

LLC PUSTOVITSKY MPC

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The concept of the project involves the creation of a modern enterprise for the slaughter of cattle and the production of beef of the first and second grades of quality on the territory of Ukraine. All products will be exported to countries where there is a growing demand for beef and veal (UAE, Saudi Arabia, China and others). The sale of offal is planned on the domestic market of Ukraine.

KEY INVESTMENT INDICATORS

Indicator	Value	Lending parameters		
		lending rate, %	Period	Grace period
The cost of the project, including:	€ 5 938 473			
Own funds	€ 350 000			
Loan	€ 5 588 473	11%	10 years	2 years
Implementation period	10 years			
Discounted payback period (DPP)	6 years 4 mons			
Internal rate of return (IRR)	22,8%			
Return on sales (ROS)	13,9%			
Net present value (NPV)	€ 4 555 866			

PROJECT PROFITABILITY, million €

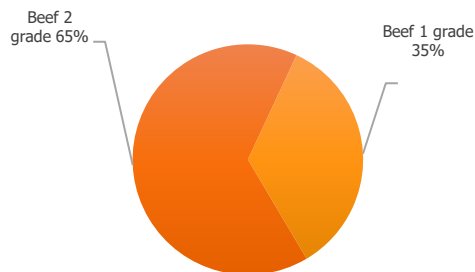
Indicator	1 year	2 year	3 year	4 year	5 year	6 year	7 year	8 year	9 year	10 year	Total
Sales	0,00	2,21	13,06	13,06	13,06	13,06	13,06	13,06	13,06	13,06	106,69
Net Revenues	0,00	0,54	3,45	3,45	3,45	3,45	3,45	3,45	3,45	3,45	28,13
Gross Profit	-0,17	0,29	2,94	2,94	2,94	2,94	2,94	2,94	2,94	2,94	23,63
EBITDA	-0,17	0,11	2,66	2,66	2,66	2,66	2,66	2,66	2,68	2,70	21,26
Net Profit	-0,31	-0,40	1,83	1,77	1,83	1,89	1,96	2,02	2,10	2,18	14,86

PROJECT CASH FLOW STATEMENT, million €

Indicator	1 year	2 year	3 year	4 year	5 year	6 year	7 year	8 year	9 year	10 year	Total
Operation activities	-0,17	-1,08	1,45	2,56	2,54	2,53	2,52	2,50	2,49	2,47	17,81
Revenues	0,00	1,16	13,69	14,94	14,94	14,94	14,94	14,94	14,94	14,94	119,41
Costs	0,17	2,24	12,24	12,38	12,39	12,41	12,42	12,43	12,45	12,47	101,60
Investment activities	-2,50	-1,64	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-4,14
Revenues	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Costs	2,50	1,64	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	4,14
Financial activities	2,65	2,64	-1,28	-1,20	-1,12	-1,05	-0,97	-0,89	-0,82	-0,74	-2,78
Revenues	2,79	3,15	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	5,94
Costs	0,13	0,52	1,28	1,20	1,12	1,05	0,97	0,89	0,82	0,74	8,72
Aggregate cash flow	-0,02	-0,08	0,17	1,36	1,42	1,48	1,55	1,61	1,67	1,73	10,89

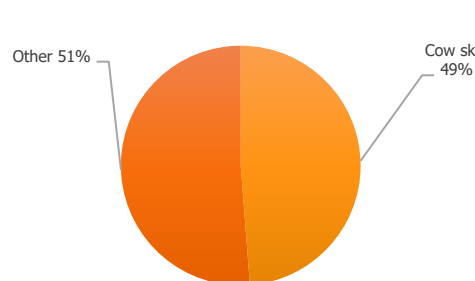
SALES STRUCTURE (export)

Cost - € 104,5 mln



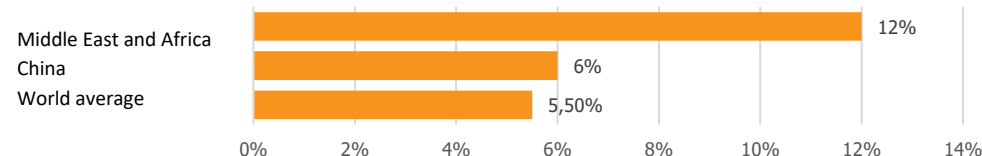
SALES STRUCTURE (domestic market)

Cost - € 2,5 mln



RELEVANCE OF THE PROJECT

The capacity of the world beef and veal market should increase to 650 billion dollars by the end of 2031 with an annual growth rate of 4.5-5.5%. This growth will occur unevenly across world regions. The key drivers will be the countries of the Asian region and China with indicators of 6% and up to 12% growth in some countries of the Middle East and Africa.



LOAN SERVICE SCHEDULE, million €

Indicator	1	2	3	4	5	6	7	8	9	10	Total
Obtaining	2,5	3,2	-	-	-	-	-	-	-	-	5,7
Construction	1,3	0,2	-	-	-	-	-	-	-	-	1,5
Equipment	0,85	1,45	-	-	-	-	-	-	-	-	2,3
Working capital	0,3	1,6	-	-	-	-	-	-	-	-	1,9
Loan repayment	0	0	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	5,7
Payment of % and commissions	0,1	0,5	0,6	0,5	0,4	0,4	0,3	0,2	0,1	0,1	3,2

PROJECT LOCATION AND EXPORT OPPORTUNITIES



KEY FACTORS OF PROJECT SUCCESS

1. Lower cost of beef production in Ukraine compared to developed countries;
2. A significant raw material base thanks to the possibility of buying livestock from enterprises and farmers;
3. The expected economic growth in the countries of the Middle East and Asia will affect the level of consumption of proteins of animal origin and will increase the need for meat products;
4. Export-oriented enterprises are protected to a greater extent from the devaluation of the national currency;
5. Use of modern technological solutions in the process of meat production and storage;
6. The construction site of the project is chosen taking into account all the necessary logistical needs in the process of activity and minimizing transport costs;
7. Full cycle of beef processing at one enterprise;

INFORMATION ABOUT THE INITIATORS AND MANAGEMENT MEMBERSHIP OF THE PROJECT

The project will be implemented with the participation of highly qualified personnel in key positions of the enterprise with work experience from 8 to 25 years.

Project initiators: Gulenko Vitalii та Ahoshkov Kostiantyn.

Management staff: CEO – Gulenko Vitalii; **Chief Engineer** – Avramenko Volodimir; **CFO** – Ahoshkov Kostiantyn; **Chief technologist** - Petrenko Yurii; **Chief Accountant** – Ahoshkova Natalia; **Lawyer** – Mozgalov Victor.