

Investment proposal for the Construction of the plant for the production of refractory concretes and special moulded articles in Zhlobin district

<i>Name of the investment project</i>	Construction of the plant for the production of refractory concretes and special moulded articles
<i>Industry</i>	Section CG (Rubber and plastic products. Other mineral non-metallic products)
<i>Location of the project implementation</i>	Address: 247 223, Republic of Belarus, Gomel region, Zhlobin district, Streshin urban settlement, 52 B Proboynaya Str. GPS coordinates of the location: 52.736484, 30.100757
<i>Brief description and purpose of the project</i>	Construction of the plant for the production of refractory concretes and special moulded articles will allow import substitution in the Republic of Belarus of similar foreign mixtures and moulded articles in such industries as: cement production, metallurgy, petrochemistry, fertilizer production, glass production, etc., where refractory products and refractory concrete are used. Domestic market valuation is more than 130 million euros. Creation of at least 60 jobs.
<i>Description of the projected product (service, technology)</i>	Production of refractory concrete for industrial enterprises based on Al ₂ O ₃ , ZrO ₂ , MgO, Cr ₂ O ₃ . Production of special moulded articles, including isostatic press moulding (slide gate plates, metering cups, immersion pipes, refractory tiles for reactors, etc., the range is wide and specific for many enterprises).
<i>Project status (degree of readiness)</i>	Market research was conducted. The basic list of necessary equipment was determined. Export markets are defined. Feasibility study was carried out, etc.
<i>Availability of land plot for project implementation</i>	Available
<i>Availability of property (real estate objects) for project implementation</i>	Not available
<i>Description of the existing infrastructure (including potential infrastructure)</i>	1. Highway. 2. Energy resources (mains gas, electric substation 110/35/10 kV). 3. Water conduit 4. Industrial area
<i>Total (estimated) cost of the project, million US dollars</i>	25

<i>The need for investments million US dollars</i>	25
<i>Form of investor participation</i>	Public-private partnership; New venture (production) creation; Foundation of a joint venture, Credit funding, loans, etc.
<i>Proposal to the investor</i>	Foundation of a joint venture. Other.
<i>Direction of investments use</i>	Purchase of technological equipment for refractory production, construction of workshops. Organization of production.
<i>Availability of a business plan (Feasibility study, design and estimate documentation, other program document</i>	Feasibility study: - sales revenues (VAT excluded) after: commissioning of the facility - 15.01 million US dollars; reaching the design capacity - 31.67 million US dollars; - simple payback period - 5.8 years; - dynamic payback period - 6.7 years; - NPV 31.71 million US dollars; - IRR – 27,37%; - discount rate - 10%
<i>Financial productivity indicators (according to the feasibility study)</i>	
<i>Project implementation period, years (according to the feasibility study)</i>	4
<i>Payback period of the project, years (according to the feasibility study)</i>	7
<i>Full name of the enterprise, organization (spearhead (customer) of the project implementation)</i>	RefraLit Limited Liability Company
<i>Government take in the authorized fund of the enterprise, %</i>	0
<i>Details of the enterprise, organization*</i>	RefraLit LLC Republic of Belarus, Gomel region, Zhlobin district, urban settlement Streshin, 52B Proboynaya str, tel./fax +375 2334 41238
<i>Contact information*</i>	Alexander Adamovich Kozlov - Director of RefraLit LLC tel: +375 29 1362961 e-mail: refralit@bk.ru
<i>Proposal prepared by</i>	ООО «РефраЛит»
<i>Contacts of the responsible official from the Zhlobin District Executive Committee</i>	Valentin Antonovich Undrul Deputy Chairman of the Zhlobin District Executive Committee tel: +375 2334 35180 e-mail: zampred.econom@gisp.gov.by;

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* - To be filled in if there is an enterprise (organization) being the spearhead, customer of the investment proposal, intended to enter the capital of an existing enterprise or create new (joint) venture, including the participation of a local partner when implementing the proposal.

INVESTMENT PROPOSAL
CONSTRUCTION OF THE PLANT
FOR THE PRODUCTION OF REFRACTORY
CONCRETES AND SPECIAL MOULDED ARTICLES

PROPOSAL TO INVESTORS

It is proposed to build a plant for the production of refractory products :

- special concretes - 30 thousand tons per year
- moulded refractory articles of special purpose - 6 thousand tons per year

Necessary investments into the construction of the plant - 25 million US dollars

Advantages of investing into the construction of the plant with RefraLit LLC:

- Availability of the construction site, energy resources, road network, qualified personnel, proven production innovative technologies, export markets.
- Tax benefits according to the current legislation of the Republic of Belarus.



LIST OF POSSIBLE BENEFITS AND PREFERENCES

- **Exemption from state duties for issuing** special permits for the right to engage in labor activity in the Republic of Belarus
- **Provision of a land plot included in the list** of land plots for the realization of investment projects without holding an auction
- **Exemption from import customs duties**, levied by customs authorities on the import of technological equipment, components and spare parts for it
- **Exemption from land tax and rent for the period of project implementation**
- **Implementation of a full deduction of value added tax** presented upon acquisition in the territory of the Republic of Belarus (paid upon import into the territory) of goods (works, services) and property rights
- **Exemption from payment for the right** to lease a land plot
- **Parallel design** (selection of work stages in the construction project with execution of works on construction of facilities at the current stage simultaneously with the execution of design works for subsequent stages)
- Construction of facilities **with the right to remove plant life** without compensation payments

PROJECT DESCRIPTION

- **The aim of the project is to create production capacities for refractory products and high value added materials in the Gomel region.**

Type of products

Concrete mixes – 10,000 tons per year; general purpose refractory products – 5 000 tons per year.

Special purpose refractory products – 20 000 items per year.

Raw materials

Chamotte, mullite, corundum, tabular alumina, andalusite and others (on the basis of Al_2O_3)

Manufacturers - China, South Africa, India, Peru.

Personnel

Need for personnel 50 people.

Export markets

The market of the Republic of Belarus - more than 130 million US dollars.

The market of the Russian Federation - more than 2.5 billion US dollars.

Shortage of high-quality refractories - more than 600 million US dollars.

PROJECT EFFICIENCY

- The simple payback period is 5.8 years.
- The dynamic payback period is 6.7 years.
- The period from the beginning of the contract to receipt of the first product is 2.9 years.
- Revenue from product sales, excluding value added tax – 31,67 million US dollars per year.
- Sales price of the products :
 - concrete mixes \approx 2,000 USD/t;
 - general-purpose refractory products \approx 750 USD/t;
 - cost of special-purpose refractory products \approx 10,000 USD/t.

INFORMATION ABOUT THE ENTERPRISE 'REFRALIT'

RefraLit LLC has experience of work since 2014.

Address: Zhlobin district, urban settlement Streshin, 52B Proboynaya street



Contact information:

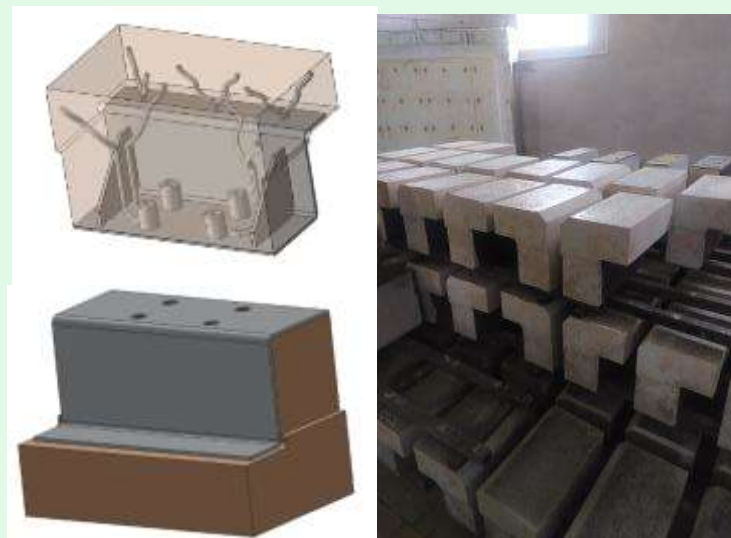
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Rolling furnace safety blocks

operating temperature - up to 1300 °C



Patenting furnace burner

flare temperature - 1800 °C



The production of more than 80 items of high-tech products has been established using innovative vibratory casting technologies.

The products are in high demand in the Republic of Belarus, the Russian Federation, Germany and other countries of the world.

DESCRIPTION OF THE INVESTMENT SITE

Address: Republic of Belarus, Gomel region, Zhlobin district, urban settlement Streshin, 52B Proboynaya street

Area: 1 ha

Designation: industrial area

Land user: RefraLit LLC

Availability of entitling documents for the land plot: available

Method of land plot allocation: lease

Transportation and engineering infrastructure:

To the asphalt road (M5) - 18 km

To the railroad - 18 km

Electric power supply: there is a private PTS on the territory of the enterprise with the possibility of connection with a capacity of up to 110 kV

Heat supply: None

Gas supply : Available

Water supply : Water pipeline Φ 100 mm

Water disposal: None

