



belagroprombank

INVESTMENT MEMORANDUM

TUROVSHCHINA
OPEN JOINT-STOCK COMPANY

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INVESTMENT PROPOSAL

THE PURPOSE OF ATTRACTING AN INVESTOR

- Collaborative efforts to develop the enterprise and improve its performance through:
 - enhancement of the business and management mechanisms
 - joint implementation of investment projects

CO-OPERATION FORMS

- Sale of 8.9% stock to the investor
- Joint development and implementation of investment projects
- Harmonization of the marketing and sales policies
- Adoption of progressive/innovative technologies of agricultural produce manufacturing, processing and sale

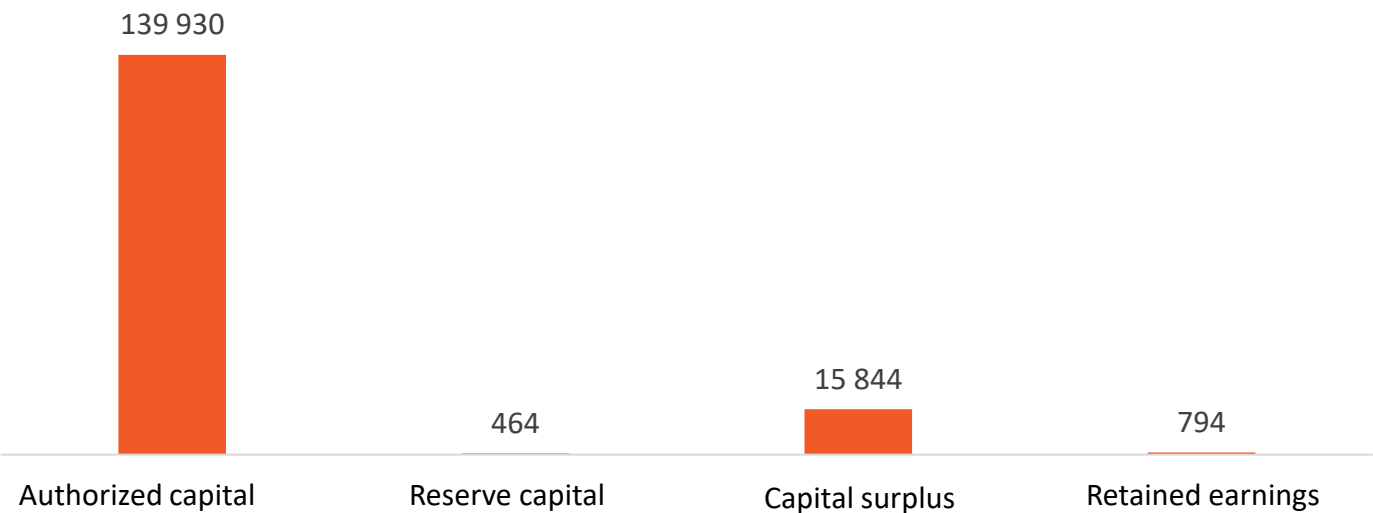
Indicator	Long-term investments
Authorized capital as of 01.01.2025, BYN	139,930,428.94
Net assets/equity as of 01.01.2025, BYN '000	157,032
Total shares	123,832 238
Par value, BYN	1.13
Shares acquired, each (as for 01/06/2025)	11,038,220
Acquired stock value, BYN.*	13,997,597
Acquired stock of Turovshchina OJSC, %	8.9

*calculated on the amount of net assets per shar

BALANCE SHEET BREAKDOWN, BYN '000

Indicators	01.01.2024	01.01.2025
Fixed assets	147,345	173,916
Reserves	44,037	50,594
Accounts receivable	6,885	7,645
Equity	135,885	157,032
Credits and loans	39,787	46,327
Accounts payable	8,005	10,673

NET CAPITAL BREAKDOWN AS OF 01.01.2025



OVERVIEW

TUROVSHCHINA OPEN JOINT-STOCK COMPANY

- Official registration No. 490526759 dated August 20, 2009, in the Uniform Register of Legal Entities and Individual Entrepreneurs, resolution of the Zhitkovichi District Executive Committee.
- Created by restructuring Agropripyat MAUE and acquisition of Richevsky MAUE, Zapesochye MAUE and Veresnitsa MAUE.
- He is the legal successor of the rights and obligations of the Turovsky Cannery and the New Life collective farm.

EQUITY DISTRIBUTION AS OF JANUARY 1, 2025

Net assets, BYN '000	157,032
Net assets per share, BYN	1.27
Authorized capital, BYN '000	139,930
Par value, BYN	1.13
Common/ordinary shares, each	123,832,238
Belagroprombank OJSC, each (as for 01/06/2025)	110,429,358
Other legal entities, each	8,944,620
Government, each	828,633
Natural persons, each	3,629,627
Preferred shares	-

STRUCTURE OF TUROVSHCHINA OJSC

Turovshchina OJSC

Turov Canning Factory
(affiliated)

Hunting economy Losiny Ostrov
(affiliated)



OVERVIEW



LOCATION



The southwestern part of Zhitkovichi District, Gomel Region; central part of the Polesian Lowland on both banks of the Pripyat.



The climate is warm/temperate with unstable winters (average temperature in July: 18.4°C, in January: 5.9°C), average annual precipitation: 573 mm, growing season: 197-200 days, natural fertility of agricultural land: 38.2, arable land: 49.2.

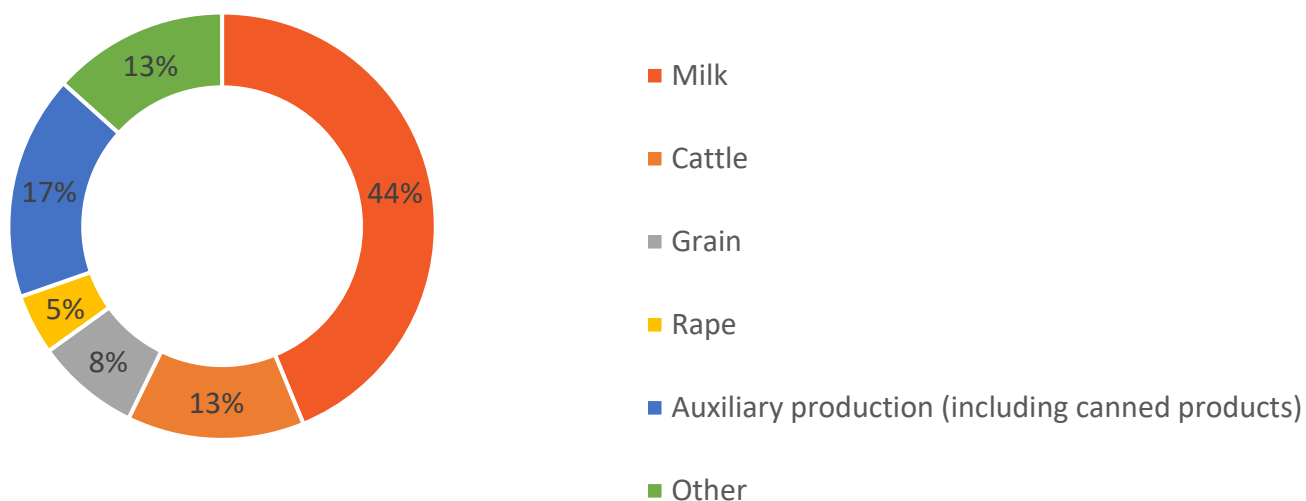


Turovshchina OJSC is located on the territory of 19 settlements (the town of Turov (central estate), Ozerany, Znamenka, Pogost, Chernichi, Khvoyensk, Bechi, Richev, Ridcha, Khochen, Storozhovtsy, Semuradtsy, Zapesochye, Voronino, Veresnitsa, Maleshev, Lyubovichi, Burez, Povchin). Infrastructure within the area: 2 general schools/kindergartens, 5 clubs, 10 shops, 2 cafeterias, 2 saunas, 2 rural health posts, 1 pharmacy.

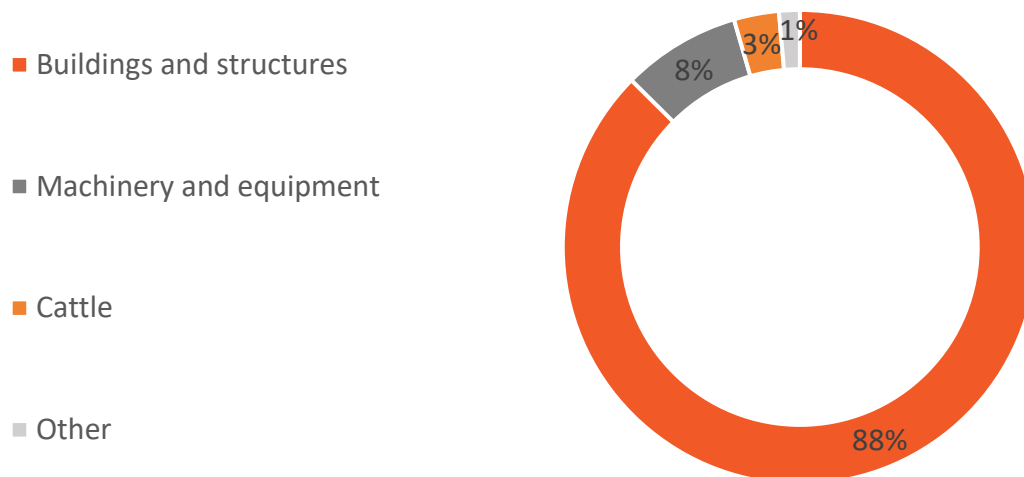


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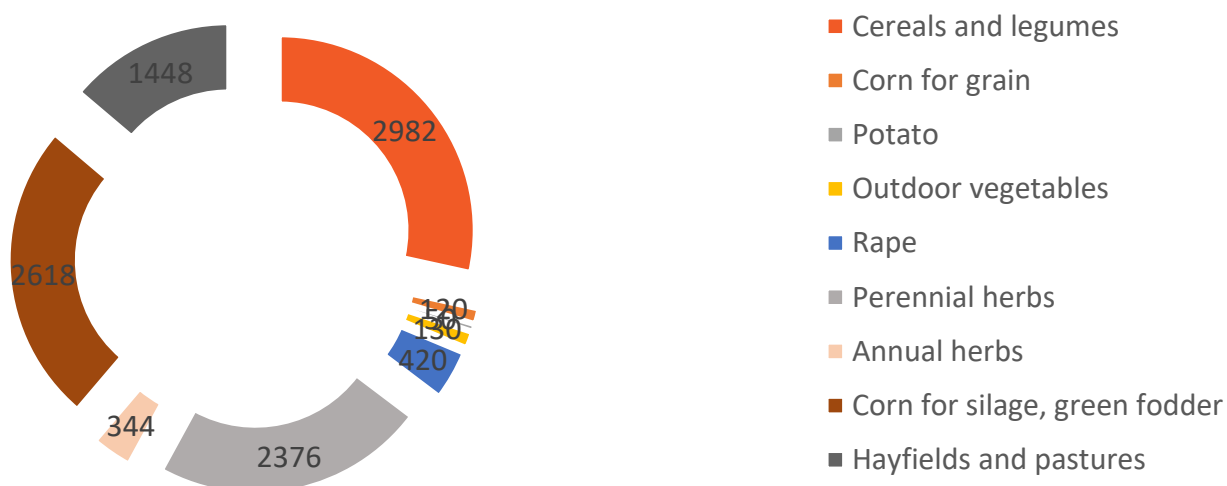
KEY SPECIALIZATION DATA



BREAKDOWN OF FIXED ASSETS



AGRICULTURAL LAND, ha



**here and elsewhere the data are presented at the end of 2024*

CORE BUSINESS

Turovshchina OJSC is a large multi-profile agro-industrial enterprise, the main activities of which are the production and processing of agricultural products, as well as the provision of hunting and tourism services.

TUROVSHCHINA OJSC

agricultural production; total area:
25,908 ha.

1. Crop farming: growing cereals, legumes, forage and industrial crops
 - agricultural land area: 13,755 ha,
 - arable land area: 7,376 ha,
2. Livestock farming: commercial dairy production, raising beef cattle (Limousine)
 - total livestock - 9,241 head including dairy cows: 3,140 head; beef cattle: 368 head.





CORE BUSINESS

TUROV CANNING FACTORY (AFFILIATED)

– agricultural produce processing; canned food manufacturing.

- natural preserves: green peas, sweet corn;
- canned appetizers: cucumbers, pickled beets;
- sauces;
- fruit: jam, pureed fruit;
- juices: birch sap in the assortment

HUNTING ECONOMY LOSINY OSTROV (AFFILIATED)

– tourism, hunting and fishing. The hunting grounds occupy an area of 128,400 ha.

TOURIST OBJECTS:

- Turov Hotel – accommodation and event management services
- Strumien Hotel Complex – tourism and fishing, accommodation and event management services
- Belaye Tourist Complex – tourism and fishing
- Polesye Floating Hotel – tourism and event management



FACILITIES AND RESOURCES

TOUROVSHSCHINA OJSC

Buildings and structures

commercial dairy farms: 6 each
cattle fattening and rearing farms: 8 each
grain cleaning/drying facilities: 2 each
5,000-ton vegetable and fruit storage facility – 1 each

Transportation department

tractors and loaders: 85 each
trucks: 31 each
combines – 11 each
foragers: 8 each

TUROV CANNING FACTORY

Canning shop

green peas line: 8 tons/hour
sweet corn processing line: 3.5 tons/hour
cucumber canning line: 10 tubes/24 hours

Juice shop

Juice output: 30 tubes/24 hours
Output of strained preserves: 10 tubes/24 hours

TUROV HOTEL

(49 beds, 24 restaurant seats)

POLESYE FLOATING HOTEL

(14 beds)

STRUMIEN HOTEL COMPLEX

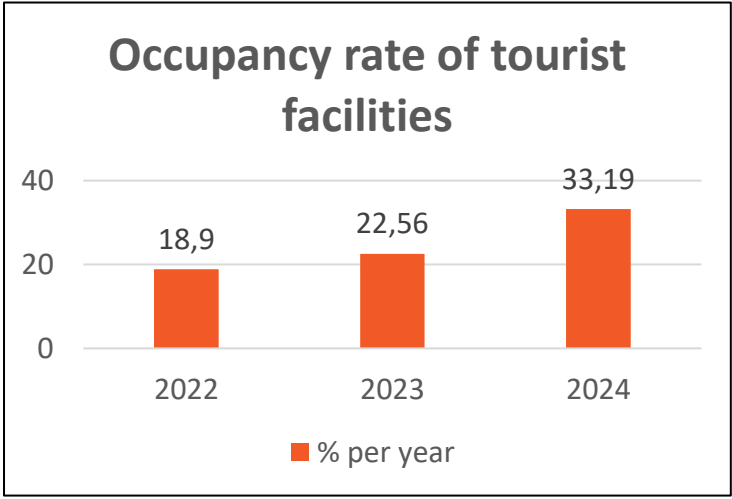
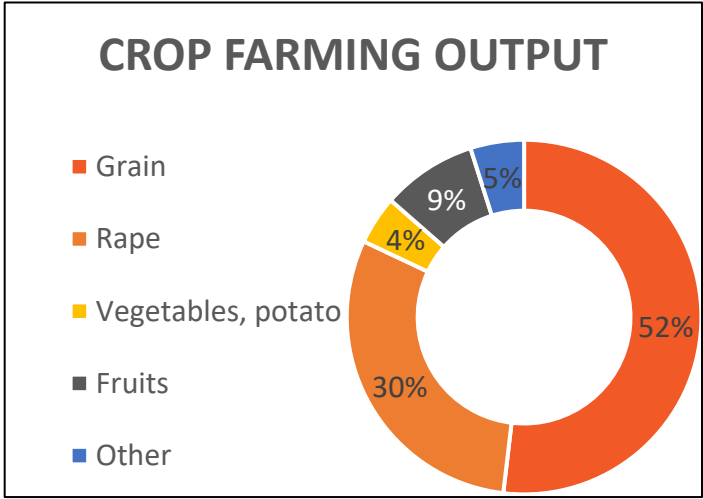
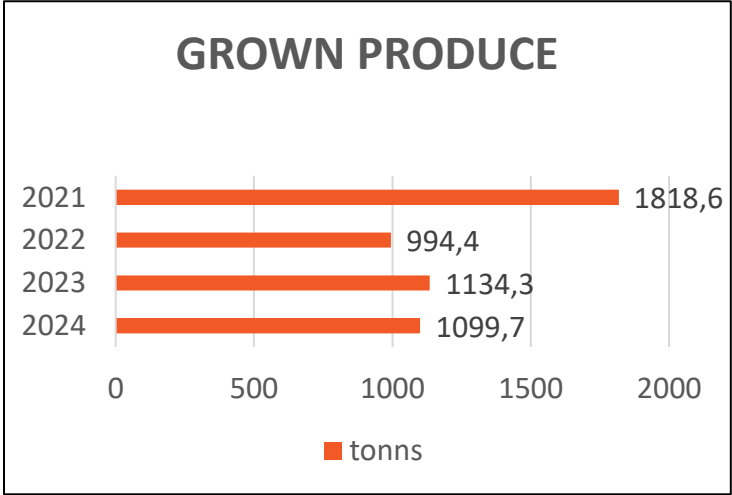
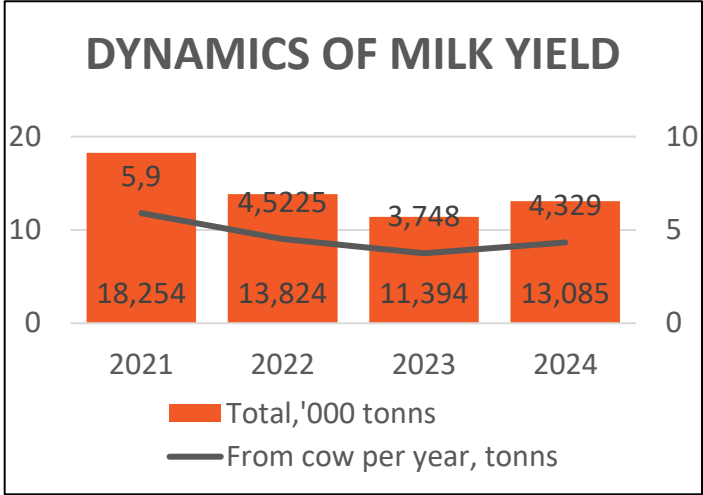
Hotel building (16 beds), café/bar (45 seat) – 1 building
Two-storey guest houses (up to 10 beds) – 2 buildings

BELOYE TOURIST COMPLEX

7-room guest house (up to 23 beds) – 1 building
2-room guest house – 2 buildings
4-room guest house – 1 buildings

HUNTING ECONOMY LOSINY OSTROV (AFFILIATED)

fenced enclosure for wild animals: 1,840 ha
fence line length: 22.48 km
use of the Pripyat river: 31.5 km



2024 GROSS FIGURES

LIFESTOCK PRODUCTS

Diary products

Gross yield, tons	13,085
Yield per cow, tons	4,329
Milk sold, tons	11,641
Milk marketability, %	89
Standard weight sales, tons	12,474

Cattle raising

Total herd, head	9,241
Calves, head	3,254
Grown produce, tons	1,100
Average daily weight gain, grams	508
Live weight sales, tons	1,267

CROP FARMING PRODUCE

Cereals and legumes, ha	2 982
Processed weight, tons	12 499
Outdoor vegetables, ha	130
Output, tons	1 387
Rape, ha	420
Processed weight, tons	1 309

Potato, ha	300
Output, tons	960
Corn for silage, ha	2 618
Output, tons	37 996

PROCESSED GOODS

Canned products, tubes	2 188	Profitability,%	16,5
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TOURIST AND RECREATION SERVICES

Occupancy Turov hotel,%	34,23
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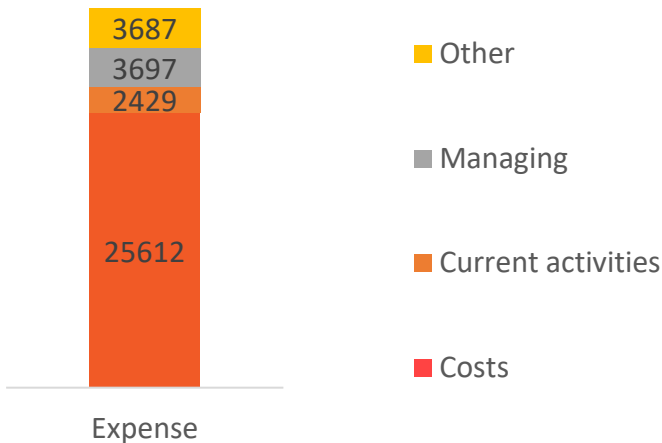
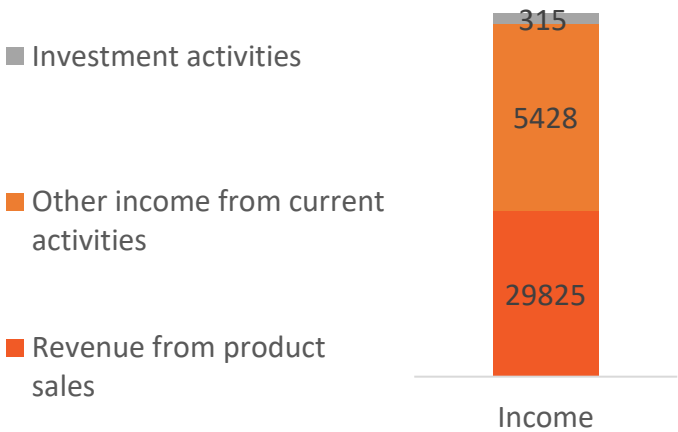
Occupancy Polesye Floating Hotel,%	11,13
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Occupancy Beloye Tourist Complex,%	35,33
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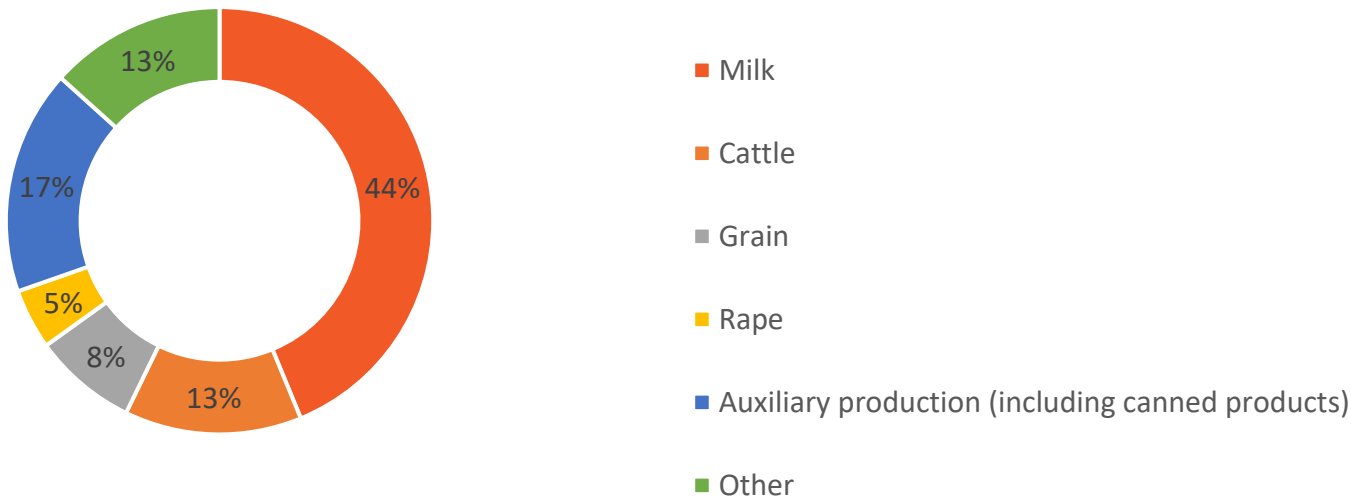
Occupancy Strumien Hotel Complex,%	34,43
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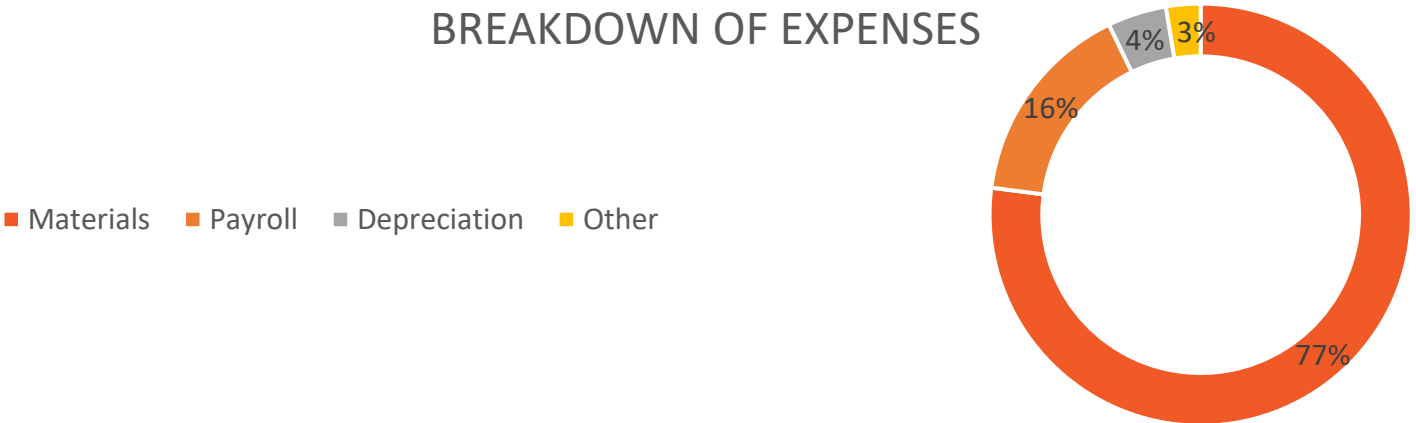
Income and expense breakdown, BYN'000



BREAKDOWN OF REVENUE



BREAKDOWN OF EXPENSES



ANALYSIS OF THE BALANCE-SHEET ASSETS AS OF JANUARY 1, 2025

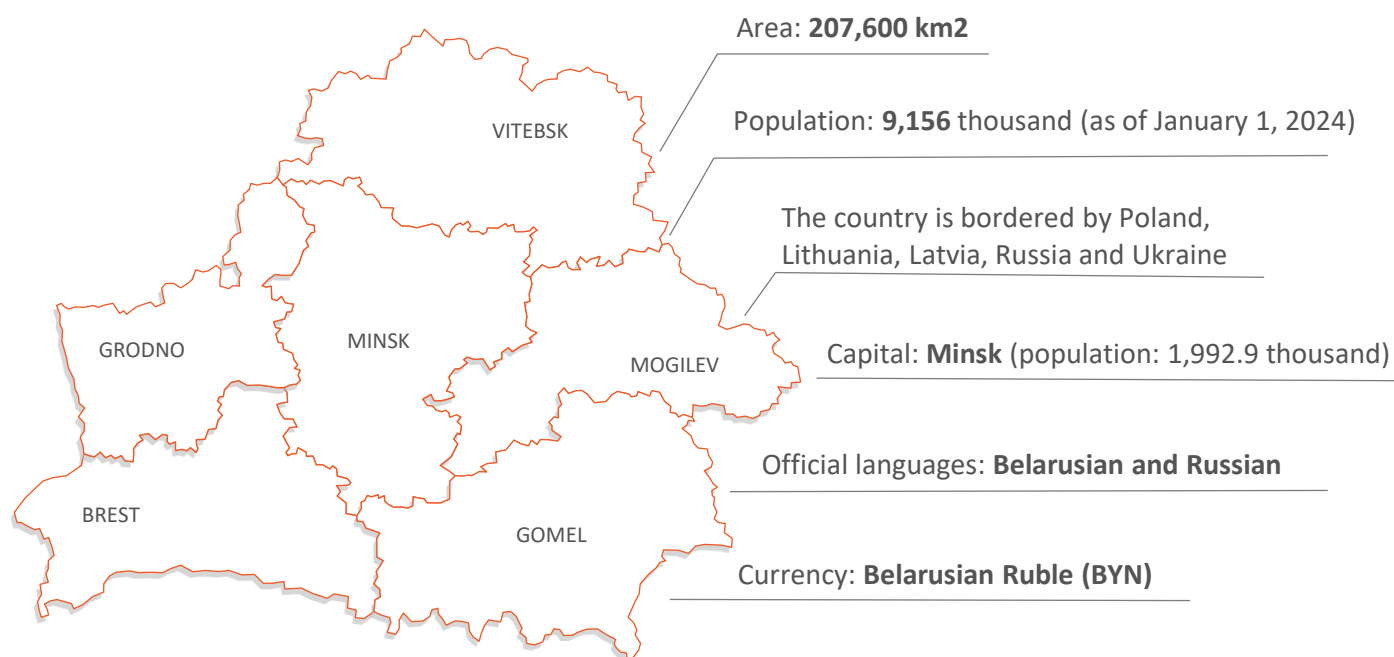
- Long-term assets account for 75% of the balance-sheet assets. The book value of fixed assets is BYN'000 173,916.
- The business entity has no incomplete major investment projects: its investments in long-term assets amount to BYN'000 842; or 0.4%.
- Current assets are highly liquid for the most part: the inventory totals to BYN'000 50,594 or 22%.
- The share of the entity's balance-sheet receivables is minor: BYN'000 7,645 or 3.3%.

ANALYSIS OF THE BALANCE-SHEET LIABILITIES AS OF JANUARY 1, 2025

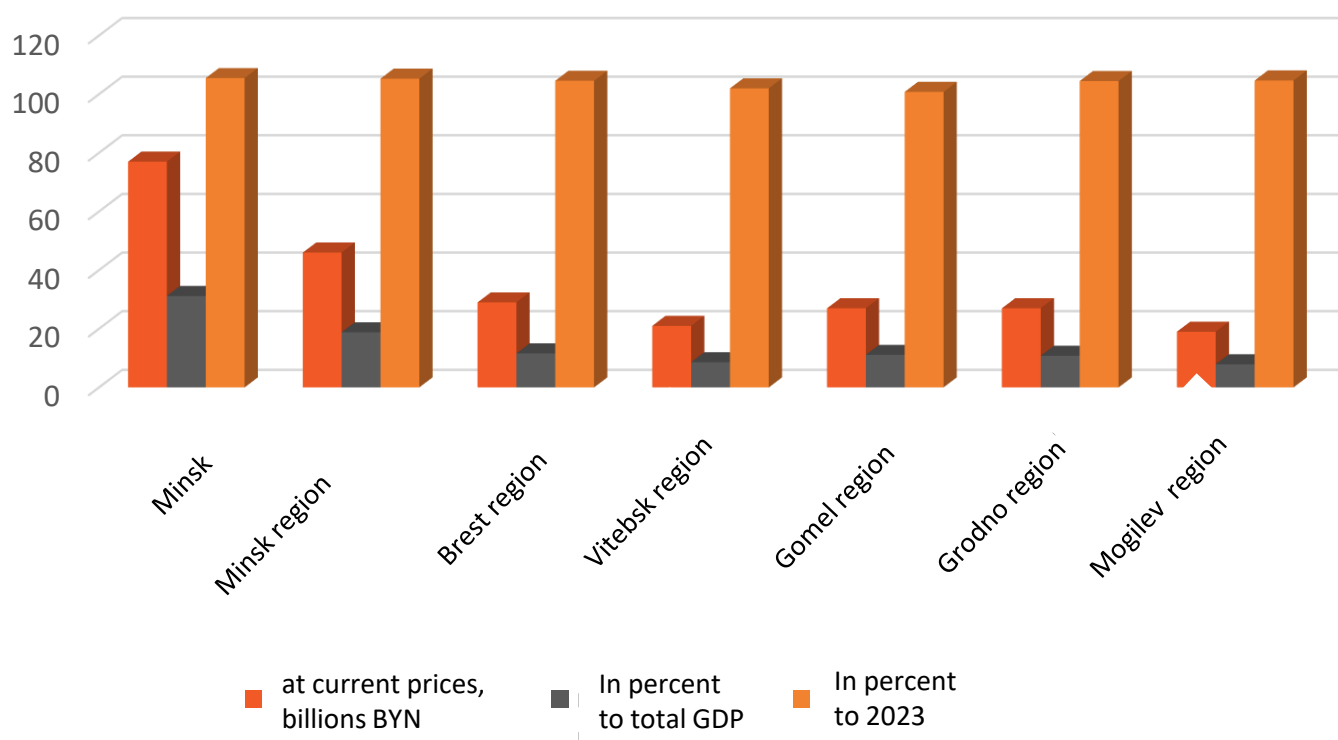
- Equity accounts for the largest part of the balance-sheet liabilities: BYN'000 157,032 or 67%.
- The balance-sheet long-term liabilities amount to BYN'000 48,610; or 21%.
- The balance-sheet short-term liabilities amount to BYN'000 28,543; or 12%, including short-term payables of BYN'000 10,673; or 4.5%.

ANALYSIS OF FINANCIAL SUSTAINABILITY AND SOLVENCY AS OF JANUARY 1, 2025

- Current ratio: 2.09 (standard: ≥ 1.5).
- Working capital to current assets ratio is within the level: 0.52 (standard ≥ 0.2). The ratio points at the working capital adequacy.
- Financial liabilities to assets ratio: 0.33 (standard: ≤ 0.85). The ratio describes the enterprise's ability to cover its financial liabilities after sale of its assets..



2024 GRP and GDP Breakdown



PROFILE OF THE REPUBLIC OF BELARUS

GEOGRAPHIC POSITION

- The Republic of Belarus is situated in the center of Europe at the intersection of west-east and north-south trade routes. The country is crossed by the shortest transportation links between EAEU and Western Europe. The Republic of Belarus is bordered by Lithuania and Latvia to the north, Ukraine to the south, the Russian Federation to the east and Poland to the west. The country's geographic position is of a strategic importance in terms of transport connections 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 – 1,060 km, and to Vienna – 1,300 km.
- The Republic of Belarus covers a total area of 207,600 square km. Belarus extends 560 km from north to south, 650 km – from west to east. Belarus has a larger area than such countries as Austria, Ireland, Portugal and Greece. The national capital is the city of Minsk, which is located on the same latitude as Hamburg and Dublin. The highest point in Belarus is Dzyerzhinskaya Hara (345 meters above sea level) in Minsk Region. The lowest point in the country is in the Neman valley in Grodno Region (80-90 meters above sea level). Belarus is divided into six regions.

CLIMATE

- A temperate continental climate with mild winters and frequent thaws, rainy and cool summers. Average temperature in January is minus 6°C, in July – plus 18°C. Average annual precipitation in Belarus ranges from 550 to 700 mm.

POPULATION

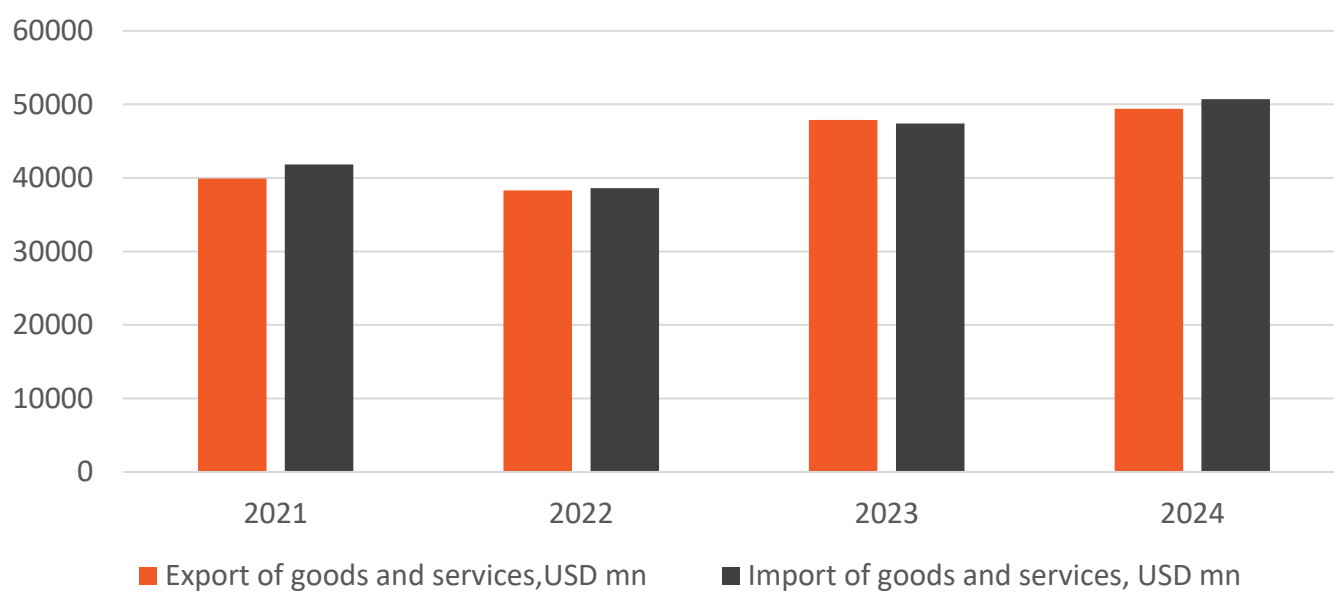
- More than 9.1 mn people live in Belarus. The Republic of Belarus is a multiethnic country; 78% of the population live in cities.

LANGUAGES

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



FOREIGN TRADE OF THE REPUBLIC OF BELARUS



PROFILE OF THE REPUBLIC OF BELARUS

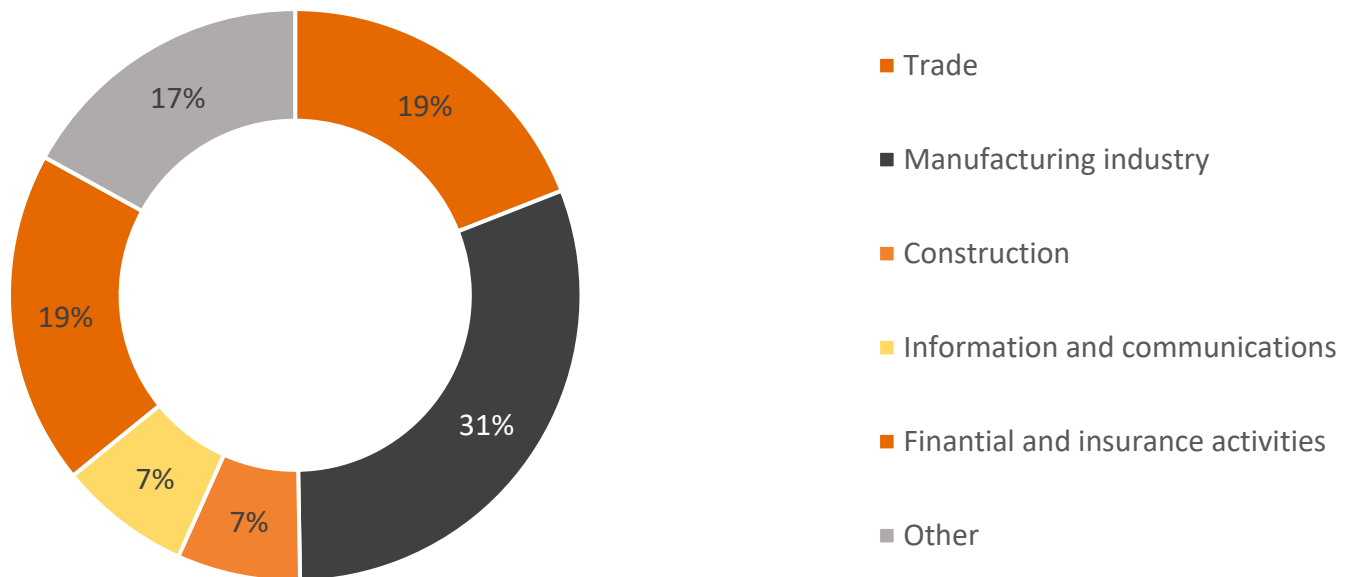
TIME ZONE

- The Republic of Belarus is situated in FET (UTC +3) time zone. Seasonal time changes are cancelled in Belarus.

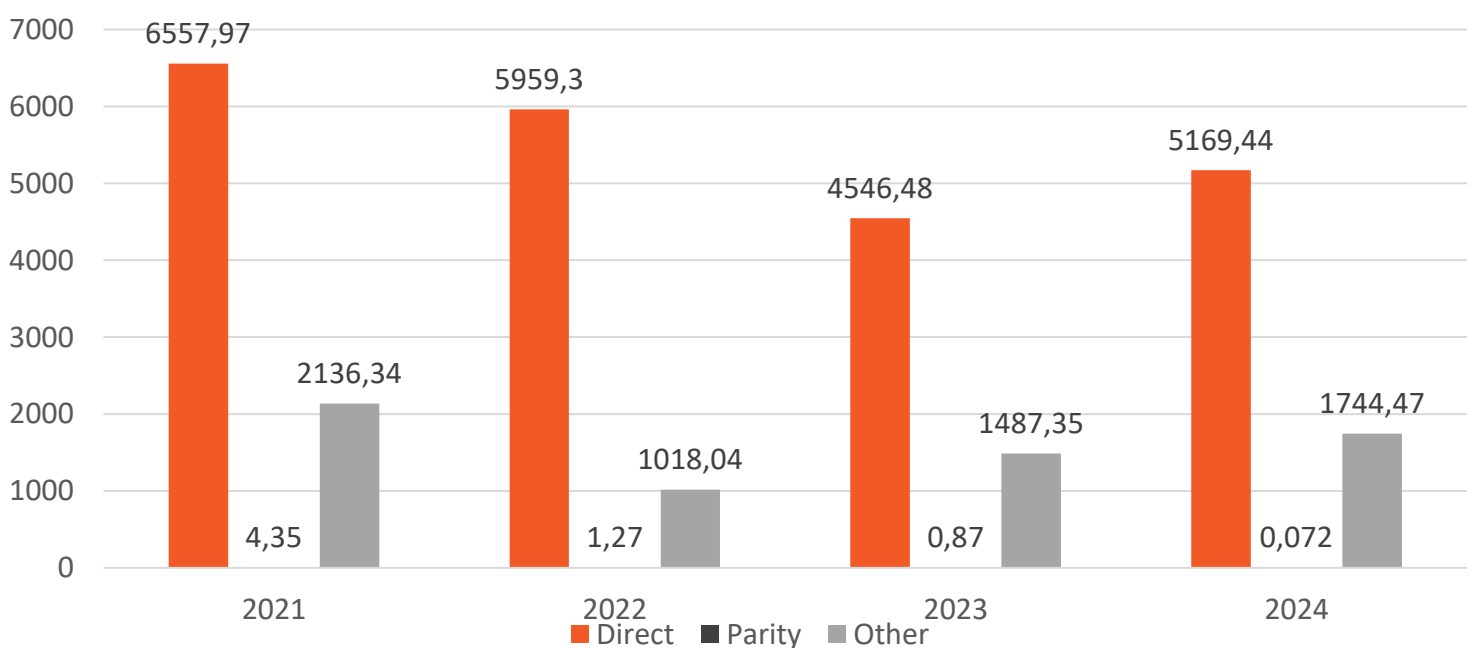
ECONOMY

- The Republic of Belarus is an export-oriented country with a well-developed manufacturing industry, services sector and agriculture. The Republic of Belarus adheres to the concept of a socially-oriented market economy.
- The main trade partners of Belarus are Russia, the EAEU, and the CIS countries. Belarusian manufacturers are expanding their presence in the markets of Asia, Africa, America, and Oceania. The work to expand access to the markets of the "far arc" countries by concluding free trade agreements is carried out jointly with the EAEU partners.
- In 2024, the foreign trade turnover of the Republic of Belarus amounted to USD 100 bn including export - USD 49.4 bn, import – USD 50.7 bn.
- Belarus exports the following main commodity groups:
 - products of the petrochemical complex (oil products, chemical fibers, tires)
 - potassium and nitrogen fertilizers
 - metal products
 - agricultural machinery and trucks
 - meat and dairy products; sugar and other produce of the agricultural complex.
- Raw materials: oil, gas and minerals, as well as mechanical engineering components account for the main volume of the country's import.

2024 NET FDI INFLOW BY SECTORS



Foreign direct investment in the real sector, BYN'000



INVESTMENT CLIMATE

INVESTMENT REGULATIONS

- The main documents governing investment activities in the Republic of Belarus are the Law of the Republic of Belarus “On Investments” (No. 53-Z, dated July 12, 2013); and the Law of the Republic of Belarus “On Concessions” (No. 63-Z, dated July 12, 2013).

DOUBLE TAXATION AGREEMENTS

- The Republic of Belarus has concluded double taxation agreements with the following countries: Austria, Belgium, Bulgaria, Germany, Hong Kong, Italy, Kazakhstan, Qatar, Cyprus, China, Kuwait, Latvia, Lithuania, the United Arab Emirates, the Russian Federation, Saudi Arabia, Turkey.

AGREEMENT ON THE PROMOTION AND MUTUAL PROTECTION OF INVESTMENTS HAS BEEN CONCLUDED WITH A NUMBER OF COUNTRIES

- The Republic of Belarus has concluded agreements on the promotion and mutual protection of investments with more than 60 countries including: Austria, Belgium, Bulgaria, The United Kingdom, Germany, Italy, Qatar, Cyprus, China, Kuwait, Latvia, Lithuania, the United Arab Emirates, The United States, Saudi Arabia, Turkey, Ukraine, etc.

THE REPUBLIC OF BELARUS HAS A NUMBER OF PREFERENTIAL REGIMES THAT ARE USEFUL TO INVESTORS

- The special regime in accordance with the Decree of the President of the Republic of Belarus (No. 6, dated May 7, 2012) applies to commercial organizations of the Republic of Belarus, individual entrepreneurs registered in the republic with their location (residence) on the territory of medium-sized, small urban settlements, rural areas and carrying out activities in these territories for the production of goods (performance of works, provision of services). Features of taxation and benefits – exemption for 7 years from:
 - income tax, income tax in terms of the sale of products of own production;
 - payment of the state fee for the issuance of licenses; - other taxes and fees (except VAT, excise taxes, stamp and offshore fees, state duty, patent duty, customs duties and fees, land payments, tax for the use of natural resources (environmental tax), taxes deducted with held and transferred in the performance of the duties of a tax agent) deductions to innovation funds.
- There are a number of benefits for organizations located on the territory of the Pripjat Polesie in accordance with the Decree of the President of the Republic of Belarus "On the State program of socio-economic development and integrated use of natural resources of the Pripjat Polesie for 2010-2015“(No. 161, dated March 29, 2010) .



PROJECT OWNER

THIS INVESTMENT MEMORANDUM WAS INITIATED BY BELAGROPROMBANK OPEN JOINT-STOCK COMPANY

- Universal commercial bank with 94.29% shares owned by the State
- Registered on September 3, 1991 (by Letter of the National Bank of the Republic of Belarus No. 03005/184 dated September 3, 1991).
- Parent organization of the bank holding company
- Bank authorized by the Government of Belarus to provide services for national programs.
- More than 36,000 corporate and 1.6 retail clients.

BELAGROPROMBANK OJSC HOLDS LEADING POSITIONS IN THE BANKING SECTOR OF THE REPUBLIC OF BELARUS

- No. 2 in size of the authorized capital, client assets and deposits
- Ranks 18th among 25 largest banks of Central and Eastern Europe (Top 25: Central & Eastern Europe).
- Regional network: The Customer Services Centre of the Central Office, The Center of major business, 6 regional directorates, over 250 banking services centers and supplementary offices, a representative office in the Italian Republic (Milan)
- Has ratings by assessment of such international agencies, as Standart & Poor's:

long-term rating of the counterparty on obligations in the national currency on the CCC, forecast Stable;

short-term rating of the counterparty on obligations in national currency C.

BELAGROPROMBANK OJSC is an active participant in the world financial market

- Has a wide geography of cooperation with foreign financial organizations from around the world
- Accepted by a number of national export credit insurance agencies
- It is among the leading credit / finance institutions in the Republic of Belarus in terms of credit resource attraction on the international capital markets

Compliance with safe operation standards

Name of the standart	Standart	Fact (as of 01.01.2025)
Regulatory capital, mn BYN)	60.0 and more	2 623.8
Capital adequacy, %	10%	14.123
Common Equity Tier I ratio, %	4.5%	11.015
Tier I Adequacy, %	8.5%	11.422

CONTACT INFORMATION

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EXECUTIVE IN CHARGE:

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