



Construction of a storage battery plant Kainar-A LLP

Commercial products

Annual capacity: 1.2 million lead-acid batteries per year

Investment attractiveness of the project:

Investment – US\$ 48,379 thousand.

NPV – US\$ 71,671 thousand.

IRR – 28,1%.

Payback period – 6.1 years.

Project description

The Project envisages to build lead-acid battery production plant Kainar-A LLP in the SEZ in the Beles village in West-Kazakhstan region with a production capacity of 3.6 million batteries per year.

Company

The main activity of Kainar-A LLP is the production, promotion and sale of lead-acid storage batteries for consumers located in the west of Kazakhstan and in Europe. The company is an affiliated company of Kainar-AKB LLP, the main manufacturer of lead-acid batteries in the Republic of Kazakhstan.

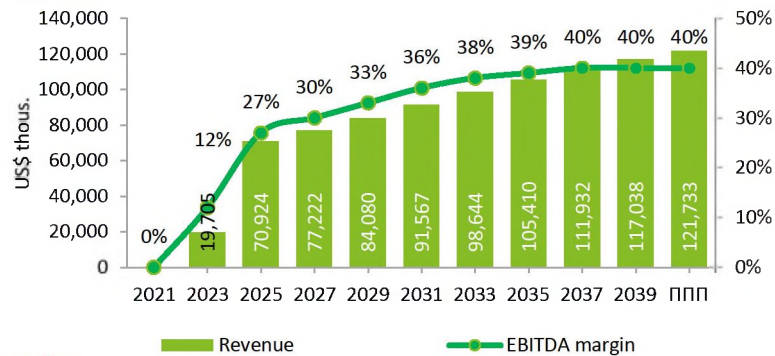
Market

- The global market for automotive lead-acid batteries in 2020 amounted to US\$ 16.9 billion. This figure is projected to reach US\$ 23.7 billion by 2028. According to research by Insight Partners, the growing number of passenger cars around the world is driving the growing demand for lead-acid batteries.
- In the period 2016-2020. the average annual production of electric lead-acid batteries in Kazakhstan amounted to 2,323 thousand units. Compound annual growth rate of production for the analyzed period was 6.6%. Today, the only large manufacturer of lead-acid batteries, Kainar-AKB LLP (more than 95% of the total production), operates in the Republic of Kazakhstan. In this regard, the dynamics of changes in domestic production is due to the volume of production in Kainar-AKB LLP.

What is the attractiveness of the project?

- **Initiator's Experience.** Kainar-AKB LLP has extensive experience in the production of storage batteries since 1975, and is the only manufacturer of these products in the Republic of Kazakhstan. Kainar-AKB LLP has a number of contracts with European consumers, which contribute 60% of the company's revenue. Kainar-AKB LLP has a number of representations and partnerships overseas, including in target countries such as Russia, Italy, Germany, Poland, Georgia, Armenia, Azerbaijan, Ukraine and Belarus.
- **Geographical location.** The project has an advantageous location in terms of proximity to the targeted client base and receiving a number of benefits and preferences in the status of a SEZ resident.
- **State support.** The project is included in the list of priority sectors for the provision of state support, within the framework of the programs of which it is possible to receive a number of benefits and preferences.

Project profitability



Location

