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INVESTMENT IN HIGH-TECH GREENHOUSE COMPLEX IN KAZAKHSTAN

Project overview

- **Construction of a state-of-the-art diversified greenhouse complex** in Aktobe, Kazakhstan, focused on minimizing operating costs while maximizing productivity through modern Dutch technology.
- **Large-scale production facility:** Total greenhouse area of 44,136 sq.m. (4.4 hectares) dedicated to premium tomato production using advanced hydroponic systems and climate control technology.
- **Strategic market positioning:** Addressing the growing demand for fresh vegetables in Central Asian and Russian markets, currently served by imports from distant countries like Uzbekistan, China, and Turkey.
- **Import substitution opportunity:** Local production will reduce logistics costs, improve product freshness, and capture market share from existing importers while meeting unsatisfied domestic demand.
- **Professional management team:** Led by experienced professionals with 20+ years in agricultural management, government institutions, private companies, and financial sectors.
- **Advanced project stage:** Land secured (72 hectares in private ownership), feasibility study completed, and government support letters obtained from key regional authorities.

Project location and production facility

- **Strategic location in Aktobe,** the center of Western Kazakhstan, providing optimal access to major consumer markets, particularly the Russian Federation and Central Asian countries.
- **Transport advantage:** Located on the "Western Europe-Western China" international trade route, only 25 km from the selected site, ensuring excellent logistics connectivity.
- **Energy cost advantage:** Kazakhstan offers some of the lowest gas prices globally - 24 times cheaper than Netherlands. Gas is essential for greenhouse heating, electricity generation, and CO2 production.
- **Production specifications:**
  - Total area: 44,136 sq.m. greenhouse complex
  - Primary crop: Premium quality tomatoes
  - Technology: Modern Dutch greenhouse systems
  - Climate control: Automated heating, ventilation, CO2
- **Government support:** Comfort letters received from Agriculture Administration, Employment & Social Programs, and Entrepreneurship Department of Aktobe region.
- **Market access secured:** Letters of interest from major distributors including Zhilgorodskoy Market, Altay Market, and Fresh Market KZ.

Investment Requirements

Building the high-tech greenhouse complex and launching operations requires €13.0 million covering comprehensive infrastructure development:

Investment Component	Description
Greenhouse Infrastructure	44,136 sq.m. high-tech greenhouse structures
Dutch Technology Systems	Climate control, irrigation, automation equipment
Land Development	72 hectares site preparation and utilities
Support Facilities	Packaging, storage, offices, laboratories
Working Capital	Seeds, fertilizers, operational reserves
Total Investment:	**US$ 13.0 Million**

The project benefits from favorable exchange rates and local cost advantages, maximizing the value of foreign investment in the Kazakhstan market.

Investment Proposition

- **Flexible investment options available:**
  - Interest-bearing loan structure
  - Strategic partnership with equity participation
  - Mix of debt and equity financing options
- **Production management included:** Comprehensive agronomic support and harvest guarantee provided by Dutch technology supplier as part of the investment package.
- **Key financial projections**:
  - **NPV:** €8.43 Million
  - **IRR:** 12%
  - **Payback:** 7 Years
  - **Investment:** €13.0M
- **Competitive advantages:**
  - Lowest gas prices in the region (24x cheaper than EU)
  - Proximity to major consumer markets
  - Year-round production capability
  - Import substitution opportunity
  - Export potential to Russia and Central Asia
- **Risk mitigation:**
  - Government support and comfort letters
  - Secured land ownership (72 hectares)
  - Experienced local management team
  - Letters of interest from major distributors
  - Proven Dutch greenhouse technology
- **Market fundamentals:** Constant growing demand for vegetables, creating stable revenue foundation.