



## Nonwoven manufacturing

### Commercial products

Annual capacity: Nonwoven fabric S - 198 tonnes; Non-woven fabric SS – 1,584 tonnes; Non-woven fabric SMS – 5,271 tonnes; Nonwoven fabric SMMS – 1,448 tonnes.

### Investment attractiveness of the project:

Investment – US\$ 43,591 thousand  
 Project NPV – US\$ 18,272 thousand  
 IRR – 19.0%  
 Payback period – 7.6 years

### Project description

The project envisages the construction of a nonwovens plant with a capacity of 10,000 tonnes annually. Nonwovens are widely used in the production of personal protective equipment – disposable medical masks, gowns, sheets, overalls, etc. The production will be located in the Special Economic Zone in Pavlodar.

### Company

Merusar and K LLP was founded in 2001. The company has many an extensive experience in the sale of medical products (sterile and non-sterile kits for medicine and cosmetology) to healthcare institutions across the country.

### Market

- According to Mordor Intelligence, the world market for nonwovens will reach 61 billion USD by 2025. Average annual growth will be 6.68% in 2021-2025.
- The demand for nonwovens in Kazakhstan reached 53,465 tonnes in 2020, down 9% from the previous year. The shortage of nonwovens remains in the country, averaging 72% for the period between 2016 and 2020.

### What is the attractiveness of the project?

- **Local content.** Local production will allow occupying a significant niche in the market of disposable medical devices, reducing import dependence.
- **Initiator's experience.** The company has an extensive experience in the sale of medical devices (sterile and non-sterile kits for medicine and cosmetology) to healthcare institutions across the country.
- **Consumer demand.** During the period from 2016 to 2020, there was an increase in demand for medical and hygiene products made from nonwovens.

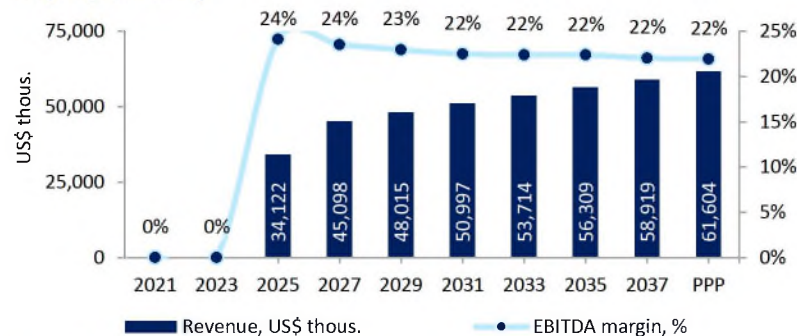
### Investment proposal

The Project requires investment of US\$ 43,591 thousand, of which:

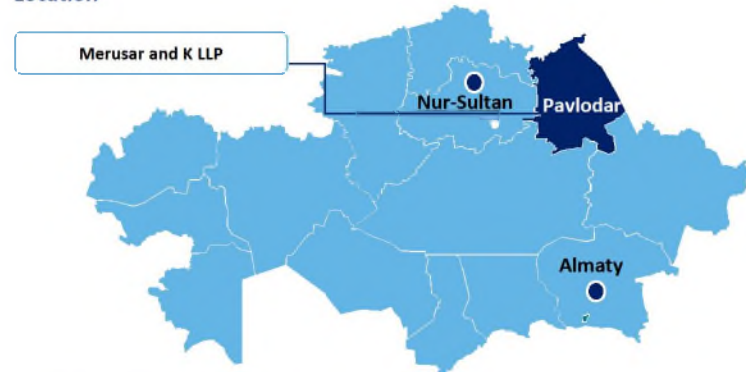
- 70% (30,513.7 thousand USD) – debt financing subject to collateral;
- from 30% (13,077.3 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

### Project profitability



### Location





## Production of a cannabidiol-based antiepileptic drug

### Products

During 2024-2026: CBD isolate – 461 kg/year;  
 From 2027: cannabidiol-based antiepileptic drug – 46,076 packages/year.  
 Domestic demand: 68 thousand people suffering from epilepsy.

### Investment attractiveness of the project:

Investment amount – US\$ 14,246 thousands  
 Project NPV – US\$ 26,979 thousands  
 IRR – 38.9%  
 Payback period – 4.5 years

### Project idea

The Project envisages the production of a cannabidiol-based antiepileptic drug at the Taraz Chemical Park SEZ in Dzhambul Oblast. Total complex area covers 7.5 thousand m<sup>2</sup>. The construction of an industrial complex and laboratory is expected in accordance with international GMP standards.

### Company

The initiator of the project is Rooftop Holdings LLP. The Initiator has a number of offers of scientific collaboration from global scientific research institutions such as Harvard Medical School International Phytomedicine and Medical Cannabis Institute and the Massachusetts Institute of Technology Whitehead Institute For Biomedical Research. The consulting partner for developing a strategy and clinical research is Cleveland Clinic Innovations.

### Market

- According to research published by the World Health Organisation in 2019, around 50 million people suffer from epilepsy. Furthermore, according to the same research, roughly 80% of people with epilepsy live in low or medium income countries.
- In 2019, the global CBD market was valued at 6.74 billion USD. It is forecast to grow by 2025 to 18.35 billion USD with CAGR at 18.2% (2020-2025).

### Prerequisites for the Project implementation

- **Innovative nature of the Project.** Due to the current lack of domestic producers and reliance on overseas equivalents, the plan is to produce a CBD-based antiepileptic drug.
- **Access to raw materials.** The Initiator plans to make initial cannabis seed purchases overseas and then supply the Project with its own seed material. It has the opportunity to expand its cannabis growing capabilities at the Taraz Chemical Park SEZ.

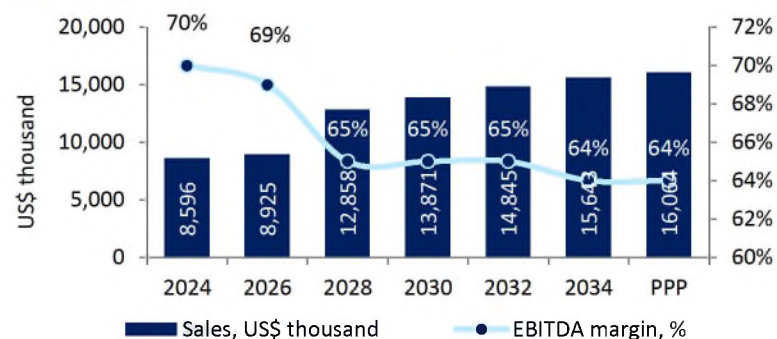
### Required investments and structure of financing

The Project requires investment of US\$ 14,246 thousand, of which:

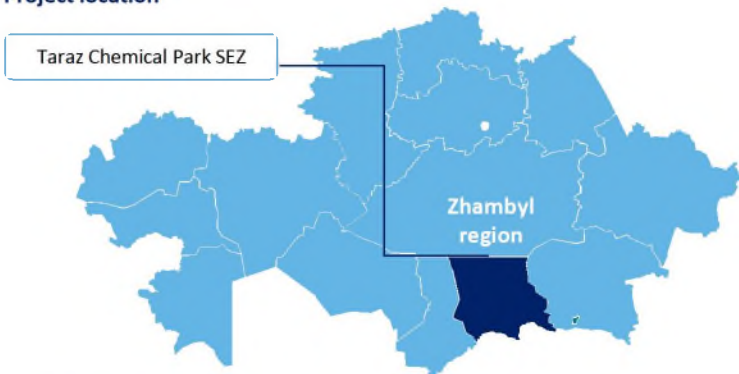
- 70% (9,972 thousand USD) – debt financing subject to collateral;
- from 30% (4,274 thousand USD) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

### Project profitability



### Project location





## Manufacturing of disposable syringes in Almaty region

### Products

Production capacity: 285 million units of disposable syringes  
Demand in Kazakhstan: 502.8 million units of disposable syringes

### Investment attractiveness of the project:

Investment amount – 5,731 US\$ thousands  
Project NPV – 6,287 thousand USD  
IRR – 31.4%  
Payback period – 4.9 years

### Project idea

The Project envisages the construction of a plant for the manufacturing syringes with a capacity of 285 million units per year. The production will be located in the Special Economic Zone “Park of Innovational Technologies” in Almaty region. The total area of the land is 5 ha, production area – 4,000 sq. m.

### Company

Dolce LLP is a Kazakhstani pharmaceutical company founded in 2003 and specializing in the production and wholesale and retail sales of medical devices. The company has experience in the sale of medical products to state medical institutions throughout the country. Since 2011, it has been a supplier of the distributor – SK-Pharmacy LLP.

### Market

- According to Firch Solutions, the syringe market is projected to reach US\$ 11,5 billion by 2026. Syringe production will grow at a CAGR of 7.9% over the period 2021-2026.
- The demand for syringes in Kazakhstan reached 502,790 thousand units in 2020, with an increase of 37% compared to the previous year. The country continues to have a shortage of syringes on average 76% during 2016-2020. In 2020, Kazakhstan imported 407,322 thousand disposable syringes.

### Prerequisites for the Project implementation

- **Low competition and deficit in the domestic market.** The Project will provide medical institutions with domestic products and reduce import dependence. Today only a few manufacturers are involved in the production of syringes in Kazakhstan .
- **Developed infrastructure and communications.** The industrial facility will be provided with water and electricity. In addition, there is a transport infrastructure: highways are connected to the territory of the SEZ.
- **Availability of distribution channels.** The Project Initiator has signed a long-term contract with a distributor SK-Pharmacy LLP within a state program for a period of 10 years.

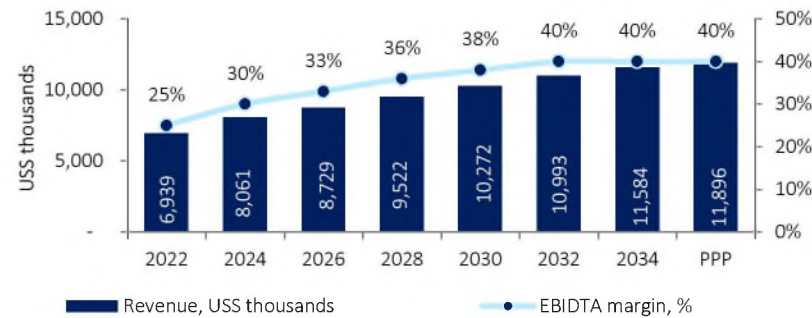
### Required investments and structure of financing

The Project requires investment of US\$ 5,731 thousand, of which:

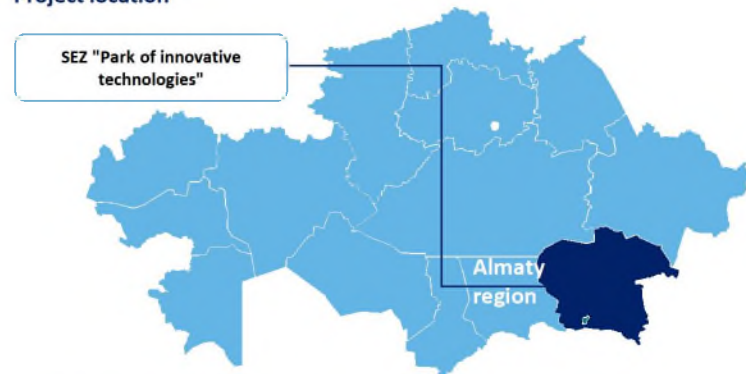
- 30 % (US\$ 1,719.3 thousand) – debt financing subject to collateral;
- from 70 % (US\$ 4,011.7 thousand) – Investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

### Project profitability



### Project location





## Medical glove production in Almaty Oblast

### Commercial products

Annual capacity – 144 million units of medical gloves.

### Investment attractiveness of the project:

Investment – US\$ 4,124 thousand  
 Project NPV – US\$ 4,458 thousand  
 IRR – 38.9%  
 Payback period – 4.4 years

### Project description

The purpose of the Project is to build a latex glove plant with capacity to produce 144 million units per year. Production will be located in the Innovative Technology Park Special Economic Zone in Almaty Oblast on a 5 ha plot. The production site will cover an area of 3,100 m<sup>2</sup>.

### Company

Dolce LLP is a Kazakhstan pharmaceutical company founded in 2003, specializing on the production of medical items and wholesale/retail sales. The company has many years of experience in selling medical devices to state medical institutions throughout the country. Since 2011, it has been a supplier to the integrated distributor SK-Pharmacy LLP.

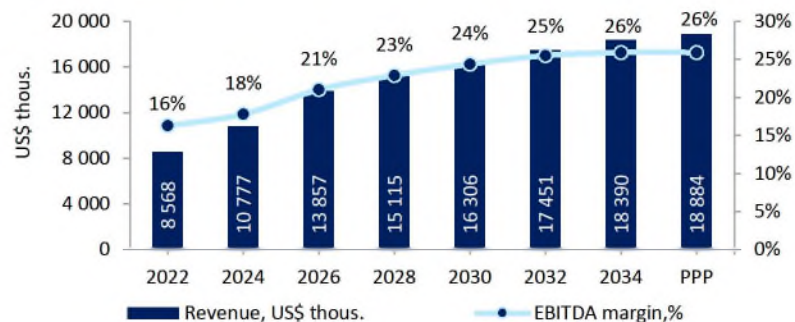
### Market

- According to Fitch Solutions, global medical glove production will reach 3.7 billion USD by 2026. Average annual growth in medical gloves production will be 7.8% in 2021-2026.
- Domestic demand is covered by imports. In 2020, Kazakhstan imported 24.3 million pairs of medical gloves worth 2.1 million USD. The average annual growth in medical glove supplies into Kazakhstan in the last five years was -9%.

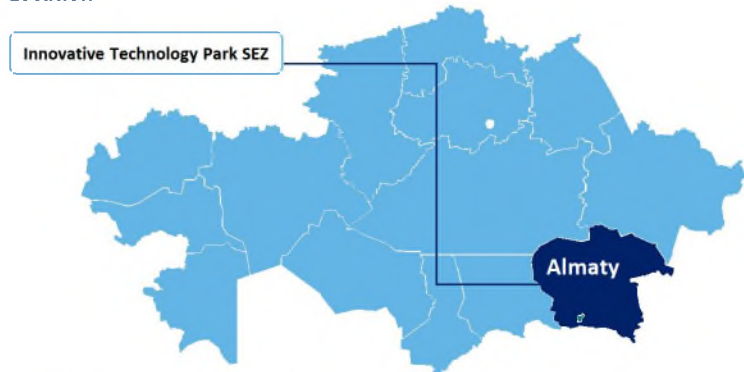
### What is the attractiveness of the project?

- **Export potential.** The launch of industrial production and the receipt of the required international compliance and quality certificates help the Company expand its sales geography significantly, first of all in other CIS countries.
- **Developed infrastructure and communications.** To ensure operating continuity, the facility will have access to utilities, electricity and transport infrastructure: the SEZ territory is connected to the road system.
- **Sales channels in place.** The Initiator has entered into a long-term (10-year) agreement to supply medical items with SK-Pharmacy LLP as part of the programme to support domestic producers.

### Project profitability



### Location





## Construction of a plant for the production of diapers in Nur-Sultan

### Commercial products

Annual capacity: 2.88 million packs of baby diapers

### Investment attractiveness of the project:

Investment – US\$ 3,569 thousand  
 Project NPV – US\$ 6,926 thousand  
 IRR – 34.6%  
 Payback period – 5.3 years

### Project description

This investment project plans to build a plant for the production of baby diapers with an annual capacity of 2.88 million packs within “Astana – New City” Special Economic Zone in the city of Nur-Sultan. The plant area is 1,125 sq. m.

### Company

The Project Initiator, United Care Group LLP is a project company established to implement a project to build a plant for the production of baby diapers. The founders of the Company are Aesthetics Group LLP (50%) and Kausar-Pharm LLP (50%).

### Market

- In 2020, the global diaper market revenue reached US\$ 48,915 million. According to forecasts by Allied Market Research, the world will see an increase in total revenue, with CAGR at 4.7% in 2021-2024.
- The production of hygiene products in Kazakhstan reached 311 tonnes in 2020. The compound annual growth rate (CAGR) for 2016-2020 was 30%. The only domestic manufacturer of children's disposable diapers is Sachiko Olzha Products LLP. In 2020, the company's share in the market of diapers and baby pants in Kazakhstan amounted to 5.3% or KZT 4.4 billion.

### What is the attractiveness of the project?

- **Favorable location.** Location in Nur-Sultan is an advantage given an easy access to the target group of consumers and a developed transport hub, which ensures prompt deliveries to the regions of Kazakhstan and the neighboring markets such as Russia, China, Uzbekistan and Kyrgyzstan. These factors will allow achieving a lower, competitive production cost.
- **Growing demand and entering new markets.** According to MarketLine forecasts, there will be an increase in the total revenue of the diaper market and consumption around the world, which will facilitate further expansion to the neighboring sales markets.

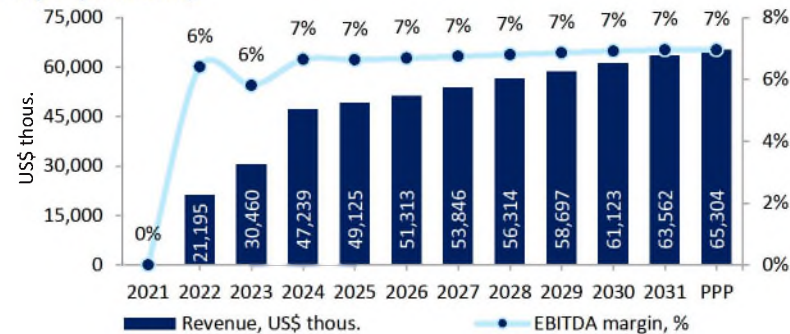
### Investment proposal

The Project requires investment of US\$ 3,569 thousand, of which :

- 70% (US\$ 2,498.3 thousand) – debt financing subject to collateral;
- from 30% (US\$ 1,070.7 thousand) – investor participation.

The proposed financing structure and state support measures are indicative. The final financing structure and Project interests will be determined based on the results of negotiations with the investor.

### Project profitability



### Location

