



belagroprombank

INVESTMENT MEMORANDUM

OZERITSKY-AGRO
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

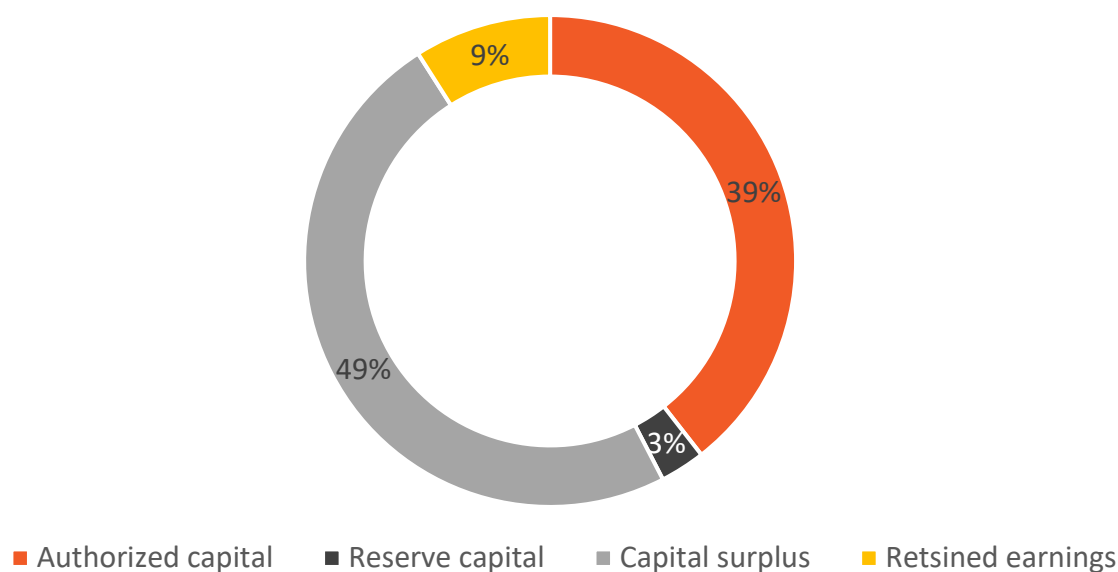
CO-OPERATION FORMS

- Sale of 6,9% 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	75,686,604
Net assets/equity as of 01.01.2025, BYN'000	191,857
Total shares	206,794
Par value, BYN	366
Shares acquired, each (as for 01/06/2025)	14,349
Acquired stock value*, BYN.	13,312,553
Acquired stock of Ozeristky-Agro OJSC, %	6,9

**calculated on the amount of net assets per share*

Net capital breakdown as of 01.01.2025



BALANCE SHEET BREAKDOWN, BYN '000

Indicators	01.01.2024	01.01.2025
Fixed assets	158,540	172,700
Inventory	42,795	45,965
Accounts receivable	2,053	2,212
Equity	175,285	191,857
Credits and loans	19,522	21,416
Accounts payable	8,529	4,417

OVERVIEW

OZERITSKY-AGRO OPEN JOINT-STOCK COMPANY

- Ozeritsky-Agro was founded as a private unitary enterprise in Smolevichi District on November 4, 2005, by a resolution of the Minsk Regional Executive Committee via full or partial mergers of six agricultural cooperatives.
- On June 30, 2014, Ozeritsky-Agro PUE changed its name to Ozeritsky-Agro Agricultural Unitary Enterprise
- On December 16, 2016, Ozeritsky-Agro Agricultural Unitary Enterprise changed its name to Ozeritsky-Agro Open Joint-Stock Company (OJSC) by acquiring official Legal Entity Registration Certificate No. 690363881 dated December 16, 2016.

EQUITY DISTRIBUTION (as of 01.01.2025)

Net assets, BYN '000	191,857
Net assets per share, BYN	927.77
Authorized capital, BYN '000	75,687
Share value, BYN	366
Common/ordinary shares, each	206,794
Belagroprombank OJSC, each (as for 01/06/2025)	206,362
Other legal entities, each	432
Preferred shares	none



OVERVIEW



LOCATION



7 Tsentralnaya Street, Agrotown of Sloboda, Ozeritskaya Sloboda Rural Council, Smolevichi District, Minsk Region 22215, Republic of Belarus.



The central estate of Ozeritsky-Agro OJSC is 1 km off the railway station of Sloboda, 10 km off M1 Brest-Moscow National Route and 20 km off Minsk-2 National Airport,



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: 34.4, arable land: 35.2.



The enterprise area encompasses 26 settlements administered by two rural councils, Ozeritskaya Sloboda and Zabolotye.

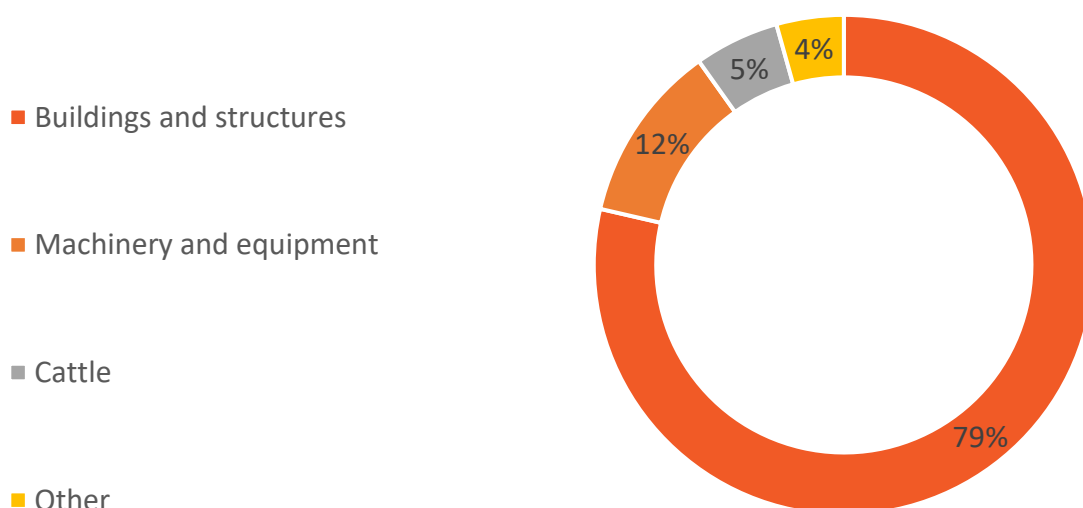


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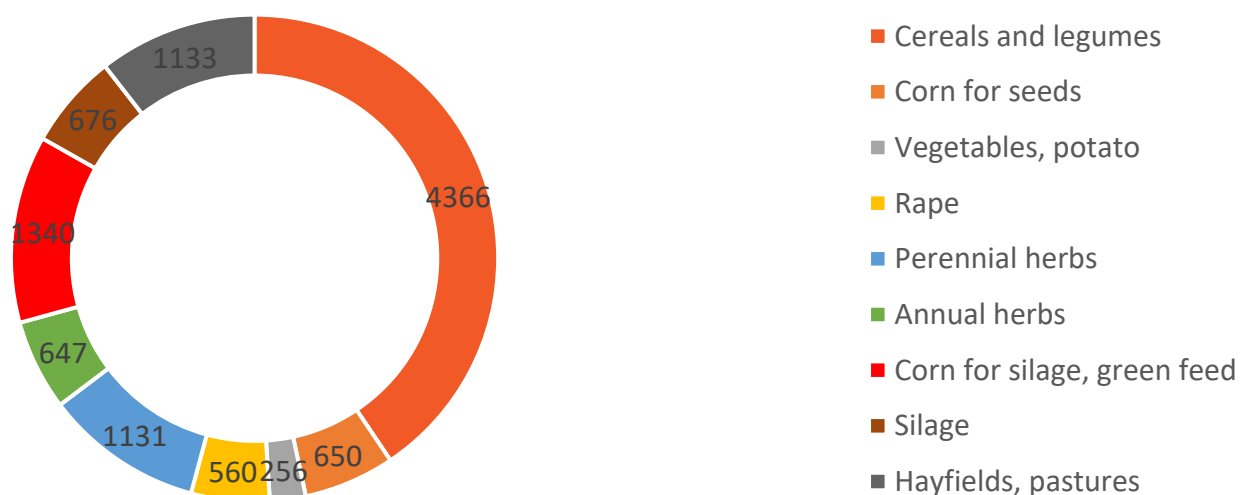
KEY SPECIALIZATION DATA



BREAKDOWN OF FIXED ASSETS



AGRICULTURAL LAND, ha



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

CORE BUSINESS

Ozeritsky-Agro OJSC is a large multi-profile agro-industrial enterprise.

Ozeritsky-Agro OJSC an agribusiness with an area of **11,677 ha.**

1. Crop farming: growing cereals, legumes, forage and industrial crops
 - agricultural land area: 10,793 ha including 9,605 ha of arable land.
 - meadows: 1,187 ha including 992 ha of ameliorated meadows.
2. Livestock farming: commercial dairy/cattle farming
 - total livestock: 8,771 head including 3,086 milking cows.





TOURIST ACTIVITIES

SOSNOVAYA HEALTH CENTER –

guest house accommodations:

- arrangements for events: wedding/anniversary parties and banquets
- a sauna with a pool
- gazebos for outdoor activities

PARK DUBROVA ECOTOURIST COMPLEX –

beach recreation and fishing. The park occupies an area of 83 ha. An investor is sought to co-develop the project concept, co-finance the construction and subsequent operation. At present, the Park has the following facilities:

- parking lots for 233 and 86 cars, two security posts, perimeter fencing
- grading/leveling, revetments
- area zoning; prepared construction sites
- offsite utilities and amenities (sidewalks, stairs, sewerage, area lighting);
- «Ecological path» and a recreation area “Khutorok” have been organized for up to 60 vacationers.



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FACILITIES AND RESOURCES



OZERITSKY-AGRO OJSC

Buildings and structures:

commercial dairy farms: 4 each
cattle fattening and rearing farms: 7 each
grain cleaning and drying facilities: 5 each
vegetable storage facility for 10,000 tons: 1 each
vegetable storage facility for 2,000 tons: 1 each
greenhouse of 8,000 ha: 1 each

Transportation department:

tractors + loaders: 92 each
trucks: 34 each
combines: 18 each
foragers: 8 each
potato harvesters: 5 each
Tractor's trucks: 65 each



SOSNOVAYA HEALTH CENTER

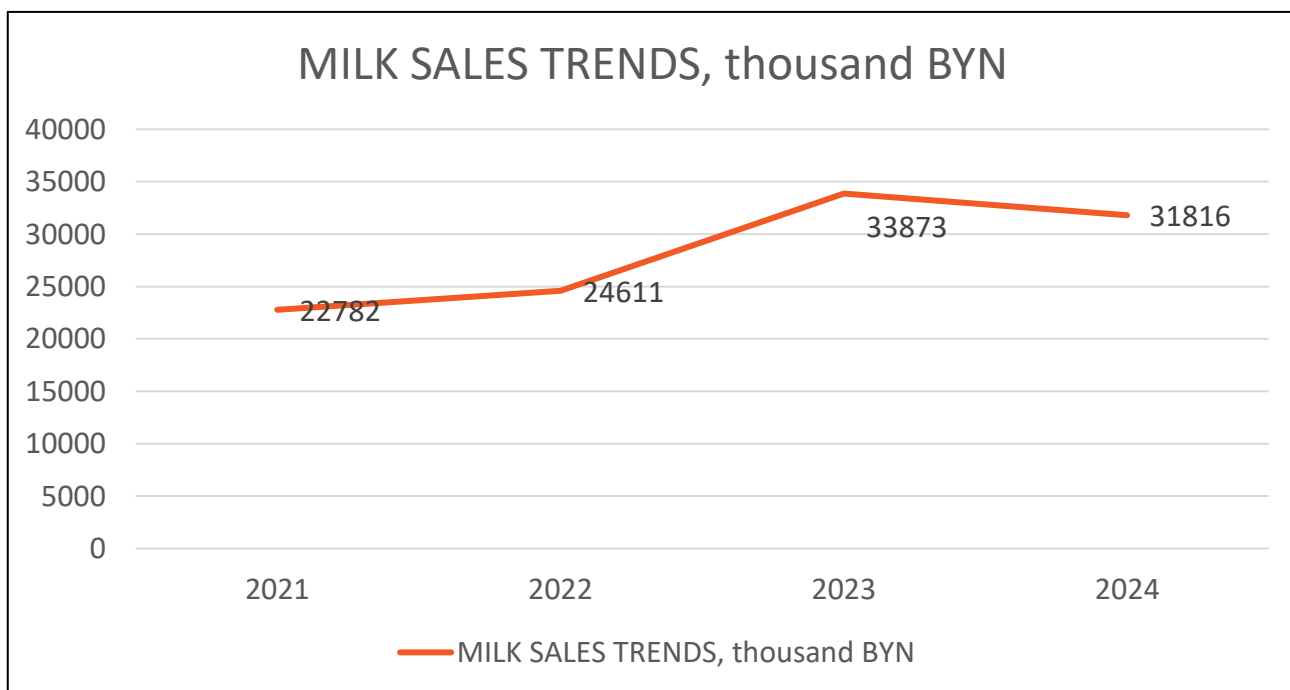
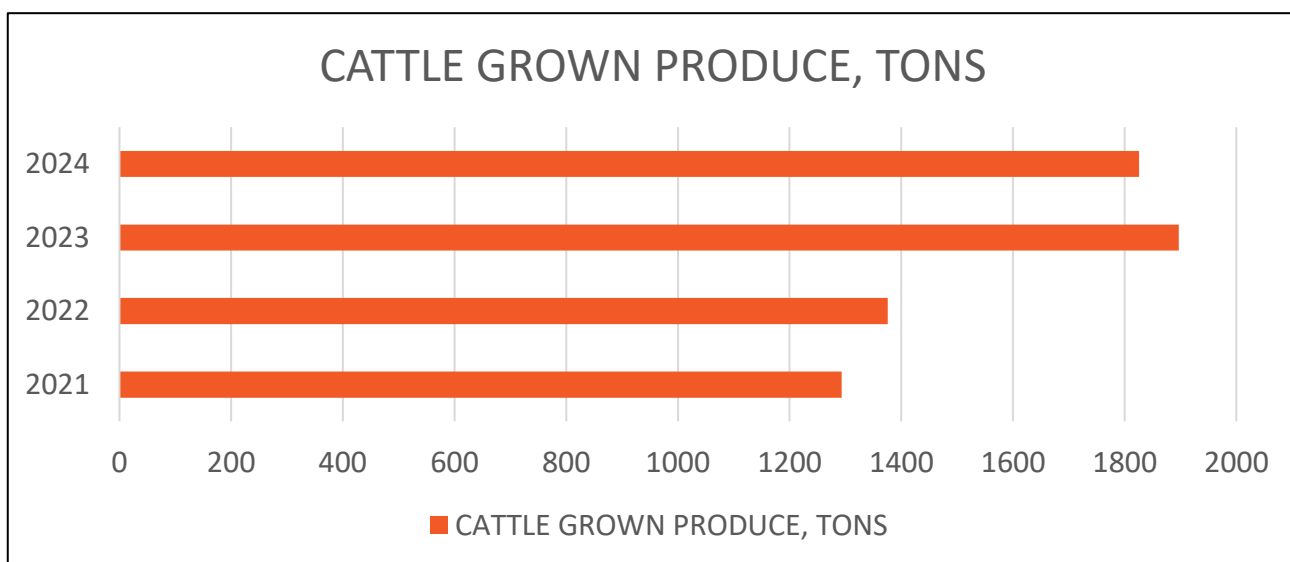
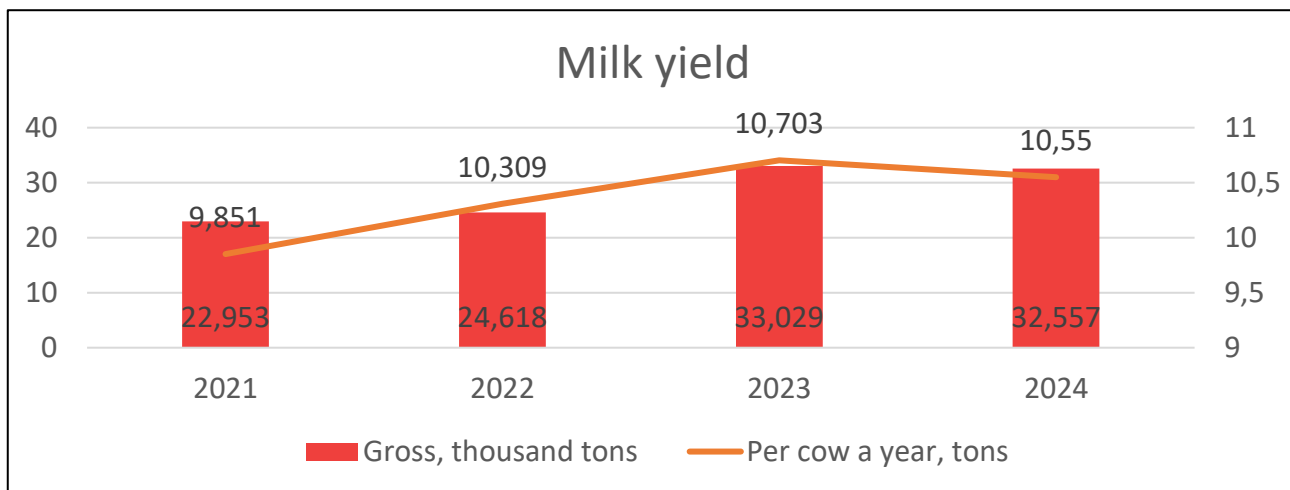
Café/bar: 120 seats, including VIP lounge for 12 seats
8-person guest house: 1 building
12-person guest house: 2 buildings
6-person guest house: 1 building
Sauna (with a billiard room, a swimming pool and a steam room): 10 seats
10-person gazebo: 1 each
Conference hall: 20 seats



DUBROVA AGRO/ECOTOURIST PARK

8-person gazebo: 14 each
10-person gazebo: 7 each
12-person floating gazebo: 1 each
24-person gazebo: 1 each
Open 50-person gazebo: 1 each
Fishing bridges: 18 each
Sand beach: 1,500 m2
Children's beach: 700 m2

Children's playground (swings, slides): 1 each
Standard soccer field: 1 each
Minifootball field: 1 each
Volleyball court: 1 each
Lifesaving station: 1 each
Changing rooms: 8 each
Park benches: 32 each



2021 GROSS FIGURES

LIVESTOCK PRODUCTS

Dairy products

Gross yield, tons	32 557
Yield per cow, tons	10,550
Milk sold, tons	31 816
Milk marketability, %	92,3
Standard weight sales, tons	28 951
Standard fat content, %	3,8

Cattle farming

Total cattle stock, head	8 771
Calves, head	3 493
Grown produce, tons	1 826
Average daily weight gain, grams	861
Gross cattle weight gain, tons	1 723
Live weight sales, tons	1 423

CROP FARMING PRODUCE

Commercial production

Cereals and legumes, ha	8 771
Processed weight, tons	3 493
Rape, ha	1 826
Output, tons	861
Potatoes, ha	1 723
Output, tons	1 423
Indoor vegetables, ha	8 771
Output, tons	3 493

TOURIST AND RECREATION SERVICES

Sosnovaya Health Center

Guests accepted, persons	1 886
Total revenue, BYN '000	230,92

Park Dubrova Ecotourist Complex

Recreation area visitors, persons	over 43 thousand
Total revenue, BYN '000	144,9



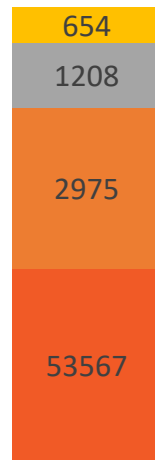
Income and expenses, BYN'000

■ Financial activities

■ Investment activities

■ Current activities

■ Income from
products and
services

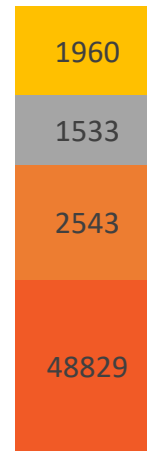


Income

■ Investment activities

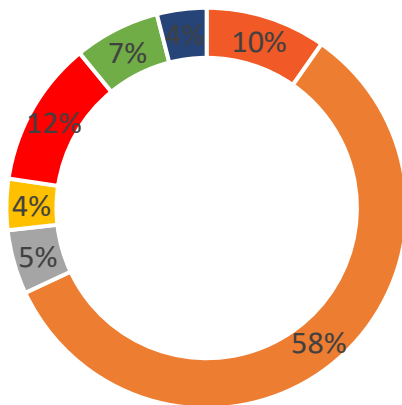
■ Financial activities

■ Current operations



Expenses

BREAKDOWN OF INCOME



■ Cattle

■ Milk

■ Cereals and legumes

■ Rape

■ Vegetables

■ Potato

■ Other

BREAKDOWN OF COSTS

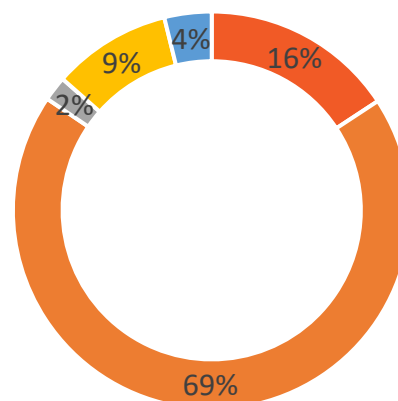
■ Payroll

■ Materials

■ Other facilities

■ Depreciation

■ Other



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

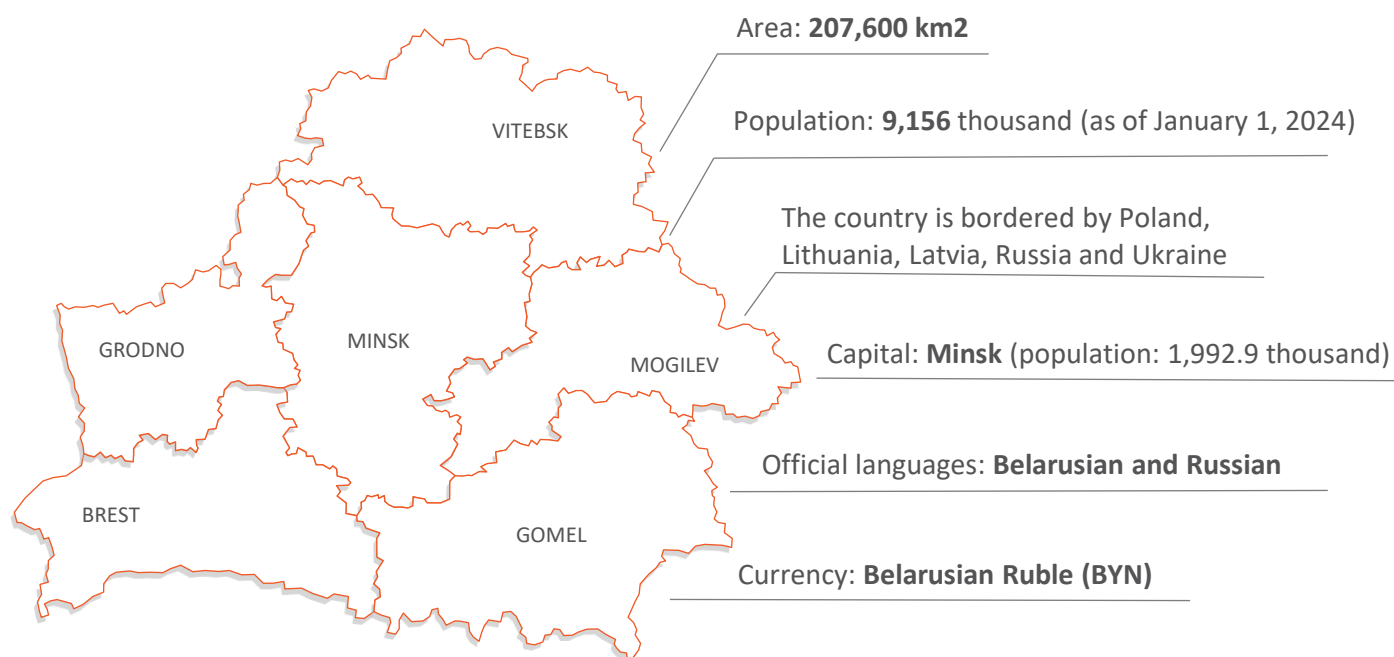
- Long-term assets account for 78.1% of the balance-sheet assets. The book value of fixed assets is BYN'000 172,700.
- The business entity has no incomplete major investment projects: its investments in long-term assets amount to BYN'000 3,707 or 1.6%.
- Current assets are highly liquid for the most part: the inventory totals to BY'000 4245 965; or 20.2% (including 6.5% - reared and fattened livestock).
- The share of the entity's balance-sheet receivables is minor: BYN'000 3,799; or 1.7%.

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

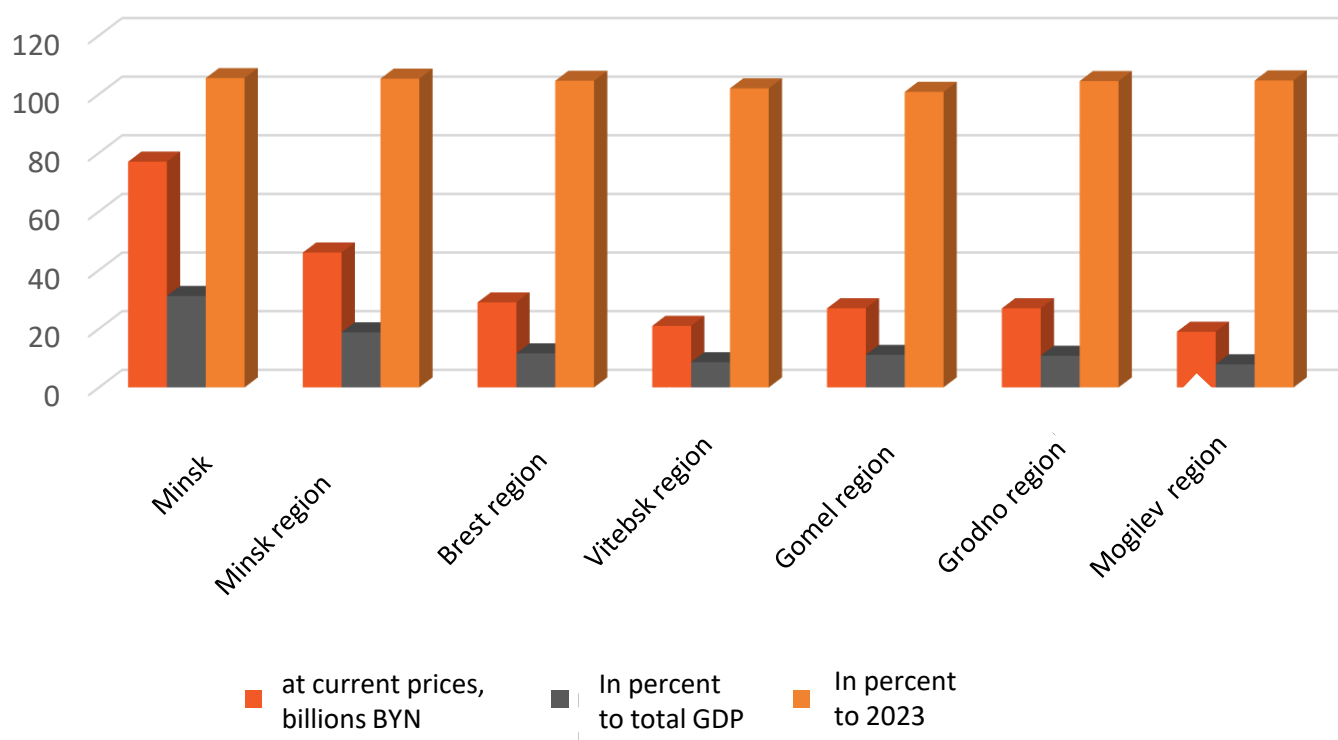
- Equity accounts for the largest part of the balance-sheet liabilities: BYN'000 197 857; or 84.2%.
- The balance-sheet long-term liabilities amount to BYN'000 21,440; or 9.4%.
- The balance-sheet short-term liabilities amount to BYN'000 14,621; or 6.4%, including short-term payables of BYN'000 10,159; or 4.5%.

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

- Current ratio: 3.41 (standard: ≥ 1.5).
- Working capital to current assets ratio: 0.71 (standard ≥ 0.2). The ratio points at the working capital adequacy.
- Financial liabilities to assets ratio: 0.16 (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

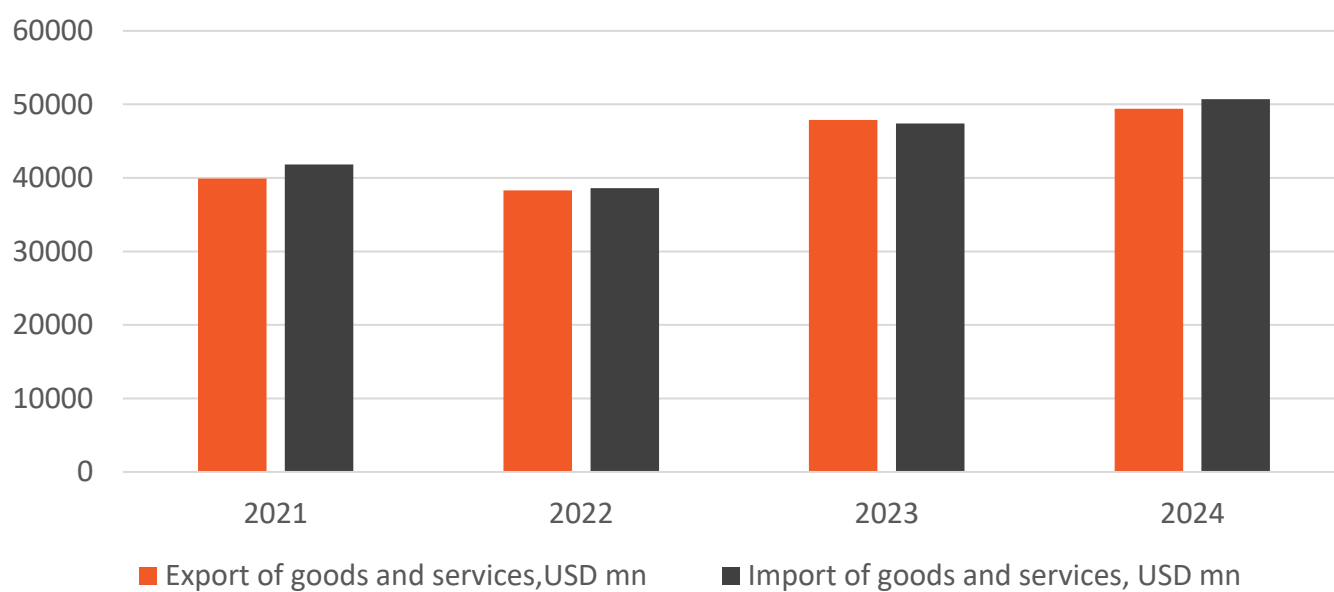
- More than 9.1 mn people live in Belarus. The Republic of Belarus is a multiethnic country; 78% of the population live in cities.

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

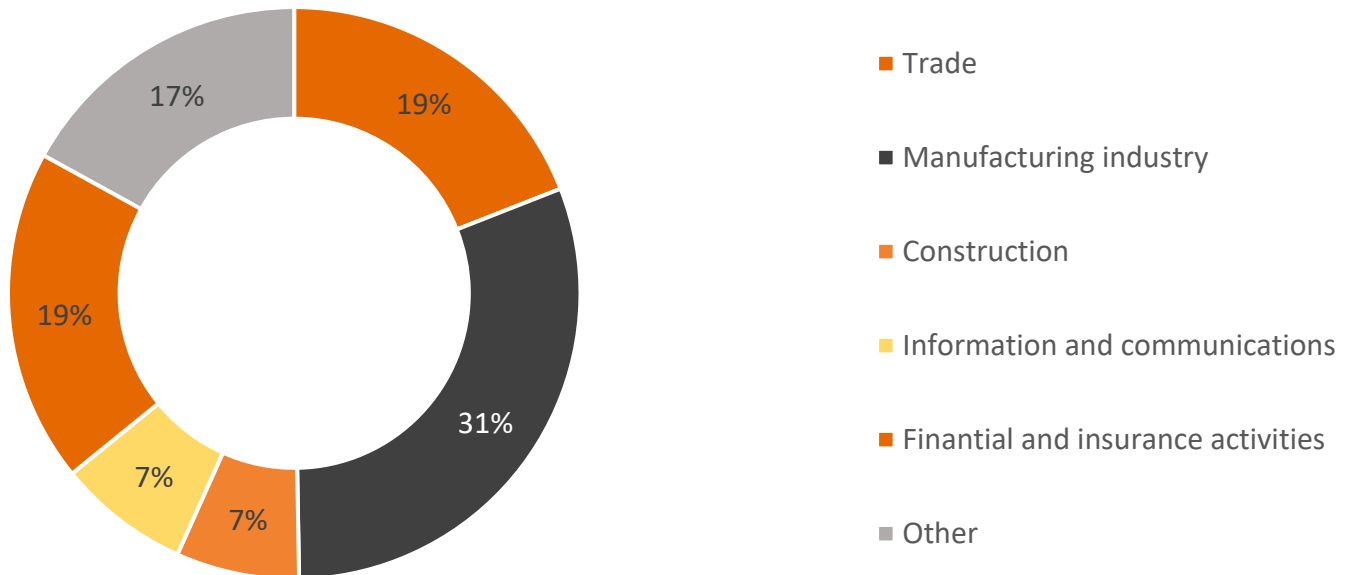
TIME ZONE

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

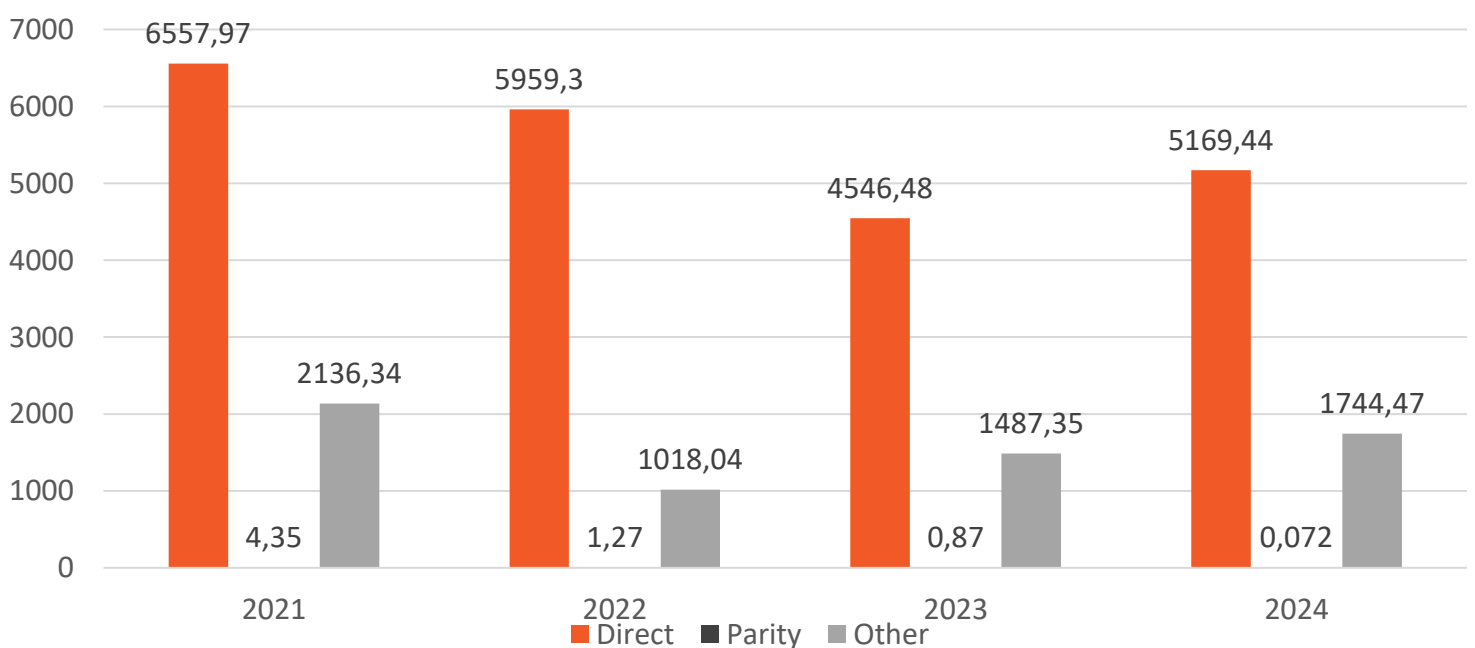
ECONOMY

- 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 centres 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	2 481,7
Capital adequacy, %	10%	15
Common Equity Tier I ratio, %	4.5%	12
Tier I Adequacy, %	8.5%	13

CONTACT INFORMATION

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EXECUTIVE IN CHARGE:

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