per year; organic bottled sorghum syrup 0.25 litres – 3,500 tonnes per year; high-calorie organic animal feed – 71,290 tonnes per year, including hay - 9,362 tonnes per year; pellets (granular feed) - 26,928 tonnes per year; silage in bulk – 20,000 tonnes per year; silage in vacuum film (25-50 kg) – 15,000 tonnes per year.

Investment attractiveness of the project:

Investment – 53,961 thousand USD
 Project NPV – 39,159 thousand USD
 IRR – 34.1%
 Payback period – 4.0 years

Project

The project provides for the waste-free cultivation of sugar sorghum on a 1,700 ha site near Almaty. Sweet sorghum juice is processed to make 67% food syrup, while field waste and sweet sorghum green mass are used to produce high-calorie animal feed. All products will be classified as organic.

Company

KazBioSorgo LLP was established in 2008. Main activity: cultivation of one- or two-year-old crops not included in other groups. The project was created within the framework of cooperation between Debor Consulting (Canada), Ecology Mir Group (USA) and KazBioSorgo (Kazakhstan).

Market overview

- Imports of sugar syrup and other types of sugar to Kazakhstan over the past five years have increased at an average annual rate of 1.4%. In 2021, imports of sugar syrup and other types of sugar to Kazakhstan reached 8.3 thousand tonnes.
- Over the past five years, silage consumption in the Republic of Kazakhstan has steadily increased. In 2021, 330 thousand tonnes of silage were consumed, which is 97% higher than in 2017

What is the attractiveness of the project?

- High yield.** Sugar sorghum is a fodder crop, which in dry conditions can exceed the main silage crop, corn, by 30-40% in terms of green mass yield. Among field crops, sorghum is the leader in terms of drought resistance, heat resistance, salt tolerance and undemanding to soil.
- State support of the Project.** Project activities are recognized as priority sectors for state support, benefits and preferences.

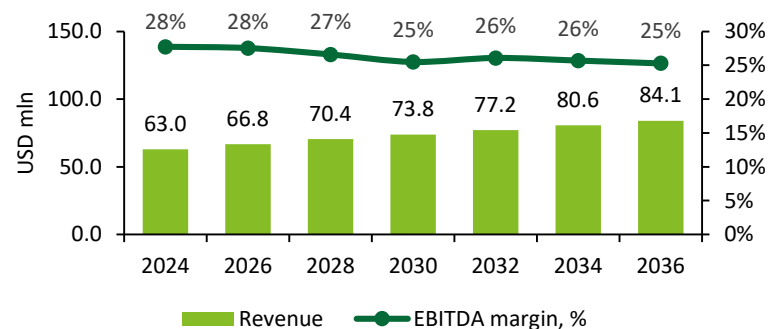
Investment proposal

The Project requires investment of 53,961 thousand USD, of which:

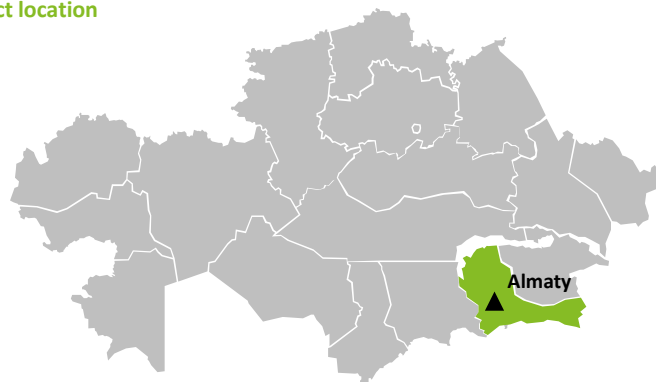
- 50% (26,980.5 thousand USD) – debt financing subject to collateral;
- 50% (26,980.5 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location





Creation of a mega-farm and construction of a small ruminant meat processing plant

Products

The average range of manufactured products is planned to be as follows: wool – 183 tons, vacuum-packed meat (lamb) – 2,473 tons; by-products of the 1st category for liver – 412 tons; by-products of the 2nd category – 361 tons; washed intestines – 348 tons; edible fat – 294 tons; technical fat – 51 tons; meat and bone meal – 34 tons; semi-finished washed skin – 507 tons.

Investment attractiveness of the project:

Investment – US\$ 55,476 thousand
 Project NPV – US\$ 22,743 thousand
 IRR – 21.1%
 Payback period – 6.26 years

Project

This investment project (the “Project”) envisages the creation of a mega-farm for the development of transhumance with a livestock of at least 200 thousand sheep. In addition, the Project provides for the construction of a meat processing plant with a capacity of up to 4 thousand tonnes per year for the processing of small ruminants. The construction of the meat processing plant is planned in Balkhash, Karaganda region.

Company

The initiator of the Project is Qazaq Steppe Sheep LLP which has been established to implement the Project.

Market

- **Growing demand.** Mutton consumption in Kazakhstan has been increasing over the past four years, reaching 171.3 thousand tons in 2021. According to the OECD forecast, in 2026, the level of mutton consumption in the country will reach 176 thousand tons.
- **Availability of raw materials for production.** In 2021, the number of livestock of small cattle in the Republic of Kazakhstan amounted to 20,856.5 thousand heads. Over the past five years, the average annual growth rate of the number of small cattle has been 3.28%. About 312.55 thousand tons of sheep and 40.52 thousand tons of goats are sent for slaughter annually in the country.
- **Feed production.** The country has significant sown areas, water resources and favorable climatic conditions create a high potential for fodder production. As of January 1, 2022, 37 million tons of feed were harvested in the Republic of Kazakhstan.

What is the attractiveness of the project?

- **Availability of raw materials.** It is planned to create a mega-structure of a farm for the development of transhumance with a livestock of at least 200,000 sheep. A herd of sheep and rams is planned to be imported from Mongolia during the first 2 years.
- **Favorable Project location.** Karaganda region has optimal natural and climatic conditions and geographical location for the development of animal husbandry and is one of the leading regions of Kazakhstan in the production and processing of agricultural products. The share of agriculture in the total gross regional product of the region in 2021 was 3.6%, of which 56.8% accounted for livestock products. The pastures of the Company are located 160 km from the regional centre - Karaganda

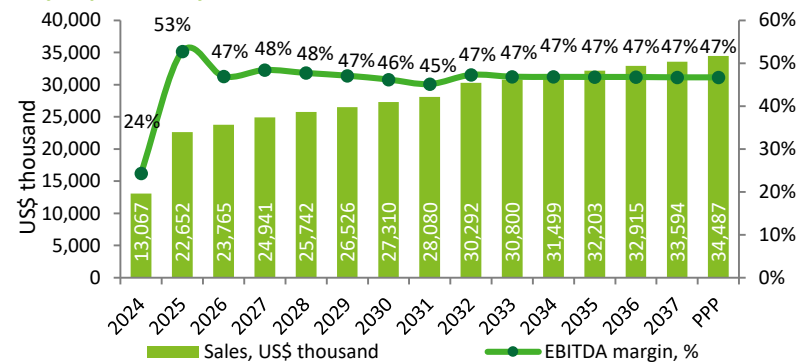
Investment proposal

The Project requires financing of US\$ 55,476 thousand, of which:

- 70% (US\$ 38,833 thousand) - debt financing subject to collateral;
- 30% (US\$ 16,643 thousand) - Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Poultry plant construction

Products

Production and sales will be as follows: fillet – 1,080 tonnes per year; chicken legs – 1,260 tonnes per year; wing – 360 tonnes per year; minced meat – 210 tonnes per year; bone residue – 90 tonnes per year; semi-finished products – 400 tonnes per year.

Investment attractiveness of the project:

Investment – 12,361 thous. USD
 Project NPV – US\$ 16,206 thousand
 IRR – 30.7%
 Payback period – 5.80 years

Project

This investment project (the “Project”) envisages the construction of a poultry plant of poultry meat in the Industrial Zone of Almaty. The Project launch will create 79 additional jobs.

Company

The initiator of the Project is Gaudi-08 LLP. Since 2007, the Company has been a major wholesale supplier of poultry meat and has a well-established distribution system across Kazakhstan. The initiator also has an agreement with the KFC restaurant chain to supply processed chicken meat. In 2021, the Company sold more than 12 thousand tonnes of poultry meat.

Market

- **Poultry production and consumption in Kazakhstan.** The meat industry is one of the most important food industries in Kazakhstan due to the relatively high meat consumption per capita.
- Among all types of meat, poultry ranks second based on consumption in Kazakhstan, in particular, it accounts for about 25% of total consumption.
- In 2021, the poultry production and consumption amounted to 233 and 431 thousand tonnes, respectively. On average, 63% of poultry consumption is covered by domestic production, the rest is covered by imported meat. The CAGR of poultry consumption in Kazakhstan in the period from 2022 to 2026 will amount to 2.85%, reaching the level of 498 thousand tonnes. The growth in the poultry consumption is explained by the population growth and a gradual change in the food culture of the population, which in recent years has become healthier and more dietary.

What is the attractiveness of the project?

- **Favourable location.** The presumed location of the plant is Almaty, a densely populated and economically active city in Kazakhstan. The Almaty agglomeration stands out for its extensive road and logistics infrastructure, which is one of the major factors influencing the successful implementation of the Project. The plant will also be located in close proximity to the main suppliers of raw materials, which are poultry farms of Alel Agro JSC (Burundai), Alatau-Kus LLP (Chapaevo village), Otan LLP TM Aiser, Sary-Bulak LLP. Proximity to the raw materials suppliers will significantly reduce transportation costs and the delivery time to the poultry plant.
- **The Initiator’s experience.** Since 2007, the Company has been a major wholesale supplier of poultry meat and has a well-established distribution system throughout Kazakhstan.

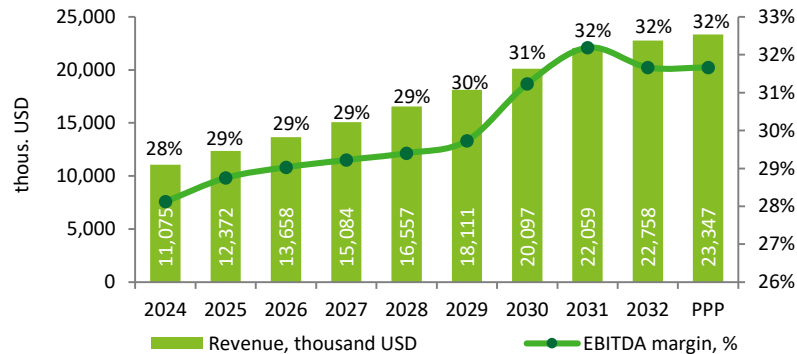
Investment proposal

The Project requires investment of US\$ 12,361 thousand, of which:

- 85% (US\$ 10,507 thousand) – debt financing subject to collateral;
- 15% (US\$ 1,854 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Plant for the production of meat and bone meal and animal feed

Commercial products

Upon reaching the full design capacity in 2026, the product range will be as follows:

- meat and bone meal – 3,168 tonnes per year;
- animal feed – 3,500 tonnes per year.

Investment attractiveness of the project:

Investment – US\$ 34,432 thousand
 Project NPV – US\$ 14,141 thousand
 IRR – 20.4%
 Payback period – 6.88 years

Project description

The Project envisages the construction of a plant for the production of meat and bone meal and animal feed with a capacity of 3,168/3,500 tonnes per year in Kostanay.

Company

The initiator of the Project is Beef Export Group LLP. Since 2018, the Company has been engaged in slaughtering and processing of animal meat, and also selling finished products within the country.

Market

- The global animal and pet feed market was worth US\$ 349 billion or 0.37% of global GDP in 2021. Dog and cat food was the largest segment in the animal feed market, accounting for 85% (US\$ 65 billion) of the market. Share of other animal feed – 15% (US\$ 12 billion).
- The global animal and pet feed market is expected to grow from US\$ 348.79 billion in 2021 to US\$ 562.24 billion by 2026.
- In 2021, the production of meat and bone meal in Kazakhstan reached 9,505 tonnes. On average, from 2017 to 2021, the annual production volumes of these products were 8,803 tonnes, and the compound annual growth rate (CAGR) of production was 10%. At the end of 2021, the production of cat and dog food packaged for retail sales fell by 59% to 31 tonnes compared to the results of 2020.

What is the attractiveness of the project?

- **Favorable location.** The Project has a favorable industrial and geographical location. The land plot with an area of 14 hectares is adjacent to the meat-processing complex of the Initiator. Kostanay has an extensive transport and logistics infrastructure. The region has highways of republican and regional significance with access to the regions of Russia (Omsk and Kurgan regions) and the cities of Kazakhstan.
- **Company experience.** Since 2018, Beef Export Group LLP has been engaged in slaughtering and processing of animal meat, and also selling finished products domestically.
- **Wasteless production.** The construction of the plant will allow the Company to produce meat and bone meal and animal feed from meat waste and bone remains of the main production.

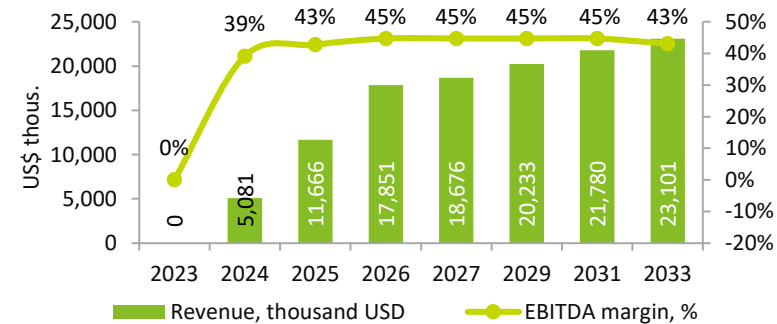
Investment proposal

The Project requires investment of US\$ 34,432 thousand, of which:

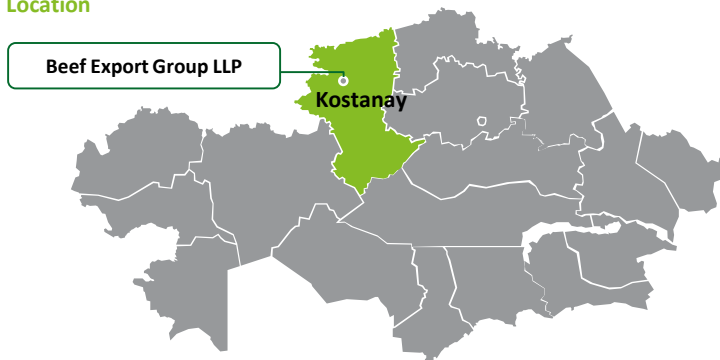
- 70 % (US\$ 24,102 thousand) – debt financing subject to collateral;
- 30 % (US\$ 10,330 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of a fruit storage facility and cider vinegar production plant

Products

Production and sales will be as follows: apples – 5,475 tonnes; cider vinegar – 3,255 litres and pectin – 146 tonnes.

Investment attractiveness of the project:

Investment – 18,282 thous. USD
 NPV – 372 thous. USD
 IRR – 17.9%
 Payback period – 7.8 years

Project

The aim of this investment project (“Project”) is to build a fruit storage facility and cider vinegar production plant in Almaty Oblast. The Project stipulates the construction of a 5,000 tonne fruit storage facility, and a 5 million litre/year cider vinegar production plant. Storage facility technology fitted with a controlled atmosphere will allow the Company to extend the cider vinegar storage period until November of the following year after the harvest, which will make it possible to sell high added-value apples during product shortage periods. The Company is also planning to adjust the cider vinegar and pectin production process, allowing it to produce two litres of natural vinegar from one kg of apples.

What is the attractiveness of the project?

- **Advantageous location.** The fruit storage facility and cider vinegar production plant are due to be built in Almaty Oblast, where apple cultivation is widespread. In 2021, total apple orchard area amounted to 35,996 ha, which creates 262,809 tonnes of apples every year.
- **Successful experience in a similar project.** The Company has been operating a 14 thousand tonne fruit storage facility in Corum (Turkey) since 2013, which allows apples to be stored for 11 months. The Company also has the largest commercial fruit orchard in the region, covering an area of 250 thousand m2, enabling the Company to sell 22.5 thousand tonnes of apples, 5 thousand tonnes of other fruit, and 38 thousand tonnes of vegetables every year.

Company

Saraylim Tarim owns a 14,000 tonne fruit storage facility and a 25 ha intensive fruit garden in Corum, Turkey. The Company’s product range includes: 8 types of apple, total weight of 22.5 thousand tonnes per year; other fruit, total weight of 5 thousand tonnes per year; several types of vegetables, total weight of 38.1 thousand tonnes per year.

Investment proposal

The Project requires debt financing in the amount of US\$ 18,282 thousand, of which:

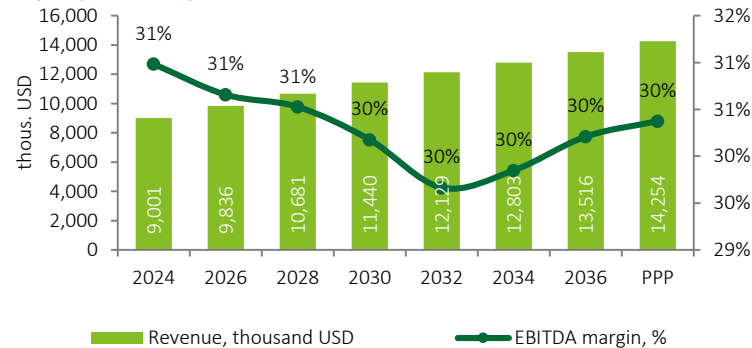
- 70% US\$ (12,798 thousand) – debt financing (subject to collateral);
- from 30% (US\$ 5,485 thousand) - investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Market

- **Growing demand.** The global apple market was valued at 8 billion USD in 2021 and is predicted to reach 8.6 billion USD by 2028 (CAGR 1%). The global vinegar market was valued at 839 million USD in 2021 and is predicted to reach 1,819 million USD by 2030 (CAGR 8%). Fruit consumption in Kazakhstan also increased in 2021 to 76.8 kg per capita per year (5-year CAGR was 3.54%).

Project profitability



Location





Construction of a vertically integrated pig-breeding complex for meat processing

Annual capacity:

- frozen pork meat – 95,017 tonnes,
- Raw casings of categories 1 – 4,353 tonnes,
- Raw casings of categories 2 – 14,227 tonnes,
- replacement gilts – 24,660 units.

Project investment attractiveness :

Investment – 136,396 thousand USD
 Project NPV – 150,480 thousand USD
 IRR – 21.9%
 Payback period – 8.8 years

Project

the construction of a vertically integrated complex for the production and processing of pork in the North Kazakhstan region. There is a preliminary franchise agreement with Genesus Genetics (Canada), the world's largest producer of registered purebred pigs. The enterprise will be built in 4 stages:

- At the first stage, it is planned to build a pig farm, a selective hybrid centre, an elevator, a railway branch, a slaughterhouse, a meat processing plant and a feed mill;
- Further, construction of two pig farms at each stage.

Company

Agro Tech Innovation LLP was established for the implementation of the project.

Market

- In 2020, the volume of global pork consumption was 106.3 million tonnes, which is 11.5% lower than in 2018. A downward trend in pork consumption since 2018 is associated with a decrease in pork production because of the African swine fever and a corresponding increase in prices.
- A decrease in the level pork consumption is observed within the period of 2016-2020. The average per capita consumption of pork reached 5.4 kg in 2015-2016, while in 2019-2020 the mentioned indicator stabilised at the level of 4.7 kg. According to the forecast of OECD, pork consumption in the country will stabilize at 4.5 kg by 2029.

What is the project's attractiveness?

- **Favorable location.** The chosen location of the complex is convenient in terms of the accessible distance from large settlements, which corresponds to the Company's strategy to ensure maximum biosecurity of facilities, but at the same time, it allows for significant reduction of logistics costs when delivering products to end consumers in Russia and China. The site has access to overhead utilities (railway, high voltage power line), underground utilities - cable line (telephone and Internet), sewerage and water supply.
- **Independence from feed supplies:** Availability of high-quality and inexpensive feed base is one of the key conditions for a competitive advantage in pig breeding. The project provides for the construction of a feed mill with a capacity of 100 tonnes per hour and an elevator for storing grain with a capacity of 90,000 tonnes, which meets world quality and biosafety standards. This will reduce feed costs and logistics costs and eliminate supplier risks.

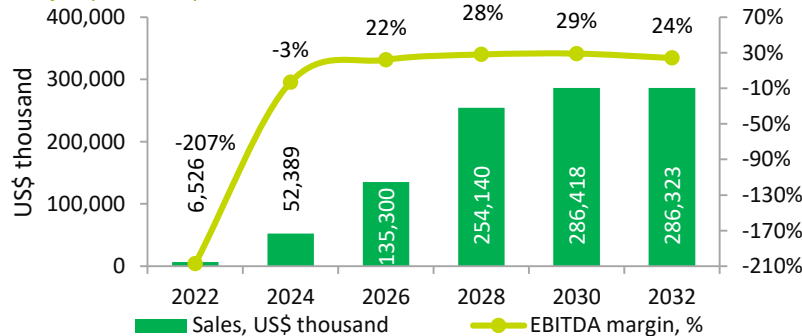
Investment proposal

The Project requires investment of US\$ 136,396 thousand, of which:

- 70% (US\$ 95,477 thousand) – debt financing subject to collateral;
- 30% (US\$ 40,919 thousand) – Investor participation.

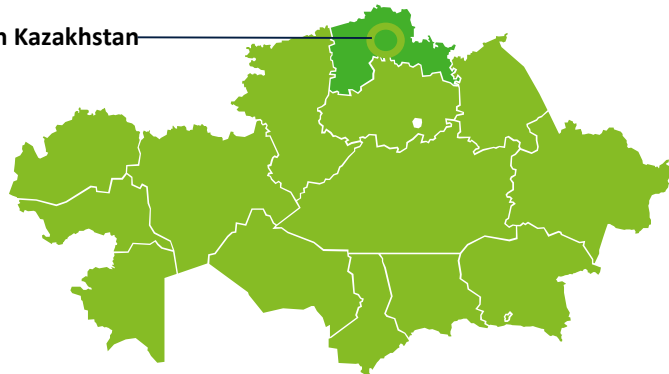
The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location

North Kazakhstan





Construction of a starch factory

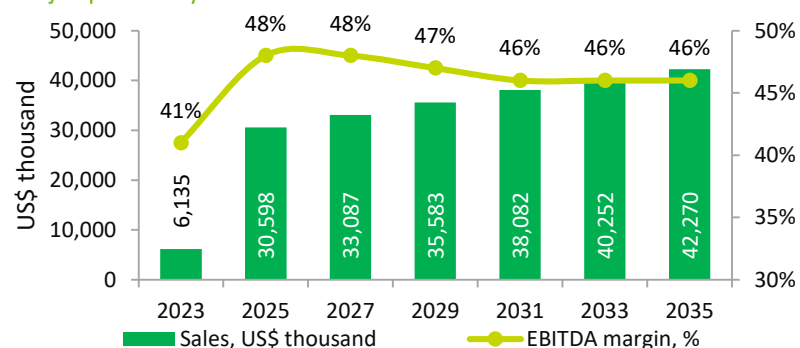
Annual capacity:

- potato starch (packaging 40 kg) – 597,816 packages/year;
- potato starch (packaging 25 kg) – 50,342 packages/year;
- fodder protein – 1,311 tonnes/year;
- fibre (cellulose) – 23,184 tonnes/year.

Project investment attractiveness :

Investment – 57,524 thousand USD
 Project NPV – 31,463 thousand USD
 IRR – 23.4%
 Payback period – 5.9 years

Project profitability



Project

The Project envisages the construction of a 60.3 thousand tonne/year factory to produce potato starch and other derivative products. The Project is due to be realised in Pavlodar Oblast's Zheleznik District, due to its proximity to raw material sources, such as 5 industrial enterprises and over 300 farms growing industrial potatoes. The proposed area of the Project site is 40 ha.

What is the project's attractiveness?

- **Advantageous location.** The region's proximity to the Russian border and its transportation corridors such as the Zheleznik-Omsk highway and the Karasuk-Omsk railway will help speed up and increase sales both domestically and overseas.
- **Favourable climate.** Pavlodar Oblast had the highest potato yield in Kazakhstan between 2016 and 2020 thanks to irrigation from the Irtys river, rising in the same period from 25.6 tonnes/ha to 29 tonnes/ha, which is 41% higher than the national average.

Company

JSC SPK Pavlodar. Main activities: realisation of investment projects with state participation.

Investment proposal

The Project requires investment of 57,524 thousand USD, of which:

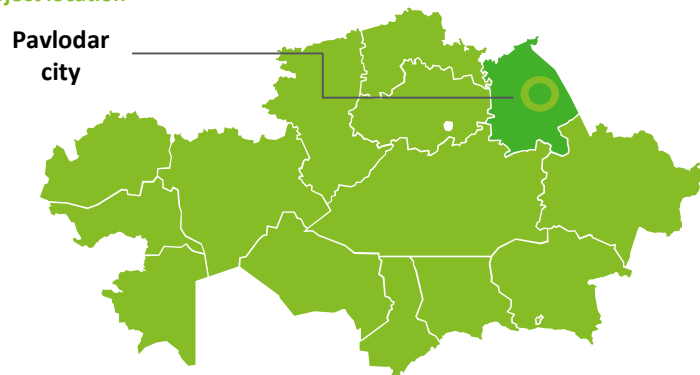
- 30% (17,257 thousand USD) – Investor participation;
- 70% (40,267 thousand USD) - debt financing subject to collateral.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Market

- According to Mordor Intelligence, due to its practical functionality, the potato starch market is expected to continue to grow gradually between 2021 and 2026 at an average annual rate of 4.5%.
- The period between 2016 and 2020 saw significant growth in starch production in Kazakhstan with CAGR at 41%. This was partially explained by the relaunch in 2018 of starch and gluten production in North-Kazakhstan Oblast.

Project location





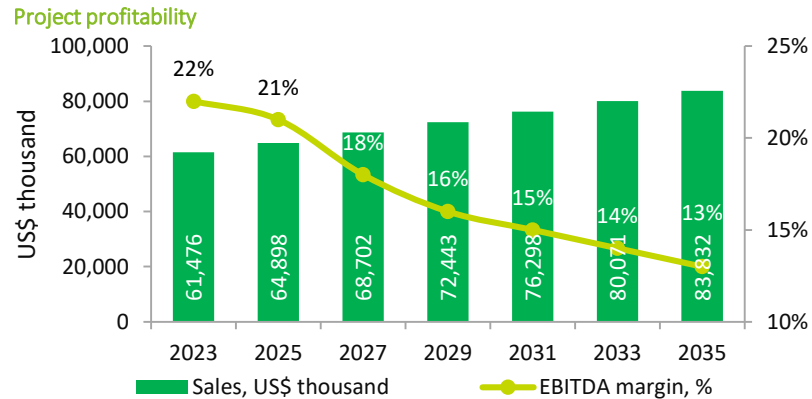
Multifunctional grain complex for receiving, storing, processing and shipping agricultural and food products

Annual capacity:

- Production capacity – 150,869 tonnes, particularly: all-purpose feed – 76,313 tonnes, corn flour – 21,925 tonnes, short cut pasta – 10,977 tonnes, long cut pasta – 6,534 tonnes, coarse-grained flour – 14,352 tonnes, fine-grained flour – 9,864 tonnes, corn oil – 1,756 tonnes, soybean oil – 1,147 tonnes, cornmeal – 3,081 tonnes, full fat soybeans – 4,511 tonnes, grain waste – 390 tonnes.

Project investment attractiveness :

- Investment – 51,013 thousand USD
- Project NPV – 24,668 thousand USD
- IRR – 30.1%
- Payback period – 4.2 years



Project

construction of a multifunctional grain complex for receiving, storing, processing and shipping agricultural and food products in the Uygur district of Almaty region.

Company

Ramadan Foods LLP. Company management has 10 years of experience in agriculture and grain trading and processing. The majority of the raw material suppliers are affiliated companies with 43 hectares of farmland, which covers over 70% of the need for raw materials.

Market

- The current outlook for global grain crops production indicates a moderate growth for the third consecutive year. Total production in 2020 was 2,295 million tonnes and is forecasted by the UN FAO to reach 2,438 million tonnes by 2026, with CAGR of 0.81% in the period from 2021 to 2026.
- In 2020, Kazakhstan produced 3,555 tonnes of fine flour, which is 3% more than a year earlier (3,272 million tonnes). Compound annual decline rate from 2016 to 2020 was -3%. The lowering was caused by a downward trend in imports from a number of Central Asian countries due to the launch of their own flour mills.

What is the project's attractiveness?

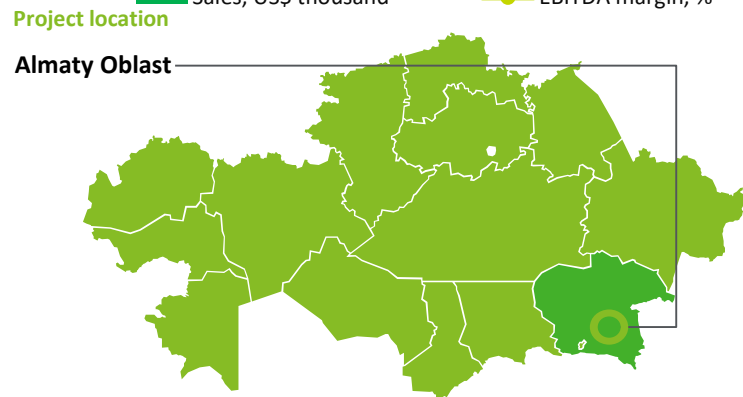
- **Ultra-processing.** Raw materials are used to produce primary processing products (flour), secondary processing products (butter, pasta and bakery products) and the waste is used as raw material for the production of compound feed for animals and birds.
- **Geographic location.** The advantages of location in Almaty region are the developed transport infrastructure (access to the Silk Road, One Belt - One Way railway and the Western Europe - Western China highway), proximity to the capacious consumer markets of Almaty and Almaty region, availability of own raw materials and low transportation costs for their delivery.
- **Year-round production.** There are elevators and other storages in place with a total volume of more than 50 thousand tonnes, which will keep the raw materials in proper quality to ensure year-round continuous production, which generally mitigates the risk of seasonal production variability.

Investment proposal

The Project requires investment of US\$ 51,013 thousand, of which:

- 70% (US\$ 35,709 thousand) – debt financing subject to collateral;
- 30% (US\$ 15,304 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.





Poultry farm construction

Annual capacity:

- broiler meat - 19,500 tonnes;
- by-products - 7 million;
- compound feed - 3,000 tonnes.

Investment attractiveness of the project:

Investment – US\$ 64,006 thousand
 Project NPV – US\$ 26,078 thousand
 IRR – 20.5%
 Payback period – 7.39 years

Project description

This project envisages the construction of a poultry farm for broiler meat and chicken egg production in Atyrau region. The production capacity will be 19,500 tons of poultry meat and 7 million eggs. The Project launch will provide the region with high-quality products and create additional 200 jobs.

Company

The project initiators are Atyrau region Mayor's Office represented by Atyrau Social and Entrepreneurial Corporation JSC (49%) and Meken Farm, established in 2009. Atyrau SEC and Meken Farm signed a memorandum on joint implementation of the project, as a result of which the project company Meken Chicken LLP was created.

Market

- According to the OECD and FAO UN forecast, there will be an increase in overall poultry consumption in the world. The CAGR in 2021-2024 will be 1.8%.
- In 2020, the poultry production and consumption amounted to 96.5 and 246.2 thousand tons, respectively. On average, 84% of poultry consumption is covered by domestic production, the rest is covered by imported meat. The CAGR of poultry consumption in Kazakhstan in the period from 2021 to 2024 will amount to 1.3%, reaching the level of 263.9 thousand tonnes. Per capita poultry consumption in Kazakhstan was 12.4 kg per person in 2020. Per capita poultry consumption will also rise to 12.9 kg per person by 2024.

What is the attractiveness of the project?

- **Competitive advantage factors.** There is one poultry farm that produces broiler meat in Atyrau region.
- **State support.** The project is included in the list of priority sectors for state support. The state programs provide for a number of benefits and preferences.
- **Modern equipment.** The use of the advanced technology in combination with professional vertical integration process management allows the optimal use of equipment and compliance with biological safety.

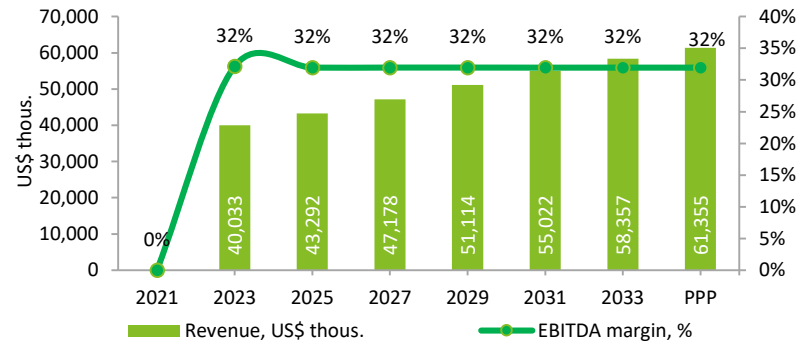
Investment proposal

The Project requires investment of US\$ 64,006 thousand, of which:

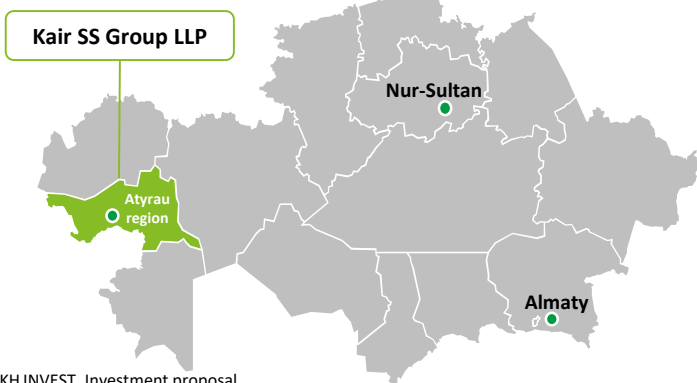
- 70% (US\$ 44,804 thousand) – debt financing subject to collateral;
- from 30% (US\$ 19,202 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location





Construction of a greenhouse complex

Commercial products

The annual production capacity when reaching full capacity in 2025 will be:

- Tomatoes – 1,642 tonnes;
- Cucumbers – 2,309 tonnes.

Investment attractiveness of the project:

Investment – US\$ 15,550 thousand
 Project NPV – US\$ 17,813 thousand
 IRR – 25.4%
 Payback period – 6.1 years

Project description

The project envisages the construction of a greenhouse-type agro-industrial complex for the production of tomatoes and cucumbers in Aktobe. The complex will be built on own land plot with an area of 5.6 hectares. Aktobe agglomeration is a densely populated region, where about 0.9 million people live, and have an extensive road transport and logistics infrastructure. Thus, the location of the greenhouse complex in Aktobe region will allow covering the neighbour regions of Kazakhstan (Uralsk, Atyrau and Nur-Sultan), as well as border regions of Russia (Orsk, Samara, Orenburg, etc.).

What is the attractiveness of the project?

- **Environmentally friendly products and year-round harvest.** Compliance with standards of environmentally friendly growing of tomatoes and cucumbers, without the use of genetically modified material is an advantage in comparison with imported tomatoes and will allow occupying a certain niche in the consumer basket. Heating and artificial lighting systems ensure year-round harvesting.
- **State support.** The project is included in the list of priority sectors for state support. The state programmes provide for a number of benefits, preferences and grants. The availability of resources and state support instruments and the use of innovative production technology allow increasing production capacity, taking into account export opportunities, and diversifying the range of products.

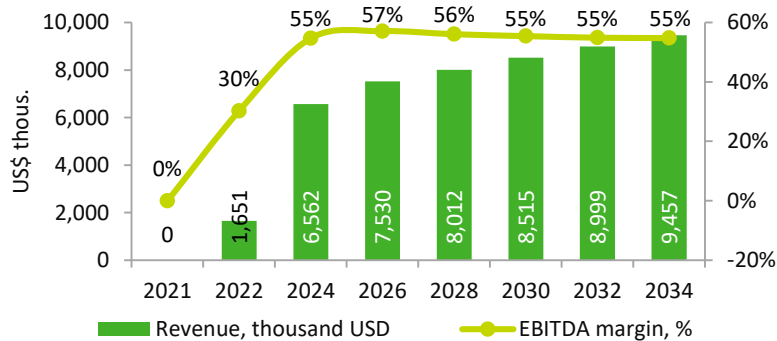
Company

Eco product Company LLP owns a land plot with a total area of 14 ha.

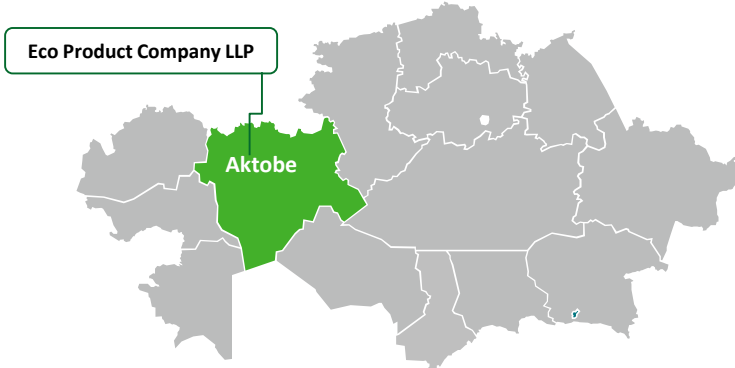
Market

- Imports of tomatoes and cucumbers into Kazakhstan in 2020 amounted to 60 thousand tonnes and 8 thousand tonnes, respectively. The construction of the greenhouse complex will reduce the volume of imports and provide the domestic market with high-quality domestic products.
- In 2020, the gross harvest of greenhouse tomatoes and cucumbers in Kazakhstan amounted 145 and 101 thousand tonnes, with an increase of 18.0% and 14.8% compared to the previous year, respectively. In 2020, the area of greenhouses for growing tomatoes and cucumbers in the country amounted to 744.4 ha and 623.9 ha respectively.

Project profitability



Location





Expansion of the confectionery production

Commercial products

Production volume will be as follows:

- biscuits – 2,371 tonnes;
- candies – 402 tonnes;
- marshmallow – 1,099 tonnes;
- chak-chak – 298 tonnes;
- jams, preserves, fillers – 265 tonnes.

Investment attractiveness of the project:

Investment – US\$ 10,779 thousand

Project NPV – US\$ 6,045 thousand

MIRR – 17.6%

Payback period– 10.1 years

Project description

This investment project (hereinafter - the "Project") envisages the expansion of the confectionery production in Shymkent in order to meet domestic demand for high-quality confectionery products, increase export potential of the country, as well as create up to 160 new jobs in Shymkent.

Company

SWEET Ideas-KZ LLP is an operating confectionery enterprise.

Main activity: Production of bread; production of fresh flour confectionery, cakes and pastries. Company has distributors in Kazakhstan and Kyrgyzstan.

Market

- In 2020, the production of flour confectionery, as well as cocoa, chocolate and sugar products in the world amounted to USD 412 billion and USD 163 billion, respectively. In 2020, there was a slight decrease in production indicators by 2%.
- Consumption of long-life confectionery increased by 12% in 2020 compared to 2016, while CAGR of consumption of breadcrumbs and biscuits for the period 2016-2020 was 3%, which indicates a stable demand for products in the low-price segment. Consumption of chocolate and sugar products has increased by 5% over the past five years, reaching 163,000 tonnes in 2020.

What is the attractiveness of the project?

- **Advantageous location.** The initiator is one of the producers of confectionery products in Shymkent agglomeration. The plant is located in close proximity to the target group of consumers numbering 1.1 mln people. Availability of developed transport junction in Shymkent will allow prompt delivery of products to the regions of Kazakhstan and further to the market of Kyrgyzstan and Uzbekistan.
- **Year-round production.** The company has a storage area of 2,500 sq.m , which will allow it to keep raw materials in proper quality to ensure year-round uninterrupted production, which in general mitigates the risk of seasonal production.

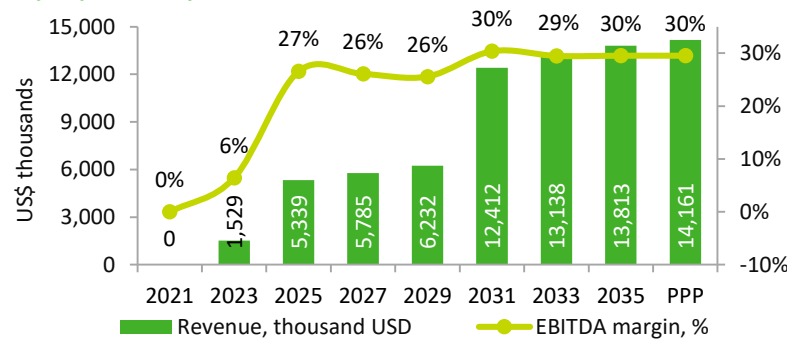
Investment proposal

The Project requires investment of US\$ 10,779 thousand, of which:

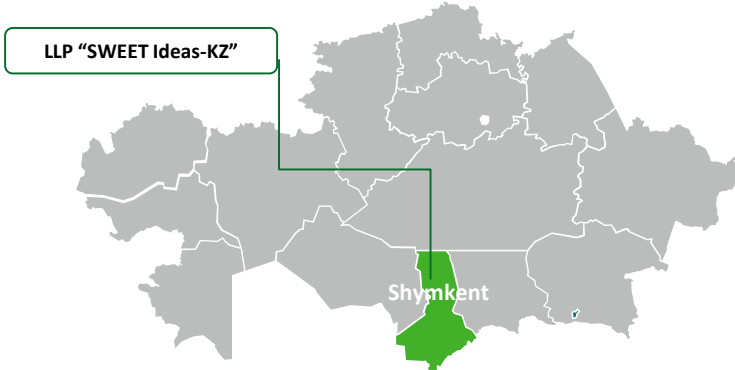
- 70 % (US\$ 7,545.3 thousand) – debt financing subject to collateral;
- 30 % (US\$ 3,233.7 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the Investor.

Project profitability



Location





Modernization and expansion of the existing pig-breeding complex for a selection-hybrid center with further processing of its own raw materials

Commercial products

Annual capacity: 30,000 pigs; 2,300 tonnes of meat products, 474 tonnes of offal

Investment attractiveness of the project:

Investment – US\$ 7,282 thousand
 Project NPV – US\$ 15,836 thousand
 IRR – 33.4%
 Payback period – 5.1 years

Project description

The Project envisages a pig-breeding complex upgrade and expansion to achieve a production capacity of 30,000 per year with the creation of a genetic selection centre ("GSC").

Company

Initiator of the project is ZhK Leninsky LLP. The Company's main activity is the production of pigs in live weight for slaughterhouses in Kostanay and other regions of Kazakhstan. The total area of the Company's buildings and structures is 7,563.9 sq. m. The staff includes specialists who have degrees in veterinary sciences and animal science with the 15 -year average work experience in pig breeding.

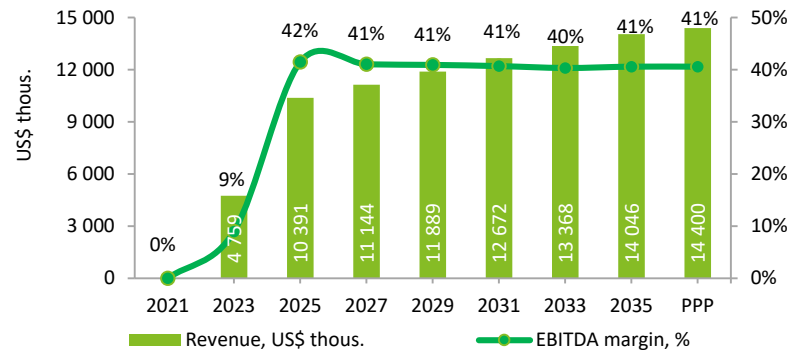
Market

- In 2020, the volume of global pork consumption was 106.3 million tonnes. According to the OECD and UN FAO forecasts, the global consumption of this type of meat will increase. The CAGR in 2021-2029 will be 1.75%. Pork consumption is projected to increase by 9.2% by 2023.
- A decrease in the level pork consumption is observed within the period of 2016-2020. The average per capita consumption of pork reached 5.4 kg in 2015-2016, while in 2019-2020 the mentioned indicator stabilised at the level of 4.7 kg. According to the forecast of OECD, pork consumption in the country will stabilize at 4.5 kg by 2029. Generally, it should be noted that domestic demand is fully satisfied by domestic production. Therefore, production of pork in Kazakhstan has a high export potential.

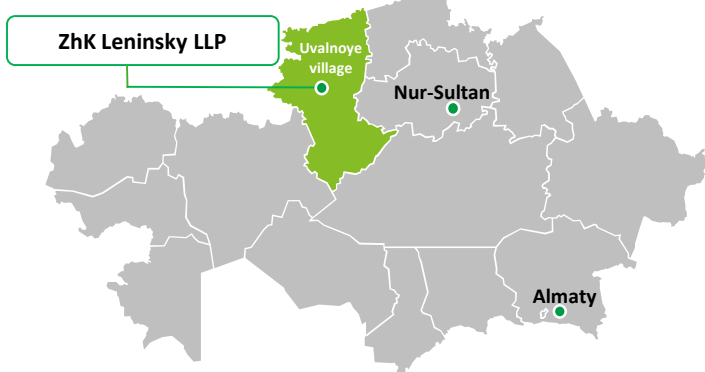
What is the attractiveness of the project?

- Favourable location.** The availability of a developed transport infrastructure and large vacant lands, as well as water and specialised labour resources make Kostanay region attractive for pig breeding.
- Availability of infrastructure.** The company has land a plot of over 11 hectares, with connected electricity and water supply systems, as well as production facilities.
- Independence from feed supply and quality control.** The availability of equipment for the compound feed production with a capacity of 10 t/h allows the company to reduce feed costs and to ensure the proper quality of feed.

Project profitability



Location





Alfalfa cultivation on 10 thous. ha with sprinkler irrigation

Commercial products

Dry alfalfa hay – 147.1 thousand tonnes

Investment attractiveness of the project:

Investment – US\$ 66,507 thousand

Project NPV – US\$ 21,893 thousand

IRR – 20.3%

Payback period – 7.24 years

Project description

The Project envisages the production of quality alfalfa-based fodder on a 10,000 ha site in the Shiyeli District of Kyzylorda Oblast, and involves the gradual cultivation of high-yield seeds using regular irrigation technology and modern machinery and equipment.

What is the attractiveness of the project?

- Advantageous location.** Kyzylorda Oblast is situated to the east of the Aral Sea in the Syrdariya River downstream area. The region's severe continental climate is favourable for sowing alfalfa, which thrives in warm and light conditions, and is also frost resistant. The oblast is marked by a lengthy vegetation period (temperature of over +5°C) of 191-200 days, and an active vegetation period (temperature in excess of +10°C) of 164-173 days. Average annual precipitation is 130 mm.
- Irrigation system use.** Dependence on meteorological conditions and natural disasters increases the risk of shortages in or low-quality raw materials for production purposes. Irrigation minimizes typical negative meteorological factors of agricultural crops' cultivation.

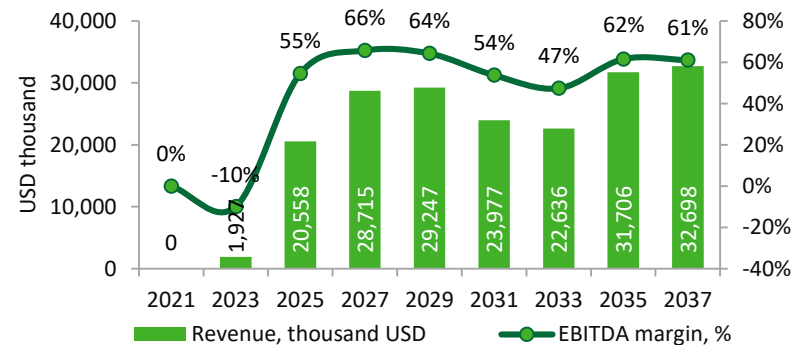
Company

Tin Oris LLP was established for the implementation of the project.

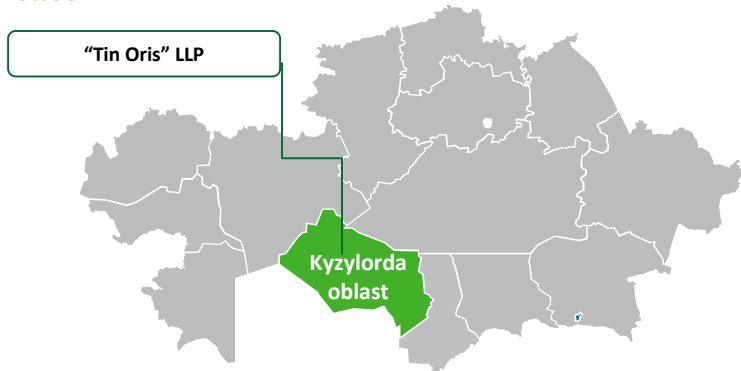
Market

- In 2020, global demand for alfalfa hay amounted to 3,670 million USD, with average annual growth in 2016-2020 of -3.3%. According to Global Research & Data Services, demand for alfalfa hay will grow 2.8% per year between 2021 and 2025 to 4,182 million USD by 2025.
- In 2020, China imported 1,694 thousand tonnes of alfalfa hay, or 6% more than in 2019. On the whole, the last three years have seen positive changes.
- As at 2019, meat cattle generated the greatest demand for alfalfa hay (81.4%). Alfalfa hay is also used as horse (110%) and poultry (3.2%) fodder.

Project profitability



Location





Construction of a poultry farm for meat and egg production

Commercial products

Annual project capacity:

- poultry meat - 260 tonnes;
- commercial egg - 122 mln units.

Investment attractiveness of the project:

Investment – US\$ 11,212 thousand
 Project NPV – US\$ 10,728 thousand
 IRR – 26.5%
 Payback period – 6.05 years

Project description

This investment project envisages the construction of a poultry farm for meat and egg production in Aktobe region. The design production capacity is 122 million eggs and 260 tonnes of chicken meat per annum. A lease contract for a land plot of 30 ha for the period of up to 10 years has been concluded with the Mayor's Office of Alga district, Aktobe region. In addition, 6.3 ha were allocated under the Project for connecting external gas supply and electricity networks.

Company

Ulan Poultry Farm LLP is an agricultural enterprise specially created for the implementation of this project.

Market

- According to the OECD and FAO UN forecasts, there will be an increase in overall poultry consumption in the world. The CAGR in 2021-2024 will be 1.8%.
- In 2020, the poultry production and consumption amounted to 96.5 and 246.2 thousand tonnes, respectively. On average, 84% of poultry consumption is covered by domestic production, the rest is covered by imported meat. The CAGR of poultry consumption in Kazakhstan in the period from 2021 to 2024 will amount to 1.3%, reaching the level of 263.9 thousand tonnes. The growth in the poultry consumption is explained by the population growth and a gradual change in the food culture of the population, which in recent years has become healthier and more dietary.
- Per capita poultry consumption in Kazakhstan was 12.4 kg per person in 2020. Per capita poultry consumption will also rise to 12.9 kg per person by 2024.

What is the attractiveness of the project?

- **Project location.** Aktobe region has an extensive road transport and logistics infrastructure: the region has highways of republican and regional significance with access to the regions of Russia and the cities of Kazakhstan.
- **State support.** The project is included in the list of priority sectors for state support. The state programmes provide for a number of benefits and preferences.
- **Own fodder base.** The initiator plans to produce its own feed, which will reduce the cost of the final product, as well as dependence on suppliers.
- **Final stage of the Project.** An administrative block, a veterinary block and a utility building have been already built on the territory of the planned poultry farm, the foundations for the construction of two poultry houses and a feed mill have been prepared.

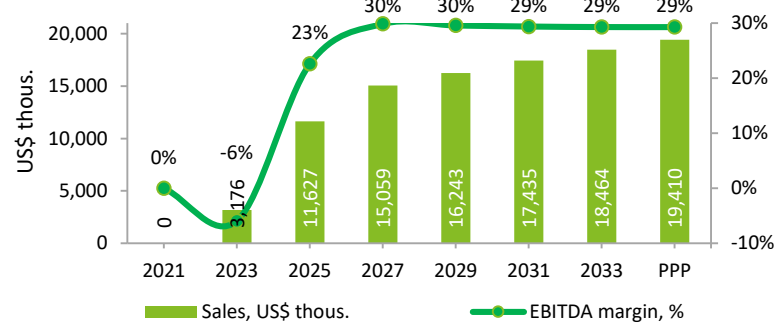
Investment proposal

The Project requires investment of US\$ 11,212 thousand, of which:

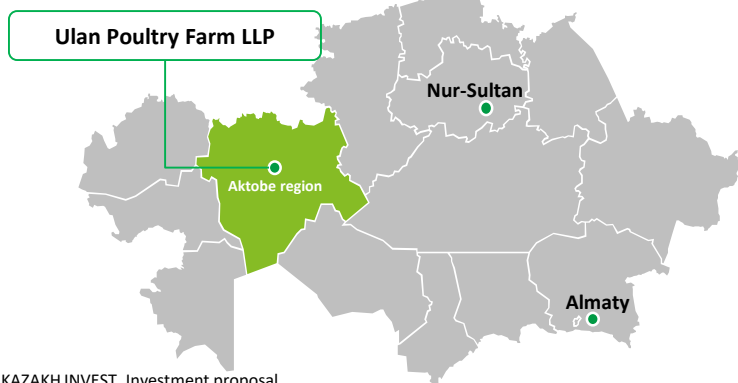
- 70% (7,848.4 thousand USD) – debt financing subject to collateral;
- from 30% (3,363.6 thousand USD) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Location



Construction of a commercial dairy farm in Kostanai Oblast

Annual production capacity :

- raw milk production – 108,609 tonnes/year;
- meat for sales (cow) – 2,395 tonnes/year;
- meat for sales (heifer) – 108 tonnes/year;
- meat for sales (bull) – 825 tonnes/year;
- Sales of heifer – 2 704 tonnes/year.

Project investment attractiveness :

Investment – 96,668 thousand USD
 Project NPV – 72,370 thousand USD
 IRR – 22.5%
 Payback period – 7.1 years

Project

The Project involves the construction of 8 commercial dairy farms to produce 106 thousand tonnes of raw cow's milk in Kostanai Oblast per year.

Company

Olzha Agro LLP is one of the most modern agriculture sector holding companies in Kazakhstan. It manages 10 agricultural enterprises, 8 grain elevators, 2 commercial dairy farms, a milk processing plant, and service enterprises (logistics, trading and agricultural machinery repairs).

Market

- In 2016–2020, average annual growth in global milk production was 1.8%. The OECD predicts that in 2021–2029, milk production growth will remain steady at 1.6%.
- 2016–2020 saw positive changes in the consumption of liquid cow's milk with average annual growth of 7.3%. According to Fitch Solutions, the growth in milk consumption in Kazakhstan will average 3%, which is in line with global trends.

What is the project's attractiveness?

- **Available fodder base.** The Company owns major crop areas (530 thousand ha) in Kostanai Oblast, of which 60 thousand ha will be allocated to ensure the required virus-neutralising antibodies in its own fodder base. Fodder accounts for a large part of material costs, which is why virus-neutralising antibodies in its own fodder base will help reduce milk production costs.
- **Geographic location.** The Project will be realised in the Kostanai Oblast agglomeration (population of 0.9 million) with an extensive road and logistics infrastructure. The region is home to major processing companies such as DEP LLP and MILK LLP, as well as 15 smaller milk processors. The location of production is an advantage, given the efficiency with which deliveries are made throughout Kazakhstan, the proximity and ability to enter the Russian market.

Investment proposal

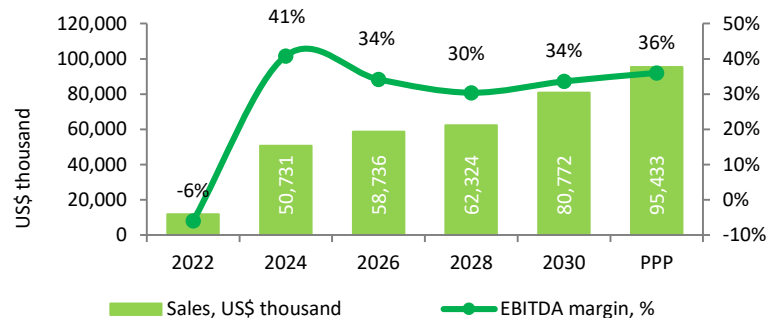
The Project requires investment of 96,668 thousand USD, of which:

- 10% (9,667 thousand USD) – debt financing subject to collateral);
- 80% (77,335 thousand USD) – private equity fund participation (KIDF, KCM and SKI);
- from 10% (9,667 thousand USD) – investor participation.

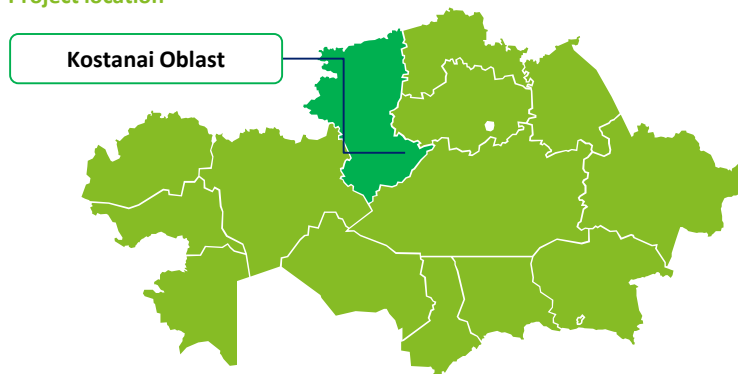
The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.



Project profitability



Project location





Poultry farm construction in East Kazakhstan Oblast

Product

Production capacity: 35.5 thousand tons of meat annually, including carcasses (whole) – 21,414 tons; brisket – 3,624 tons; thigh – 1,647 tons; soup set – 2,965 tons; wings – 1,318 tons; drumstick – 1,318 tons; others (liver, neck, stomach, chicken legs, heart) – 3,624 tons.

Domestic demand: 246.2 thousand tons of meat

Investment attractiveness of the project:

Capital expenditures: US\$ 100,257 thousand

NPV – US\$ 81,211 thousand

IRR – 18.2%

Payback – 7.0 years

Project

The Project envisages the construction of a poultry farm with a capacity of 35 thousand tons of meat annually in Urzhar district of East Kazakhstan Oblast. The construction is planned on a land plot of 300 ha in East Kazakhstan Oblast, Urzhar district, Zhanai village. A full production cycle will be organized on the production site.

Company

The Project initiator is the East Kazakhstan Oblast Akimat represented by Ertis Social and Entrepreneurial Corporation established by the Presidential Decree in 2007 (“Initiator”, “Corporation”, “SEC”). The main objective of the SEC is to promote the social and economic development of the East Kazakhstan Oblast based on the principles of partnership between the state and business. Currently, SEC has 12 subsidiaries and related entities.

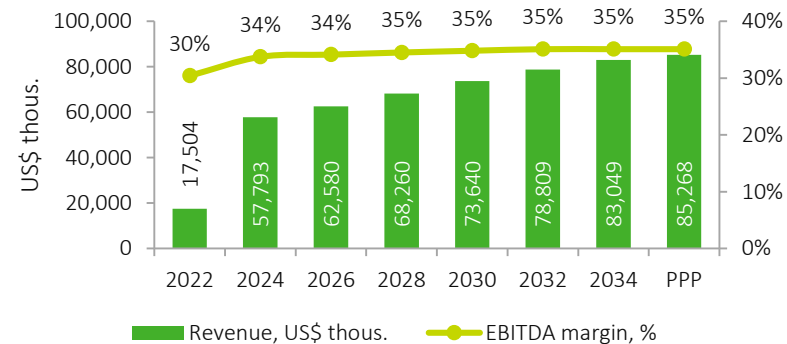
Market

- In 2020, the global production amounted to 125 million tons of poultry. According to the OECD and FAO UN forecasts, there will be an increase in overall poultry consumption in the world. The CAGR in 2021-2024 will be 1.8%.
- The CAGR of poultry consumption in Kazakhstan in the period from 2021 to 2024 will amount to 1.3%, reaching the level of 263.9 thousand tons. The growth in the poultry consumption is explained by the population growth and a gradual change in the food culture of the population, which in recent years has become healthier and more dietary. Per capita poultry consumption in Kazakhstan was 12.4 kg per person in 2020. Per capita poultry consumption will also rise to 12.9 kg per person by 2024.

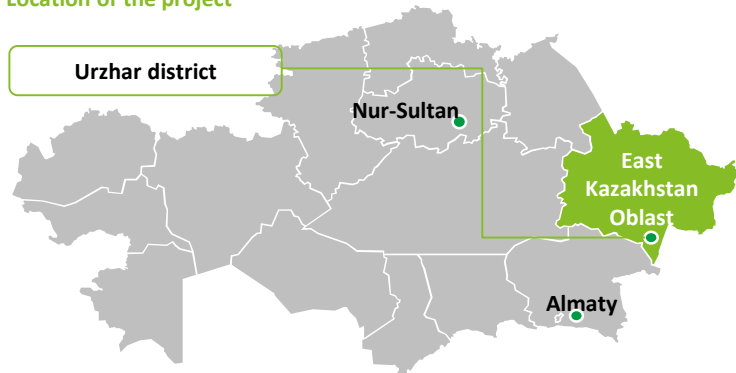
What is the attractiveness of the project?

- **Proximity to capacious markets.** Urzhar district is located in geographical proximity to capacious consumer markets of Almaty and Almaty Oblast (with a population of 4.0 million people). Urzhar district is located 100 km from highway Almaty-Ust-Kamenogorsk A-3.
- **State support.** The project is included in the list of priority sectors for state support. The state programmes provide for a number of benefits and preferences.
- **Fodder base.** The Initiator plans to grow fodder crops (wheat, barley, corn and soybeans) on a land plot of 36,000 ha to reduce the fodder base cost and the final product cost. It will also reduce dependence on feed suppliers.

Project profitability



Location of the project





Expansion of poultry production

Annual capacity:

- commercial egg – 4 803 thous. units/year;
- poultry meat – 91 967 tonnes/year;

Domestic demand:

- poultry meat consumption – 246 thousand tonnes/year.

Project investment attractiveness :

Investment – 102,633 thousand USD
 Project NPV – 91,609 thousand USD
 IRR – 19.9%
 Payback period – 6.3 years

Project

This investment project (Project) envisages the expansion of the existing business of Alel Agro JSC by launching six broiler farms with an annual capacity of 47.9 million tonnes of poultry in Zhambyl Oblast. At the moment, the construction of two poultry farms has been completed, but the facilities have not yet been commissioned.

Company

Alel Agro JSC is the largest poultry producer in Kazakhstan. The sales volume in 2020 reached 51.4 million tonnes. The Company's assets include 6 operating poultry farms in Almaty Oblast, a feed mill, a slaughterhouse, a sorting terminal and an incubator. As part of expanding its own distribution network in 2020, the Company opened 4 regional distribution centres and 10 branded stores.

Market

- In 2020, the global production amounted to 125 million tonnes of poultry. According to the OECD and FAO UN forecasts, there will be an increase in overall poultry consumption in the world. The CAGR in 2021-2024 will be 1.8%.
- In 2020, the poultry production and consumption amounted to 96.5 and 246.2 thousand tonnes, respectively. On average, 84% of poultry consumption is covered by domestic production, the rest is covered by imported meat.

What is the project's attractiveness?

- **Well-established trade and logistics chain.** To sell products under its own brands Alel, Ameral fresh and Tasty Chick, the Company launched a chain of branded stores in Almaty and 4 regional distribution centres.
- **State support.** The project is included in the list of priority sectors for state support. The state programmes provide for a number of benefits and preferences.
- **Proximity to capacious markets.** Zhambyl Oblast is located in geographical proximity to the capacious sales markets of Almaty and Almaty Oblast (4.0 million people), as well as to the border with China.

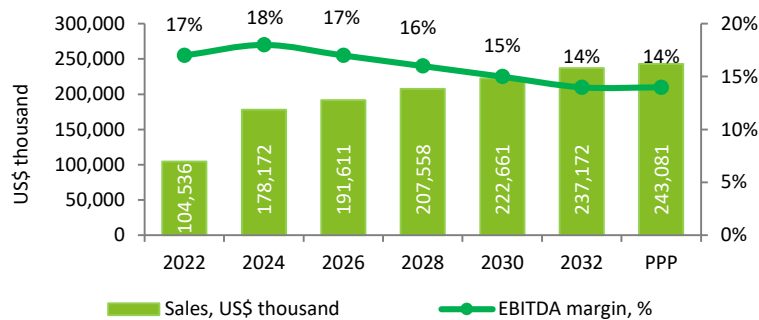
Investment proposal

The Project requires investment of US\$ 102,633 thousand of which:

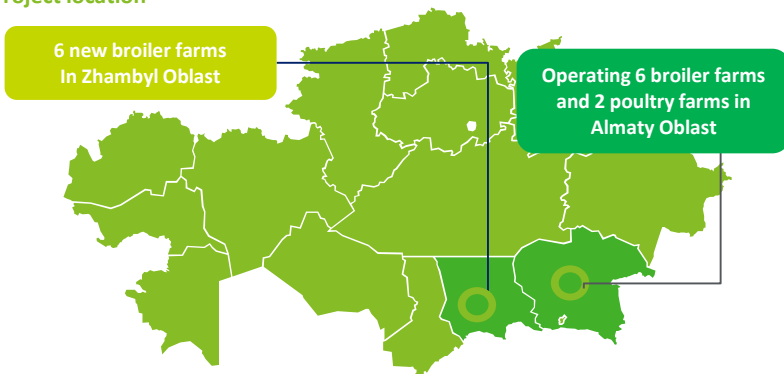
- 10% (US\$ 10,266 thousand) – debt financing subject to collateral;
- 80% (US\$ 82,130 thousand) – private equity fund participation (KIDF, KCM and SKI);
- from 10% (US\$ 10,266 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location





Development of intensive fruit orchards

Commercial products

The annual volume of production in 2022 - 10,136 tonnes.
Products assortment: apples, cherries, peaches, plums, pears, apple juice.

Investment attractiveness of the project:

Investment – US\$ 19,127 thousand
Project NPV – US\$ 29,483 thousand
IRR – 27.8%
Payback period– 6.9 years

Project description

This investment project envisages the modernization of an existing fruit farm in Almaty region. The effective area of the intensive orchard is 1,004 hectares.

What is the attractiveness of the project?

- **Climate of Almaty region:** The orchards are located in Almaty region, where the combination of a warm climate, fertile soil and proximity to a mountain river contributes to the effective gardening and, accordingly, high yields.
- **Well-established sales strategy and own brand.** Over the years, the Company has established the supply of products under the Qazaq Fruit brand and sells its products through wholesale suppliers in Almaty, Karaganda and Nur-Sultan. There are valid sales contracts with Russian companies OOO Siberian Tradition and OOO Flagman.
- **Proximity to sales markets:** The orchards are located close to the largest sales markets, namely: Almaty (1.8 million people, 284 km from Aydarly), Taldykorgan (0.72 million people, 112 km from Aydarly), the rest of Almaty region (more than 2 million people), XUAR (China) (21 million people in 80 km).

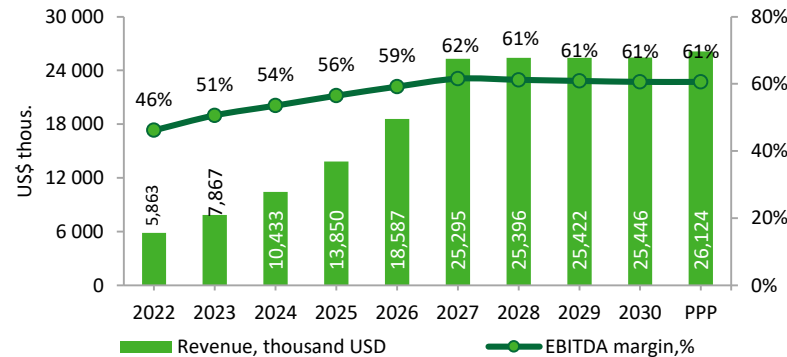
Company

Zharkent Fruit LLP is one of the largest private horticultural enterprises in Kazakhstan and Central Asia. The main shareholder of the Company is Ordabasy Group (51% ownership interest), one of the largest investment holdings in Kazakhstan. The company produces fruits under the Qazaq Fruit brand, selling them through retail chains in Kazakhstan and Russia.

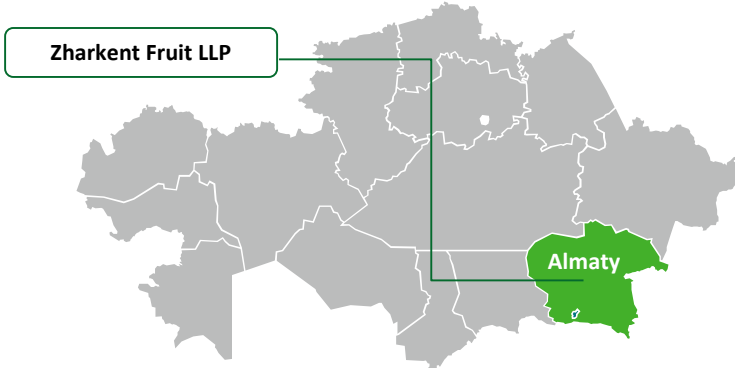
Market

- In 2020, the global juice market was valued at 44.4 billion litres. According to Report linker forecasts, this figure will reach 50.6 billion litres by 2024, with CAGR at 2%.
- In 2020, the production of apple juices in Kazakhstan amounted to 14.6 million litres. Fitch Solutions expects an increase in fruit juices consumption in Kazakhstan due to the transition to a healthy lifestyle of the population after the pandemic (CAGR of 8.59% in the sales of fruit and vegetable juices in the period from 2021 to 2024).

Project profitability



Location





Development of intensive apple and stone fruit orchards and production of natural juices

Commercial products

12 varieties of apples (Golden & Red Delicious, Fuji, Gala, Granny), 2 varieties of peaches, nectarines, cherries and apple juice. The annual production: 6,665 tons and 277.2 thous. packages of apple juice.

Investment attractiveness of the project:

Investment – US\$ 50,898 thousand
 Project NPV – US\$ 41,224 thousand
 IRR – 30.1%
 Payback period– 7.1 years

Project description

This investment project envisages the expansion of an existing berries and fruits growing enterprise in Almaty region by establishing additional 200 hectares of orchards, as well as building a fruit storage with a capacity of 6,000 tonnes and a workshop for the production of directly squeezed apple juice.

What is the attractiveness of the project?

- **Favourable climate.** The orchards are located in the foothills of the Zaili Alatau in Almaty region, where the combination of a warm climate, fertile soil and a special irrigation system contributes to the effective gardening and, accordingly, high yields.
- **Well-established sales strategy and own brand.** For 9 years of operation, the Company has established the supply of products under the Amal Bio brand to Kazakhstan (42.4%) and Russia (57.6%). There are direct apple sales contracts with retail chains, schools and preschool institutions, as well as with a chain of dealers and distributors. Halal certification will allow exports to the UAE.
- **High degree of processing.** Ripe apples, which do not meet the standard for fresh sale, are used as raw materials for the production of natural juices. Juice production expands the range of products and minimises production waste.

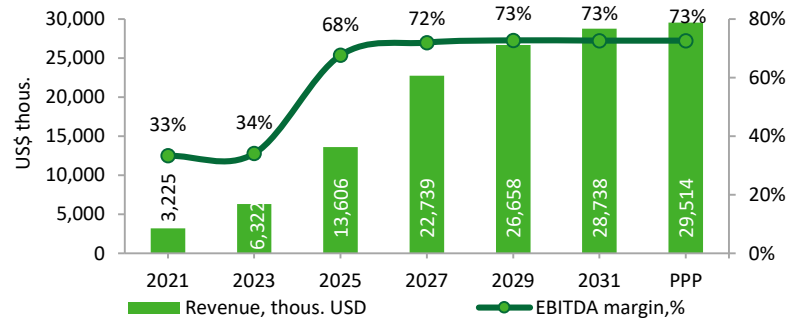
Company

Since 2012, AmalBio LLP has owned land plots with an area of 223.3 hectares in the Talgar and Enbekshikazakh districts of Almaty region, where apple and stone fruit orchards and infrastructure for storing fruits and producing apple juices are located. Products are manufactured under the Amal Bio brand and are sold through a retail chain in Kazakhstan and Russia.

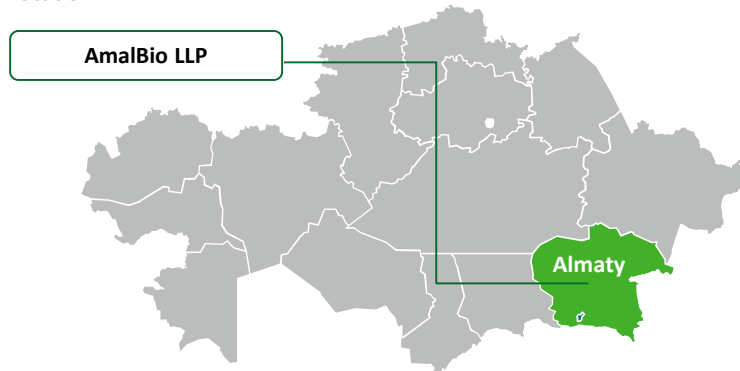
Market

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Project profitability



Location





Construction of a melon processing plant

Product

Annual capacity: fresh melons - 10,000 tons, fresh-frozen melons - 6,000 tons, dried melons - 1,000 tons, melon juice - 2,678 tons, watermelon juice - 2,678 tons.

Investment attractiveness of the project:

Capital expenditures: US\$ 4,802 thousand
 NPV – US\$ 6,477 thousand
 IRR – 35.7%
 Payback period – 4 years

Project

The aim of the investment Project (“Project”) is to build a melon processing plant in Turkestan Oblast’s Arys. The area of the plant will be 10,000 m².
 A 3.7 ha site has been registered and may be used for 7 years with the option to extend.

Company

The Project initiator is Tansari Trading A LLP. The company was registered in 2018 to operate in the wholesale trading of a wide range of goods without specific categorisation (CCEA 46909). The Project Initiator receives production advice from the VitAl GmbH to launch production in good time and establish a production process

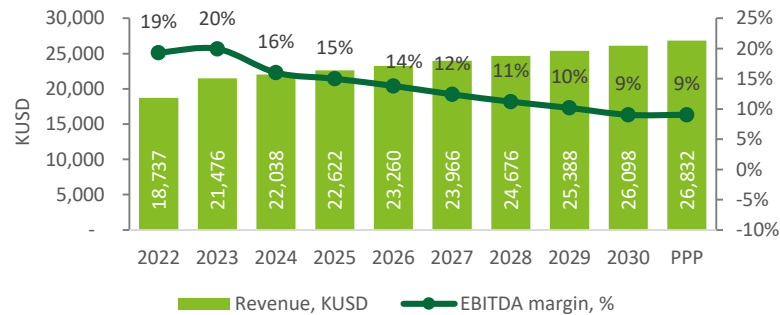
Market

- The world has seen organic product consumption growth. The global organic fruit and vegetable market was worth 30.8 billion USD in 2019 and, according to forecasts, will reach 55.9 billion USD by 2027 (CAGR 7.9%).
- Fruit consumption in Kazakhstan increased in 2020 to 78.8 kg per capita per year (CAGR for 2015-2020 – 4.34%).
- In Kazakhstan in 2020, the total harvest of melons amounted to 1,165 thousand tons and watermelons - 1,260 thousand tons. The main crop of melons and gourds falls on the Turkestan region - 59% of the total harvest.

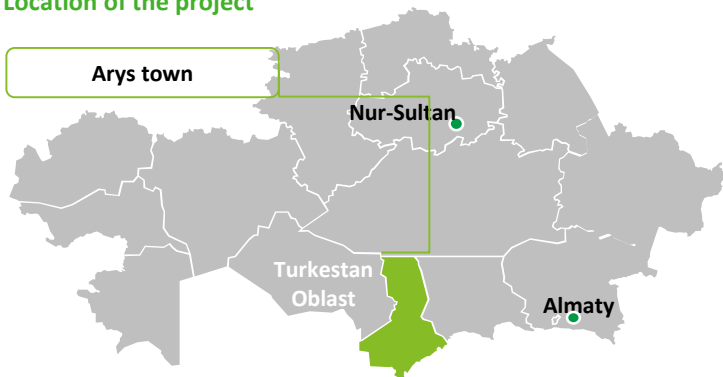
What is the attractiveness of the project?

- **Modern technology used in freezing and storage.** The Project’s uniqueness is its year-round product through a single summer harvest, and which can be stored using shock freezing therapy. Fast cooling and shock freezing slow down post-harvest ripening processes, extending the storage period (up to 2-3 years).
- **Favourable climate.** Turkestan Oblast is traditionally Kazakhstan’s melon-growing area, where the combination of a warm climate, fertile soil and special irrigation system aid effective plant growing development and, correspondingly, high crop yield. Roughly 37% of melon growing areas are in Turkestan Oblast. Turkestan (59% of the total for the country) and Dzhambul (17%) Oblasts are responsible for the country’s main melon yield.

Project profitability



Location of the project





Construction of an oil extraction plant in Pavlodar region

Commercial products

Annual capacity: 6.8 thousand tonnes of vegetable oils

Investment attractiveness of the project:

Investment – US\$ 5,116 thousand
 Project NPV – US\$ 10,827 thousand
 IRR – 41.3%
 Payback period – 3.6 years

Project description

The Project provides for the construction of an oil extraction plant for the production of vegetable oils with a capacity of 6.8 thousand tonnes per year in Kalkaman village of Pavlodar region.

Company

Initiator of the project is agricultural production cooperative Ertis Agro. The Company's main activity is related to the production, processing and sale of oilseeds and grain crops, storage and logistics. The Initiator has a land plot of 9.881 hectares, an elevator for storage, processing and drying of raw materials. The Company has more than 100 thousand hectares of agricultural land (about 25% of total sown areas of Pavlodar region), more than 400 units of special-purpose equipment, of which 150 are tractors, over 100 combines and over 100 seeders.

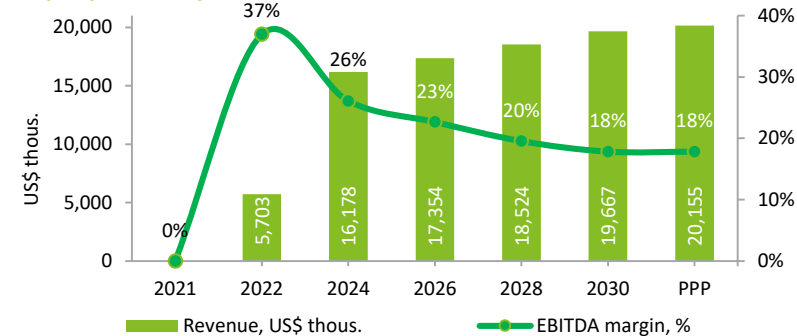
Market

- According to Fitch Solutions forecasts, sunflower oil market will grow increasing at CAGR of 5.3% for the period of 2021-2026.
- Over the last five years, the CAGR of sunflower oil production was 8.9%. In 2020, the production capacity of unrefined oil reached 434 thousand tonnes per year. Share of unrefined sunflower oil production in total sunflower oil production over the last five years reached 53%. In 2020, the production of unrefined oil increased by 1.9% compared to 2019, and CAGR of production during 2015-2019 was 17.1%.

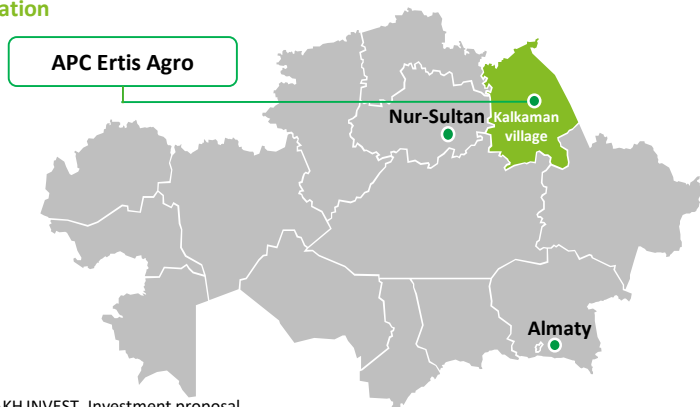
What is the attractiveness of the project?

- **Proximity to capacious markets.** Considering the geographical proximity of the country to capacious sales markets of Russia and China, the short transport leverage makes it possible to establish exports to take a significant share in those consumption markets.
- **Reliable suppliers of raw materials.** The initiator entered into a forward purchase agreement for the supply of seeds with agricultural producers included in Ertis-Agro SEC. Cooperation with SEC members will ensure uninterrupted supply of raw materials for production.
- **Reliable equipment supplier.** As part of the preparation of a technical proposal for the equipment supply, an agreement was concluded with one of the leading manufacturers of equipment for agricultural food products processing.

Project profitability



Location





Creation of pork production complex

Annual capacity:

- pork – 2,268 thousand tons
 - by-products – 425 thousand tons
- Import of pork in China in 2020 – 4, 304 thousand tons

Project investment attractiveness :

Investment – 27,723 thousand USD
 Project NPV – 8,023 thousand USD
 IRR – 18.5%
 Payback period – 6.8 years

Project

The investment project plans for the construction of a pig farm with a capacity of 40 thousands pigs and a feed mill with a capacity of 10 tons / hour.

A contract was signed for the lease of 40 hectares of land for pig farm construction and 10 hectares for feed mill construction. The project is focused on the development and increase of the country's export potential in the markets of China and Russia.

Company

Petropavlagro LLP was established for the implementation of the project. The company's management has professional knowledge in engineering construction and law.

Market

- According to the OECD and UN FAO forecasts, the global consumption of this type of meat will increase as the market recovers from the African swine fever from 2021. The CAGR in 2021-2029 will be 1.75%. Pork consumption is projected to increase by 9.2% by 2023.
- At the same time, these forecasts indicate an increase in per capita pork consumption. In 2020, this figure was 10.7 kg per person, and by 2029 it is forecasted to grow by 11.8 kg per person.
- The largest consumer of pork in the world is China, with 39% of global consumption. The Southeast Asian Countries, the EU countries, the USA and Russia are also major pork consumers.

What is the project's attractiveness?

- **Favorable location.** The location of the complex was chosen optimally, taking into account the distance from large settlements, which corresponds to the Company's strategy to ensure maximum biosecurity of facilities, but at the same time, it allows the Company to significantly reduce logistics costs when delivering products to end consumers in Russia and China. The climatic conditions of the selected region are favorable for pig breeding. On the territory of the site and nearby there are ground communications: railway, high-voltage power line, as well as underground cable communication lines (telephone and Internet), sewerage, water supply.
- **Independence from feed supplies and feed quality control.** Under the Project, it is planned to build a feed, which meets the advanced global quality and biosafety standards. This will reduce feed costs, including shipping costs, as well as ensure feed quality and reduce the risk of supply chain disruption.

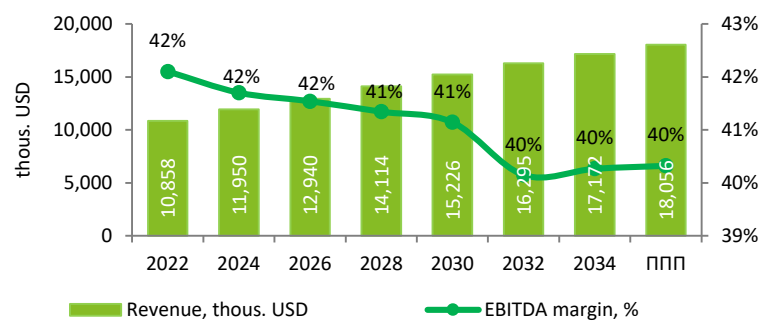
Investment proposal

The Project requires investment of US\$ 27,723 thousand, of which:

- 70% (19,406 US\$ thousand) – debt financing subject to collateral;
- From 30% (8,317 US\$ thousand) – participation of Investor.

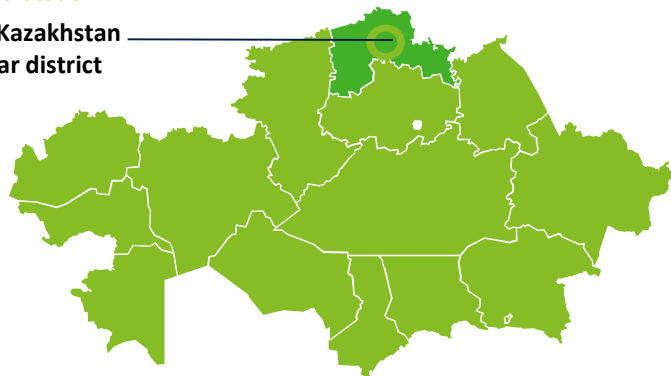
The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

Project profitability



Project location

North Kazakhstan
Akzhar district





Construction of an advanced wool processing plant in East-Kazakhstan Oblast

Product

Processing capacity: 10,000 tons of unwashed wool.
Production volumes: tops – 2 453 tons; cashmere – 2 180 tons.

Investment attractiveness of the project:

Investment – 20,000 thousand USD
NPV – 27,692 thousand USD
IRR – 25.3%
Payback – 6.5 years

Project

The plan for the investment project (“Project”) is to construct a wool primary treatment (“WPT”) plant with advanced wool processing and fibre (cashmere) removal, as well as wool washing and tops production.

In the second stage, the Company is planning to build its own agricultural firm to source raw materials for the WPT plant.

What is the attractiveness of the project?

- **Advantageous location.** East-Kazakhstan Oblast with its favourable climate is traditionally Kazakhstan’s meat and wool sheep breeding region. The region also has a well-developed road and logistics network, which helps minimise both the time and costs needed to deliver finished products to practically any region of the country.
- **Creation of purchasing centres.** The plant will be in close proximity to raw material suppliers, which will ensure an uninterrupted supply of crude wool.
- **Advanced processing.** Modern production equipment makes it possible to produce quality fibre to create cashmere from crude wool. Cashmere is in demand in the EU, China, Turkey and the CIS.

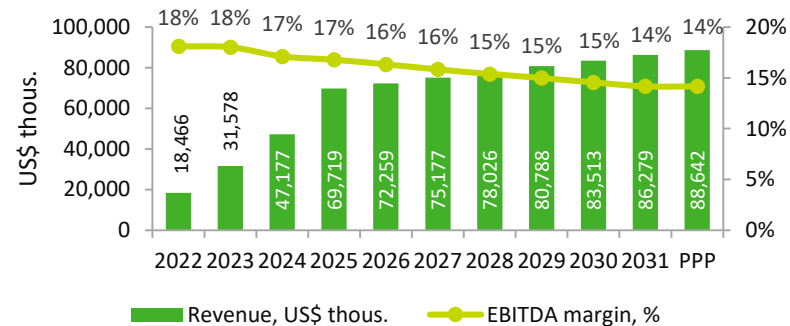
Company

Belsan I K LLP was registered in 2009 to treat wool. After reaching planned capacity, the Company is planning to apply to join the International Wool Textile Organisation (IWTO), which will help establish close links with leading companies (processors and/or sellers).

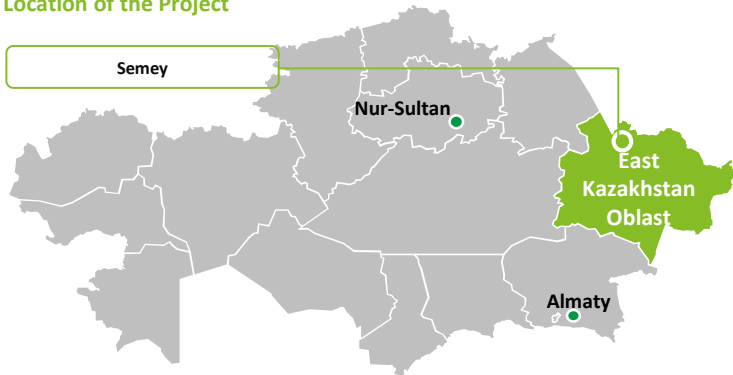
Market

- In the last 5 years, annual wool production in Kazakhstan averaged 39 thousand tonnes. Average wool production growth was 0.9%, while production reached 40.2 thousand tonnes in 2020.
- Sheep wool makes up the greatest share of wool production (97.7%). It is due to the large sheep herds in Kazakhstan. The majority of animals are bred in private businesses, with the share of agricultural enterprises insignificant.

Project profitability



Location of the Project



Expansion of a modern pig farm to a capacity of 500,000 heads

Agro-Industrial complex



Project idea:

The project envisages an expansion of an existing pig farm from a capacity of 50,000 heads to 500,000 heads. Project implementation will create around 240 additional jobs.

Project location:

Taiynsha district of North Kazakhstan oblast

Project Initiator:

EMC Agro LLP

Production capacity:

51 thousand tons of finished products (2026), of which meat on bone is 68%, sausage products - 24% and offal - 8%. 86% of the total volume of finished products comes from slaughtering of pigs and 14% – from cattle.

Sales market:

The company plans to export 70% of its manufactured goods to China and sell the rest on the domestic market through distribution networks.

Production process:

An economically justified technological scheme for organizing pig breeding is considered to be a process with a complete production cycle, including the reproduction of piglets, nursery and feeding until the stage of commodity items. This mechanism provides a steady reproduction and formation of the herd, as well as the flow rate and uniformity of the arrival of young stock for fattening.

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thousand	126,866
Project NPV, US\$ thousand	121,368
IRR, %	26.4%
EBITDA margin, %	22%
Payback period, years	8.2
Discounted payback period, years	10.2

Investment structure



\$67.52 million

\$33 million

\$10.27 million

\$6.86 million

\$9.21 million

Prerequisites for the Project implementation

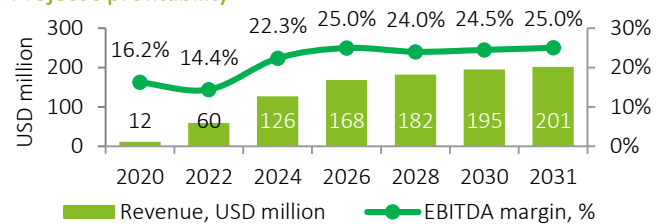
Food base. The pig farm is located in the center of the grain region of Kazakhstan, rich in cultivated wheat, rapeseed, and soy. Availability of high-quality and inexpensive feed is one of the key conditions for pig farming and gives a significant competitive advantage. EMC Agro LLP purchases feed from the sister companies Aziaagrofud JSC and Bio Operations LLP (5 km from the pig farm).

Export to China. Over the past 5 years, China's pork imports have increased 2.6 times and amounted to 2 million tonnes in 2019. It is expected that this indicator will grow due to the decline in the volume of domestic pork production. According to the agricultural survey 2020-2029 of the Ministry of agriculture of the People's Republic of China, it is expected that in 2020 pork production will decrease to 39 million tons (-9.2% by 2019) due to the African swine fever in China (hereinafter-ASF) and COVID-19. It is planned to include EMC Agro LLP in the Register of The General Customs Administration of the People's Republic of China as a potential pork exporter to China.

Availability of the necessary infrastructure and qualification

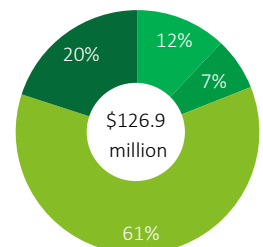
The Initiator manages a modern pig farm, has a land plot with all engineering and technical communications. The pig complex, where technological processes are automated, includes: reproductive farm, artificial insemination station, growing and fattening farm, meat processing plant, own veterinary service, and equipped laboratory.

Project's profitability



Financing structure

- Initiator equity
12% (\$15 million)
- Participation of the Fund (KIDF or KCM)
7% (\$9 million)
- Debt financing subject to collateral
61% (\$76.9 million)
- Participation of the Investor
From 20% (\$26 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Full-cycle cattle fattening and meat processing and sale enterprise

Agricultural sector



Project summary

Increasing the production capacity of a full-cycle enterprise for fattening cattle, processing and selling cattle meat in Almaty Oblast.

Under the project implementation in two locations it is planned to:

- expand in Boleksaz village of Kegen district the existing feedlot capacity, and to provide own forage resources on a leased land plot;
- build in Koshmambet village of Karasay district new feedlot, to increase the meat processing plant capacity.

Within the Project 192 jobs are expected to be created.

Project Initiator:

Meat Processing and Service LLP

Project location:

Republic of Kazakhstan, Almaty Oblast

Marketed products and Project capacity:

24,157 tons of meat annually since 2022.

Within the Project is planned to produce:

- chilled beef carcasses.

Consumer markets: domestic market of the Republic of Kazakhstan and China market.

Equipment suppliers: Jarvis Russia LLC, ScanRef Company LLC, Agromanagement Kazakhstan LLP, Individual entrepreneur Pesterev I.A.

Investment attractiveness of the Project

Indicator	Results
Investment, US\$ thousand	35,508
Project NPV, US\$ thousand	44,277
IRR, %	27.8
EBITDA margin, %	11
Payback period, years	6.3
Discounted payback period, years	8.3

Investment structure



Construction and assembly work

20%

\$7.1 million



Machinery and equipment

7%

\$2.4 million



Other expenses

24%

\$8.5 million



Initial working capital

49%

\$17.5 million

Prerequisites for Project implementation

Trade and logistics chain - To sell its products under its own brand Asyl ET, the Company has its chain of meat stores Asyl ET and its own frozen meat distribution network MPS Distribution (neighbourhood store).

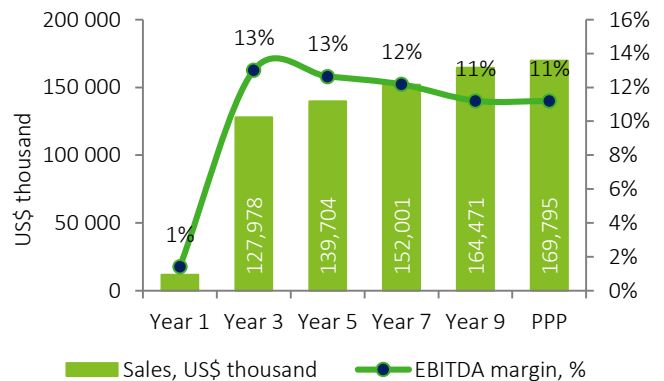
The Initiator is accredited for products distribution to China, Russia and the Middle East.

Company's extensive material and technical base - The Company's assets include large land plots for arable land and pastures, an operating meat processing plant, a feedlot, a trading network of five stores, seeding equipment and a granary, which greatly simplifies the Project implementation.

Proximity to potential clients - The location in the densely populated Almaty Oblast gives an advantage in proximity to the sales markets of Almaty and Almaty Oblast with a population of 3.8 million people.

In addition, the strategically convenient location of the region for cross-border trade with China will reduce transport costs when exporting products.

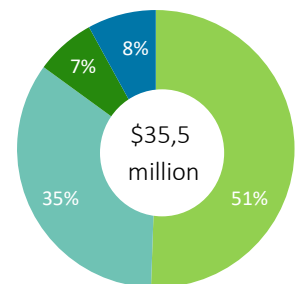
Project profitability



Financing structure

- Initiator equity 51% (\$18 million)
- Debt financing subject to collateral 35% (\$12.2 million)
- Participation of the Fund (KIDF or KCM) 7% (\$2.6 million)

Participation of the Investor from 8% (\$2.7 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Construction of an oil extraction plant

Agro-industrial complex

Project Description:

The construction of an oil extraction plant for the production of vegetable oils in North Kazakhstan oblast provides for the use of a combined process of processing up to 847 thousand tons of sunflower seeds, rapeseed and soybeans annually. The project provides for the creation of 364 jobs.

Estimated sales volumes and markets:

- on the domestic market - 145.4 thousand tons per year, including oil in the amount of 34.1 thousand tons, flakes - 58.1 thousand tons, fuel pellets - 51.4 thousand tons, vegetable lecithin - 1.8 thousand tons
- for export - 522.5 thousand tons per year, of which: oil - 193.5 thousand tons, meal - 329.0 thousand tons.

The plant's products are planned to be sold through its own trading house:

Location of the Project:

Petropavl, North Kazakhstan oblast, Kazakhstan

Initiator of the project:

LLP "Petropavlovsk Oil Extraction Plant"

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ mill.	179.0
Project NPV, US\$ mill.	252.3
IRR, %	25.5%
EBITDA margin, %	20.22%
Payback period, years	6.4
Discounted payback period, years	8.6

Investment structure



Construction and assembly work

41%

\$73.6 million



Machinery and equipment

51%

\$91.4 million



Other expenses

8%

\$14,1 million

Prerequisites for Project implementation

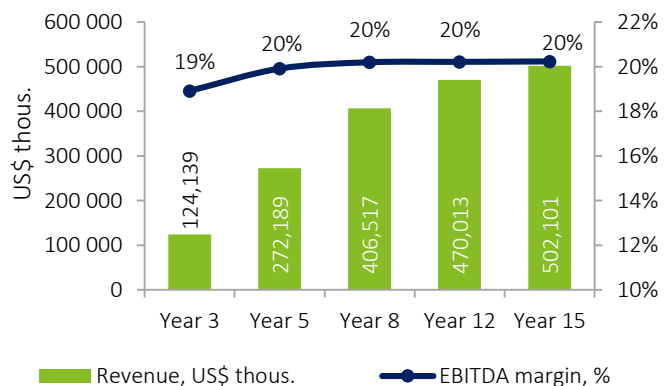
Rich raw material base - The gross harvest of sunflower, rapeseed and soybean seeds in Kazakhstan in 2019 amounted to 918, 241 and 282 thous. tons.

Price differential with neighboring countries. In general, there is a disparity in prices in Kazakhstan in comparison with prices for products in neighboring countries, which justifies the increased export of oilseeds from Kazakhstan in a number of positions.

Qualified staff. The company attracts qualified personnel for effective production management, as well as with scientific and practical experience in the selection of oilseed varieties with increased consumer properties.

A reliable partner and modern plant equipment. The Exoil Group has significant experience in processing, trading of oilseeds and grains, port handling and logistics. In 2016, the group put into operation a similar project for the production and deep processing of oilseeds with a capacity of 2,000 tons per day in the Lipetsk oblast, RF.

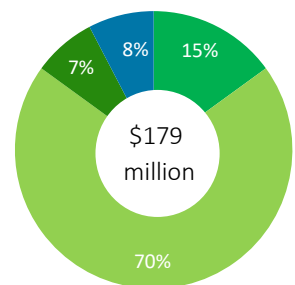
Project profitability



Financing structure

- Initiator equity 15% (\$26.9 million)
- Debt financing subject to collateral 70% (\$125.3 million)
- Participation of the Fund (KIDF or KCM) 7,35% (\$13.1 million)

Participation of the Investor from 7,65% (\$13.7 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Organization of a meat cluster for the production of lamb and beef in West Kazakhstan oblast

Agro-Industrial Complex

Description of the project:

Organization of a full-cycle meat cluster for the production of lamb and beef in West Kazakhstan oblast.

Reproducer with a capacity of 5,000 heads of one-time keeping, a feedlot with a capacity of 20,000 heads of one-time keeping, a meat processing plant with a slaughter capacity of 700 carcasses per shift are planned to be built according to the project. Production will create 95 additional workplaces.

Location:

West Kazakhstan Oblast, Syrym district, Sholakankatyn district, Toganas village

Initiator:

KazMeat Industry LLP - the main activity is the breeding of sheep and goats.

Output and capacity:

Mutton – 3,425 tons, beef - 33 tons. It is expected that mutton will be sold to meat-processing plants of the country and will be exported to the CIS countries, the Middle East and China. Beef will be sold to the regional meat processing plant.


Production process:

- Maintenance of small cattle and broodstock. The farm has chosen a mixed system of keeping small cattle: a combination of pasture and stall keeping.
- Slaughter, sorting, and preparation of meat products for sale (cooling and storage).

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thous.	18,468
Project NPV, US\$ thous.	32,164
IRR, %	16.7%
EBITDA yield, %	26%
Payback period, years	11.1
Discounted payback period, years	15.7

Investment structure

	Construction and assembly work	29%	\$5.4 million
	Machinery and equipment	46%	\$8.5 million
	acquisition of breeding stock;	6%	\$1.0 million
	Other	19%	\$3.5 million

Prerequisites for implementation of the Project

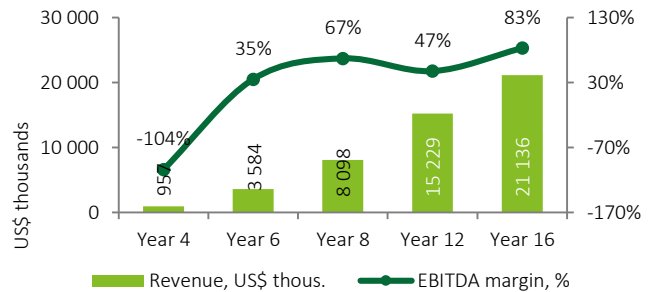
Growing global demand for lamb. According to forecasts by the OECD and the UN FAO, there will be an increase in the global level of consumption of mutton. The average annual growth rate in 2020-2024 will be 2.39%.

Price differential with neighboring countries. The average price of mutton in the regions of the RF bordering with the RK is 37% higher than the average Kazakhstan prices. The average price in the PRC market (9.82 USD / kg) exceeds the average price of mutton in the RK by more than 2 times. The average import price of mutton in the Middle East is 54% higher than the domestic market's average price.

Development of export to foreign countries. The export volumes of mutton from Kazakhstan have been growing rapidly in recent years (3 times since 2017) due to beginning of large supplies to Iran, China and Russia.

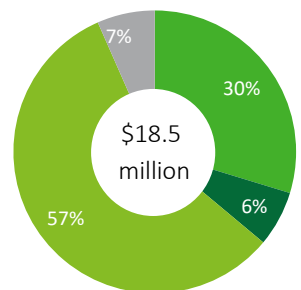
Favorable location. The climatic conditions of the region are favorable for sheep breeding. The selected plot for the farm is sown meadows with access to river water.

Project Profitability



Financing structure

- Initiator equity
30% (\$5.5 million)
- Participation of the Fund (KIDF or KCM)
6% (\$1.2 million)
- Debt financing subject to collateral
57% (\$10.6 million)
- Participation of the Investor
om 7% (\$1.2 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Development of an aquaculture complex to produce black caviar and commercial sturgeon

Agricultural sector

Project description:

Development of an aquaculture complex to produce black caviar and commercial sturgeon, with the creation of 31 additional workplaces.

Project location:

West-Kazakhstan Oblast, Uralsk, Zachagansk Village

Project Initiator:

Scientific Research Complex for Aquaculture Pilot Production LLP ("SRCPPA")

Product and output:

Smoked fish – 3 tonnes
Fresh-frozen fish – 6.7 tonnes
Black caviar - 10 tonnes.

Sales market:

Domestic market: 2 tonnes of caviar and 3 tonnes of smoked fish;
Exports: fresh-frozen fish 6.7 tonnes (Russia) and 8 tonnes of caviar (Russia, UAE, USA, Japan, EU).

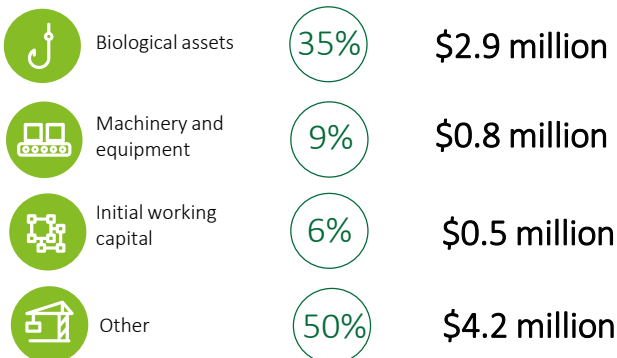
Production process:

- Maintenance in a closed water supply system unit (obtaining larvae, juvenile rearing, rearing to a mature brood fish, hibernation)
- Preparation of marketable product (selection, pasteurization, addition of preservatives)

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousands	8 400
Project NPV, US\$ thousands	30,533
IRR, %	36.5%
EBITDA margin, %	58%
Payback period, years	7.4
Discounted payback period, years	8.7

Investment structure



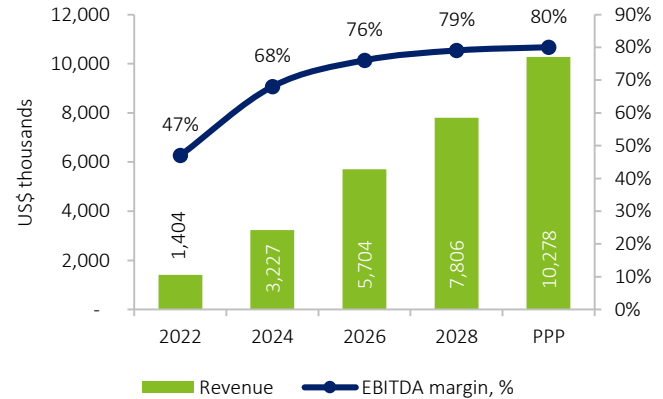
Prerequisites for Project implementation

Revival of the population of rare species - the Company's activities are aimed to resolve the ecological problem of extinction and to revive the population of sturgeon in the Caspian region.

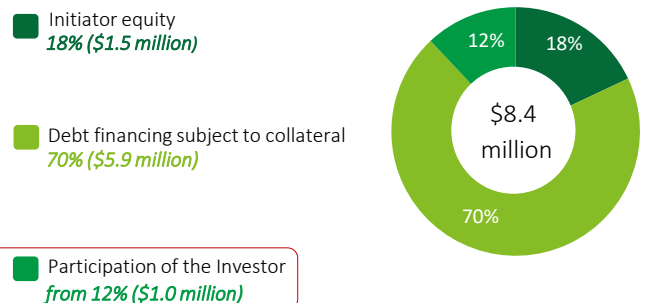
Growing demand for fish and sturgeon caviar - According to forecasts by the OECD and UN FAO, there will be an increase in the total level of fish consumption in the world. Average annual growth rate (CAGR) in 2019-2025 will be 1.8%. Thus, whilst in 2018 fish consumption per capita amounted to 20.3 kg per person, by 2027 consumption will reach the level of 21.3 kg per person. According to forecasts, the global caviar market will also grow with a significant CAGR of 7% for 2015 - 2025. It is estimated that by 2025 the caviar market will be valued at US\$ 560.6 mln.

Import substitution - Total volume of imports of sturgeon caviar in 2019 had shown a 1.5 times increase compared to 2018 and amounted to 3.4 tonnes. That provides the possibility to occupy a significant niche in the market by producing the quality products at reasonable prices.

Project profitability



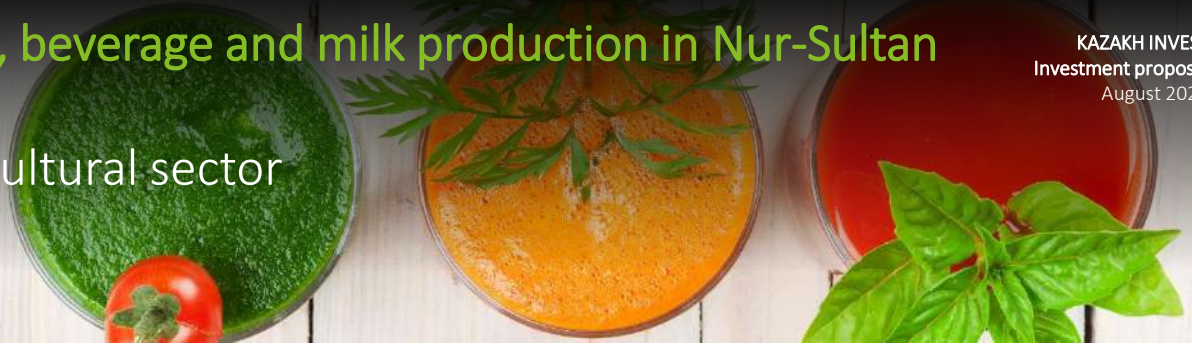
Financing structure



The proposed funding structure is indicative, the final structure of financing and shares of participation in the Project will be determined based on the results of joint negotiations with the Investor.

Juice, beverage and milk production in Nur-Sultan

Agricultural sector



Project summary

The Project stipulates retrieving a plant producing juice, juice drinks, ice tea and ultra-pasteurised milk in Nur-Sultan from a bank pledge, and launching and relaunching production. The plant was previously commissioned in 2015 and shut down in 2018. The Project will create 82 jobs.

Project Initiator:

Astana Bottlers LLP

Project location:

Republic of Kazakhstan, Nur-Sultan

Marketed products and Project capacity:

The Company is planning to reach planned capacity of 79.2 million units from 2026.

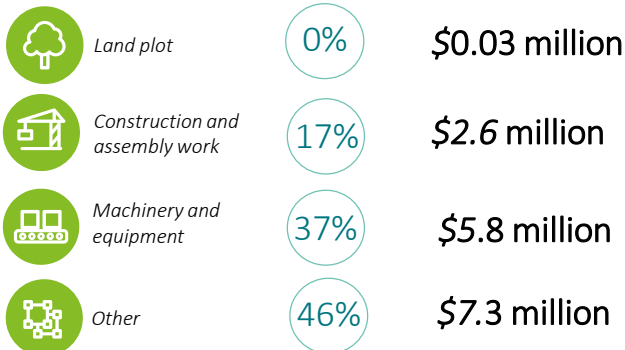
- "Kariba" juices and nectars;
- "Kariba" ice tea alcohol-free beverages;
- "Zhanym" milk;
- "Mirovoi" non-alcoholic beverages;
- "Balapan" children's food.

Consumer markets: Domestic market, the markets of Kyrgyzstan, Uzbekistan and Russia.

Investment attractiveness of the Project

Financial indicators	Results
Investment, US\$ thousand	15,655
Project NPV, US\$ thousand	19,300
IRR, %	23,9%
EBITDA margin, %	22,5%
Payback period, years	7,4
Discounted payback period, years	10,3

Investment structure



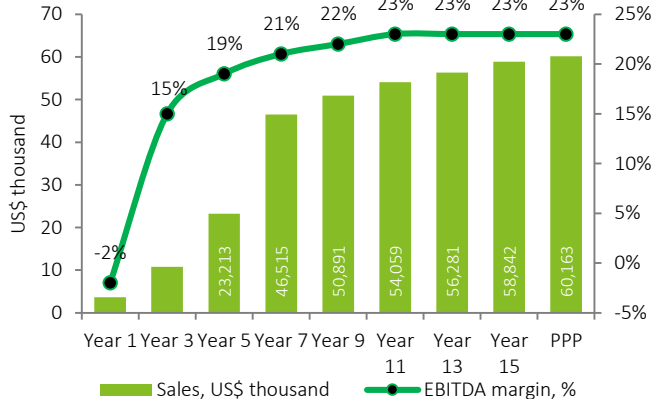
Prerequisites for Project implementation

Demand for non-alcoholic beverages in Kazakhstan – Average annual growth in the sale of non-alcoholic beverages for 2017-2019 was 9.3%, demonstrating an intensive growth. According to Fitch Solutions, the expected inflation slowdown and growth in real purchase power across the country will help maintain the 8.7% sales growth seen in non-alcoholic beverages in 2020-2024 (CAGR).

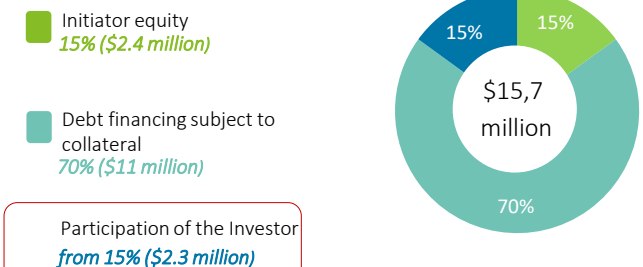
Milk production deficit – According to Fitch Solutions, milk consumption in Kazakhstan will follow global trends in 2020-2024 and grow by an average of 4.7%. The historical balance of the production, consumption, export and import of liquid milk and cream in Kazakhstan points to a production deficit in the country. In 2019, the production deficit amounted to 21.5 thousand tons.

Modern production base in Nur-Sultan that is a part of a food agglomeration – The initiator is the only major producer of drinks in Nur-Sultan agglomeration. The location of the plant in Nur-Sultan is a profitable advantage for prompt delivery to the regions of Kazakhstan and the Russian market. The plant is fully fitted with production and packaging equipment and aseptic filling lines. The plant also has its own infrastructure and utilities networks.

Project profitability



Financing structure



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Production of organic and humic complex fertilizers

Agricultural sector

Project description:

Construction of a plant for the production of organic and humic complex fertilizers with the creation of 30 new workplaces.

Project location:

Karaganda oblast, Karaganda, on the territory of the SEZ "Sary Arka"

Project Initiator:

ESMAR LLP

Product and output:

Organo-humic fertilizers from brown coal (sodium humate) - 36.5 thousand tonnes per year

Sales market:

The entire volume of manufactured products is planned to be sold on the domestic market.

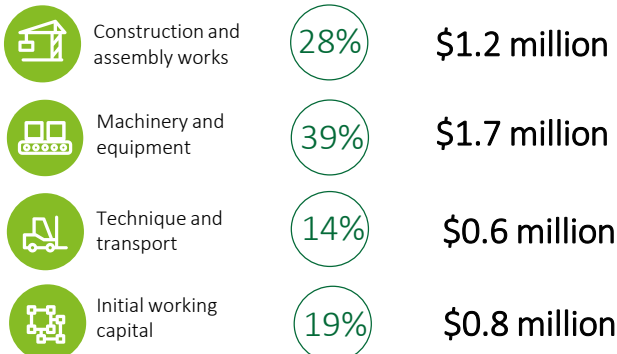
Production process:

1. Crushing of oxidized brown coal, alkalization and addition of microelements, production of organomineral fertilizers.
2. Preparation of marketable product (prepackaging operation, packaging and transportation).

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousands	4,308
Project NPV, US\$ thousands	6,243
IRR, %	33%
EBITDA margin, %	22%
Payback period, years	5.6
Discounted payback period, years	6.9

Investment structure



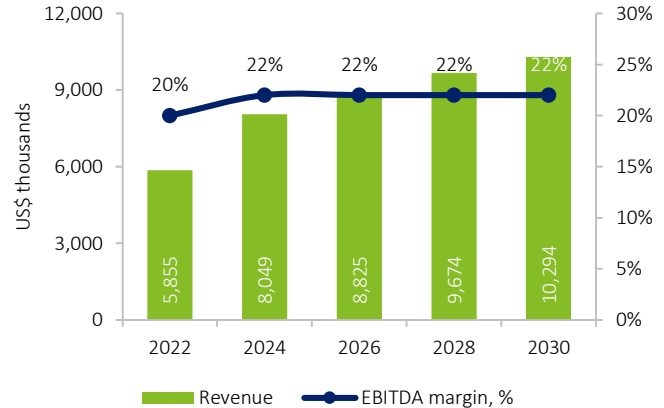
Prerequisites for Project implementation

Reduction of the level of environmental pollution. Production involves the usage of pulp brown coal (oxidized in mine), that is classified as unusable recovered waste. the storage of which referred as non-manufacturing costs and is considered a factor of environmental pollution.

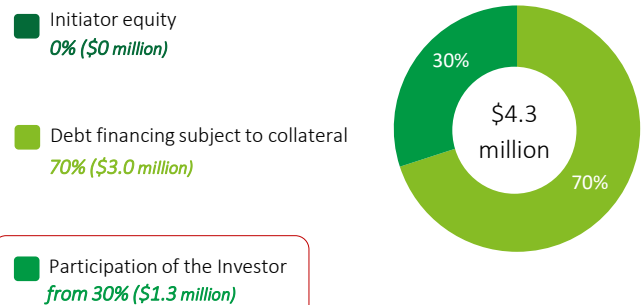
Growing demand for organic fertilizers - currently the concept of a "green" economy is gaining popularity in the world. The harmful effects of chemical fertilizers, leading to soil depletion, have contributed to the limitation of their use at the legislative level in several developed countries around the world.

Import substitution – total volume of imports of organic fertilizers in 2019 had shown a 5 times increase compared to 2015 and amounted to 1.6 thousand tonnes. That provides the possibility to occupy a significant niche in the market by producing the quality products at reasonable prices.

Project profitability



Financing structure



The proposed funding structure is indicative, the final structure of financing and shares of participation in the Project will be determined based on the results of joint negotiations with the Investor.

Cultivation of fodder crops for export using irrigation

Agro-industrial complex

Project description

The principal focus of this project is cultivation of cattle and bovine feeds based on lucerne and barley. The Project suggests creation of 20 additional work places.

Production will be carried out in two land plots:

One with a total area of 3,468 ha in Bayterek village (West Kazakhstan, Yanaikinsky district) and the other with a total area of 14,933 ha near the town of Stepnogorsk (Akmola region).

The projects aims fulfilling following goals:

- To increase the export potential of forage crops in the cattle and bovine feed sub-industry agro-industrial complex, which will increase the production capacity of value-added products.
- Development of new land plots, construction of infrastructure for irrigation of land and the use of modern technologies for irrigation of crops;

Initiator:

SC Food LLP. The Company sells cattle meat, produces and sells feed, has over 10 years of experience in agriculture and feed production.

Commodity production and capacity:

Upon reaching the full capacity in the 3rd year of the Project operation, it is planned to sell up to 62,593 tonnes of product annually. Produced goods:

- Barley;
- Lucerne hay.

Sales markets: domestic market and export (to China).

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousand	9,744
Project NPV, US\$ thousand	16,140
IRR, %	27.3%
EBITDA margin, %	30.0%
Payback period, years	6.0
Discounted payback period, years	8.0

Investment structure



Construction and assembly work

40%

\$3.91 million



Machinery and equipment

60%

\$5.83 million

Prerequisites for Project implementation

Project location.

The Initiator holds the right of land use for two land plots for up to 49 years. The selected land plots are located near reservoirs, where the cost of water does not exceed 1 tg / cubic m, which is much cheaper than water from canals (17-25 tg / 1 cubic m).

Strong demand for hay in Kazakhstan.

The consumption of dry fodder by cattle in 2019 has increased 1.5 times compared to 2015. Average annual growth rate of cattle dry fodder consumption (CAGR) for the period of 2015-2019 was 8%, indicating a strong demand for the product. The average annual growth rate of total dry fodder consumption in the country (CAGR) for the period 2015-2019. amounted to 11%.

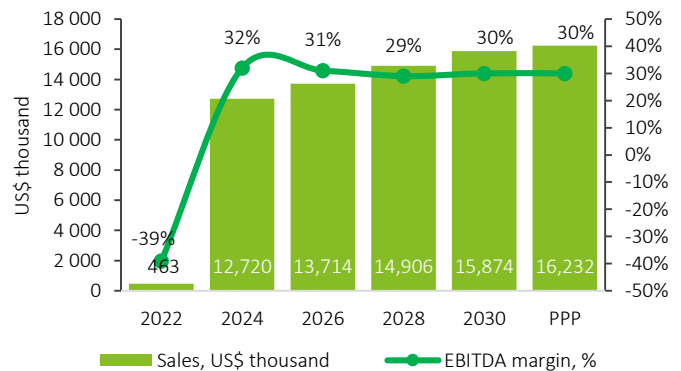
Guaranteed sales.

The company signed a memorandum for the supply of lucerne from July 30, 2020 to China in the amount of 180,000 tons with a Chinese company Kaz-Food (Alashankou) Import & Export Co. Ltd.

Governmental support.

The project belongs to investment priority projects, for which various types of state preferences are provided

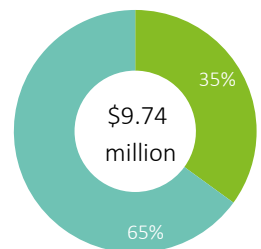
Project profitability



Financing structure

Participation of the Investor
35% (\$3.41 million)

Debt financing subject to collateral
65% (\$6.33 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Poultry feed farming and production on newly irrigated land

Agro-industrial complex

Project description

Organisation of forage production based on soybeans and corn for poultry.

The production is planned on a leased land plot with an area of 6,700 ha in Akmol village, Tselinograd district, Akmol Oblast. The production process will include a resource-saving technology for crop irrigation.

Initiator:

Akmola-Fenix Plus LLP is a part of Shanyrak group of companies engaged in food production: chicken eggs, meat products, sausages and delicacies.

Commodity production and capacity:

Upon reaching the design capacity in the third year of the Project, it is planned to produce 23,450 tonnes of feed annually.

Produced goods:

- Corn;
- Soybeans.

Sales markets: domestic market.

The company will provide full feed to the poultry farm of the sister company Capital Project LLP, where it is planned to supply 23,450 tons of products annually.

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousand	11,968
Project NPV, US\$ thousand	14,060
IRR, %	25.0%
EBITDA margin, %	53.0%
Payback period, years	6.0
Discounted payback period, years	7.9

Investment structure



Construction and assembly work

67%

\$8,0 mln



Machinery and equipment

27%

\$3,2 mln



Other capital expenses

6%

\$0,8 mln

Prerequisites for Project implementation

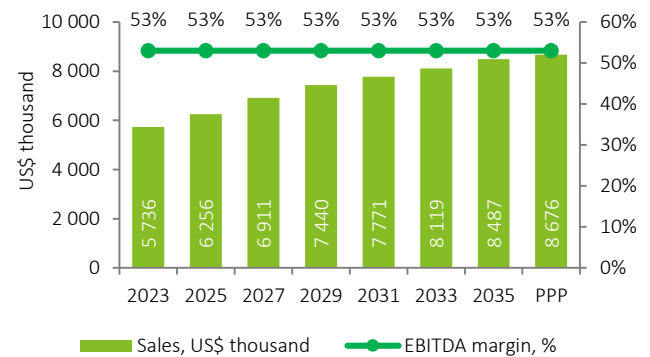
Guaranteed domestic sales.

The products will be sold under contracts with the sister company Capital Project LLP (100%), which provides a guaranteed sales for the products manufactured.

Demand for grain fodder and grain legume fodder in Kazakhstan. The grain feed consumption by poultry in 2019 increased 3 times compared to 2015. CAGR of grain feed consumption for 2015-2019 was 32%, indicating a strong demand for the product. The grain legumes consumption in 2019 amounted to 1.8 thousand tonnes, with an increase of 23% compared to last year.

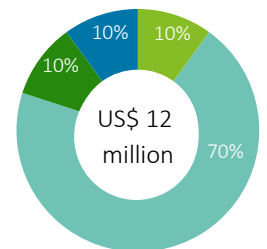
Favourable location. The moderately cold climate of the selected region is favourable for the selected crops. The growing season is 150-160 days per year. The absolute maximum temperature is observed in July, with an average monthly temperature of 19.8 °C and the absolute minimum temperature is in February, with an average temperature of -15.8 °C. The precipitation is about 280-350 mm per year. It is planned to use surface water from the Nura River for irrigation of land plot.

Project profitability



Financing structure

- Initiator equity
10% (\$1.2 million)
- Debt financing subject to collateral
70% (\$8.4 million)
- Funds participation (KIDF, KCM, SKI)
10% (\$1.2 million)
- Participation of the Investor
10% (\$1.2 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Poultry feed farming and production on newly irrigated land

Agro-industrial complex

Project description

Organisation of forage production based on soybeans and corn for poultry. The production is planned in two locations in Almaty Oblast:

- in Turgen rural district of Enbekshikazakh district on a leased land plot of 800 ha; and
- in Tigermen rural district of Uygur district on own land plot with an area of 1,200 ha. The production process will include a resource-saving technology for crop irrigation.

The production process will include a resource-saving technology for crop irrigation. The Project will create 75 jobs.

Initiator:

Adal Agro Group LLP, which is a member of Otan Green Food LLP group of companies engaged in the food products industry. It produces chicken eggs, meat products, sausages and delicacies. In the corporate strategy of the Initiator as a holding structure, this project is considered as a vertical integration project, which will allow achieving self-sufficiency, reducing the cost of final products and bringing under cultiv

Commodity production and capacity:

Upon reaching the design capacity in Year 3 of the Project, it is planned to produce 14,742 tonnes of feed annually. Produced goods:

- Corn;
- Soybeans.

Sales markets: domestic market and export.

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousand	6,968
Project NPV, US\$ thousand	5,520
IRR, %	22.9%
EBITDA margin, %	53.0%
Payback period, years	6.6
Discounted payback period, years	9.5

Investment structure



Construction and assembly work

10%

\$0.7 million



Machinery and equipment

28%

\$2.0 million



Other capital expenses

62%

\$4.3 million

Prerequisites for Project implementation

Guaranteed domestic sales.

The most products will be sold under contracts with the parent company Otan Green food LLP, which provides a guaranteed domestic sales for the products manufactured.

Demand for grain fodder and grain legume fodder in Kazakhstan.

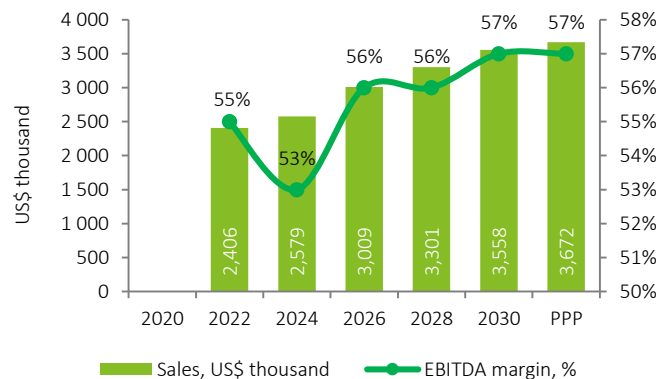
The grain feed consumption by poultry in 2019 increased 3 times compared to 2015. CAGR of grain feed consumption for 2015-2019 was 32%, indicating a strong demand for the product. The grain legumes consumption in 2019 amounted to 1.8 thousand tonnes, with an increase of 23% compared to last year.

Favourable location.

The moderately cold climate of the selected region is favourable for the selected crops. The growing season is 165-170 days per year.

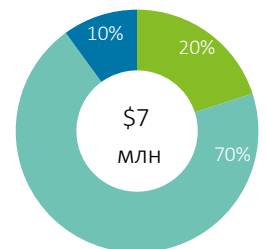
The absolute maximum temperature is observed in July, with an average monthly temperature of 22.0 °C and the absolute minimum temperature is in January, with an average temperature of -8 °C. The precipitation is about 400 mm per year.

Project profitability



Financing structure

- Initiator equity
20% (\$1.4 million)
- Debt financing subject to collateral
70% (\$4.9 million)
- Participation of the Investor
10% (\$0.7 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Full-cycle enterprise for fattening cattle, processing and sale of beef

Agricultural sector



Project summary

The project provides for the organization of a cattle breeding farm with subsequent processing and sale of beef meat in Semey, East Kazakhstan region.

The initiator owns the necessary infrastructure for the implementation of the project: the building of the former meat processing plant (now defunct) with an adjacent land plot of 29 ha. The necessary engineering and technical communications have been brought to the place of the Project implementation. Within the Project 103 jobs are expected to be created.

Project Initiator: Sembell LLP

The company owns two feedlots: Sembell LLP, launched in 2016 in Zharna region of East Kazakhstan region with a one-time keeping of 3,000 bull calves and located in Pavlodar region with a one-time keeping of 3,000 bull calves (My Feedlot LLP).

To date, on the territory of My Feedlot LLP work is underway on the implementation of a 4.5 ha land plot irrigation project, which will allow the Company to provide its own feed for the existing livestock.

Project location:

Semey, East Kazakhstan region.

Marketed products and Project capacity:

22,251 tons of products and 162,000 units. skins and offal (heads) annually since 2023. Within the Project is planned to produce: chilled beef carcasses; offal.

Consumer markets: domestic market and export to China.

Investment attractiveness of the Project

Indicator	Results
Investment, US\$ thousand	38,974
Project NPV, US\$ thousand	55,145
IRR, %	18.3%
EBITDA margin, %	15%
Payback period, years	6.9
Discounted payback period, years	9.9

Investment structure



Construction and assembly work

29%

\$11.3 million



Machinery and equipment

70%

\$27.4 million



Other expenses

1%

\$0.3 million

Prerequisites for Project implementation

Demand for beef meat .

In 2015-2019, there was a decrease in beef consumption in the country. In general, in 2015-2016, the average per capita consumption of beef reached 27 kg. In 2018, this indicator returned to normal at 28 kg. According to the OECD, the forecast for beef consumption in the country will stabilise by 2028 at 29.3 kg.

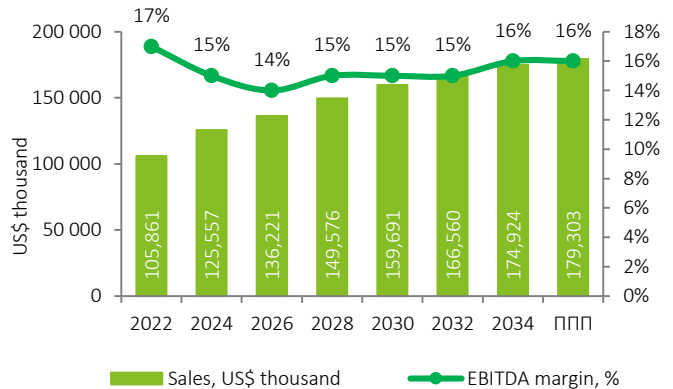
Favourable location.

The moderately cold climate of the Zharna region of the East Kazakhstan region is favourable for breeding gobies for further fattening of cattle. There is moderate rainfall throughout the year, even during the driest month. The temperature averages 4.3°C. Average annual precipitation is 200-300 mm.

Proximity to potential clients .

The location of the meat processing plant in Semey gives an advantage in proximity to the sales markets in the East Kazakhstan region with a population of 1.8 million people. Also, the strategically convenient location of the region for cross-border trade with the regions of the PRC and the Russian Federation will reduce transport costs when exporting products.

Project profitability

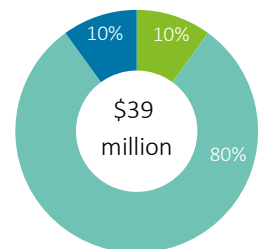


Financing structure

Initiator equity
10% (\$3.9 million)

Debt financing subject to collateral
80% (\$31.2 million)

Participation of the Investor
from 10% (\$3.9 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Launch of a compound feed production plant

KAZAKH INVEST
Investment proposal
November 2020

Agricultural sector

Project idea:

The Project envisages the launch of a plant to produce 120 000 tonnes of compound feed per year on a 3.3 ha site in Almaty.

The plant owned by the Initiator is fully operational. It is connected to all infrastructure and utilities, including railway sidings. The production site covers an area of 4 000 m².

The potential partner will have the required sector experience to improve its business by expanding its product range, upgrading the production process, and including Initiator product in its supply chain. The Project creates 25 new jobs.

Project location:

Almaty

Project Initiator:

Baharat LLP

Production capacity:

It is planned to reach full capacity in the third year from the date of launch, after which production volumes will reach a plateau at the level of 118.8 thousand tons per year. На начальных этапах развития At initial stages, product will include compound feed for various bird types, according to age, including:

- Start – 13.1 thous. tonnes;
- Grower – 40.4 thous. tonnes;
- Finish – 65.3 thous. tonnes.

Sales market:

The plan is to sell product created by the Project in neighbouring countries (Uzbekistan and China) through direct targeted sales with subsequent delivery to the buyer's warehouse.

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thousand	3,633
Project NPV, US\$ thousand	26,417
MIRR, %	24.5%
EBITDA margin, %	13%
Payback period, years	2.0
Discounted payback period, years	2.1

Investment structure



Initial working capital



100%

\$3.6 mln

Prerequisites for implementation of the Project

Advantageous location.

Almaty is a city of national significance and one of the leading industrial and economic centres of Kazakhstan. It is recognised as the southern capital of Kazakhstan. The main rail lines and “Western Europe – Western China” transportation corridor pass through Almaty. It is also home to an international airport, which helps reduce transportation and logistics costs when exporting goods.

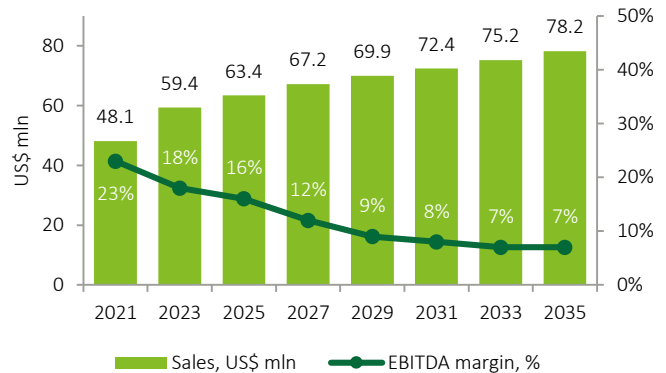
Sources of raw materials.

The main Project raw material, which is grain – wheat, will be purchased from local growers. Kazakhstan is one of the top 10 wheat exporting countries, with production reaching 11.5 million tonnes in 2019.

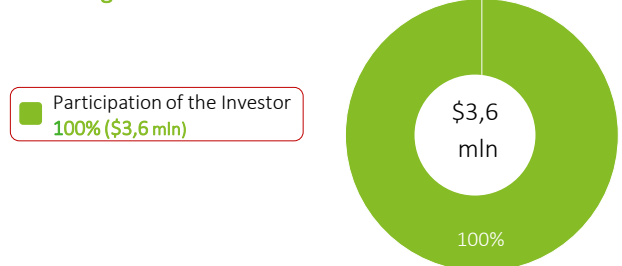
High-tech equipment.

Equipment used to prepare feed meets current technical standards. The manufacturer is the Swiss company Bühler AG, which is one of the global producers of feed and food products.

Project's profitability



Financing structure



The proposed financing structure and state support instruments are indicative, the final financing and Project participation structure will be determined based on the results of negotiations with the investor.

Cheese plant construction in Almaty

Agro-industrial complex

Project description

The investment project envisages the construction of a cheese plant with a capacity of 150 tonnes of raw materials per day on the territory of Almaty industrial zone. The Project creates over 250 highly qualified jobs.

Initiator:

Agroholding Dinara Group LLP is a diversified holding based in Almaty Oblast. The holding structure includes: Agrofirma Dinara Ranch (feedlots, meat processing plant and dairy farm), SPK Plemzavod Almaty (dairy farm, sheep-breeding farm and feed production), PK Dinara (rice growing, processing and storage) and Agrofood LLP (combined feed production).

As it is the major milk producer in the region, the buyers of the company's products are large consumers such as FoodMaster, Danone, Raimbek Agro.

Commodity production and capacity:

From 2026, it is planned to reach full design capacity with production volume 6,408 thousand tonnes. Produced goods:

- Semi-hard cheese;
- Mozzarella cheese;
- Ricotta cheese;
- Butter.

Sales markets:

Export (China, the UAE) and domestic market.

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousand	23,292
Project NPV, US\$ thousand	36,995
IRR, %	31.4%
EBITDA margin, %	26%
Payback period, years	6.6
Discounted payback period, years	7.7

Investment structure



Construction and assembly work

16%

\$3.7 million



Machinery and equipment

75%

\$17.3 million



Initial working capital

7%

\$1.7 million



Other capital expenses

2%

\$0.6 million

Prerequisites for Project implementation

Extensive material and technical base.

The Initiator's assets comprise two large dairy farms that provide a raw material base. Among other things, the Initiator's group also owns land plots for pasture and irrigation, an operating meat processing plant, a feedlot, seeding equipment and a granary.

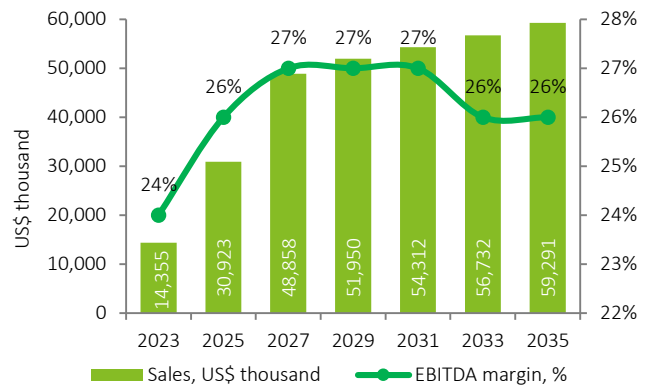
Demand for products.

Over the last 5 years, the production of cheese and cottage cheese in the country remained at the same level - 30 thousand tonnes in 2019, while the product consumption increased from 50 thousand tonnes in 2015 to 52 thousand tonnes in 2019. Production and consumption indicators for the first half of 2020 also exceed the indicators for the same period of the previous year.

Proximity to substantial consumer markets.

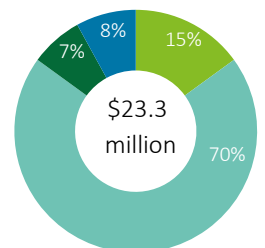
The location in the densely populated Almaty Oblast gives an advantage in proximity to the large consumer markets of Almaty city and Almaty Oblast (population of about 4 million people). In addition, the strategically convenient location of the region for cross-border trade with China will reduce transportation costs.

Project profitability



Financing structure

- Initiator equity
15% (\$3.5 million)
- Debt financing subject to collateral
70% (\$16.3 million)
- Funds participation (KIDF, KCM, SKI)
7% (\$1.7 million)
- Participation of the Investor
from 8% (\$1.8 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Launch of a modern pig farm in Almaty Oblast Agro-Industrial complex

Project idea:

The project provides for the construction of a slaughterhouse with a capacity of 800 heads per shift and the launch of a pig-breeding complex for 46,800 heads. The project plans to create 113 jobs.

Project location:

Daulet village, Talgar district, Almaty oblast

Project Initiator:

EcoMeat LLP

Production capacity:

It is planned to produce (2023) 3,338 tons of products annually (2,781 tons of meat and 556 tons of by-products).

Sales market:

The company plans to export pork meat (83%) to China, offal (17%) to the domestic market.






Production process:

An economically justified technological scheme for organizing pig breeding is considered to be a process with a complete production cycle, including the reproduction of piglets, nursery and feeding until the stage of commodity items. This mechanism provides a steady reproduction and formation of the herd, as well as the flow rate and uniformity of the arrival of young stock for fattening.

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thousand	5,708
Project NPV, US\$ thousand	9,788
IRR, %	22.6%
EBITDA margin, %	22.9%
Payback period, years	5.8
Discounted payback period, years	7.6

Investment structure

 Buildings and structures	50.2%	\$2.9 million
 Machinery and equipment	28.5%	\$1.6 million
 biological assets	17.5%	\$1.0 million
 Vehicles	1.1%	\$0.06 million
 Others	2.7%	\$0.15 million

Prerequisites for the Project implementation

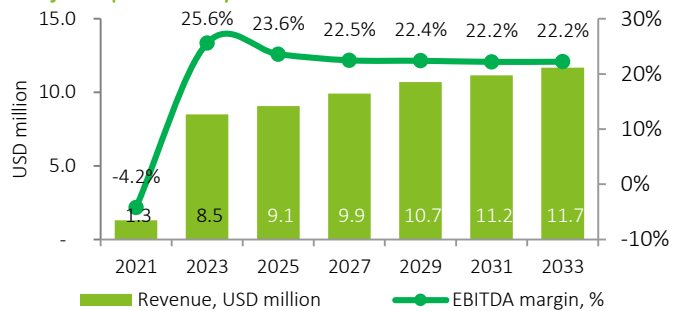
Favourable location. The location in the densely populated Almaty Oblast gives an advantage in proximity to the sales markets of Almaty and Almaty Oblast of 3.8 million people. In addition, the strategically convenient location of the region for cross-border trade with China will reduce transportation costs when exporting products.

Export to China. Over the past 5 years, China's pork imports have increased 2.6 times and amounted to 2 million tonnes in 2019. It is expected that this indicator will grow due to the decline in the volume of domestic pork production. According to the agricultural survey 2020-2029 of the Ministry of agriculture of the People's Republic of China, it is expected that in 2020 pork production will decrease to 39 million tons (-9.2% by 2019) due to the African swine fever in China (hereinafter-ASF) and COVID-19.

Availability of the necessary infrastructure and qualification

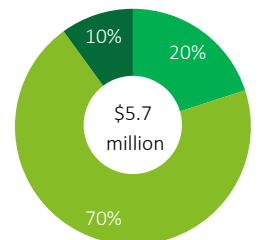
The Initiator manages a modern pig farm, equipped with necessary engineering and technical communications. The slaughterhouse complex, where technological processes are automated, includes: reproductive farm, artificial insemination station, reproduction workshop, fattening workshop, feed shop equipped with a mechanical feed from the feed kitchen and other.

Project's profitability



Financing structure

- Initiator equity
20% (\$1.1 million)
- Debt financing subject to collateral
70% (\$4.0 million)
- Participation of the Investor
From 10% (\$0.6 million)



The proposed financing structure is indicative, the final financing and Project participation structures will be determined based on the results of negotiations with the Investor.

Construction of a fish and caviar processing plant

Agricultural sector

Project description:

Expansion of the capacity of a sturgeon farm producing black caviar and commercial sturgeon up to 300 tons of fish and 3 tons of black caviar per year.

Project location:

Mangistau oblast, Akshukur village

Project Initiator:

From the moment the enterprise was organized, Kazakh Osseter LLP specialized in the cultivation of fish products. At the beginning of its activity, the company produced a limited range of fish products, working on tolling raw materials. While developing, Kazakh Osseter LLP increased processing volumes, attracted the best fish processing technologists in the village of Akshukur, formed its own breeding stock. The company occupies 15% of the fish and fish products market in the Mangistau region.

Product and output:

Fresh-frozen fish – 163 tonnes

Processed fish – 85 tonnes

Granular sturgeon caviar - 3 tonnes.

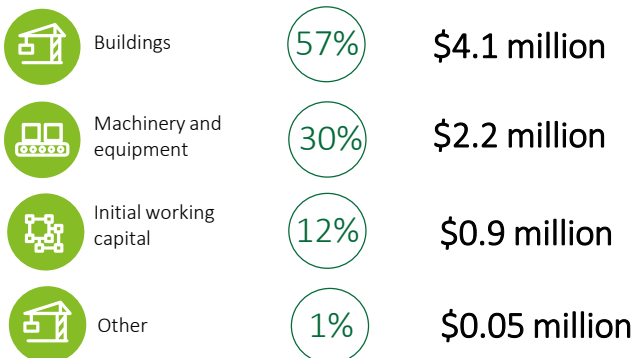
Sales market:

The initiator plans to sell products both on the domestic market and for export (CIS countries). Upon reaching the design capacity in the 5th year of the Project operation, it is planned to sell 195 tons on the domestic market, and the remaining 57 tons - for export.

Key investment indicators of the Project

Indicator	Results
Investment amount, US\$ thousands	7,157
Project NPV, US\$ thousands	6,270
IRR, %	23.7%
EBITDA margin, %	45.4%
Payback period, years	8.4
Discounted payback period, years	10.8

Investment structure



Prerequisites for Project implementation

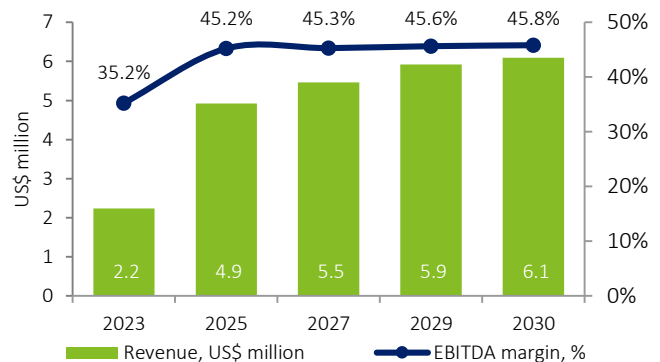
Breeding experience - The region is historically well-known for the fishery breeding and farming of sturgeon. Since 2014, the plant has developed positive experience in growing and breeding sturgeon.

The sturgeon farm is strategically located for product marketing. Akshukur settlement is located on the shores of the Caspian Sea, 19 km from Aktau, with a developed transport infrastructure, labor market and solvent population.

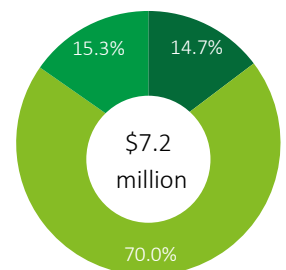
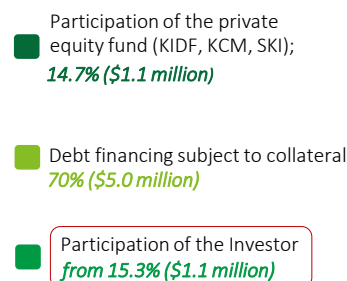
Growing demand for fish and sturgeon caviar - According to forecasts by the OECD and UN FAO, there will be an increase in the total level of fish consumption in the world. Average annual growth rate (CAGR) in 2019-2025 will be 1.8%. Thus, whilst in 2018 fish consumption per capita amounted to 20.3 kg per person, by 2027 consumption will reach the level of 21.3 kg per person. According to forecasts, the global caviar market will also grow with a significant CAGR of 7% for 2015 - 2025. It is estimated that by 2025 the caviar market will be valued at US\$ 560.6 mln.

Import substitution - Total volume of imports of sturgeon caviar in 2019 had shown a 1.5 times increase compared to 2018 and amounted to 3.4 tonnes. That provides the possibility to occupy a significant niche in the market by producing the quality products at reasonable prices.

Project profitability



Financing structure



The proposed funding structure is indicative, the final structure of financing and shares of participation in the Project will be determined based on the results of joint negotiations with the Investor.

Agroindustrial complex

Production of potato starch

Project description:

Construction of an integrated agro-industrial complex consisting of a potato starch production plant and a cattle fattening site for slaughter.

Planned production capacity:

- Main: potato starch - up to 14 tonnes a year;
- Secondary: beef; potato juice, potato squash, cow subproducts.

Location:

Pavlodar oblast, Pavlodar region, Kenesskiy rural district, Novoyamishevo village.

Project initiator:

«Kereku Agro» LLP

Key investment indicators

Indicator	Results
Investment amount, US\$ thous.	44,948
Project NPV, US\$ thous.	30,760
IRR, %	28.7
EBITDA margin, %	30-38%
Payback period, years	5.1
Discounted payback period, years	7.1

Key facilities of the Complex:

Irrigation system

Creating an irrigation array with an area of 6000 hectares for growing additional raw materials and fodder crops (cultivation and processing - through the Initiator)

Starch plant

Production of potato starch with a capacity of 15,000 potatoes per hour and more than 2,000 starch per hour.

Cattle fattening site

The one-time capacity of the site is designed for 5000 heads. The number of cycles per year is two. Mainly breeding of Kazakh white-headed and Hereford breeds.

Market prerequisites

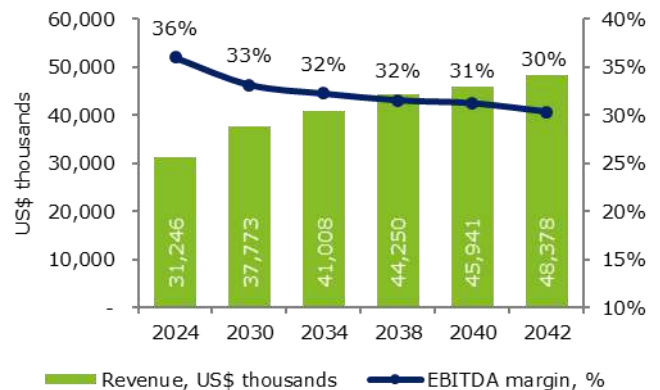
Export potential

Growing imports of potato starch by neighboring countries offers an opportunity to occupy a niche in the China, Russia and Uzbekistan markets. The total potato starch imported by these countries in 2018 amounted to about 74 thousand tonnes and has a tendency to increase. For example, the average annual growth rate of imports of potato starch by China over the past 5 years was 12.7% in physical terms.

No local production and high level of import dependency

There is no production of potato starch in the country, despite the fact that in the food, textile, paper industries potato starch is superior to corn starch in terms of quality. The average annual volume of imports of potato starch in Kazakhstan is relatively stable and in recent years has amounted to about 4.2 thousand tons for an amount of about US\$ 2.5–3 million.

Project profitability:



Location of the Project: Pavlodar oblast



Complex for the breeding and incubation of fish, the production of fish and related products

Agro-Industrial Complex

Project overview:

Organization of integrated farming for the breeding and incubation of catfish and barramundi, the production of fish and related products.

Project location:

Almaty Oblast, Talgar district, Kaynar rural district, 25 km away from Almaty.

Initiator:

Zor Fish LLP

Project's peak capacity:

729 thousand units of canned catfish (*Clarias gariepinus*), 900 tonnes of barramundi (*Lates calcarifer*), 600 thousand units of fry per year.

Principal products:

Canned food, fish, fish products, chilled fish, fish products and semi-finished products in the range.

Production process:

Fish farming, fish processing (production of canned food, fish products, semi-finished products, minced fish).

Market assumptions

Growing demand for fish - According to the OECD and FAO UN projections, there will be an increase in total fish consumption in the world. The average annual growth rate (CAGR) will be equal to 1.8% in the years 2019-2025. So, if in 2018 fish consumption per capita was equal to 20.3 kg per capita, by 2027 it will reach the level of 21.3 kg per capita.

Import substitution - The share of imports in the structure of consumption of fish and fish products in the country equals to 74%, which indicates a high import dependence of the country.

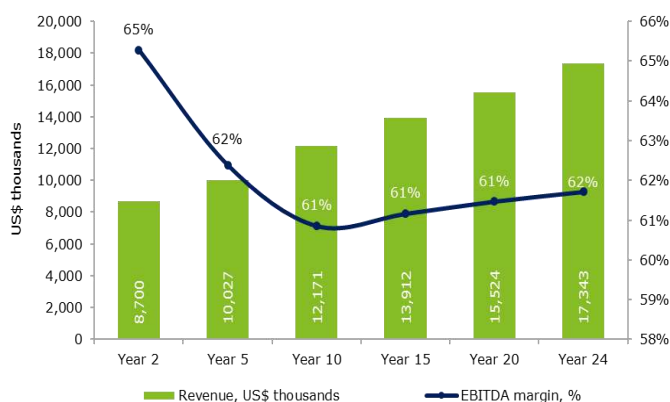
Thus, in 2018, Kazakhstan imported 30 thousand tonnes of frozen fish, which is 5 times higher than its own production.

Export potential - Kazakhstan also provides biogenous fish products for export. In 2018, exports of fish amounted to 12.5 thousand tonnes, showing an increase of 64% compared with 2013.

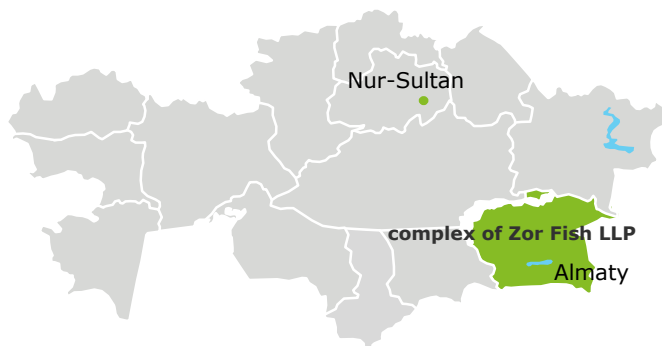
Key investment indicators

Indicator	Results
Investment, US\$ thousands	18,716
Project NPV, US\$ thousands	23,739
IRR, %	23.38%
EBITDA returns, %	61.8%
Payback period, amount of years from the start of production	5.87
Discounted payback period, amount of years from the start of production	8.04

Project profitability



Project location: Almaty Oblast



Land

Soil Type/Purpose	Area, sq. m
Building developments	13,786
Covering	10,887
Planting	43,569
Ponds	12,737
Total	80,979

Agriculture-industrial complex

Construction of greenhouse in Pavlodar oblast

Project description:

Construction of a greenhouse complex for the cultivation of tomatoes and cucumbers, domestic and export sales of products for the purpose of import substitution and development of the export potential of country's vegetable production.

Initiator:

JSC "Social and Entrepreneurial Corporation" Pavlodar "

Production volume:

3.7 thous. tons of tomatoes and 3.9 thous. tons of cucumbers for one year

Project parameters:

The total area of greenhouse – 8.4 ha; planting area – 7.9 ha

Products:

tomatoes and cucumbers

Location:

Pavlodar oblast, city of Ekibastuz

Target markets: Pavlodar oblast, northern regions of Kazakhstan, neighboring regions of Russia

Market prerequisites

Dependence of the country on imports of tomatoes and cucumbers

- Due to the climatic features of most regions of Kazakhstan during the off-season, there is a shortage of tomatoes and cucumbers. The deficit is covered by imports, which amounted to 65 thousand tons of tomatoes and 14.5 thousand tons of cucumbers in 2018.

Price differential with Russian Federation - The average price for tomatoes and cucumbers in the regions of the Russia bordering the country is higher than average price in Kazakhstan by 33% and 24%.

Development of export supplies to foreign countries

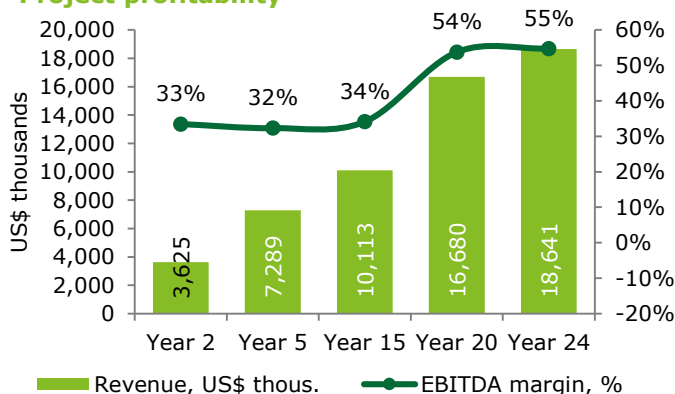
- Exports of tomatoes and cucumbers from Kazakhstan are growing at a dynamic pace: in 2018 exports of tomatoes amounted to 20.7 thousand tons, cucumbers 6.1 tons.

Proximity to the Russia, a major importer of tomatoes and cucumbers, provides easy access to the target market. In 2018 Russia imported 578 thousand tons of tomatoes and 123 thousand tons of cucumbers.

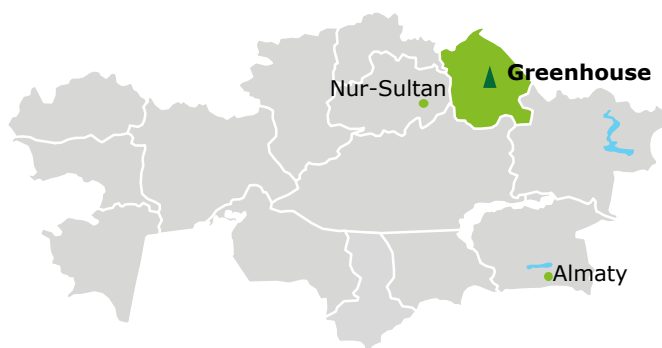
Key investment indicators

Indicator	Result
Investment amount, \$US thousands	21,891
Project NPV, \$US thousands	12,769
IRR, %	15.7%
EBITDA margin, %	43%
Payback period, years	8.0
Discounted payback period, years	14.5

Project profitability



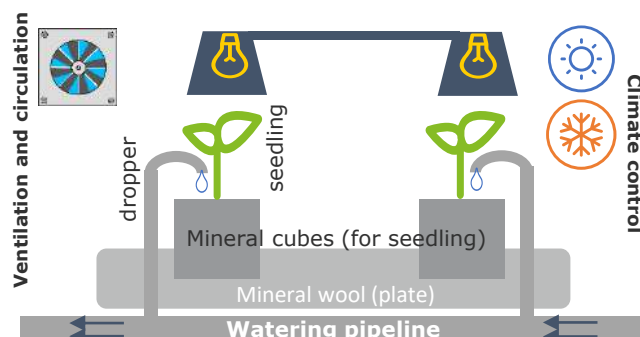
Location of project implementation: Pavlodar oblast



Technical process

Photo culture (electric illumination)

- compensates lack of sunlight
- improves yielding capacity and product quality



Agro-Industrial Complex

Organizing a full production cycle of pork meat

About the Project

Creation in Akmola oblast of the full cycle production (cluster) – from breeding a special breed of pigs using Danish technology to the production and sale of pork meat.

Objectives & Scope:

Creation of a livestock complex (cluster), which includes a pig complex and a meat processing plant;
Increase of meat production on the local market and increased exports of meat products;
Implementation of the use of innovative equipment and technologies in the Republic of Kazakhstan.

Initiator:

AIC Bavaria Product LLP

Project location:

Akmola oblast, Astrakhan region, Jarsuatian rural district, Jaltyr village

Principal products:

chilled or frozen pork meat

Project's peak capacity:

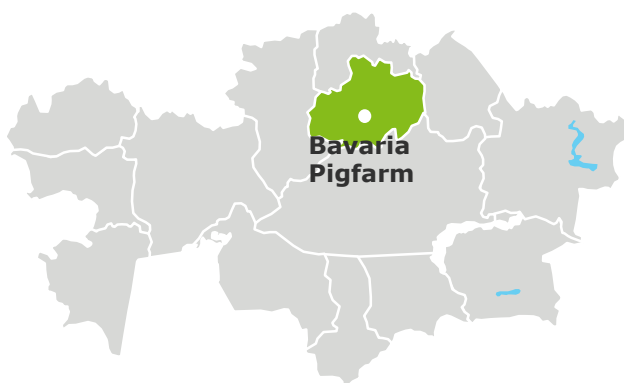
Breeding stock – 2,050 sows;

Pork meat production – 5,500 tonnes per year in slaughter weight

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thous.	35,061
Project NPV, US\$ thous.	12,951
IRR, %	20.8%
EBITDA yield, %	29-37%
Payback period, years	6.6
Discounted payback period, years	10.7

Project Location: Akmola oblast



Prerequisites for implementation of the Project

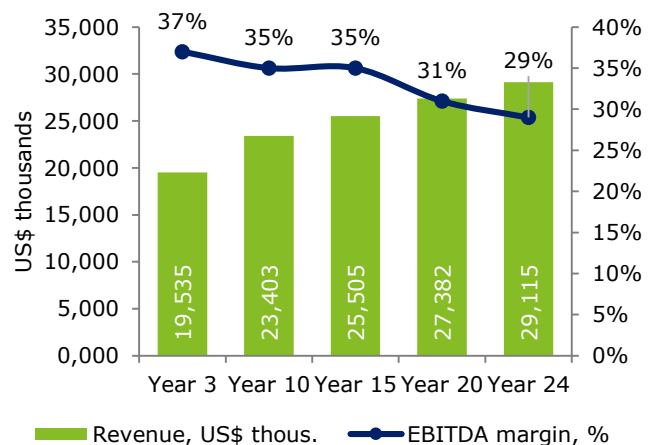
Increase in pork imports to China - Over the past 5 years, China's pork imports have more than doubled, and in 2018, they amounted to 1.1 million tonnes worth US\$ 2 billion. According to OECD forecasts, pork production in China will slightly lag behind consumption, and in the near future, China will import about 1.4 million tonnes of pork per year. This indicator will increase if the epidemic of African swine fever is not localized.

Low cost of production – The extensive and cheap fodder base for the Project - agricultural enterprises of northern Kazakhstan - will significantly reduce the cost of fattening and the maintenance of pigs. Also, the costs of manure disposal, water tariffs and employee wages are several times lower than at EU enterprises or other producers.

Export of premium products – China and Russia mainly import pork from countries in Europe and America, which forces suppliers to transport frozen meat. The geographical location of Kazakhstan allows for the supply of pork (by road) to both China and Russia in a chilled form, which will allow the Project to sell products at higher competitive prices.

Geographical remoteness of the project implementation region from other pigfarms – African swine fever has shown the vulnerability of the pig industry to epidemics and diseases. The factors protecting the Project's livestock from infection of this disease and other diseases are the remoteness of the Project's implementation site from other pig farms and households with infected pigs.

Project Profitability





Expansion of intensive apple orchards in the Almaty region

About the Project

Expansion of intensive apple orchards of the operating company Fresh Land LLP to 105 hectares in Enbekshikazakh district of Almaty region.

Initiator:

Fresh Land LLP

Project location:

Almaty region, Enbekshikazakh district

Principal products:

Fresh apples varieties:

- "Golden Delicious";
- "Red Delicious";
- "Fuji".

Project's peak capacity:

6,819 tons of apples per year

Fruit season: September – October

Sales markets:

The domestic market of the Republic of Kazakhstan and the Russian Federation

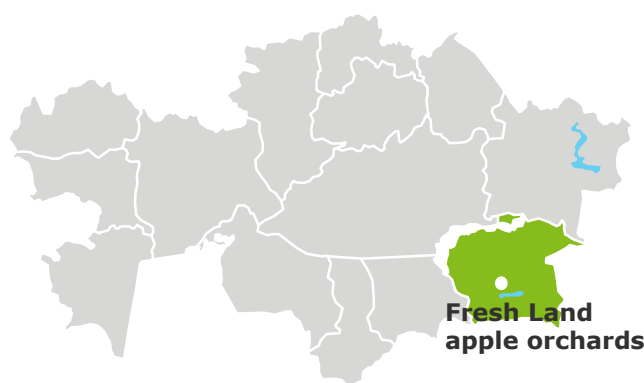
Seedling Suppliers:

Vivai Nischler D. Nischler Georg & Co. (Italy)

Investment attractiveness of the Project

Indicator	Results
Investment amount, US\$ thous.	6,814
Project NPV, US\$ thous.	7,291
IRR, %	22.99%
EBITDA yield, %	58%
Payback period, years	7.2
Discounted payback period, years	9.5

Project Location: Almaty oblast



Prerequisites for implementation of the Project

Stable demand for apples in the domestic market

Among stone fruits, apples are the most common and significant food product. The beneficial properties of apples and ease of consumption create a constant demand for the product. Overall, consumption of apples per capita increased by 8.1% since 2016 and amounted to 17.4 kg in 2018.

Export potential

The neighborhood with the largest apple importer, Russia, provides convenient access to a large target and large-scale sales market. In 2018, Russia imported 843.5 thousand tons of apples or 10% of the world import. Due to the political situation in the country, Russia broke off trade relations with Ukraine and Poland, major suppliers of apples to the Russian Federation, which also allows Kazakhstan to take a certain share in the market of neighboring countries.

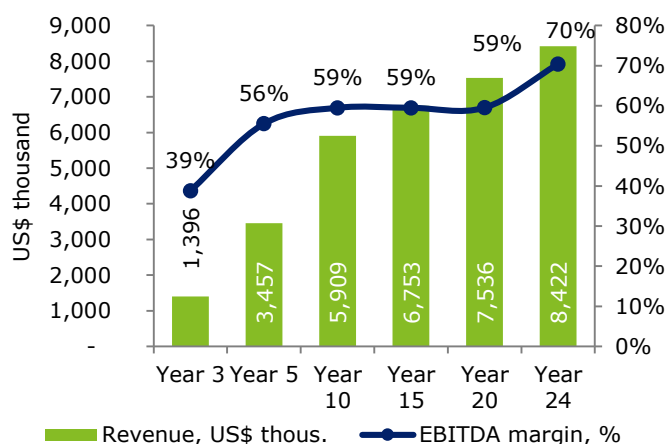
Price differential with neighboring countries

In the regions of the Russian Federation adjacent to Kazakhstan, a kilogram of apples on average during the year can be purchased for 1.3 - 2.0 US\$, which is higher than the average Kazakhstan prices by 4% - 65%.

Import dependence of Kazakhstan on apples during the off-season

Since the fruit is seasonal, and the shelf life of the product is short-lived, Kazakhstan experiences import dependence in the periods from January to July. Due to the lack of fruit storages, after the end of its stocks, apple imports increase hundreds of times.

Project Profitability



Production of flax oil

Project description

The project plan is to construct an oil plant with a capacity of 20 thousand tonnes of linseed oil per year. It is planned to install 10 acceptance points, to build a railway deadlock. The initiator of project has in his ownership necessary territory for the plant. He also land area of 16 thousand ha for growing flax and rape seeds. It is also planned to purchase flax from small farms of the North-Kazakhstan region, that is one of the leaders in production of flax seeds in Kazakhstan.

Project location



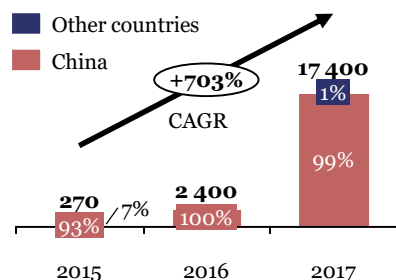
Investment highlights

Upfront investment	\$20 MM
NPV	\$36 MM
IRR	33%
Payback period	5 years

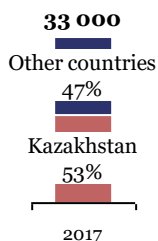
Market analysis

Kazakhstan exports most produced flax oil to China. The amount of arable land is 831 thd ha in Kazakhstan. There is a potential of exporting product to Japan.

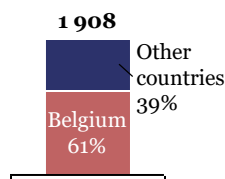
Flax oil export, tonnes



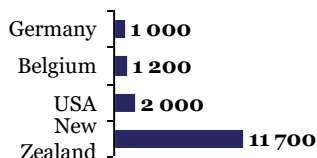
China's import volume, tonnes



Japan import, tonnes



Japan's oil import prices, USD/tonne



Target Investor Mandate

- Offtake large volumes of oil
- Be a supplier of technologies
- Long-term investments

Competitive advantage

I. High average oil yield from flax seeds in North Kazakhstan Region - 50% of the total mass. Usually the standard yield is 30-40%.

II. Kazakhstan has a cost advantage among other countries in exporting product to China.

China's oil import prices in 2017, USD/tonne



Value proposition

This project allows to take advantage of **exporting product** having a **cost advantage** compared to other importers.

Production of tomato paste

Project description

The project plan is construction of a tomato processing plant, the final product of which will be tomato paste. The initiator of the project already has a land plot of 3 thd. ha and building. The projected processing capacity is 1.5 thousand tonnes of tomato per day, which would provide 200-250 tonnes of tomato paste. Besides import phasing, the owners target at exporting the end product to CIS countries, China, and Europe.

Project location



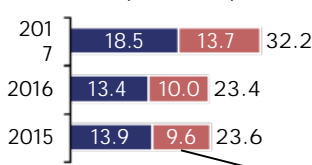
Investment highlights

Upfront investment	\$23MM
NPV	\$63MM
IRR	43%
Payback period	4 years

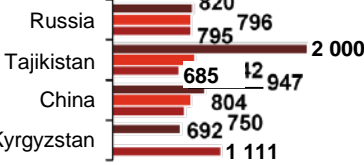
Market analysis

Kazakhstan imports more than half of tomato paste consumption. Only 5-8% of production is exported. The total harvest of tomatoes in Kazakhstan in 2017 was ~740 thd tonnes. This together presents a case for safe-heaven hinter market.

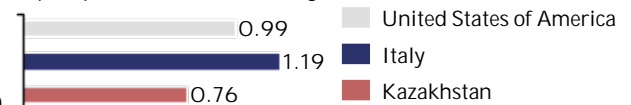
Tomato paste consumption in Kazakhstan (thd tonnes)



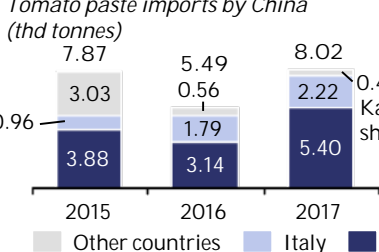
Kazakhstan's export unit value (USD/tonne)



Import prices of China (USD/kg)



Tomato paste imports by China (thd tonnes)



Tomato paste imports by Germany, (thd tonnes)



Similar situation in volumes potential is observed in Germany, so that Kazakhstan has an opportunity to engage in exports of tomato paste to Europe.

Target Investor Mandate

An investor should have:

- Supply of production technologies
- Access to external markets

Value proposition

This project allows to take advantage of import substitution in Kazakhstan and exporting potential with cost advantage compared to other importers.

Expansion of a greenhouse complex

Project description

The project plan is construction of a greenhouse complex of 8ha, which will grow up to 5 000 tonnes of tomatoes. At the moment the company already has a complex of 12 ha with capacity of production up to 7 200 tonnes of vegetables located in Almaty city. The greenhouse complex will be built according to the Dutch technologies of the company “Dalsem”. The company also has established offtakes and cooperates with companies such as “Magnum”, “Lime Group” and others.

Project location

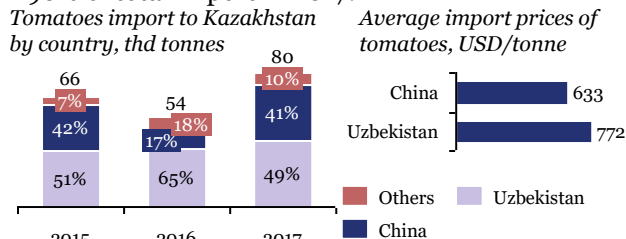


Investment highlights

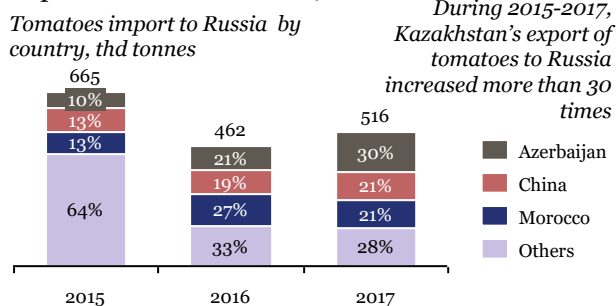
Upfront investment	\$26 MM
NPV	\$12 MM
IRR	18%
Payback period	8 years

Market analysis

I. Main exporters of tomatoes to Kazakhstan are Uzbekistan and China, with aggregate volume ~90% of total import in 2017.



II. Kazakhstan had ~1% of market share of Russian import of tomatoes in 2017.



Competitive advantage

Company has long-term offtake contracts for the whole amount of produced vegetables, 50% of which exports to Russia and 50% goes to internal market of Kazakhstan.

Company possesses greenhouse complex of 5th generation with most developed technologies.

Imported tomatoes price in Russia vs prices of producer in Kazakhstan, USD/tonne



Kazakhstan has comparative price advantage among other importers in Russian market.

Value proposition

This project allows to capitalize on implementation of modern greenhouse complex. Also, it allows to provide **import substitution** and **export** vegetables through having competitive export prices.

Long cheap financial resources

Target Investor Mandate

Construction of a trout farm

Project description

The project provides for the organization of the activities of a commercial fish breeding enterprise in the basins along the Chilik river, Almaty region, as well as in the cages at the Bartogai reservoir. The total volume of production will be 7 200 tonnes of trout fish per year. The company is the largest producer of rainbow trout in the Republic of Kyrgyzstan. The current capacity of production and processing of products is 600 tonnes of rainbow trout per year.

Project location



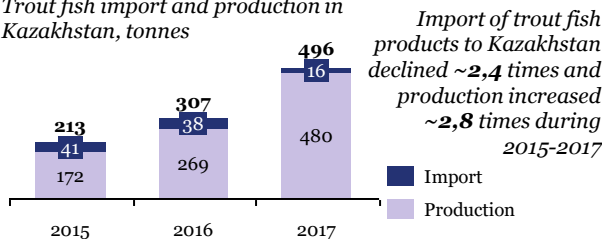
Investment highlights

Upfront investment	\$16 MM
NPV	\$37 MM
IRR	41%
Payback period	5 years

Market analysis

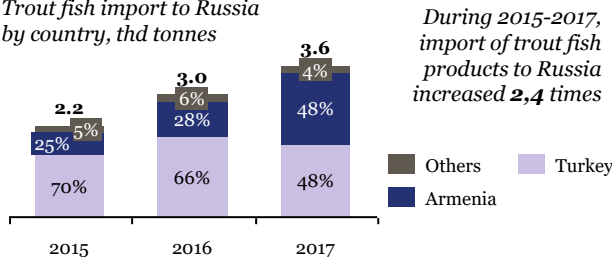
I. Main exporter of trout fish products to Kazakhstan is Russia with share ~98%.

Trout fish import and production in Kazakhstan, tonnes



II. Main exporters of trout fish products to Russia are Armenia and Turkey with share ~95%.

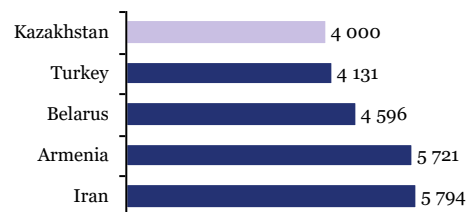
Trout fish import to Russia by country, thd tonnes



Competitive advantage

The company is the **largest producer** of rainbow trout in the Republic of Kyrgyzstan, and it has long-term **offtake contracts** with Russia for the whole amount of produced trout fish.

Trout fish import prices of Russia vs prices of producer in Kazakhstan, USD/tonne



Kazakhstan has comparative **price advantage** among other importers in Russian market.

Target Investor Mandate

Long cheap financial resources

Value proposition

The project has the benefits of location, possibility of **efficient** use of water resources for trout production, and potential for **import substitution** and increase **export volume**.