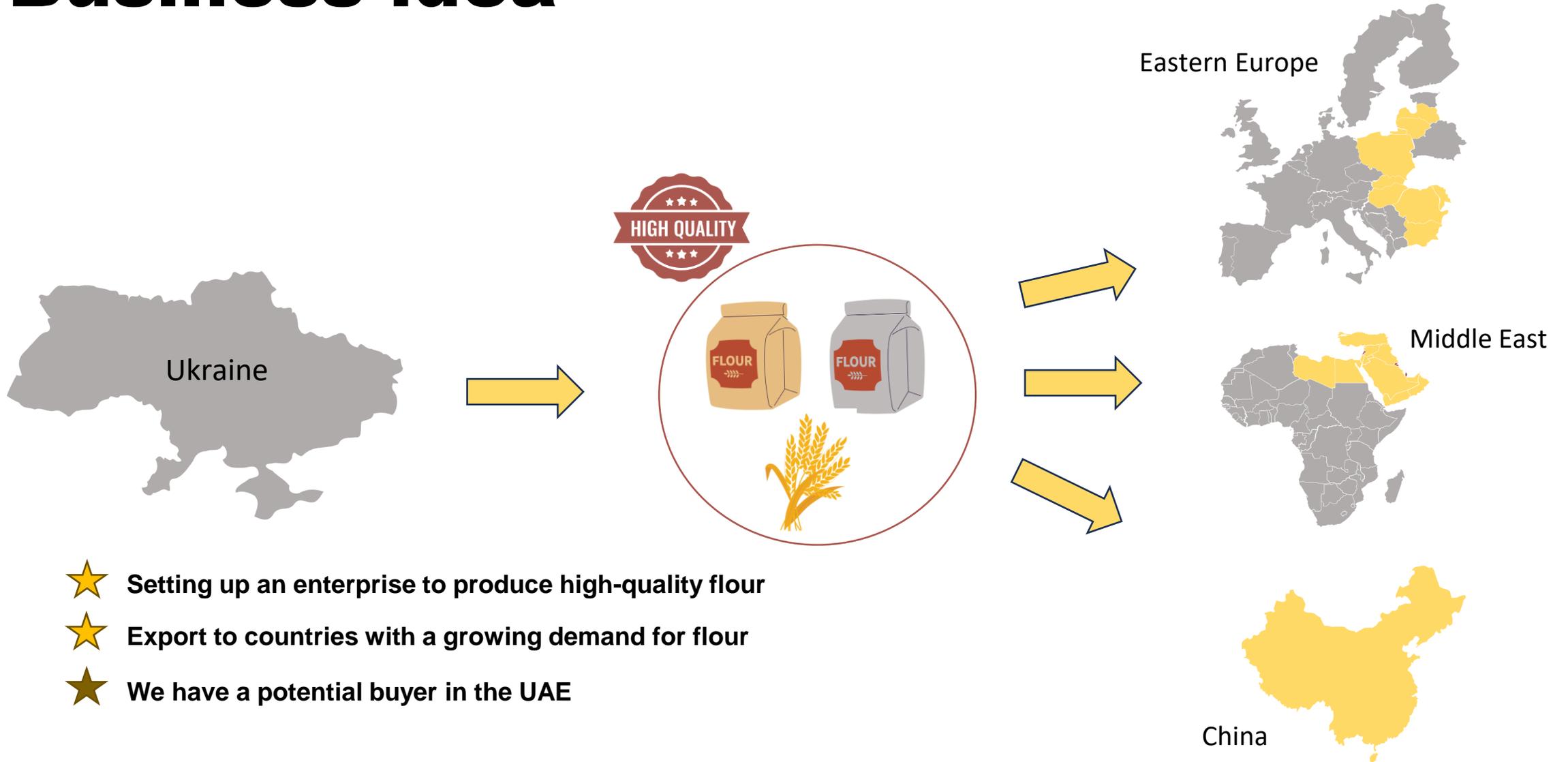


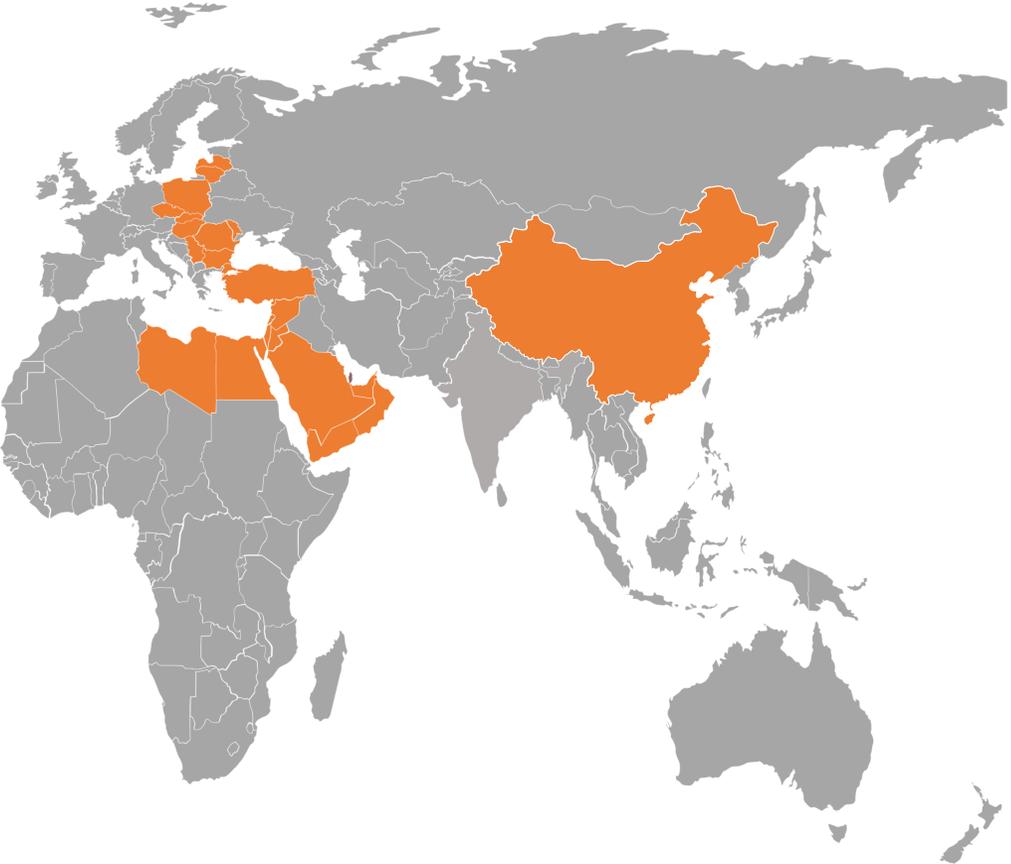
FLOUR MILL AND ELEVATOR



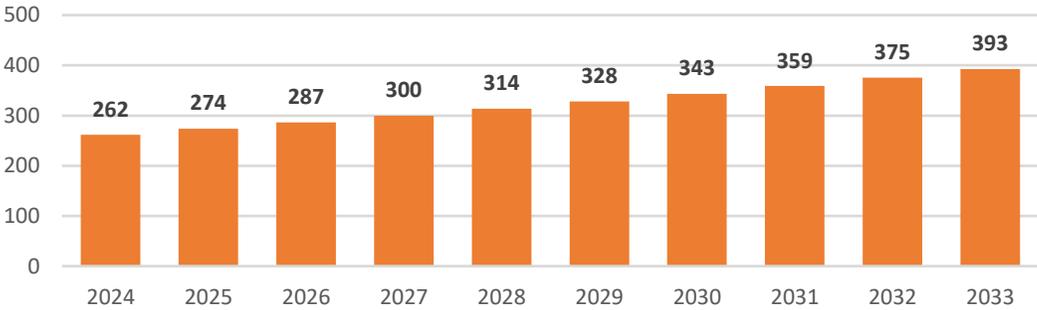
Business idea



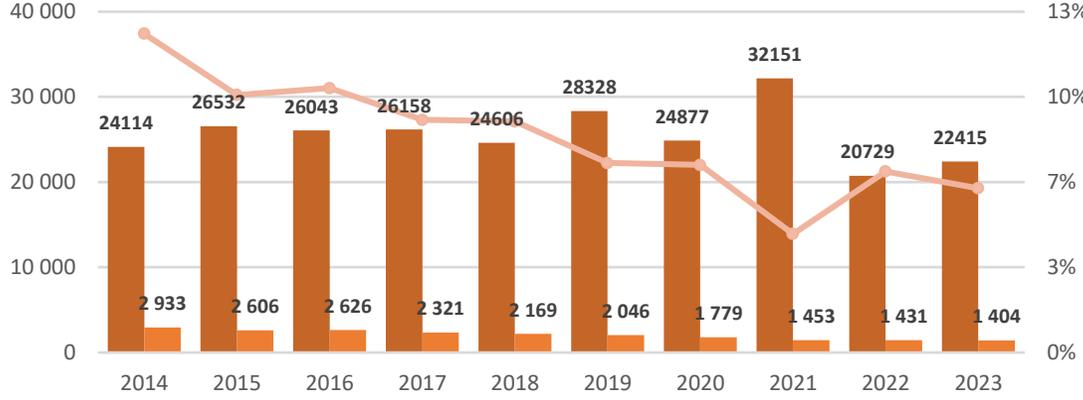
Market review



Global market, bln, euros



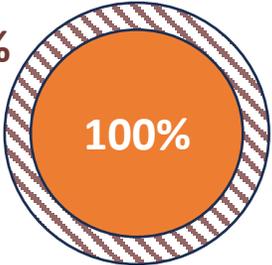
Grain and flour production, thousand tons



- Grain production
- Grain to flour processing
- Share of grain processed to flour in Ukraine

★ From each ton of first and second class grain sold abroad, Ukrainian enterprises lose about 45% of the added value which they could have had if the flour had been milled in Ukraine.

145%



INVESTMENT IN THE PROJECT



Total project cost

€23,528,539

Project is to be financed by means of loan funds (**€ 22,503,539**) and own funds, with have been used for the land plot purchase (**€1,025,000**)

Project financing

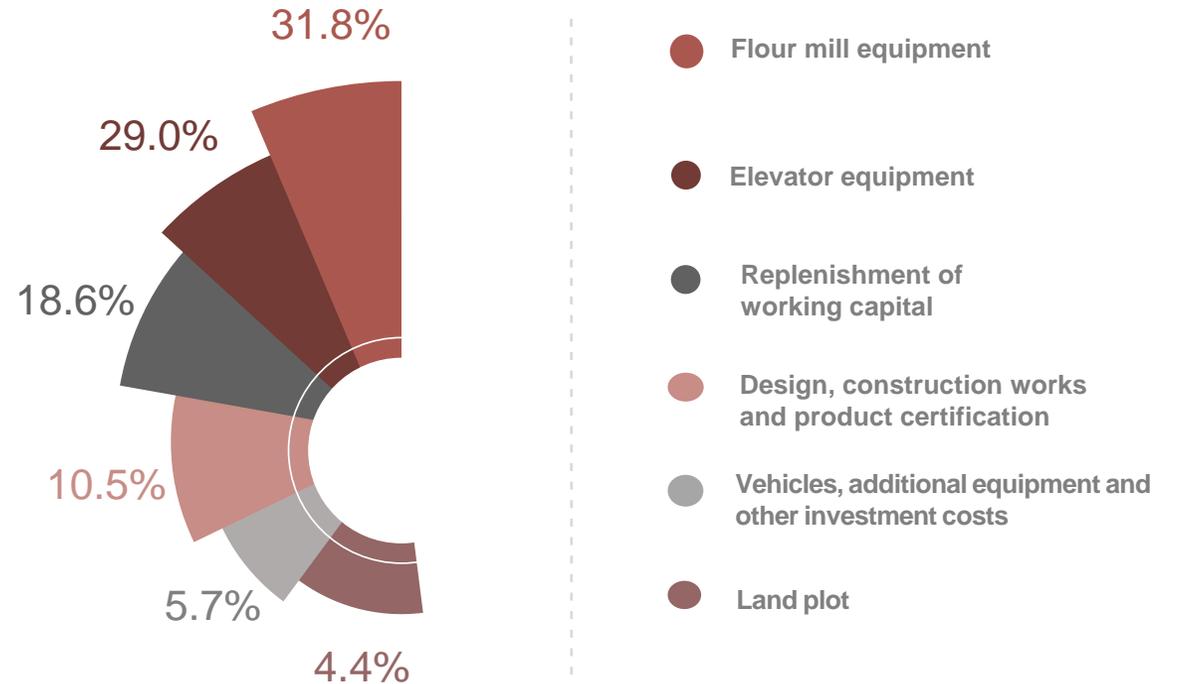
Loan

95.6%

Equity

4.4%

Investing loaned funds into:



Revenue and expenses profile (10 years)

Income

66%
Wheat flour



29%
First class



5%
Bran



Costs

80%
Purchase of grain



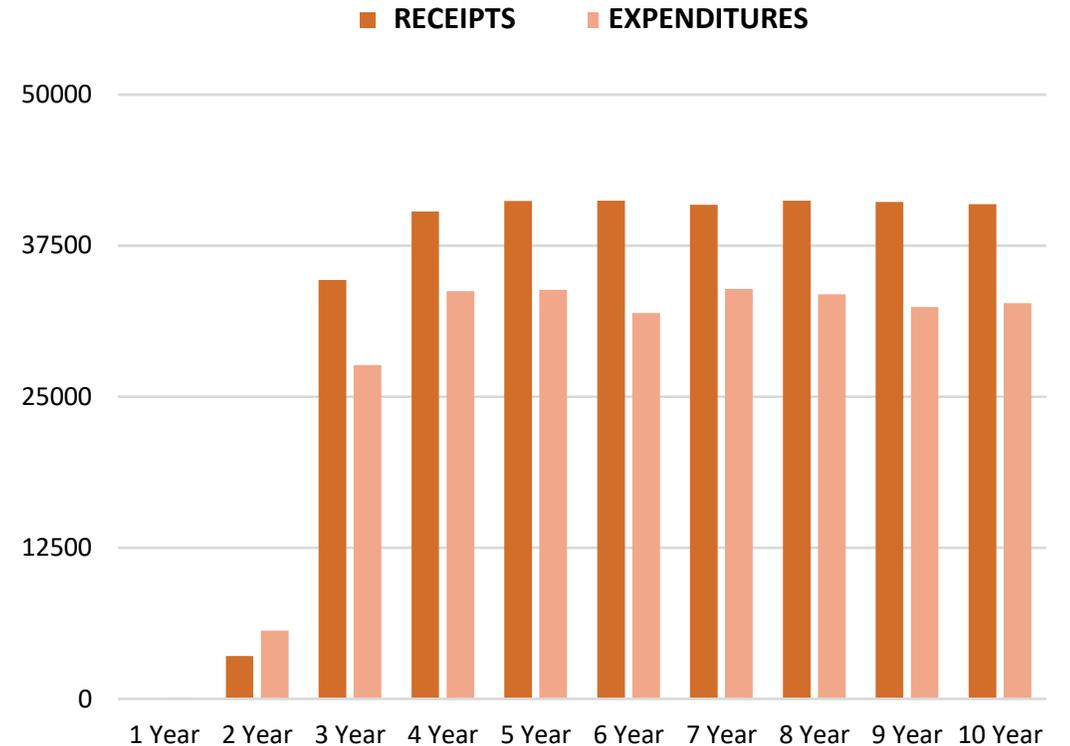
4%
Taxes



6%
Electricity

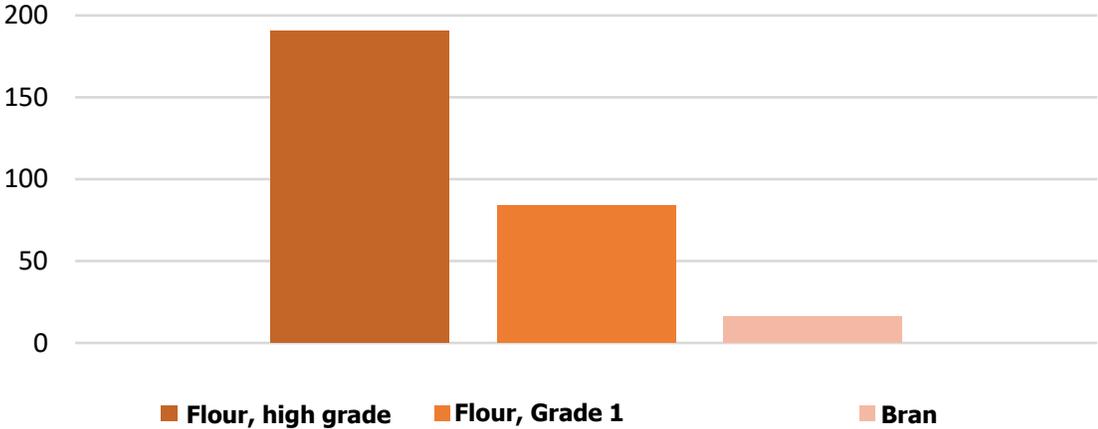


10%
Other expenses

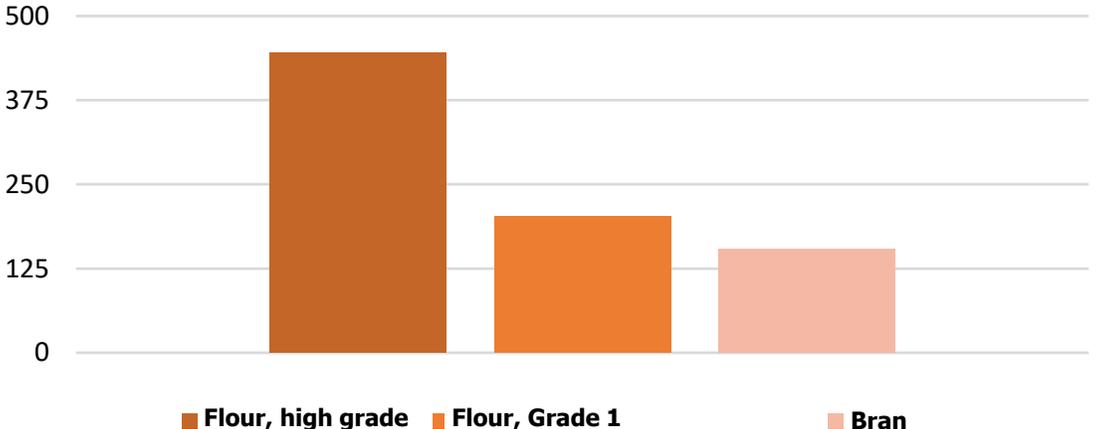


Sales

Sales, mln, euros



Sales, mln, kg



100 %
Export

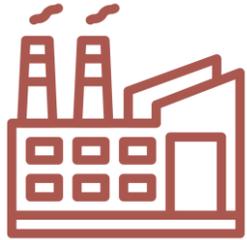


100 %
Export

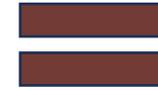


Flour products: output and cost

98%
Production rate



300 tons
wheat
processed in one
shift



8,967 tons
products per
month

RAW MATERIALS



Wheat, Grade 2



Wheat, Grade 3

Sale,
EUR/ton

Output from
1 ton

€430.7

55%



High-grade flour : starch content – 79-80%;
protein – 10-14%.

€416.6

25%



Grade 1 flour: Compared to high-grade flour,
less homogenous (particle size 30-70 μm),
slightly darker and contains 3-4% of peripheral
tissues.

€106.3

19%



Bran

€0.00

1%



Technological waste

Staff

 X9

 X25

 X54

 X9

 X32

 X29

Management

- CEO
- Secretary
- Chief engineer
- Deputy director (elevator)
- Deputy director (flour mill)
- CFO
- Chief energy engineer
- Chief process manager
- Chief accountant

Elevator

- Mechanical engineer
- Drying operations manager

Flour mill

- Mechanical engineer
- Senior miller
- Shiftman/miller
- Maintenance worker
- Flour milling and packaging operators
- Head of the finished store
- Storekeeper

Laboratory

- Head
- Technician
- Sample technician

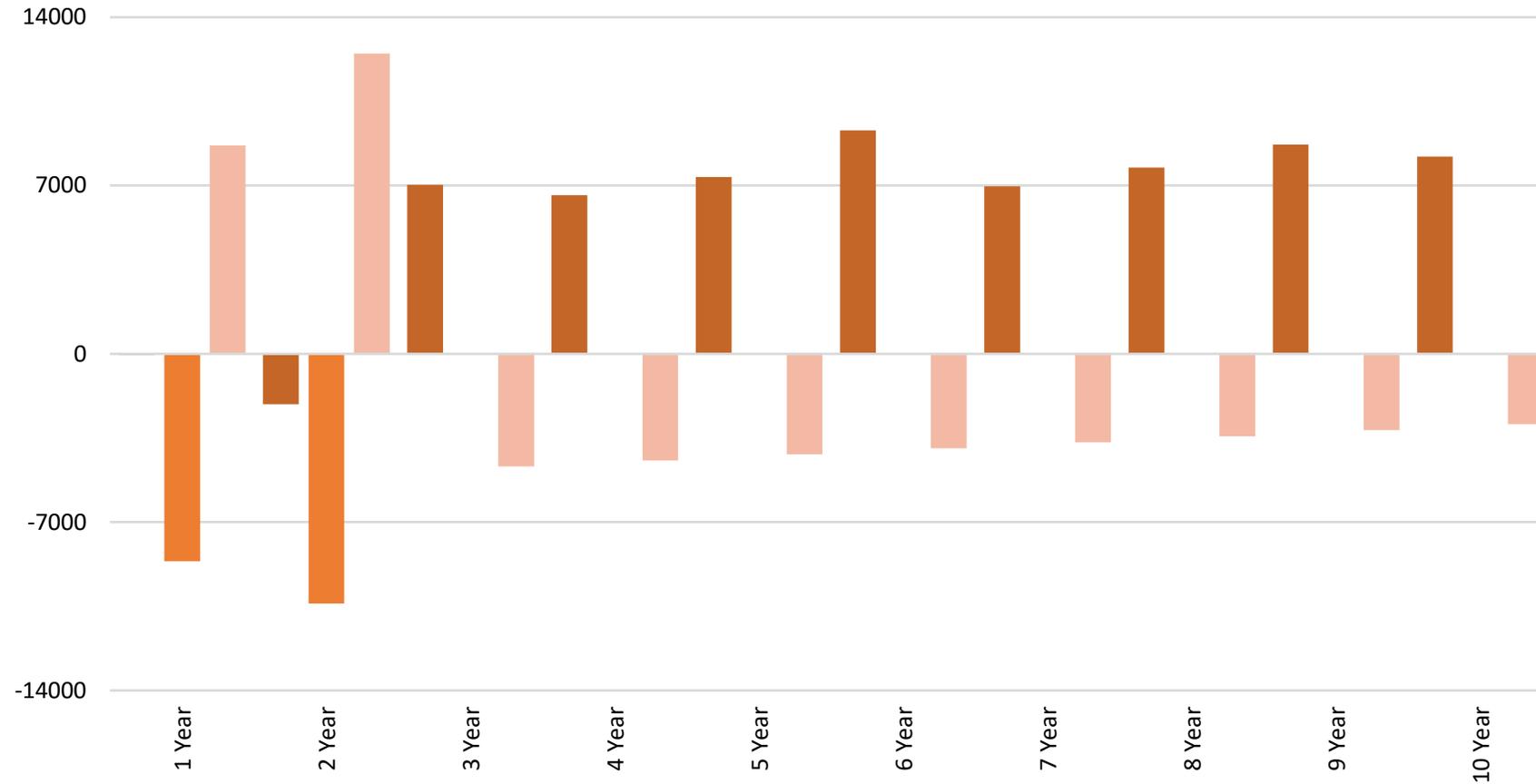
Technical and transport departments

- Electrician on shift (Grade 4-5)
- Electromechanic
- Locksmith on shift (Grade 4-5)
- Locksmith - welder
- Mechanic (car service)
- Head of the transport department
- Driver
- Forklift driver

Other staff

- Fire safety, occupational health and safety engineer
- Lawyer
- System administrator, IT specialist
- HR manager
- Healthcare professional
- Security
- End-to-end service worker
- Cleaner

Cash flow, thousand, EUR

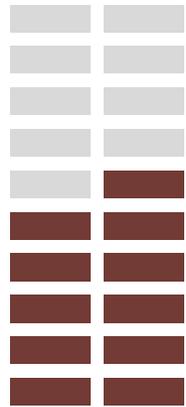


Accrued total at the end Year 10
31,759 thousand, euros

- Cash flow from operating activities
- Cash flow from investment activities
- Cash flow from financial activities

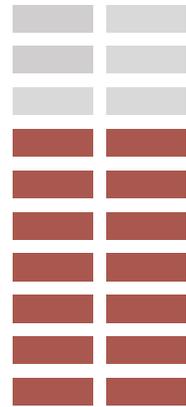
Total: **€62,167 thousand**
Total: **-€19,018 thousand**
Total: **-€11,390 thousand**

Project Investment Attractiveness



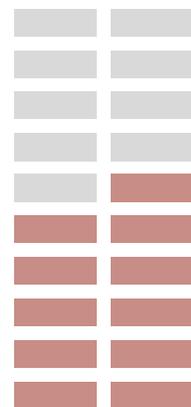
18.6%

Internal rate of
return – IRR



2.14

Profitability
index – PI

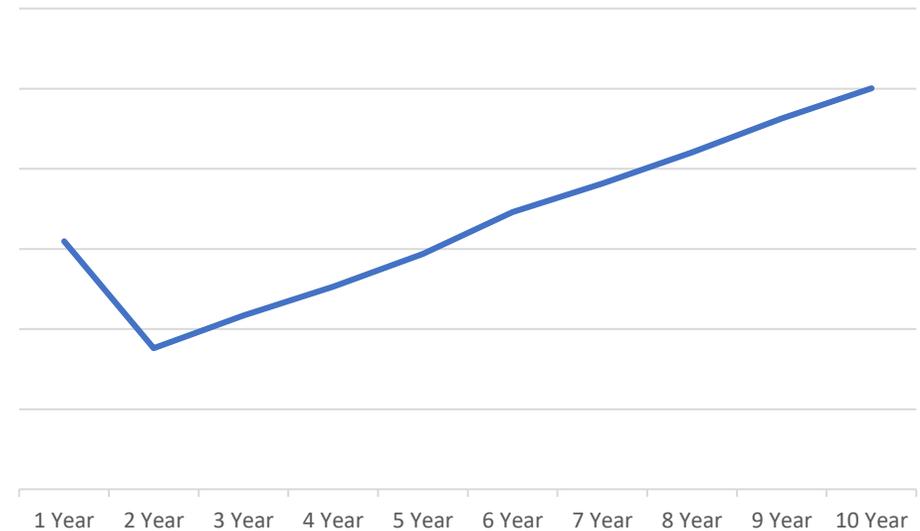


1.7

Return on
investment – ROI

Return On Sales (Net
Profit Margin) – ROS
– **13.8%**

Project NPV is positive indicating feasibility of the
project implementation.



Discounted payback
period – **7 yrs 3 mos**

Calculation period – **10 years**

Discount rate – **8.7%**

Loan servicing

Loan amount

€ 22,503,539

Loan rate

11.0%

Loan term

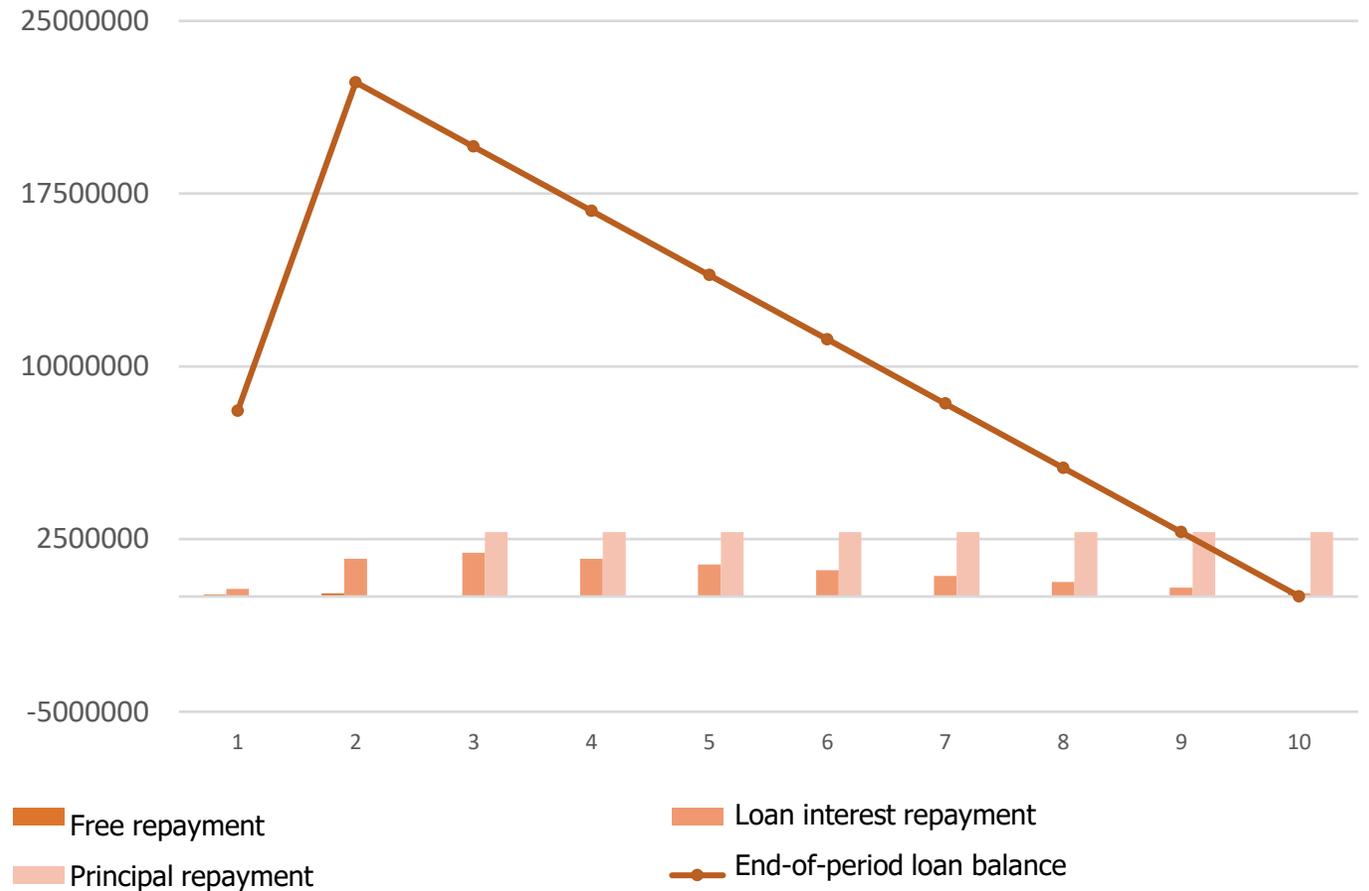
10 years

Grace period

2 years

Monthly payment

€ 234,412



Project team



Vitaliy Gulenko

Education:

- Bachelor of Economics
- Bachelor of Law

Experience :



- **25+ yrs** – State Tax Service of Ukraine and other finance/economics institutions



- **5+ yrs** – successful management of a food supply company, operating on national and foreign markets

Project role: project coordinator, CEO, expansion of sales markets and strategic decision-making



Kostiantyn Ahoshkov

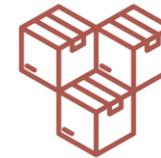
Education:

Accounting and Auditing degree, Odesa State University of Economics

Experience :



- **12+ yrs** – State Tax Service of Ukraine



- **8+ yrs** – commercial director of one of the largest retail chains in Ukraine

Position and functions after project launch: CFO; attainment of planned financial indicators