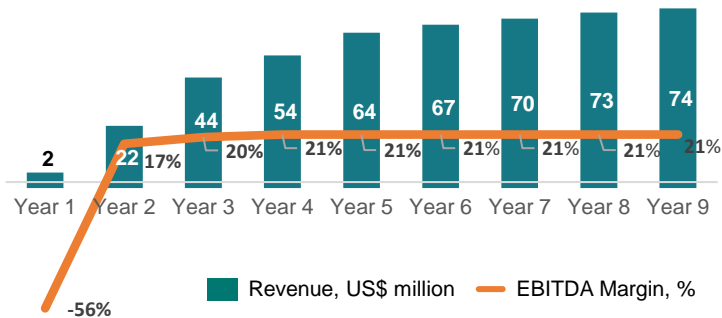


Industrial cultivation of blueberries and the organization of a plant cloning



Project Profitability



Location



Product

| | |
|---------------|--------------------|
| Capacity | 12,331 tonnes |
| Global demand | 2.5 million tonnes |

Valuation Metrics

| | |
|---------------------|------------------|
| Required Investment | US\$36,4 million |
| Project NPV | US\$47,7 million |
| Project IRR | 25,7% |
| Payback Period | 7.0 years |



The Project

- The project involves the creation of a unique full-cycle agriculture-technical complex, which includes the production of planting material, and the production and sale of blueberries.
- Industrial cultivation of blueberries in the amount of over 12 thousand tons is planned on an area of 520 hectares in Turkestan Oblast.
- The project also involves the creation of a center for microcloning seedlings for protection against viruses, the production of seedlings (over 2.5 mln annually), and by-products such as shadbush (144 tons) and honey (60 tons).
- It is planned to use Smart Farm, Agriculture 4.0 technologies and Green Taxonomy (solar & wind power, clean transport, water and energy saving, agroforestry).
- Use of carbon-free technologies, materials and energy sources, using no-till and minimal-till systems, agro-ecological technologies and organic farming methods.
- Creation of 250 permanent and 3,000 seasonal jobs.
- The project activity is included into the list of priority development projects, and it is eligible to have certain types of subsidies such as concessional lending, subsidizing of costs of fertilizers and capital investment, tax exemption.



Market

- Demand for blueberries still outstrips global production, 2.5 mln tons of blueberries are required annually in the global market. Asia is estimated to be the fastest growing region for blueberry. At present, the blueberry industry has a high potential for development.
- The main markets of the project are: Local, UAE, China, Russia, Korea and other South-East Asia countries.



Expertise

- Vanrik Agro Group is an agricultural holding from Georgia specializing in blueberry cultivation for 11 years, which holds a patent for biotechnology for microcloning propagation of plants and hydroponic cultivation of blueberries.
- Vanrik Agro Group is a major producer of fresh blueberries in Georgia with a 2018 harvest of more than 1,500 tons and it has all necessary ISO farming certificate along with SRCA certificate for planting and USDA ORGANIC standards (standard for organic products of the US Department of Agriculture).



Investment Opportunity

- The project initiator is considering equity/loan financing. The final amount and shares are subject to negotiation.