



**INVESTMENT
PROJECT
«Alar Trade Agro Jaiq»**

INVESTMENT STRUCTURE



STAGE 1

-March 2022...March 2024 (24 months)

-500 ha (Σ500 ha)

FINANCING OF THE 1ST STAGE

<u>Total investment:</u>	2.0 million Euro
Investor No. 1 - 90%:	1.8 million Euro
Investor No. 2 - 10%:	0.2 million Euro

STAGE 2

-March 2023...March 2022 (24 months)

+ 1000 ha (Σ1500 ha)

FINANCING OF THE 2ND STAGE

<u>Total investment:</u>	4.0 million Euro
Investor No. 1 - 90%:	3.6 million Euro
Investor No. 2 - 10%:	0.4 million Euro

STAGE 3

-March 2024...March 2026 (24 months)

+ 1500 ha (Σ3000 ha)

FINANCING OF THE 3RD STAGE

<u>Total investment:</u>	6.0 million Euro
Investor No. 1 - 90%:	5.4 million Euro
Investor No. 2 - 10%:	0.6 million Euro

<u>Total investment of all stages of the project:</u>	12.0 million. Euro
Investor No. 1 - 90%:	10.8 million Euro
Investor No. 2 - 10%:	1.2 million Euro

Distribution of operating income

Net profit of the 1st stage: **0.6** million Euro
(24 months after investing stage 1)

Investor 1 (90%): **540** thousand Euro

Investor 2 (10%): **60** thousand Euro

Net profit of the 2nd stage: **1.8** million Euro
(24 months after investing stage 2)

Investor 1 (90%): **1,620** thousand Euro

Investor 2 (10%): **180** thousand Euro

Net profit of the 3rd stage: **3.6** million Euro
(24 months after investing stage 3)

Investor 1 (90%): **3,240** thousand Euro

Investor 2 (10%): **360** thousand Euro

The final profit for the three stages (2022-2026) will be: **6** million Euro, incl.:

Investor 1 (90%): **5,400** thousand Euro

Investor 2 (10%): **600** thousand Euro

The annual profit from April 2027 will be: **3.6** million Euro, incl.:

Investor 1 (90%): **3,240** thousand Euro

Investor 2 (10%): **360** thousand Euro

Goals, Tasks, Areas of responsibility

Project objectives



Land development

3000 ha

cultivation
using sprinkler systems



**Purchase
of specialized
equipment**



**Granulation,
Export of products**

Areas of responsibility

Investor 1 (90%):

1. Co-financing of 90% of the project cost;
2. Organization of obtaining land plots;
3. Approval and registration in local public administration bodies;
4. Attraction of external sources of financing;
5. Organization of the sale of products for export;
6. Operational and financial management

Investor 2 (90%):

1. Co-financing of 10% of the project cost
2. Assistance in the sale of products for export.

Addition

Financial characteristics of the project

Stages	Income	Expenses
STAGE 1 – 2022...2023 – 500 ha	Crop capacity 12 ton from 1 ha (3 mowing of 4 tons for 1 mowing) from 500 hectares – 6,000 tons. 6,000 tons * 250 Euros = 1.5 million Euro (the selling price is 250 Euros per 1 ton).	Operating expenses and taxes: 0.9 million Euro
STAGE 2 – 2023...2024 – 1500 ha	Implementation from October 2024 to April 1, 2025 from 1,500 ha - 18,000 tons. 18,000 tons * 250 Euros = 4.5 million Euro	Operating expenses and taxes: 2.7 million Euro
STAGE 3 – 2024...2025 – 3000 ha	Implementation from October 2025 to April 1, 2026 from 3,000 ha - 36,000 tons. 36,000 tons * 250 Euros = 9 million Euro	Operating expenses and taxes: 5.4 million Euro

Stages	Net profit	Distribution of net profit
STAGE 1 (product sales – April 2024)	Net profit of the 1st stage: 1.5 million Euro – 0.9 million Euro = 0.6 million Euro	Investor 1 (90%): 540 thousand Euro Investor 2 (10%): 60 thousand Euro
STAGE 2 (product sales – April 2025)	Net profit of the 2nd stage: 4.5 million Euro – 2.7 million Euro = 1.8 million Euro	Investor 1 (90%): 1,620 thousand Euro Investor 2 (10%): 180 thousand Euro
STAGE 3 (product sales – April 2026)	Net profit of the 3rd stage: 9 million Euro – 5.4 million Euro = 3.6 million Euro	Investor 1 (90%): 3,240 thousand Euro Investor 2 (10%): 360 thousand Euro

In total, during the project implementation period, from March 2022 to March 2026 (for the first three **harvest** years), the amount of gross income will be: **15 million Euro**. And then, the annual income will be **9 million Euro** annually. The amount of operating expenses (excluding the amount of investments) for the entire period will be: **9 million Euro**. The total net profit for the period from 2022 to April 2026 will be: **6 million Euro**. Further, from April 2027, the annual profit will be: **3.6 million Euro (annually)**.

Positive results of the project implementation

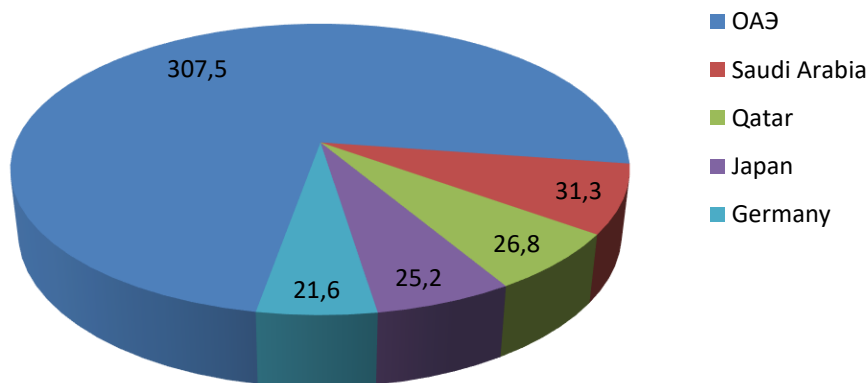
- ✓ **THE USE OF PROGRESSIVE IRRIGATION METHODS IN THE REGION**
- ✓ **THE USE OF HIGH-QUALITY SEED MATERIAL FROM A GERMAN COMPANY: FELDSAATEN FREUDENBERGER GMBH**
- ✓ **INVOLVEMENT OF UNUSED LANDS IN AGRICULTURAL TURNOVER (up to 3000 ha)**
- ✓ **PRODUCTION OF EXPORT-ORIENTED PRODUCTS**
- ✓ **NEW PERMANENT JOBS :**
 - at the 1st stage – 25 people**
 - at the 2nd stage - 60 people**
 - at the 3rd stage - 120 people**
- ✓ **INCREASING THE TAX BASE IN THE REGION**

Potential sales markets

According to the World Bank, the top importers of alfalfa and pellets for feed are in 2018:

	Country	Delivery volume (thousand tons)	Amount (\$million)
1	OAƏ	1222,3	307,5
2	Saudi Arabia	79,3	31,3
3	Qatar	86,0	26,8
4	Japan	82,6	25,2
5	Germany	88,0	21,6

The total amount of imports amounted to more than 400 million US dollars:



In 2019, the top importers presented the following picture:

	Country	Amount (\$million)
1	OAƏ	119,0
2	Saudi Arabia	23,6
3	Qatar	17,4
4	Japan	38,1
5	USA	18,5

Thus, there is a stable demand for products on the world market.