

CONSTRUCTION MATERIALS

**Total – 3 projects from
businesses of the region**

Creation of construction materials manufacture
(Misto Bud M LLC, Dnipropetrovsk region)

1

Establishment of the production with the polymer coatings on galvanized steel or aluminum sheet in the city of Dnipro (Elvas trading house, Ltd , the city of Dnipro)

3

Creation of float glass production («Orion-Glass-Float» LLC, the city of Vilnohirsk)

5





Creation of construction materials manufacture



Creation of production lines of energy saving materials (thermo facade) and the concrete products for urban landscaping (paving slabs, edgings and decorative concrete products).

Considering market conditions, it is planned to expand production, namely: concrete of various grades, road curbs, lighting poles, reinforced concrete trays, concrete fences.

Equipment: thermal vacuum moulder, dry press for paving slabs, sawmill for cutting fiber cement boards, vibrating table for casting, concrete unit for the production of various grades concrete.

Approximate volume:

Concrete - 200 m³ per hour.

Plate thermofacade - 500 m² per hour.

Paving slabs - 1400 m² per hour.



Initiator

Misto Bud M LLC



Duration

6 months



Project goals

- Meeting the demand for the high-quality modern energy-saving materials and the concrete products for urban landscaping;
- creation of 20 new jobs.



Project economic indicators

Required investment capital: \$2.2 mln

Own floating assets – \$100 thousand.

Net Present Value (NPV)	\$3 mln	Payback period (PP)	2 years 7 months
Profitability index (PI)	1,36	EBITDA	\$800 thousand.
Internal Rate of Return (IRR)	46%		



2

Creation of construction materials manufacture



Technical parameters of the project

Land plot characteristics:

- land plot area: 2,5 thousd. m²;
- intended purpose: 3.1.5 землі підприємств;
- leaseholder: "Misto Bud M" LLC.

Company's resources:

- workshop 300 m²;
- thermovacuum molder;
- dry press for paving slabs;
- sawmill for fiber cement board;
- vibrating tables;
- forklift truck;
- heavy vehicles.

Engineering infrastructure:

gas, water, sewerage, electricity available.

Logistics infrastructure:

- highway H-23 – 10 km;
- railway station- 3 km;
- river port – 15 km.



Mechanisms for cooperation

- share participation;
- creation of joint venture.



Additional information

The company is a manufacturer of energy-saving "thermal facade" tiles for insulating existing buildings and structures, as well as the manufacture of paving slabs. Today, when energy efficiency is a real trend of our time this business is something more than just a relevant and profitable.

Energy modernization and energy efficiency are important areas in construction that are supported by the government and local authorities.



Project location: the city of Marhanets, Dnipropetrovsk region



Dnipropetrovsk Regional Investment Agency

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Establishment of the production with the polymer coatings on galvanized steel or aluminum sheet in the city of Dnipro

3



Creation of the line of Polymer Coating on galvanized steel sheet.

The design capacity is 55 thousand tons of steel per year.

The galvanized sheet steel with polymer coating is a primary product for production of facade and roofing materials including sandwich panels and metal shingles.



Initiator

Elvas trading house, Ltd

www.elvas.com.ua



Duration

12 months



Project goals

- the saturation of Ukrainian market with polymer coating galvanized sheet steel. Today there is no modern producer in this sphere in Ukraine;
- wholesale and retail trade with different coating types, production of roofing and facade materials (metal shingles, profiled flooring, siding), metal packaging production;
- the equipment will allow to produce in small lots the wide range of products both in the color and pattern range and with various mechanical properties;
- creation of 20 new jobs.



Project economic indicators

Required investment capital: **\$9 mln**

Initiator contribution to the project implementation: **\$4.2 mln**

Required investment capital: **\$4.8 mln**



Net Present Value (NPV)	\$4,5 mln	Payback period (PP)	6 years
Profitability index (PI)	27%	EBITDA	\$16 mln
Internal Rate of Return (IRR)	35%		



Establishment of the production with the polymer coatings on galvanized steel or aluminum sheet in the city of Dnipro



Project technical parameters

Land plot characteristics:

- **land plot:** 2.03 ha;
- **intended use:** production of metal products;
- **cadastral number:** assigned;
- **administrator:** Elvas trading house, Ltd.

Engineering infrastructure:

water, gas and electricity are available and do not require any additional investments.

Company resources:

- Elvas Group has its own steel service center located in the industrial zone of the city of Dnipro with railway line and storage facilities. Own production of metal shingles profited flooring, metal staling.
- Overhead crane – 12 tons, beam crane – 10 tons.

Transport infrastructure:

- railway lines are in the territory of factory;
- 1.2 km and 5 km to the river port.



Mechanisms for cooperation

- credit line up to 7% year in foreign currency;
- share interest in % according to the amount of investment.



Additional information

Ukraine annually imports 260 000 tons of polymer coated galvanized steel or aluminum sheet (as of 2016). According to the experts' forecast, the overall annual market consumption in Ukraine will reach up to 500 000 tons by 2022. At present, there is no modern polymer coated galvanized steel or aluminum sheet producer in our country. Since 2000 year, Elvas Group has imported and processed coating steel.

Our existing customer base is capable to consume the entire 100% of the design output of above Color Coating Line. The planned return on investment in the line is 4 years.

It is possible to provide financial statements of Elvas Group projects business plan and several small co-investors.



Project location: the city of Dnipro, Ukraine.



Dnipropetrovsk Regional Investment Agency

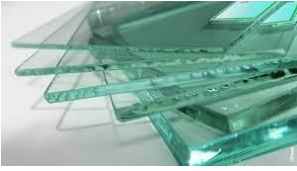
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Creation of float glass production



The territory in the industrial zone of Vilnohirsk is offered for creation of float-glass production..

The territory has favorable logistical infrastructure - access roads and railroad tracks are located at a distance of 100 m. There is also a raw material base for quick start of the project: quartz sand for glass industry produced by the branch "Vilnohirsk Mining and Metallurgical Plant" of JSC "United Mining and Chemical Company".

Currently Ukraine does not produce float glass.

The project realization is envisaged through location of float-glass production by a profile company, with possible cooperation with a Ukrainian enterprise.



Enterprise to Cooperate with:

«Orion-Glass-Float» LLC

<https://www.orionglass.com.ua/>



Duration

1 year



Project goals:

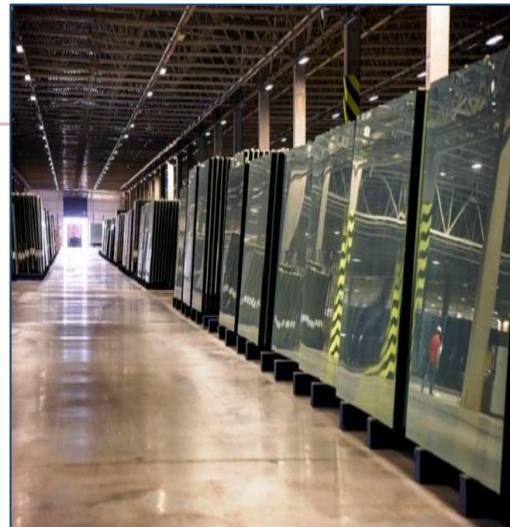
- to provide the Ukrainian market with domestic float glass;
- to invest in float-glass production, import of which is 97% (\$150 mln/year);
- to use cooperation with local industrial enterprises, which extract raw materials (quartz sands) for float-glass production, to reduce production costs;
- create new jobs;
- attract the capacities of local enterprises to the project realization.

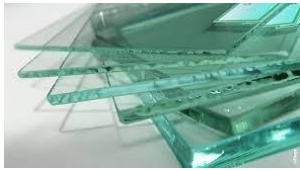


Project economic indicators

Potential project cost: \$200 mln

Expected performance: 750 tons per day





Creation of float glass production



Project technical parameters

Characteristics of plots:

area: 26 ha;

intended use: industrial land;

cadastral numbers: assigned.

private ownership: Orion-Glass-Float LLC

The land plot is included into the General Plan of Vilnohirsk city.

Engineering infrastructure:

water supply/wastewater disposal - is absent, there is a possibility of connection to the nearest point Ø 200 mm and supply volume of 100 m³ at a distance of 0.2 km; sewage collector Ø 600 mm at a distance of 0.2 km;

gas supply - there is no gas supply, the nearest gas distribution point with a supply volume of 2500 m³ per hour at a distance of 1.6 km;

electricity supply - 330/150/35/35/6 kV substation is located at a distance of 0.3 km.

Logistics infrastructure:

territorial highway - 1.5 km;

railroad - 0.4 km;

railway station - 3.7 km;

Dnipro - 108 km;

Kryvyi Rih - 103 km;

Zaporizhzhia - 171 km.



Mechanism of cooperation

- the creation of a joint venture.

«Orion-Glass-Float» LLC:

- an operating enterprise for industrial processing of glass, production of glassware and insulating glass units for use in construction, transportation engineering, furniture, commercial and industrial equipment, interior decoration and other areas.



Additional information

Neighboring land plots:

Vilnohirsk Glass Ltd;

sand processing unit;

Vilnohirsk railroad station;

Vilnohirsk motor transportation enterprise;

electric substation "VDGMK".



Project Location:

Vilnohirsk, Dnipropetrovsk region



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