

## Investment proposal

Name of the project	Textile manufacture
Main goals of project	Organization of textile production: dyeing cotton yarn, organization of hosiery production. Today the market of Uzbekistan is provided with products by 40%.
Sphere /industry	Light industry
Implementation of schedule project	<ul style="list-style-type: none"> <li>- start of construction (July 2018)</li> <li>- the term of putting the project into operation, from the moment of attracting investments (14 months)</li> <li>- time to reach the design capacity (24 months)</li> </ul>
Location of the project	Kattakurgan, st. Beklar, house 69, region Samarkand
<b>Information about participants of the project:</b>	
- initiator	«JV KATTEX»
- co-executor (the lead sectorial of Ministry/authority/Department)	House of Governor (municipality) of Kattakurgan city
- creditor	NB FEA of Uzbekistan
Total costs of project	7, 000 thousand USD
<b>Prospective source of financing:</b>	
- own funds	1, 500 thousand USD
- credits	4, 000 thousand USD
- the required volume of direct foreign investments	1, 500 thousand USD
Composition of main costs	<ul style="list-style-type: none"> <li>- construction and installation work (\$ 400 thousand)</li> <li>- main equipment (including installation supervision and accessories) (USD 5000,0 thousand)</li> <li>- raw materials for the launch period (3-6 months) (USD 500 thousand)</li> <li>- equipment (950 thousand US dollars)</li> <li>- other (150 thousand USD)</li> </ul>
Predictable of profitability	30 %
Predictable of payback period	3-4 years

	Indicator	Years				
		1	2	3	4	5
Cash flows	<b>Inflows</b>					
	<i>Sales proceeds</i>	1205,9	2722,4	3051,3	3069,6	3471,5
	Total inflows	1205,9	2722,4	3051,3	3069,6	3471,5
	<b>Expenses:</b>					
	<i>Raw material cost</i>	219,4	193,6	193,6	193,6	193,6
	<i>Spare parts</i>	0,0	88,7	88,7	88,7	88,7
	<b>Total</b>					
	<b>mandatory expenses</b>	219,4	282,3	282,3	282,3	282,3
	<b>Own balance residue</b>	986,5	2440,1	2769,0	2787,3	3225,8
	<b>Cumulative residue</b>	986,5	3426,6	6195,6	8982,9	15397,9
Characteristics of the planned production	Products will meet all the requirements of European standards.					
Capacity of project/productivity	14 million ready units					
Contribution to the project by the initiator	<ul style="list-style-type: none"> <li>· land plot</li> <li>· buildings and structures</li> <li>· raw material base</li> <li>· idea</li> </ul>					
Current status of project	Stages of development of feasibility studies and preparation of production facilities					

### Information about the initiator of the project

Full name of the enterprises	«JV KATTEX»
Requisites, email, contacts	City Kattakurgan, Beklar street 69
Date foundation of enterprises	November 2017
Statutory fund	150 thousand USD
Structure of founders and distribution of shares	1. PROJECT INVESTOR LLC (Russia) - 50% 2. PE “GAFATAG” (Uzbekistan) - 50%

## General information

Number and types of jobs created	<p>Total jobs: 439 units, of which:</p> <ul style="list-style-type: none"> <li>- Administration: 5</li> <li>- Engineers: 20</li> <li>- Workers: 414</li> </ul>
Environmental impact statement (project EIS), which includes expected types and volumes of wastes, places of their utilization	<p>The category is appointed by State committee of the Republic of Uzbekistan on ecology and environment protection.</p> <p>Own sewage treatment plant disposal on site.</p> <p>The project meets and complies the requirements of the law concerning the environment, operating in the territory of Uzbekistan.</p>
Information about the land plot for the construction of the enterprise	<p>The size:</p> <ul style="list-style-type: none"> <li>- total area: 5.8 hectares</li> <li>- production area: 6300 sq. m</li> </ul> <p>Ownership: Private</p> <p>The presence of existing buildings:</p> <ul style="list-style-type: none"> <li>- manufacture building</li> </ul>
Existing infrastructure	<ul style="list-style-type: none"> <li>- electrical network - Exists</li> <li>- water supply network - Exists</li> <li>- natural gas network - Exists</li> <li>- sewer networks - Exists;</li> <li>- automobile roads –0.5 km, up to M37 1.5 km;</li> <li>- railway line:</li> <li>- length (km) - 3 km</li> </ul>
The required infrastructure	
Upcoming construction and installation works	<p>1) Construction of the production department:</p> <ul style="list-style-type: none"> <li>- total area of 864.0 sq. m.</li> <li>- dimensions of 6048.0 sq. m.</li> </ul>

Design and estimate documentation	Stage: Development of design and estimate documentation. Developer: GUI 4
Power requirement (kWh), installed capacity (kWh or megawatt hour)	12, 159 thousand kW per year
Demand for water (cub/m)	2, 970 thousand m <sup>3</sup> per year
Gas demand (cu/m)	1, 632 thousand m <sup>3</sup> per year

### Market analysis, productions definition (works, services),marketing researches

Type of product	Textile production
Annual production (ton. year)	14 million ready units
Prospective markets sales and their shares:	
Inner	20 %
Export	80 %
Costs of products	- From 0.08 USD to 2.2 USD per unit.
Demand for raw materials (per year)	1, 510 tons of cotton yarn per year
Market volume	100 %
Expected market share	240,0 million USD
Main competitors	0.5 % (1.2 million USD)
Main competitive advantage	Reliable information absent
Main target groups of consumers	Euro standardization
The structure of sales according to target groups of consumers	General
Pricing strategy	General
Cost structure of the final product	Reduced prices
Availability of patents, licenses, certificates in accordance with the current legislation	- The share of raw materials in the cost (90%) - Share of cost in relation to the cost of implementation (70%)
The presence of a formed database of potential customers with a confirmed willingness to purchase products	Foreseen
Presence of marketing research	Kazakhstan, Afghanistan, Tajikistan, Russia, Turkey
Presentation component of the project	Does not have
Additional information	Absent
Project risk	Sketches

## Production technology and parameters of main equipment

Depends on the investor's preferences

Type of equipment	Equipment for dyeing and knitting
Country of origin	Italy, Turkey, China
Performance	14 million ready units
Cost	5, 000 thousand USD
Energy consumption	1, 341 kW per hour
Installed capacity	2, 000 units per hour
Overall dimensions of the equipment	21, 000 m <sup>3</sup>
Weight of main equipment	600 tons
Node of main equipment (lines)	Dyeing, knitting, sewing lines
Number of working hours per year	8, 160 hours per year
Duty cycle	3 shifts
Periodicity of the planned –warning repair (design and preparation works)	Once in a year (25 days)
Number of people involved in the production process and their functions	- Administration: 5 - Engineers: 20 - Workers: 414

## STEP-BY-STEP, DESCRIPTION OF PRODUCTION TECHNOLOGY

*(Show schematically)*