

INVESTMENT MEMORANDUM

OPEN JOINT STOCK COMPANY «TUROVSHCHINA»



CONTENTS

INVESTMENT OFFER.....	4
OVERVIEW	6
GENERAL BUSINESS.....	8
MATERIAL AND TECHNICAL RESOURCES	10
GROSS FIGURES.....	12
ECONOMIC EFFICIENCY	14
INVESTMENT CLIMATE	16
INVESTMENT CLIMATE	18
PROJECT INITIATOR.....	20
CONTACT INFORMATION	22

Trading portfolio 1 as of 01.01.2018

«Strategic partnership»

Purchase of the block of shares of Turovshchina OJSC at par

Purchase of the block of shares of Turovshchina OJSC at par	12 545 000
cost per share, roubles	0,5
total cost of the block of shares, roubles	6 272 500,00

Purchase of the block of shares of Belagroprombank OJSC at net asset value

Purchase of the block of shares of Turovshchina OJSC at par	17 240 000
cost per share, roubles	0,5386
total cost of the block of shares, roubles	9 285 464,00

Стратегический инвестор

aggregate block of shares, units	29 785 000
share of equity fund	25,002%
total purchasing cost, roubles	15 557 964,00

Trading portfolio 2 as of 01.01.2018

«Long-term investments»

Purchase of the block of shares of Turovshchina OJSC at net asset value

Purchase of the block of shares of Turovshchina OJSC at par	29 785 000
cost per share, roubles	0,5386
total cost of the block of shares, roubles	16 042 201,00

Purchase of the block of shares of Belagroprombank OJSC

Purchase of the block of shares of Turovshchina OJSC at par	
cost per share, roubles	
total cost of the block of shares, roubles	

Strategic investor

aggregate block of shares, units	29 785 000
share of equity fund	25,002%
total purchasing cost, roubles	16 042 201,00

Trading portfolio 3 as of 01.01.2018

«Purchase of the blocking stake»

Purchase of the block of shares of Turovshchina OJSC at net asset value

Purchase of the block of shares of Turovshchina OJSC at par	
cost per share, roubles	
total cost of the block of shares, roubles	

Purchase of the block of shares of Belagroprombank OJSC

Purchase of the block of shares of Turovshchina OJSC at par	22 336 150
cost per share, roubles	0,55
total cost of the block of shares, roubles	12 284 882,50

Strategic investor

aggregate block of shares, units	22 336 150
share of equity fund	25,000001%
total purchasing cost, roubles	12 284 882,50



INVESTMENT OFFER

The purpose of attracting an investor

- Strategic partnership in the development of the enterprise and the improvement of business performance
 - - by improving the mechanisms of economic management and control
 - - by joint implementation of investment projects

Form of cooperation

- Selling the blocking stake in the amount of 25% + 1 share to the strategic investor
- Coordination in the decision making process in regard to the management system (assignment and removal of managers) and business mechanisms
- Joint development and implementation of investment projects
- Coordination of marketing and sales policy

Benchmarking

	Strategic partnership	Long-term investments	Purchase of blocking stake
Blocking stake	+	+	+
Investment into development	+	+	—
Optimization of balance structure	+	+/-	—
Possibility of redemption of shares at par	+	—	—
Additional offer	+	—	—
Amount of investments, thousand roubles	15 558,0	16 042,2	12 284,9

* Additional offer

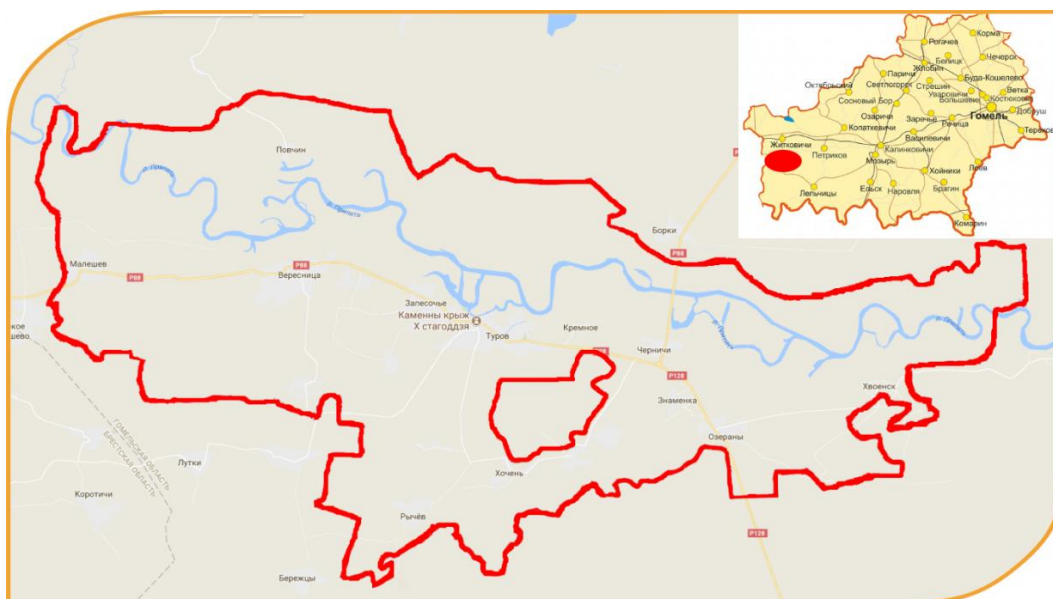
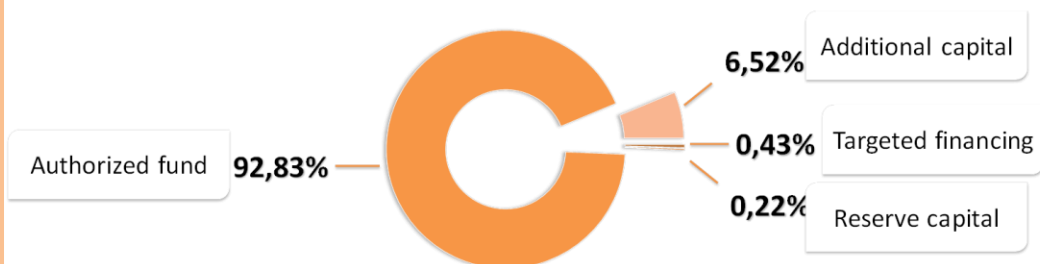
- Possibility of maintaining a preferential borrowed reserves portfolio by Belagroprombank OJSC for at least 5 years
- Possibility of restructuring on the agreed terms of the loan portfolio for loans granted by Belagroprombank OJSC



Balance sheet structure, thousand roubles

Indicators	2016	2017
Fixed assets	83 080	83 947
Inventory	26 318	27 162
Receivables	2 511	2 615
Equity capital	44 258	44 672
Credits and loans	50 564	49 998
Accounts payable	15 068	16 646

Net capital structure as of 01.01.2018



OVERVIEW

Turovshchina Open Joint Stock Company

- Registered in the Unified State Register of legal entities and individual entrepreneurs under № 490526759 on 20.08.2009, the decision of Zhytkovichi District Executive Committee
- Incorporated by way of reorganization of Agropripyat CFUE and merger with Richevsky CFUE, Zapesochye CFUE, Veresnitsa CFUE
- The legal successor of the rights and obligations of Turov canning plant CUE and Novaya Zhizn collective farm

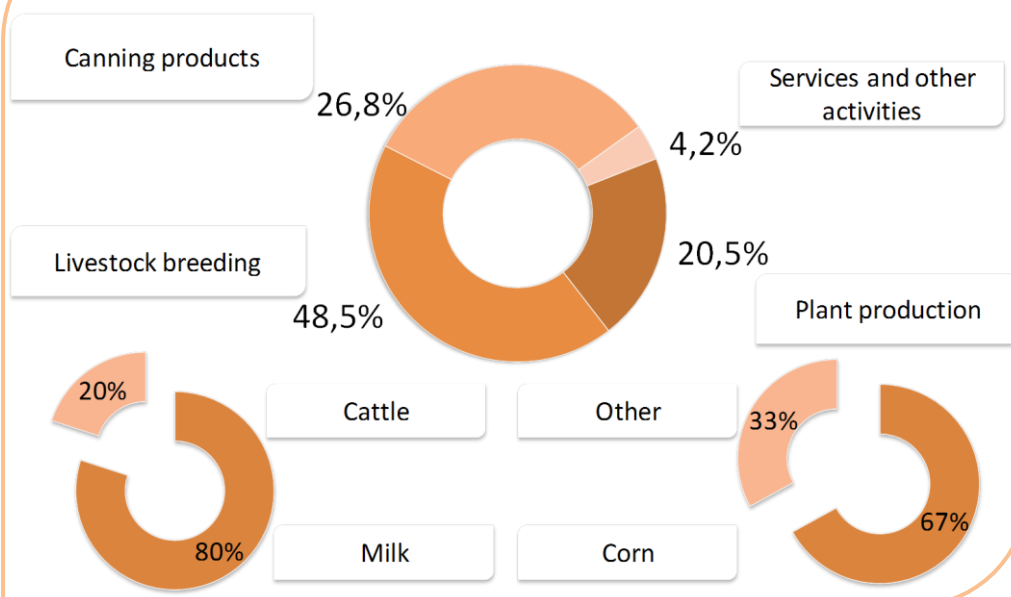
Allocation of authorized capital as of 01.01.2018

- Net capital, thousand roubles – 48 120
 - - *Net capital per 1 share, roubles* – 0,54
- Authorized fund, thousand roubles – 44 672
 - - *Cost per share, roubles* – 0,50
- Ordinary common shares, units – 89 344 596
 - - *Belagroprombank OJSC, units* – 84 859 230
 - - *State Committee of Property of the Republic of Belarus, units* – 828 633
 - - *Gomeloblagroservis OJSC* – 31 449
 - - *Individuals, units* – 3 625 284
- Preferred shares – none.

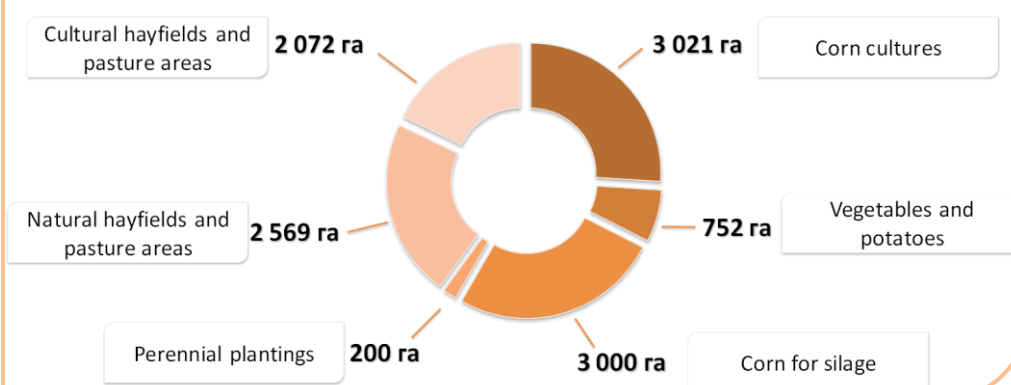
Location

- Gomel region, south-western part of Zhytkovichi district, central part of the Polessye lowland on both sides of the Pripyat River.
- The climate is moderately warm with unstable winter (average temperature in July +18,4, in January – 5,9°C), average yearly precipitation 573 mm, vegetation period 197-200 days, natural fertility of agricultural lands 31,8 points, of arable lands 44,7 points.
- The enterprise consists of 19 settlements (Ozerany (central farm yard), Znamenka, Pogost, Chernichi, Khvoyensk, Bechi, Richev, Ridcha, Khochen, Storozhovtsy, Semuradtsy, Zapesochye, Voronino, Veresnitsa, Maleshev, Lubovichi, Burez, Povchin, Turov). The territory infrastructure: 2 general education schools-kindergartens, 5 clubs, 10 shops, 2 canteens, 2 saunas, 2 feldsher-midwife stations, 1 pharmacy, highly developed transportation.

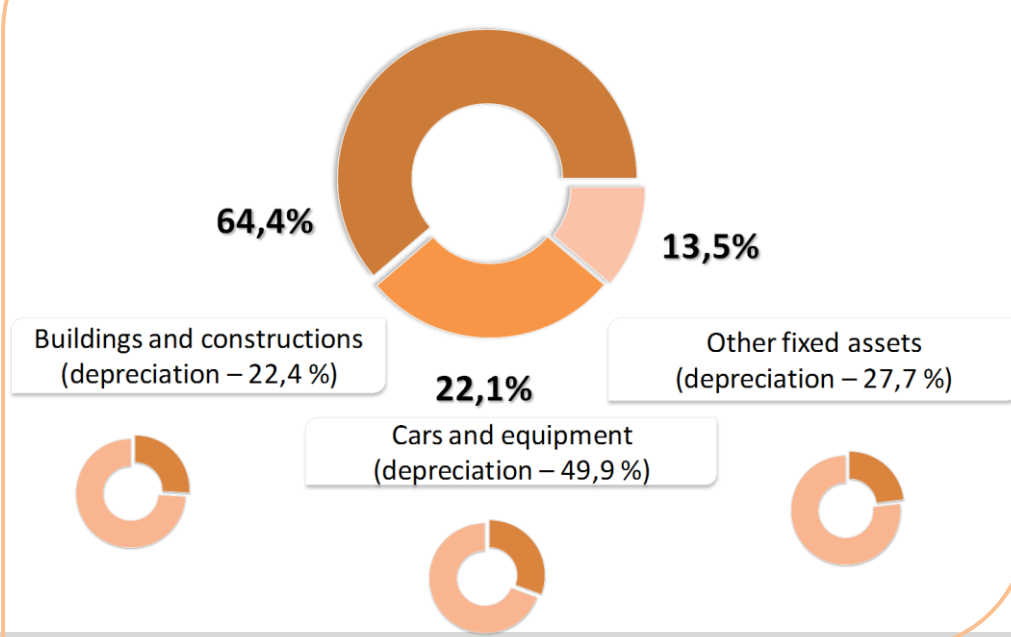
Information about the key indicators of specialization



Agriculturally used areas



Fixed assets structure



GENERAL BUSINESS

Turovshchina OJSC is a large multiproduct agro-industrial enterprise covering an area of 26 396 ha and consisting of:

- Turovshchina OJSC – agricultural production, area of the territory 26 396 ha.
 - Crop production – growing of cereals, grain legumes, fodder and industrial crops
 - area of agricultural lands – 11 909 ha.
 - arable lands – 6 095 ha.
 - garden – 200 ha.
 - Cattle breeding – large-scale dairy production, beef cattle breeding («Limousine»)
 - Total stock 12 091 heads, including:
 - Milking herd 3 268 heads
 - Beef cattle 360 heads.
- Turov Canning Plant OJSC – processing of agricultural production, canning
 - Natural canned products – green peas, sweet corn, natural beans
 - Canned snacks – vegetable saute, beans with garnish
 - Marinades – canned cucumbers
 - Jams – apple jam,
 - Juices – birch sap, berry juices
- “Losiny Ostrov” branch business – tourism, hunting and fishing. The area of hunting lands is 128 400 ha
 - “Turov hotel” – accommodation services and events
 - “Strumen” hotel complex – tourism and fishing, accommodation services and events
 - “Beloye” tourist complex – tourism and fishing
 - “Polessye” floating hotel – tourism and events



belagroprombank
making more future

MATERIAL AND TECHNICAL RESOURCES

Turovshchina OJSC

- Buildings and constructions
 - Commercial dairy farms – 9 units
 - Cattle fattening and completion of growing farms – 8 units
 - Grain cleaning and drying equipment – 2 units
 - Vegetable and fruit storage per 5 000 tons – 1 unit
- Machine and transportation department
 - trucks – 83 units
 - load carrying vehicles – 32 units
 - harvester-threshers – 19 units
 - forage harvesters – 8 units
 - potato combine harvester – 2 units

Turov Canning Plant OJSC

- Canning workshop
 - Green peas production line – 8 t per hour
 - Sweet corn processing line – 3,5 t per hour
 - Cucumber canning line – 10 tubes per day
- Juice workshop
 - Juice production – 30 tubes per day
 - Strained tinned food production – 10 tubes per day

“Losiny Ostrov” branch business

- Fenced open-air cages for wild animals – 1 840 ha
 - Length of fence – 22,48 km
- Use of the Pripyat river – 31,5 km
- “Turov” hotel
(49 sleeping accommodations, 24 seats in the restaurant)
- “Strumen” hotel complex
(24 sleeping accommodations, 45 seats in the coffee-bar)
 - Hotel building (16 beds) – 1 building
 - Two-storied guest houses (up to 10 beds) – 2 buildings
- “Beloe” tourist complex
(25 beds)
 - Guest house 7 rooms – 1 building
 - Guest house 2 rooms – 2 buildings
 - Guest house 4 rooms – 2 buildings
- “Polessye” floating hotel
(16 beds)



belagroprombank
making more future

GROSS FIGURES

Animal production

- Dairy production
 - Gross milk yield, t – 18 572
 - *Milk yield per cow, t* – 5,683
 - Milk distribution, t – 16 190
 - Marketability of milk, % – 87
 - Distribution in standard weight, t – 16 189
 - Valid fat status, % – 3,6
- Growing of cattle
 - Total stock of cattle, heads – 11 918
 - Animal yield, heads – 4 008
 - Output of raising, t – 1 586
 - Average daily growth gain, g – 596
 - Gross gain in weight of cattle, t – 1 639
 - Distribution in live weight, t – 1 244

Plant production

- Commercial production
 - Cereals and grain legume crops, ha – 3 021
 - In weight after processing, t – 15 562
 - Field vegetables, ha – 625
 - Yielding, t – 6 732
 - Fruit (apples), ha – 40
 - Yielding, t – 824
- Internal business volume
 - Peas, ha – 284
 - Yielding, t – 1 455
 - Sweet corns, ha – 250
 - Yielding, t – 1 827

Canned products

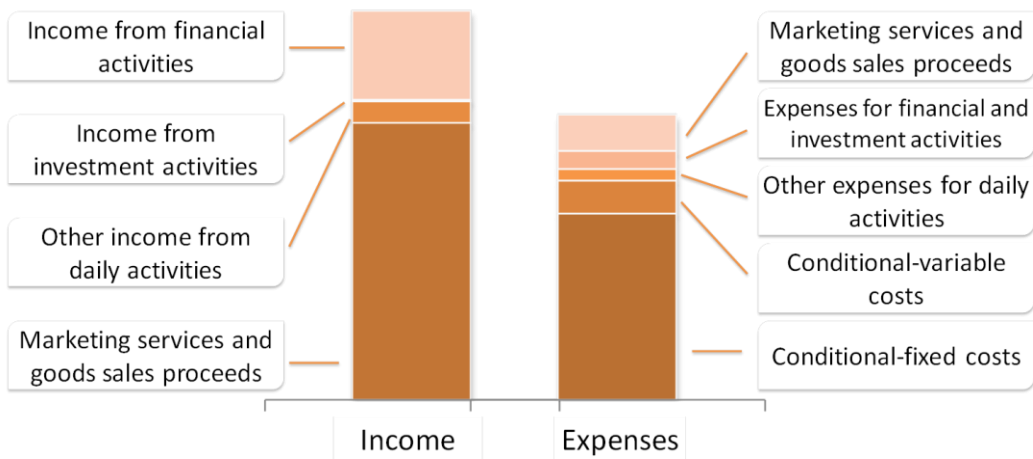
- Canned green peas cans, tubes – 4 446
- Canned and pickled cucumbers, tubes – 245
- Canned beans, tubes – 118
- Canned corn, tubes – 3 162
- Juice – 719

Tourism and recreation services

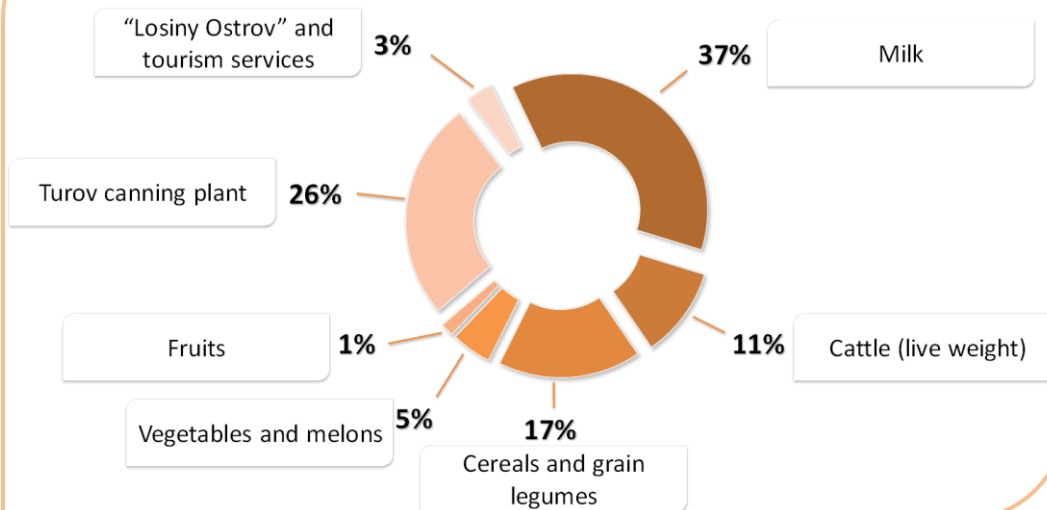
- Received guests, persons – 9 523
- Accommodation, room-nights – 12 112



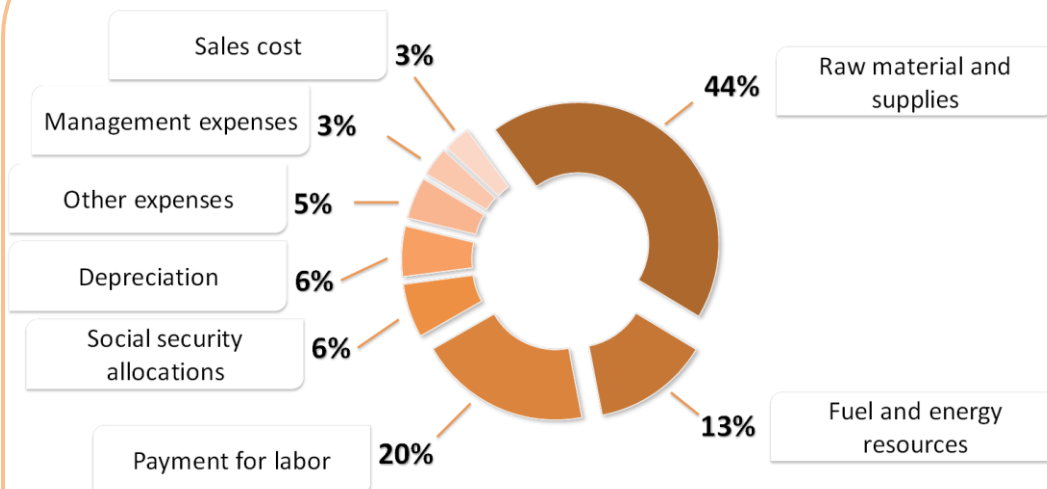
Comparison of income and expenses on the balance sheet



Revenue structure



Cost structure



ECONOMIC EFFICIENCY

Assets analysis as of 01.01.2018

- Long-terms assets have a 72,5% share in the balance sheet structure (fixed assets) – the balance value of fixed assets is 83 954 thousand roubles,
- The enterprise has no uncompleted large investment projects – investments into long-terms assets amount to 861,0 thousand roubles or 0,7 %
- The major part of current assets consists of highly liquid assets – the total amount of reserves is 27 162,0 thousand roubles or 23,5% (of which 12,2% are animals in farming and fattening)
- Accounts receivable have a small share in the balance sheet structure - 2 615,0 thousand roubles or 2,3%.

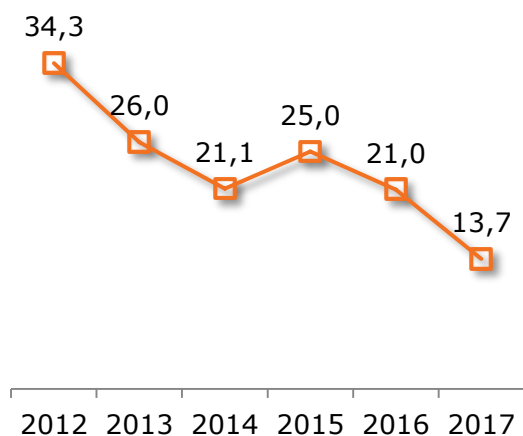
Liabilities analysis as of 01.01.2018

- Equity capital has the biggest share in the liabilities side of the balance sheet - 48 120,0 thousand roubles or 41,6%.
- The share of long-term liabilities (including credits and loans) is 41 422,0 thousand roubles or 35,8%. The average weighted annual interest rate on borrowed resources is 2,0%.
- The share of short-term liabilities in the balance sheet structure is 26 261 thousand roubles or 22,7%. In particular the current liabilities amount to 16 646 thousand roubles or 14,4 %.

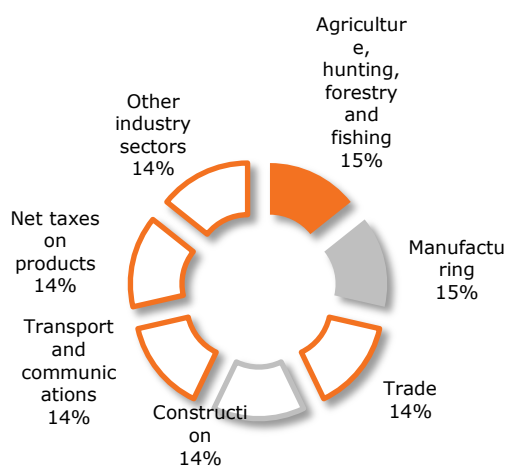
Financial stability and solvency analysis as of 01.01.2017 and 01.01.2018

- The current liquidity ratio is 1,83 – 1,18 (standard $\geq 1,5$). The current liquidity ratio evidences the enterprise's ability to pay off its short-term liabilities.
- Working capital to current assets ratio is 0,47 – 0,15 (standard $\geq 0,2$). The ratio evidences the adequacy of own circulating assets.
- Financial assets to financial liabilities ratio is 0,59 – 0,58 (standard $\leq 0,85$). The ratio evidences the enterprise's ability to pay its financial liabilities subject to sale of assets.

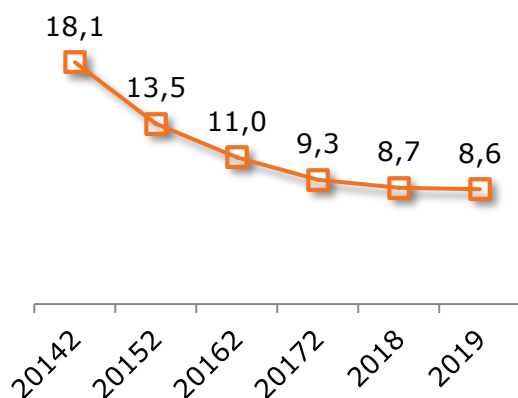
Refinancing rate



GDP structure in 2017r., %



Inflation



Sovereign rating of the Republic of Belarus



Caa

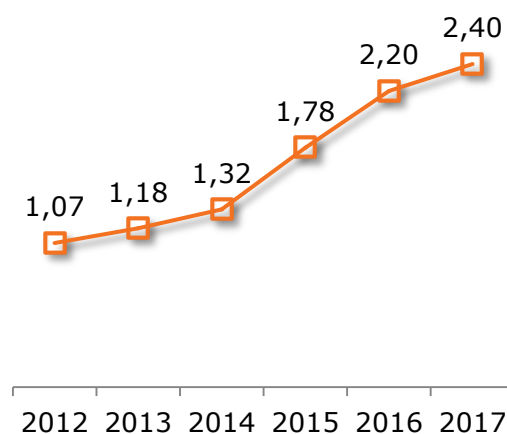
**STANDARD
& POOR'S**

B-

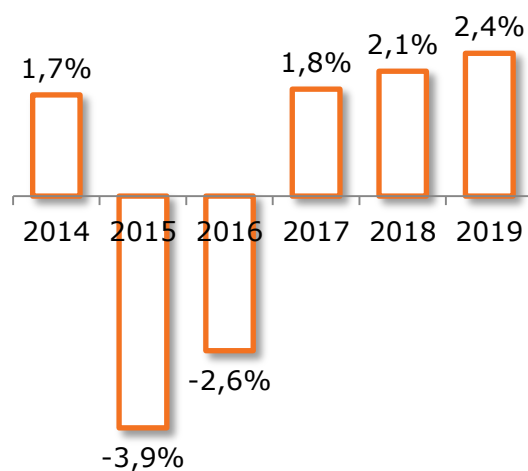
FitchRatings

B-

Euro/BYN rate



GDP growth rate



belagroprombank
making more future

INVESTMENT CLIMATE

The Republic of Belarus is the state in Eastern Europe (borders on Lithuania in the north-west, on Poland in the west, on Latvia in the north, on Russia in the east, on Ukraine in the south)

- Territory - 207.6 thousand sq. km;
- Population - 9.5 million people;
- GDP (PPP) per capita - \$ 17.8 thousand;
- Share of the urban population - 78.1%;
- Minsk agglomeration - 23.2% of total number.

Stable socio-political system

- There are no inter-ethnic and inter-religious conflicts;
- The share of economically active population is 46.2%, unemployment – 0,5%;
- Holds 52 position in the world by human development index.

Sustainable export-oriented economy

- GDP in 2017 - \$ 54,4 billion;
- Foreign trade turnover of goods and services for 2017 is - \$ 72.9 billion;
- Gold and foreign exchange reserves (01.06.2018) - \$ 6.94 billion;
- External public debt (01.01.2018) - \$ 17.3 billion;
- Inflation rate in 2017 - 6.0%;
- Refinancing rate as of 01.06.2018 - 10.5%.

Since 2017 there has been observed the economic recovery under the influence of the following factors:

- Increase of industrial production and export, growth of demand for non-resource goods (according to the forecasts of EBRD by 2020 the growth rate will amount to 2.4%);
- According to the World Bank in 2019 and 2020 the GDP growth will amount to 2.4%;
- Strict monetary policy and successful response to demand compression. It is expected that strict monetary policy will be carried on in the ensuing years to reduce inflation and interest rates;
- According to the forecasts of IMF by 2020 the decline in inflation will amount to 8% per annum.

According to the annual survey of the World Bank Group “Doing Business Report 2018” the Republic of Belarus:

- Has risen by 19 positions and has taken the 38th place among 190 countries in total rating - one of the strongest positions in the CIS;
- Has climbed up to 115 points and has taken the 30th position in terms of “International trade” – the leading position among the countries of EEU



belagroprombank
making more future

INVESTMENT CLIMATE

Nowadays the Republic of Belarus offers potential investors the following advantages:

- Выгодное географическое положение;
- • Advantageous geographical position;
- • Highly-qualified personnel;
- • Well-developed network of transport communications and infrastructure;
- • Innovative investment legislation;
- • Guarantees to avoid double taxation thanks to: 52 bilateral agreements and 49 contracts of the Republic of Belarus with other countries;

The Law of the Republic of Belarus of the House of Representatives of the National Assembly of the Republic of Belarus as of 12.07.2013 No. 53-3 “On investments” (guarantees full protection of the investor and investments).

The Decree of the President of the Republic of Belarus No. 10 as of 06.08.2009 “On the creation of additional conditions for investment activities in the Republic of Belarus” (the investment contract grants the right to enter into a land lease agreement without auction; construct a project with the right to remove the flora resources without payment of compensation; return of the value-added tax from the budget paid upon the acquisition of goods, works, services, property rights used for construction, equipping of objects provided for in the investment contract; exempt from import customs duties)

The Decree of the President of the Republic of Belarus as of 07.05.2012 No. 6 “On stimulating entrepreneurial activity in the territory of middle, small urban settlements, rural areas”, within seven calendar years from the date of the state registration of a legal entity (has the right not to calculate and not to pay income tax in regard to profit and income received from the sale of own produced goods (works, services); not to calculate and not to pay real estate tax, excused from paying stamp duty on the issuance of a special permit (license))

The Decree of the President of the Republic of Belarus as of 22.09.2017 No. 345 “On the development of trade, public catering and consumer services” in rural areas and small urban settlements (turnover on the sale of goods (works, services), arising from activities in rural areas and small urban settlements are exempt from value added tax; profit from the sale of goods (works, services) received from activities in rural areas and small urban settlements, is subject to income tax at the rate of 6 percent; exempt from real estate tax, land tax, lease payments for land plots owned by the government).

The state program for the social and economic development and integrated natural resources management of Pripyat Polessye (includes among others the territory of Zhytkovich district, location of Turovshchina OJSC; by peculiarities of climate, relief, composition and structure of lands, soil cover, hydrographic network, transport infrastructure, settlement system and availability of labor resources Pripyat Polessye is unique and includes the largest forest-bog complex in Europe and floodplain ecosystems of the Pripyat river).



Key financial indicators	As of 01.01.2018 Million BYN	As of 01.01.2018 Million USD
Assets	9 605	4 996
Capital	1 238	644
Credits provided to customers	4 847	2 521
Customer accounts	5 599	2 912
Standard & Poor's	B/B – (stable forecast)	



PROJECT INITIATOR

Initiator of this investment memorandum is Belagroprombank Open Joint-Stock Company

- Universal commercial bank with a government stake of 91,3 %
- Incorporated on 03.09.1991 (letter of the national Bank of the Republic of Belarus dated 03.09.1991 No.03005/184);
- Parent company of the bank holding company (consisting of 4 affiliated enterprises);
- Government Agent on servicing state programs
- Over 48 000 corporate and 1 900 000 retail clients.

Belagroprombank OJSC holds leading positions in the banking sector of the Republic of Belarus

- №2 by authorized fund and equity, assets and deposits;
- 25 position in Top 25: Central and Eastern Europe 2018 – The Banker;
- 2nd regional network in size: 4 regional branches и 259 cash settlement centers, Representative offices in the Italian Republic (Milan);
- Has stable rating according of estimates of the international agencies Standard & Poor's: B, Stable forecast (at sovereign level).

Belagroprombank OJSC is proactively involved in the global financial market

- Cooperates with over 100 banks from 30 world countries;
- Accepted by 18 ECA to participate in the cofinancing of trade operations of the bank's clients;
- One of the leading credit and financial institutions of the Republic of Belarus in terms of attracted credit facilities at the global capital markets



новейшей
истории

belagroprombank

making more future



belagroprombank
making more future

CONTACT INFORMATION

The main office of Belagroprombank OJSC

- Address: 3 Zhukov Avenue, Minsk, 220036, Republic of Belarus
- Telex: 25 21 13 APBRB BY
- S.W.I.F.T.: BAPBBY2X
- Common contact number: 136
- Telephone for enquires: + 375 17 218 57 15
- E-mail: info@belapb.by

Responsible officer - Center of implementation of investments projects of Belagroprombank OJSC:

- Head of the long-term investments support and management department: Nekrash Vladimir Aleksandrovich
- Tel.: +375 17 359 11 58
- E-mail: v.nekrash@belapb.by





белагропромбанк
традиции будущего

INVESTMENT MEMORANDUM

JOINT-STOCK COMPANY

OZERITSKY-AGRO



CONTENTS

INVESTMENT PROPOSAL	3
OVERVIEW	6
PRINCIPAL ACTIVITY.....	8
MATERIAL AND TECHNICAL RESOURCES	10
GROSS FIGURES	12
ECONOMIC EFFICIENCY	14
PROFILE OF THE REPUBLIC OF BELARUS.....	15
INVESTMENT CLIMATE	16
INITIATOR OF THE PROJECT.....	17
CONTACT INFORMATION.....	20





INVESTMENT PROPOSAL

The purpose of attracting an investor

- Joint activity in the development of the enterprise and the improvement of performance
 - By improving the mechanisms of economic management and control
 - By joint implementation of investment projects

Form of cooperation

- Selling the blocking stake (25%+1 share) to the strategic investor
- Coordination in the decision-making regarding the management system (assignment and relocation of managers) and business mechanisms
- Joint design and implementation of investment projects
- Harmonization or marketing and sale policy

Benchmarking

	Strategic partnership	Long-term investments	Purchase of blocking stake
Purchased stake of JSC Ozeritsky-Agro, units	20 561 + 20 562	47 976	35 983
Source of shares	Addit. issue + the Bank's shares	Addit. issue	The Bank's shares
Blocking stake	+	+	+
Investment into development	+	+	—
Balance structure optimization	+	+/-	—
Possibility of redemption of shares at par	+	—	—
Additional proposal *	+	—	—
Amount of investment, thousand rubles	4 112,3	20 130,7	15 098,5

* Additional proposal

- The possibility to maintain a portfolio of concessional borrowed resources for at least 5 years on the part of JSC Belagroprombank
- The possibility of restructuring of the loan portfolio on agreed terms on the loans issued by JSC Belagroprombank

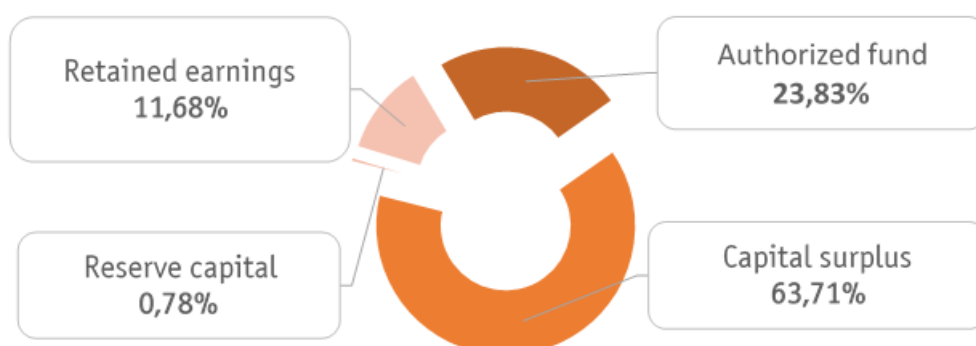


Balance sheet structure, thousand BYN.

Indicators	2017	2018
Fixed assets	83 947	86 520
Inventory	27 162	26 080
Account receivable	2 615	2 462
Equity capital	44 672	60 338
Credits and loans	49 998	47 828
Account payable	16 646	7 224



Net capital as of 01.01.2019



OVERVIEW

Joint-Stock Company Ozeritsky-Agro

- “Ozeritsky-Agro” of Smolevichi district was incorporated as a private unitary enterprise (PUE) on November 4, 2005 in accordance with the decision of Minsk regional executive committee, by way of whole or partial merger of six agricultural cooperatives.
- On June 30, 2014 PUE Ozeritsky-Agro was renamed into the agricultural unitary enterprise Ozeritsky-Agro.
- On December 16, 2016 the agricultural unitary enterprise Ozeritsky-Agro was renamed into joint-stock company (JSC) Ozeritsky-Agro. The certificate of state registration of a legal entity dd. 16.12.2016 No.690363881.

Share capital as of 01.01.2019

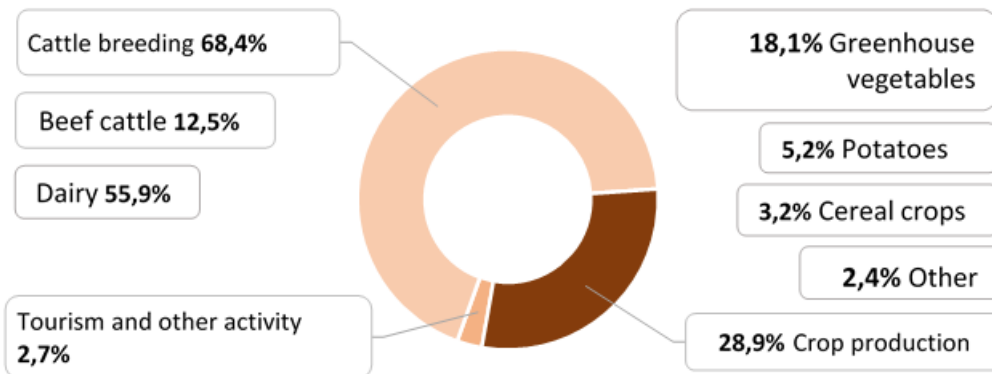
- | | |
|------------------------------------|-----------|
| • Net capital, thousand rubles | – 60 396 |
| ▪ Net capital per 1 share, rubles | – 419,6 |
| • Authorized fund, thousand rubles | – 14 393 |
| ▪ Cost per share, BYN | – 100 |
| • Common shares, units | – 143 925 |
| ▪ JSC Belagroprombank | – 143 493 |
| ▪ JSC Agroleasing | – 432 |
| • Preferred shares | – none. |

Location

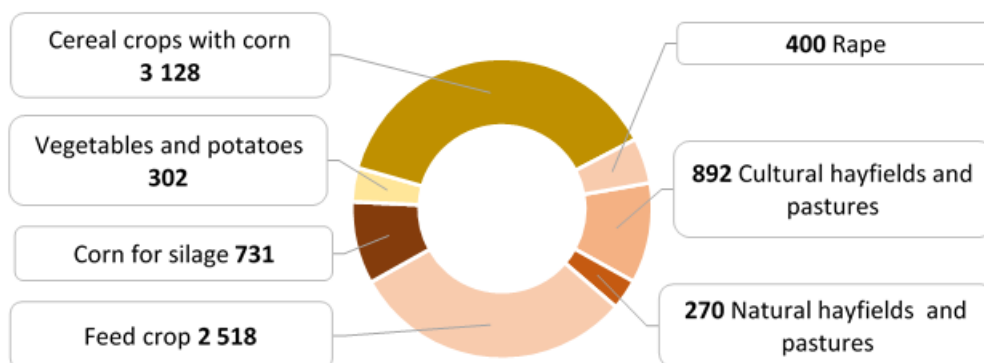
- Republic of Belarus, 222215, Minsk region, Smolevitchy district, Ozeritsko-Slobodsky village council, agrotown of Sloboda, 7 Tsentralnaya Str..
- The central farmstead JSC Ozeritsky-Agro is situated at 1 km from the Sloboda railway station, at 10 km from the M1 Brest – Moscow highway and 20 km from Minsk-2 National Airport.
- The climate is moderately warm with unstable winter (average temperature in July +18,4, in January – 5,9°C), average annual precipitation 573 mm, vegetation period 197-200 days, natural fertility of agricultural lands 34,4 points, of arable lands 35,2 points.
- The territory of PUE “Ozeritsky-Agro” encompasses 24 townships under the administrative management of two village councils: Ozeritsko-Slobodsky and Zabolotsky.



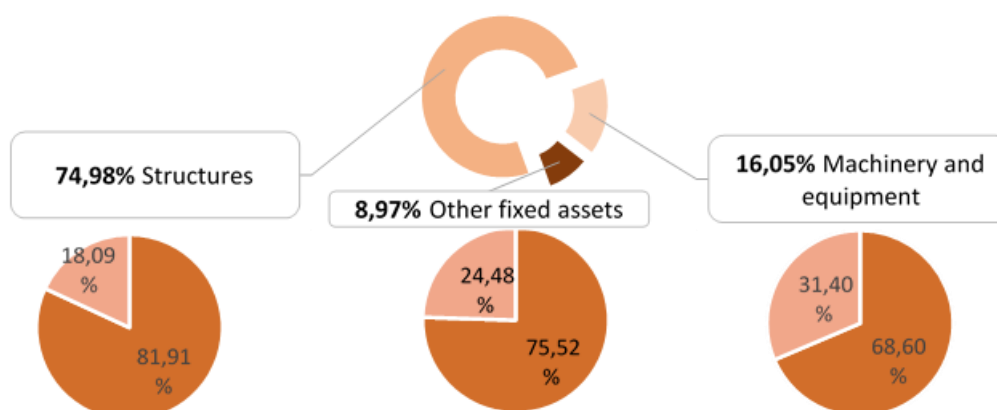
Main areas of expertise



Agricultural land, ha



Fixed assets (amortisation)



PRINCIPAL ACTIVITY

JSC Ozeritsky-Agro is a large multi-field agro-industrial enterprise consisting of:

- **JSC Ozeritsky-Agro** is agricultural production, area of 8 830 ha.
 - **Crop production** – growing of cereals, legumes, fodder and industrial crops
 - area of agricultural lands – 8 241 ha, including arable lands – 7 079 ha
 - meadowlands – 1 162 ha, including cultivated – 892 ha
 - **Cattle breeding** – large-scale dairy production, beef cattle breeding
 - Total stock – 6 343 heads, of which:
 - Milking herd – 2 360 heads
- **Recreation centre “Sosnovaya”** – accommodation in guest houses.
 - Events arrangement: weddings, anniversaries celebrations, banquets
 - sauna with a swimming pool
 - gazebos for outdoor activities
- **The Agro-Eco-Industrial Park “Dubrova”** – beach holiday and fishing. Occupies an area of 83 ha. We are searching for investors for joint development of the project concept, co-financing of construction and further exploitation. Currently, the Park’s infrastructure has:
 - Car parking for 233 cars and 86 cars, and 2 security checkpoints, outer fencing of the entire area
 - Vertical planning and coastal fortification
 - Land zoning works completed, availability of ready micro-zones designated for construction
 - Offsite utility networks and constructions have been built (footpaths, staircases, rainwater and fecal sewage systems, exterior lighting)





белагпромбанк
традиции будущего

MATERIAL AND TECHNICAL RESOURCES

JSC Ozeritsky-Agro

- Structures
 - Commercial dairy farms – 9 units
 - Cattle fattening and nursing farms – 8 units
 - Grain cleaning and drying equipment – 2 units
 - Vegetables and fruit storage for 10 000 tons – 1 unit
 - Greenhouse
- Transportation department
 - trucks + loading machines – 107 units
 - load carrying vehicles – 31 units
 - harvester-threshers – 12 units
 - forage harvesters – 11 units
 - potato combine harvester – 1 unit

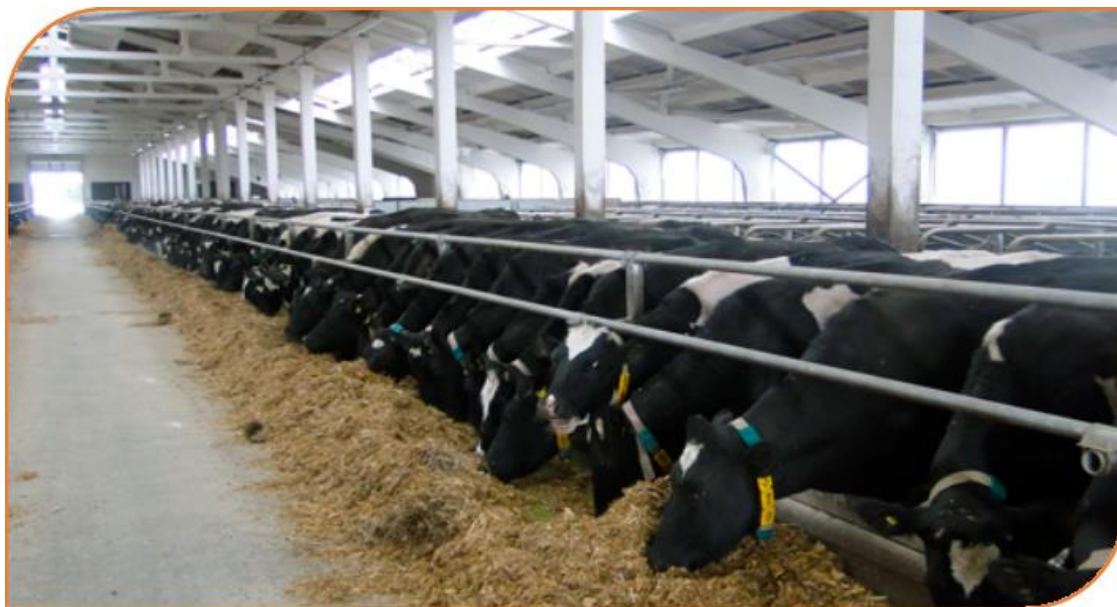
Recreation centre “Sosnovaya”

- Coffee-bar – 120 seats
- VIP-room – 12 seats
- 8-room guest house – 1 building
- 12-room guest house – 2 buildings
- 2-room guest house – 1 building
- Sauna (billiards, swimming pool, steam room) – 10 seats
- Gazebo for 10 persons – 1 gazebo
- Summer cafe – 300 seats
- Conference hall – 20 seats

The Agro-Eco-Industrial Park “Dubrova”

- 8-person gazebo – 14
- 10-person gazebo – 7
- 12-person floating gazebo – 1
- 24-person gazebo – 1
- 50-person covered gazebo – 1
- Fishing bridges – 18
- Sand beach – 1500 m²
- Children’s beach – 700 m²
- Children’s playground (swings, slides) – 1
- Standard football field – 1
- Mini Football Field – 1
- Volleyball court – 1
- Life rescue station – 1
- Changing rooms – 8
- Benches – 32





белагропромбанк
традиции будущего

GROSS FIGURES

Livestock products

- **Dairying**
 - Gross milk yield, t – 20 087
 - Milk yield per cow, t – 8,511
 - Milk distribution, t – 18 590
 - Marketability of milk, % – 92,5
 - Distribution in standard weight, t – 660
 - Valid fat status, % – 3,4
- **Beef cattle growing**
 - Total cattle, heads – 6 343
 - Animal yield, heads – 2 544
 - Output of raising, t – 1 198
 - Average daily gain, grams – 806
 - Beef cattle gross gain in weight, t – 1 124
 - Live weight distribution, t – 1 066

Crop production

- **Commercial farming**
 - Cereals and grain legume crops, ha – 3 128
 - In weight after processing, t – 10 879
 - Field vegetables, ha – 22
 - Yielding, t – 834
 - Potatoes, ha – 280
 - Yielding, t – 6 590
 - Greenhouse vegetables, ha – 8 000
 - Yielding, t – 2 645

Tourism and recreation services

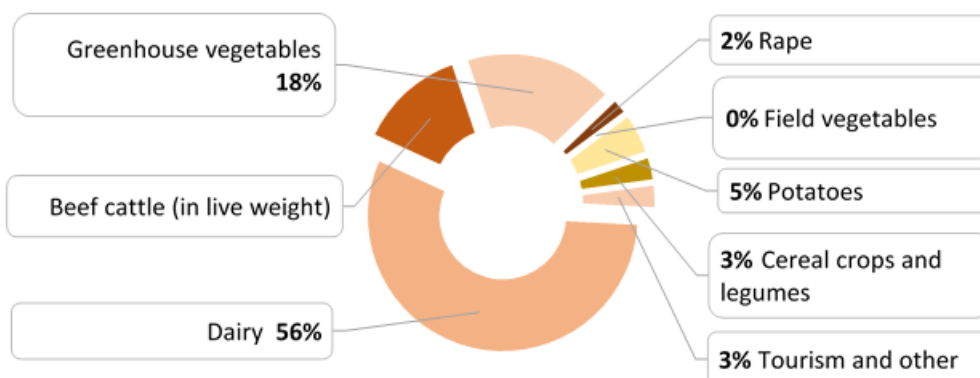
- **The recreation centre “Sosnovaya”**
 - Number of guests accommodated, persons – 4 137
 - guests at the events, persons – 4 239
- **The Agro-Eco-Industrial Park “Dubrova”**
 - Number of vouchers issued for amateur fishing – 5 706
 - amateur fishing, t – 5,3
 - number of guests accepted in the guest zone, persons – 14 927
 - commercial fishing, t – 2,9



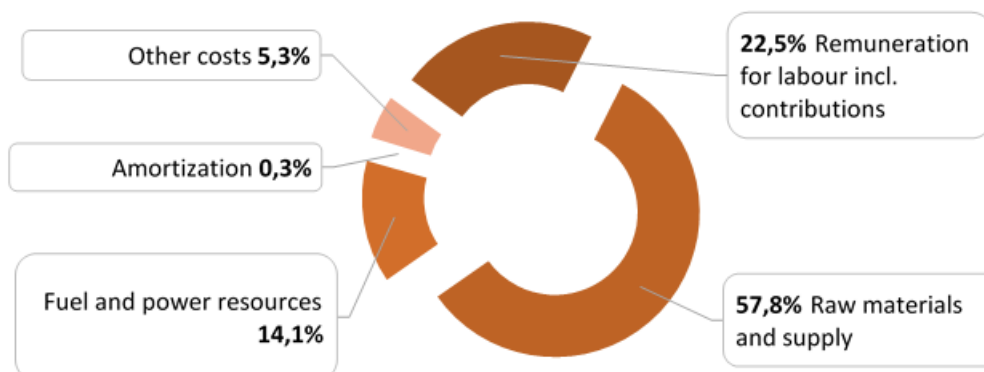
Income and expenses as per balance sheet



Breakdown of revenue



Breakdown of costs



ECONOMIC EFFICIENCY

Assets analysis as of 01.01.2019

- Long-terms assets have a 83,0% share in the assets side of the balance sheet (fixed assets) – the balance value of fixed assets is BYN 75 290 thousand
- The enterprise has no uncompleted large investment projects– investments into long-terms assets total BYN 46 thousand or 0,05%,
- The principal part of current assets consists of highly liquid assets –the total amount of inventories is BYN 14 575 thousand or 15,6%
(of which 4,4% are animals in breeding and fattening)
- Accounts receivable have a small share in the balance sheet structure:
- BYN 894 thousand or 1,0%.

Liabilities analysis as of 01.01.2019

- Equity has the biggest share in the liabilities side of the balance sheet: BYN 60 396 thousand or 64,7%.
- The share of long-term liabilities (credits and loans) is BYN 23 064 thousand or 24,7%. The average weighted annual interest rate on borrowed resources is 2,3%.
- Short-term liabilities have a 10,5% share in the balance sheet structure (BYN 9 835 thousand). Short-term accounts payable: BYN 5 922 thousand or 6,3%.

Financial stability and solvency analysis as of 01.01.2018 and 01.01.2019

- Current liquidity ratio 1,43 - 1,61 (standard $\geq 1,5$).
- Working capital to current assets ratio is 0,3 – 0,38 (standard $\geq 0,2$). The ratio evidences the adequacy of own circulating assets.
- The ratio of financial assets to financial liabilities is 0,37 – 0,35 (standard $\leq 0,85$). This ratio evidences the enterprise's ability to pay its financial liabilities subject to sale of assets.



PROFILE OF THE REPUBLIC OF BELARUS

Geographic location

- The Republic of Belarus is situated in the centre of Europe at the intersection of trade ways between West and East, and North and South. The country is crossed by the shortest transport routes linking EAEU with Western Europe. The Republic of Belarus borders Lithuania and Latvia in the north, the Ukraine in the south, the Russian Federation in the east and Poland in the west. The country has a strategically advantageous geographical location as a transportation hub between the West and the East, as well as between the North and the South. The distance from Minsk to Warsaw is 500 km, to Moscow 700 km, to Berlin 1060 km, and to Vienna 1300 km.
- The total area of the Republic of Belarus is 207,6 thousand sq.km. The country stretches 560km from north to south and 650km from west to east. The area of Belarus is bigger than such countries as Austria, Ireland, Portugal and Greece.
The capital city is Minsk, located on the same latitude as Hamburg and Dublin. Dzyarzhynskaya Hara is the highest point in Belarus at an elevation of 345 m above the seal level, situated in Minsk region. The lowest point in Belarus is in the valley of the Neman river in Grodno region (80 – 90 m above the sea level). The territory of Belarus is divided into six regions.

Climate

- Moderately continental climate is characterized by mild winters, frequent thaws and rainy cool summer. The average January temperature is -6°C, the average July temperature is +18°C. Belarus has an average annual precipitation of 550-700 mm.

Population

- The population of the Republic of Belarus is approx. 9,5 million people. The Republic of Belarus is a multinational country, 70% of the population lives in cities.



Language

- Russian and Belarusian are the official languages. Russian, English and German are widely used for business communication.

Time zone

- The Republic of Belarus is located in the FET (UTC+3) time zone. The Republic of Belarus cancelled seasonal time change.

Economy

- The Republic of Belarus is an export-oriented country with a well-developed production sector, services sector and agriculture. The Republic of Belarus adheres to the socially-oriented model of the market economy.
- The Republic of Belarus trades with more than 190 countries. The major trade partner of the Republic of Belarus is the Russian Federation. Russia's share in the country's export is more than 38% and in the country's import more than 59%. The trade deficit with the Russian Federation totalled USD 7 157,9 billion.
The second largest trade partner is the European Union, accounting for over 31% of the country's export and approximately 18,6% of the country's import. The largest proportion of exports goes to Germany, the Netherlands, Poland, the Baltic countries. Traditionally, Belarus has trade surplus with the EU countries in the amount of USD 2 559 billion
- In 2018 turnover of foreign trade in goods of the Republic of Belarus amounted to USD 72,1 billion, of which USD 33,7 billion accounts for export, USD 38,4 billion for import.
- Major export items:
Petrochemical products: oil products, chemical fibers, tires;
Potassium and nitrogen fertilizers;
Metals;
Agricultural and load-carrying machinery;
Dairy and meat products;
Sugar and other produce of the agroindustrial sector.
Raw materials, namely oil, gas, mineral raw materials, as well as component parts for mechanical engineering, make up the majority of imports.



INVESTMENT CLIMATE

Investment legislation

- The major sources of legal regulation of investment activity in the Republic of Belarus are the following: Law of the Republic of Belarus as of July 12, 2013 No. 53-3 “On investments”, Law of the Republic of Belarus as of July 12, 2013 No. 63-3 “On concessions”, Decree of the President of the Republic of Belarus as of August 6, 2009 No.10 “On creation of additional conditions for investment activity in the Republic of Belarus”.
- According to the Law “On investments”, investments are any property and other objects of civil rights that belong to the investor by right of ownership or other legal basis, allowing him to dispose of such objects invested on the territory of the Republic of Belarus by the methods provided for in this Law, in order to make a profit (income) and (or) to achieve other significant results or for other purposes not related to personal, family, household or other similar use.

Double taxation conventions

- The Republic of Belarus has signed double taxation conventions with the following countries: Austria, Azerbaijan, Armenia, Bangladesh, Bahrain, Belgium, Bulgaria, Hungary, Венесуэла, Vietnam, Germany, Hong Kong, Georgia, Egypt, Israel, India, Iran, Ireland, Italy, Kazakhstan, Qatar, Cyprus, China, Kuwait, Kyrgyzstan, Laos, Latvia, Lebanon, Lithuania, Macedonia, Moldova, Mongolia, the Netherlands, United Arab Emirates, Oman, Pakistan, Poland, Russian Federation, Romania, Saud Arabia, North Korea, Syria, the Slovak Republic, Slovenia, Singapore, Tajikistan, Thailand, Turkmenistan, Turkey, Uzbekistan, Ukraine, Finland, Croatia, the Czech Republic, Switzerland, Sweden, Sri Lanka, Ecuador, Estonia, South African Republic, Yugoslavia (valid for Serbia), South Korea.
- Belarus is the successor of the USSR in the double taxation conventions with Great Britain, Denmark, Spain, Malaysia, USA, France and Japan. The Republic of Belarus has signed new conventions with Great Britain and Spain, but they have not entered into force yet.



INITIATOR OF THE PROJECT

Initiator of this investment memorandum is the Joint-Stock Company Belagroprombank

- Universal commercial bank, 99% of shares is owned by the State
- Registered on 03.09.1991 (letter of the National Bank of the Republic of Belarus dd. 03.09.1991 No.03005/184);
- Parent company of the bank holding company (consisting of 4 affiliated enterprises);
- Government Agent on servicing state programs;
- About 50 000 corporate and 2 000 000 retail clients.

JSC Belagroprombank holds leading positions in the banking sector of the Republic of Belarus

- No.2 by authorized fund and equity, assets and deposits;
- 92th position in the Top-200 Central and Eastern Europe 2018 – RIA rating;
- Branch network: 5 regional branches и 259 outlets, Representative office in the Italian Republic (Milan);
- Has stable ratings assigned by Standard & Poor's: B, Stable outlook

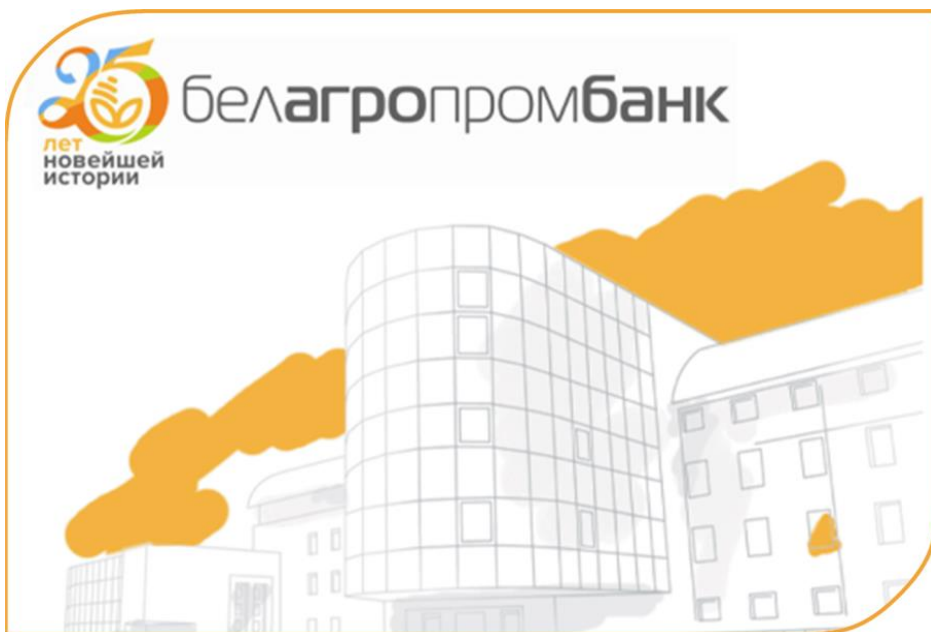
JSC Belagroprombank is an active player at the global financial market

- Cooperates with over 100 banks from 30 world countries;
- Accepted by 18 ECA to participate in the co-financing of trade operations of the bank's clients;
- One of the leading credit and financial institutions of the Republic of Belarus in terms of attracted credit facilities at the global capital markets.





белагропромбанк



белагропромбанк
традиции будущего

CONTACT INFORMATION

Head office of JSC Belagroprombank

- Address: Republic of Belarus, 220036, Minsk, 3 Zhukov Ave.
- Telex: 25 21 13 APBRB BY
- S. W. I. F. T.: BAPBBY2X
- E-mail: info@belapb.by
- Chairman of the Board: Anatoli A. Lysiuk

Responsible officer:

- Anzhelika P. Gushchenya
- Landline: +375 17 359 11 60
- Mobile: +375 29 314 41 04
- E-mail: a.guschenya@belapb.by