

KAZAKHSTAN AGRICULTURE OPPORTUNITIES



PRIVATE COMPANIES, PUBLIC ORGANIZATIONS, INVESTORS, CONTRACTORS AND
ENTREPRENEURS PARTNER WITH US FOR ADVICE, CAPITAL, INSIGHTS AND SOLUTIONS.

2017

Creation and development of a cluster for the production of beef in Almaty region

Project Description

- Expansion of the current feedlot from 3 000 to 10 000 head of cattle, creating a breeding farm (reproducer) for 5 000 breeding stock.

Current status

- The feedlot site was put into operation in December 2014. In 2016 the utilization rate was 5110 heads (82% of the capacity at double turnover).
- The construction of a meat-processing plant for 120 heads of cattle and 1000 heads of sheep per shift (8,000 tons per year) has been started. Estimated opening – the end of 2017.
- The enterprise has its own feed base, including 16 000 hectares of land in the mountain and foothill areas for the maintenance of livestock.

Participation in Project

- Obtaining a stake in the authorized capital of existing company.

Issues in Implementation

- Negotiating with the Initiator to obtain more optimal conditions for participation in the transaction for the Investor



Period of implementation	2017-2022
Project Type	Greenfield
Project Cost	\$ 17 million
Location	Almaty region
Annual capacity	6 300 tons of beef

Creation of Agro holding for the production of beef in Kostanay region

Project Description

- Increasing cultural pastures (land bank) from 7 000 up to 67 000 hectares (for 33 500 breeding stock), expansion of the feedlot from 8 000 to 25 000 head of cattle, construction of a meat processing plant with a capacity of 50 000 heads per year.

Current status

- Production of grain (50 000 tons), feed crop (60 000 tons), seed selection (5,000 tons).
- Storage of grain (140 000 tons volume of one-time storage)
- Pedigree reproducers (3 500 Aberdeen-Angus).
- Feedlot for 8,000 heads of cattle was built.

Participation in Project

- Obtaining a stake in the authorized capital of existing company.

Issues in Implementation

- Negotiating with the Initiator to obtain more optimal conditions for participation in the transaction for the Investor.



Period of implementation	2017-2022
Project Type	Brownfield
Project Cost	\$ 70 million
Location	Kostanay region
Annual capacity	10 000 tons of beef

Creation and development of a cluster for the production of beef in the West Kazakhstan region

Project Description

- Expanding the capacity of the current feedlot from 8 640 to 20 000 head of cattle, creation of breeding farm (reproducer) for 10,000 breeding stock.

Current status

- Feedlot for 8 640 heads was built.
- The meat-processing plant was put into operation for 120 heads of cattle per shift.
- The feed mill was put into operation at 5 tons per hour.

Participation in Project

- Obtaining an operating production complex for long-term leasing.

Issues in Implementation

- Carrying out by the lessor the procedures for the compulsory dissolution of the leasing agreement with respect to the current lessee.
- Current technical and financial situation of the project.
- Negotiating with the Initiator to obtain more optimal conditions for participation in the transaction for the Investor.

Period of implementation	2017-2022
Project Type	Greenfield
Project Cost	\$ 70 million
Location	West Kazakhstan
Annual capacity	8 000 tons of beef

Project Astana Fresh: Stage 1. Distribution

Project Description

- Organization of distribution centers in the following cities: Astana, Almaty and Shymkent on the basis of TLC of Continental Logistics LLP. It is planned to purchase fruits and vegetables from local farmers, as well as import of fruits and vegetables to Kazakhstan from Europe, South America, Africa and Central Asia and further distribution in the local market, as well as to Russia, China, Central Asian countries and other nearby countries..
- The main function of the distribution company will be to create a strong link in the supply chain for fruits and vegetables. The company will carry out its functions of organizing the trade, working directly with the farmers of fruits and vegetables, and will organize the sales of products.

Current market status

- Underdevelopment of trade and logistics infrastructure.
- The presence of an uncontrolled number of intermediary links.
- Lack of links between retail trade enterprises and agricultural producers.
- Lack of guaranteed sales markets for small and medium-sized agricultural producers.
- Lack of organizational, technical and technological capabilities for the formation of large, stable parties for export.

Current status of the project

- There are preliminary agreements with the retailers of the Republic of Kazakhstan;
- On 6th December 2016, the Astana Fresh LLP Company was registered on the justice authorities of the Republic of Kazakhstan.

Issues in Implementation

- Determination of the sources of financing for the Project;
- Search for strategic partners for the Project;
- Search for a partner for raw materials base.



Period of implementation	2017-2020
Project Type	Greenfield
Project Cost	~ \$ 1.9 million
Location	Astana, Almaty and Shymkent

Project Astana Fresh: Stage 2. Processing

Project Description

- Processing of agricultural products through the production of frozen vegetables, fruits and berries on the territory of a cannery in Baiterek village.
- Restarting the canning plant at the current plant. This project provides for further deepening of processing of vegetables, fruits and berries.
- Within the framework of the second stage, step-by-step cooperation with local farmers and greenhouses of the Almaty region, also agrarian support and control over the quality of raw materials will be carried out.

Current market status

- In Kazakhstan there is no own production of frozen vegetables, fruits and berries;
- Frozen products in Kazakhstan come mainly from Poland and Russia. Their aggregate share in the structure of imports is over 70% in physical terms;
- The production of frozen vegetables in Russia is about 50-60 thousand tons per year. At the end of 2015, the market size of frozen vegetables in Russia amounted to about 162 thousand tons. The share of imports in the structure of consumption is about 75%;
- At the end of 2015, Kazakhstan recorded a high share of imports (over 90%) in the segment of canned fruits and vegetables.

Current status of the project

- There are preliminary agreements with the retailers of the Republic of Kazakhstan.

Issues in Implementation

- Determination of the sources of financing for the Project;
- Search for strategic partners for the Project;
- Search for a partner for raw materials base



Period of implementation	2017-2020
Project Type	Greenfield
Project Cost	~ \$ 7.2 million
Capacity	7 400 tonnes
Location	Almaty region

* The implementation of the second stage will depend on the implementation of the first stage



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