

BUSINESS PLAN

operating Elevator and mill complex

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1. CONTENT OF BUSINESS PLAN

2. SUMMARY OF THE PROJECT

Project name	ENBEK07 LLP
Objective of the project	Purchase of a mill complex and current assets
Place of project implementation	the city of Kostanay, the village of Denisovka
Project Stage	the current
Экономические показатели	
Total amount of the project	10 000 000 euro
Amount requested	10 000 000 euro
Payback period	84-120 mounts
The investor is offered	Refinance the requested amount
Share of investor%	By agreement
Initiator's share%	100 %
Joint partnership	7-10 years
Information about the initiator of the project	
Name of acquired LLP	ENBEK07 LLP
Type of ownership	Private
FULL NAME. future founders	Yerbol Kulbayev
Year of company formation	2013 year
Legal address	Republic of Kazakhstan, Kostanay region, the city of Kostanay, The village of Denisovka
Address of the actual location	Republic of Kazakhstan, Kostanay region, the city of Kostanay, The village of Denisovka
phone	
e-mail	

3. DESCRIPTION OF THE ENTERPRISE

The enterprise, created in 2013, combines several production processes and cycles:

- acceptance of grain
- Preliminary processing
- Drying grain

-Grain Conservation

-grinding of grain

-production of finished products (flour of higher, first and second grades, bran and grain waste).

The given enterprise is completely finished and operating at present and includes:

- a plot of land 1886.7 square meters, completely fenced with wall slabs in two rows and a height of 2.5 meters.
- security building, fully equipped laboratory.
- Auto-electronic, closed by a profiled sheet, 16 meters long, with a carrying capacity of 100 tons.
- transformer (2 * 1000 kW), metalwork shop, office for production manager, cloakroom for workers, shower room, bathroom, boiler room (S = 196 sq.m)
- **a mill, produced in Turkey, brand Unomark, an area of 726 sq. m., productivity of 200 tons per day.**
- **a warehouse of finished products, an area of 1800 square meters, with two exits. One for the railway deadlock, one for car loading, In the warehouse there is an automatic dispenser for pouring flour and two dispensers packing the grain and flour into bags.**
- **automatic grain acceptance for 40-50 tons at a time, with the elevator and conveyors along the entire production line of the enterprise, with a capacity of 150 tons per hour.**
- **grain storage (drums 16 barrels) with scraper and lower belt conveyors, with a one-time storage of 1000 tons.**
- **four grain storage tanks, with a total capacity of 15,000 tons, produced in Turkey, OBIAL /**
- **mine drier grain CHIEF, produced in England, with a capacity of 36 tons per hour.**
- **a tank for storing a moist grain with continuous drying.**
- **a working machine separator, with a capacity of 150 tons per hour.**
- **two bunkers of 65 tons per railway weight, for the loading of grain into wagons.**
- **electronic railway weighing capacity of 150 tons.**
- **a warehouse for spare parts and two garages for trucks, an area of 250 sq.m.**
- **a railroad cul-de-sac with a length of 250 meters, with a winch for transporting wagons, which is privately owned. At one time, it accommodates 16 wagons for loading.**
- **control panel of the production line.**

Two-storey office building with a total area of 569.1 sq.m., located on a land area of 0.0671 hectares.

On the territory of the enterprise there are 13 CCTV cameras with Internet access. All objects are gasified.

Receiving grain is carried out mainly from road transport, and is released for rail transport.

In general, the company stores operational, i.e. for current consumption, grain stocks, and accordingly, its accumulation in large homogeneous lots, meeting the requirements and standards prescribed in the contracts of customers associated with its forthcoming application (grain shipment for export by rail). For such shipment in the property of the enterprise there is a railway deadlock with a winch for transporting wagons. At the same time, up to 15-16 wagons can stand at the same time along the entire length of the impasse.

In parallel, our company produces grinding lots of grain and its processing at a mill, which was launched at full capacity and has a capacity of 200 tons of flour per day. Flour products have a registered trademark (brand) - flour "ENBEK". The flour of the highest, first, second grade and bran is produced and sold.

The structural divisions of the enterprise are the following:

-weight, laboratory, grain dryer, flour mill, elevator shop, finished goods warehouse with the function of the shop for packing bran.

All production and subsidiary premises, buildings are competently linked. All fire safety standards and sanitary and epidemiological standards are observed.

All buildings within the territory are linked with each other so that their production activities take place at the lowest possible labor, time and money costs, and at the same time a sanitary and hygienic regime for all people working at the enterprise is created.

The elevator is a fully mechanized and automated granary, which allows you to take the grain, clean it, dry it, ventilate it and preserve it for a long time, without losing or reducing its quality.

At present the elevator is designed for long-term storage and shipment of various shipments of commodity grain for export and in the Republic of Kazakhstan, but the company plans to expand the available capacity of the elevator and provide services for processing and storing the seed material of any crops at the request of the customer.

At this time, the elevator can provide services for processing, drying and storing 40,000 tons of grain and more.

An important factor is also the territorial location of the elevator. Denisovsky district of Kostanay region is one of the best in quality and class indicators of grain products. The proximity of the TOBOL junction allows the company to ship products in any direction across Kazakhstan and abroad (Russia, Uzbekistan, Tajikistan, Iran through the port of Aktau and so on) in the shortest possible time, to form large trains at the hub station to send grain and finished products .

Over the four years of the company's operations, there have been regular customers. Mutually beneficial working conditions attract new customers, there are big plans to expand existing facilities.

Since Kostanai region is the most grain region of Kazakhstan, grain and flour milling business will always be in demand here, the most profitable and payback in the market.

4. Company structure

1. At the moment, the company will employ 30 people. Of these, 5 are management personnel and 25 are employees.

2. Types of products and services provided

- Production of high, first and second grades of flour with a capacity of 5000 tons per month and 50,000 tons per year

- Production of bran 1800 tons per month

- Processing, drying and storage of grain

0 Grain shipment

In addition, we plan to master 10,000 hectares of cultivated land in 2019 and grow 15,000 tons of grain. An average of 15 quintals per hectare.

5. PROJECT AND PLANS FOR IMPLEMENTATION OF PRODUCTS

At the moment there are already potential buyers for the purchase of finished products in the form of flour and a volume of 5000 tons per month

Each agricultural company that deposits grain for storage is the customer of the enterprise to whom services are provided for processing, drying, storing and shipping grain.

There are customers for the purchase and shipment of grain for export to the countries of near and far abroad.

There are only 5 grain elevators in the entire Denisovsky district, which provide services for the storage and shipment of grain, but are not producers of finished products. In this regard, our company ranks first in the ranking of competitiveness.

6. The program of sales of products

Сводная таблица:

months	Products / services	Expected Demand per month	Expected Sentence per month	Scope Production per month	Price tenge / ton	total amount Per month Tenge	Amount in EURO
1	flour	5000 tons	5000 tons	5000 tons	80 000 tenge	400 000 000 tenge	1 000 000
1	Grain shipment	20 000 tons	20 000 tons	20 000 tons	1 000 tenge	20 000 000	50 000

Note: the cost of one ton of flour of the first grade at the moment is 90 000 tenge. We make democratic prices 80 000 tenge per ton

Calculation of the cost of finished products:

- one ton of flour of the first grade requires 70 000 tenge (including 60 000 for raw materials, for labor, depreciation of equipment and utilities 10 000 tenge)

- for the processing of 1 000 hectares of land and growing grain, KZT 20,000,000 is required (including seeds, fuel, labor and depreciation of equipment)

1. Legislative and regulatory framework for project implementation

All documents for the enterprise are legal and duly executed.

There are all quality certificates for the products.

7. FINANCIAL PLAN AND PROJECTIONS FOR THE IMPLEMENTATION OF THE PROJECT

-The project itself is planned to be realized with the help of attraction of investment loans in the amount of 10,000,000 euros, taking into account the return at 4% per annum.
-Of these, we plan to spend 4,000,000 euros to buy the elevator and the mill complex. For the amount of 1 000 000 euro, we plan to purchase 10 000 tons of grain. For the amount of 2 000 000 euros, it is planned to purchase combines, trucks and loading equipment.

Rationale for the solvency of loan repayment.

1. Sales of flour: 50,000 tons per year to 80,000 per ton for the amount of 4,000,000,000 tenge

From them: 3 500 000 000 tenge the cost price

Total 4 000 000 000 - 3 500 000 000 = 500 000 000 tenge profit from sales

From them: 500 000 000 - 12% value added tax VAT = 440 000 000 - 10% income tax = 396 000 000 tenge

Total NET PROFIT = 396 000 000 tenge = 990 000 euros per year.

2. Sowing and growing grain: 15,000 tons per 10,000 hectares per year.

At a price of 40,000 per tonne during the harvest, the sales value of the whole grain will be $(15,000 * 40,000) = 600,000,000$ tenge per year.

Of these, the cost of planting and harvesting will be KZT 200,000,000 per 10,000 hectares.

Total: 600 000 000 - 200 000 000 = 400 000 000 tenge profit

Of these: 400 000 000 - 12% value added tax VAT = 352 000 000 - 10% income tax = 316 800 000 tenge.

Total NET PROFIT = 316 800 000 tenge = 792 000 euros per year.

3. Provision of services for the shipment of 200,000 tons of grain per year.

Total: 200 000 tons per year * 1 000 tenge per ton = 200 000 000 tenge profit

From them: 200 000 000 - 12% value added tax VAT = 176 000 000 - 10% income tax = 158 400 000 tenge

Total NET PROFIT = 158,400,000 tenge = 396,000 euros per year

Total combined net profit for the main three indicators in a year is:

990,000 euros + 792,000 euros + 396,000 euros = 2,178,000 per year.

Thus, our company could easily pay the investor on a loan of 1,200,000 euros a year.

8. SOCIAL ASPECTS AND ENVIRONMENTAL IMPACT

A. The enterprise has created 30 workplaces and the possibility of increasing

B. Flour production and grain cultivation is absolutely environmentally friendly and has no adverse impact on the environment

9. The result

Flour is a product incredibly popular. It is used for baking bakery products, pasta and confectionery products.

Producers of flour have the widest market. The flour is bought by bakeries and bakeries, producers of semi-finished products, catering enterprises, shops, etc.

In connection with the foregoing, we kindly ask you to consider our application for investment in our project.

For our part, we guarantee you transparency of the transaction and timely return of funds.