

The investment offer of the project "Organization of the baby food production"

1. Project name: «*Organization of the baby food production*».

2. General information about project initiator: HC «Uzbekoziqovqatholding», address: 73a, Nukus St., Tashkent city Republic of Uzbekistan, 100015 Tel.: (+99871) 255-07-90, Fax: (+99871) 255-76-43, 255-55-79. E-mail: invest_oil@mail.ru

3. Information about the company on the basis of which it is planned to implement the project:

This project provides for the creation of a new enterprise with the participation of foreign direct investment. The company will be located in the region, taking into account environmental conditions and sufficient volume of raw materials: milk, vegetables, rice, fruit, etc.

4. Information on the project for the construction of an enterprise for the production of baby food (based on flour, cereals, starch, fruits and other food products).

4.1. Marketing of the production of baby food.

The main goal of this project is to saturate the domestic market with high-quality baby food in the assortment, meet the children's need for nutrition with dry milk mixes of domestic production and replace them with imported ones.

In Uzbekistan, there is practically no production of baby food. The annual demand for baby food products is 115 thousand tons and the import of products necessary for the healthy development of the child at the age of 6 months. up to 3 years - about 8.2 thousand tons per year.

Baby food products are becoming more popular, and the range of these products is constantly growing, which can be observed in the market of the republic.

The main segments of the market are: segment 1 - "Families with children aged 0 to 3 years with an average and above average income"; segment 2 - "Families with children aged 0 to 3 years with an average and below average income level."

When formulating the product range, two criteria should be taken into account: the breadth of the assortment should be based on traditional products of baby food; the depth of the assortment of baby food products should take into account the capabilities of local producers of raw materials and, if possible, rely on the specificity of the range of local fruit and vegetable growing.

The implementation of the project will contribute to the improvement of the system of providing consumers with baby food; provision of the population with workplaces; creation of a raw material base for the production of ecologically clean baby food products.

Due to long-term storage of the product (from 6 months to 1 year), in the process of increasing production volumes, in the future it is possible to provide dry infant formulas for children in other regions of the Central Asian republics.

4.2. Manufacturing: The design capacity of the enterprise is not less than 10 thousand tons of finished products per year. To ensure the production of competitive and export-oriented products, it is necessary to purchase and install modern technological equipment and efficient production management.

The approximate assortment of the company includes products necessary for the healthy development of a child aged 6 months. up to 3 years: dry mix for milk porridge, sterilized vitaminized drinking milk, kefir vitaminated, yogurt, cottage cheese and curd pastes.

A special feature of the new products is the refusal to add sugar and its replacement with fructose, the use of a safe for health and environmentally friendly glass packaging with a convenient reusable lid, as well as exclusively natural fruit fillers characteristic of the republic and certified for the production of baby food

Availability of own raw materials base: Farms, agro-complexes, producing milk, rice, fruit and vegetable products.

Potential supplier of equipment: The issue of determining the supplier of equipment is under consideration. The number of new jobs created (people): approximately 100 people, including 25 engineers and employees (with the possibility of increasing the coefficient of shifts).

4.3. Construction, reconstruction or modernization.

The direction of investment is new construction.

Engineering support:

- the need for a railway branch is available
- water supply - available
- Electricity - available
- Gas supply - available
- security – available

4.4. Financing.

The approximate cost of the project is 15,000 thousand dollars. USA including:

- for the purchase of equipment - 12,000 thousand dollars. USA
- for construction and installation work - 2000 thousand dollars. USA
- on other costs (working capital for the purchase of raw materials, commissioning, selection and training of personnel) - 1000 thousand dollars. USA.

Sources of project financing:

own means of the enterprise - 0

loans from commercial banks - 0

Foreign direct investment and loans - USD 15,000 thousand

Project implementation period: 2018-2019.

5. Expected results from the project.

Annual output: 8000 tons of baby food (the increase is possible from an increase in the coefficient of change of equipment operation).

- On the domestic market - 7200 tons. by 36,000 thousand US dollars;
- for export - 800 tons. for 4000 thousand US dollars;
- annual revenue from the project - \$ 40,000 thousand;
- gross profit - 6000 thousand dollars, net profit - 3500 thousand US dollars;
- additional increase in exports - 4000 thousand US dollars.

6. Status of development and examination of project documentation.

The project is at the initial development stage (Project technical feasibility study).

PASSPORT
of the investment project: "Organization of the production of baby food."

Project location: the regions of the Republic of Uzbekistan.

Project initiator: Holding Company "Uzbekoziqovqatholding"

№	Name of the indicators	Unit of measurement	Project parameters	Notes
1	The total cost of the project:	mln USD	15.0	
1.1	in free convertible currency	mln USD	15.0	
1.2	in national currency	mln UZS	-	
2	Costs in free convertible currency, total	mln USD	15.0	
2.1	Equipment purchase	mln USD	12.0	
2.2	for construction and installation works	mln USD	2.0	
2.3	Other (commissioning, selection and training of personnel)	mln USD	1.0	
3	Costs in national currency, total	mln UZS	-	
3.1	Equipment purchase	mln UZS	-	
3.2	for construction and installation works	mln UZS	-	
3.3	Other	mln UZS	-	
4	Sources of financing:			
4.1	budget resources	mln UZS	-	
4.2	foreign credits, total	mln USD	-	
-	under the guarantee of the government	mln USD	-	
4.3	foreign direct investment, total	mln USD	15.0	
-	contribution to the statutory fund	mln USD	-	
4.4	own funds	mln UZS	-	
4.5	commercial bank loans	mln UZS	-	
4.6	other sources (specific)	mln UZS	-	
5	Estimated number of employees,	number of people	100	
5.1	new jobs	number of people	100	
6	Duration of construction, total	a month	26	
6.1	work start date	a month. a year	2018 y.	
6.2	commissioning date	a month. year	2019 y.	
7	Payback period, total	a year	5,5	
8	Annual volume of products, services in kind	tons	8000	
8.1.	for export	tons	800	
8.2.	to the domestic market	tons	7200	
9	Annual revenue from sales of products, services	mln UZS	324 720	
9.1	for export	mln USD	3,6	
9.2	to the domestic market	mln UZS	295 200	
10.	prospective markets for products:			
10.1	domestic market share	%	90	
10.2	share of the external market	%	10	

Note: in the calculations, the US dollar exchange rate was adopted equal to US \$ 1 = 8200.00 UZS.

The gross profitability of production is assumed equal to 30%, net profit is 20%.

Reducing the cost of production is achieved through the selection of energy-saving equipment and rational combination of the technological chain.