**TEASER FORMAT**

**A- PROJECT GENERAL INFORMATION**

**• Project title**

.................

**• Project objective and the short description**

..............................................

**• Project attractiveness/actuality**

**........................................**

**•**  **Project location**

................................

**• Project implementation period**

**..................................**

**• Project overall cost**

.........................................

**• Required investments (inc. source of investment –how much)**

..................................

**• General Information about the Author**

 **• Organization/person name** ...................................................

 **• Organization type** .......................................

 **•**  **Field (Scope)** .........................................

**• Guarantees And Advantages For Investors;**

.............................................

* **Brief description of the internal market**

.................................

**B-MARKET**

**Our target** **market**

...........................

• **Current position in the market/ expected share in the market**

.................................

 **Current position in the market/ expected share in the market**

..............................................

**• Main competitors**

..................................

**• Key strategic partners, including those involved in project finance**

.................................................

**• ... Market Description / sales current / expected volume, the share of sales volume** ............................

**• Access to new market**

.....................................................

**C-FINANCIAL INFORMATION
•**  **Project financial indicators**

• **Project overall cost USD ............**

**• Capital costs USD .....................**

• **Owner and partner group invested.Working capital are available.**

..............................

...............................

**What we need is fund-capital**

**• Required investments USD ............**

**• Period for payback .... year period for ................ product**

**• Financial payment planning**

Financial payment planning of these investments;

............ million USD in the 6th month,

............ million USD in the 12th month,

............ million USD in the 18th month,

............ million USD in the 24th month,

............ million USD in the the 30th month.

............ million USD in the. the 36th month

**• Guarantees**

..........................................

**D-PROJECT REVENUES**

**1-.....................................Products Revenues:**

**.........................**

**2- Net Income Revenus:**

1. year................................ 2. year ................................, 3.year ................................

4. year................................ 5. year ................................, 6.year ................................

7. year................................ 8. year ................................, 9.year ................................

**TOTAL:............................... USD**

**The Balance Total:**...................................

**3-Products Net Revenus**

1. year................................ 2. year ................................, 3.year ................................

4. year................................ 5. year ................................, 6.year ................................

7. year................................ 8. year ................................, 9.year ................................

**TOTAL:............................... USD**

**The Balance Total:**...................................

**• Financial - Repayment plan**

1. year................................ 2. year ................................, 3.year ................................

4. year................................ 5. year ................................, 6.year ................................

7. year................................ 8. year ................................, 9.year ................................

**TOTAL:............................... USD**

**• Risk Status**

There is no risk in this offer. **Because;** ........................................

**As the Counter Warranty;** .........................................................

**• Tax benefits/privileges for the last ...... years**

You will be tax-free advantageous accounts in ....Products

**E-OFFERS**

**• Offer to Investors or Funds**

**• Required amount of investments**

Required amount of investments USD ................

**Profitability index of investments**

**\*If you give a credit of ..................... (...........-year term), the net revenue of ................**

 **% -............ USD**

**\*If you buy and have an investment for .................. USD product, - the net revenue of ...........% -.................. USD (at the ...........years).**

**and Manufactur company........... have ....% share**

**• Can you have (or your alternative) Investors ,banks and partners informations**

Equity financing, Investing loans, Partnersip , etc.

**• Guaranteed profit**

Depending on the conditions of project financing the company may offer ..........% of shares to potential investor.

**F- INFORMATION ABOUT THE TEASER PROJECT**

**Contacts**

 Name/Surname/Position of the contact person ......................... / Title

 E-mail .......................................................  Telephone ........................................................

 Web Adress/Links: ...............................................................

**Project Teaser Publication Consent**

 Preparation Date .....................

SIMPLE TEASER

1**. Project Background**

** Project title**

“Organizing 30-85 HP tractor manufacturing”

 **Project objective and short description**

This current Investment Project is aimed at developing the production of 30-85 hp. tractors

and the additional required financing for the realization of the project is rather essential.

Our on-going objective is to anticipate our customers’ needs and provide them with tractors

that will be designed for use in domestic gardens, small estates, specifically for use in

vineyards, orchards, greenhouses or, in general, for particular crops where other tractors

are too large or too heavy.

Our tractors will be equally adapted for maintenance work in cities and green areas. They will be devised to make any hard work easier in agriculture and construction ensuring utmost safety and reliability. Thus, our primarily goal is also to enhance nationwide access to it.

** Project attractiveness/actuality**

Taking into account the unique needs of our customers “Armavir Machine-Tool Factory” is

determined to start manufacturing tractors in our country. In particular, this current

Investment Project is aimed at developing the production of 30-85 hp. Tractors.

So, the aim of our company is not only to build high quality tractor but also provide a high

level of productivity at a reasonable cost. Our tractors will be equally adapted for

maintenance work in cities and green areas. They will be devised to make any hard work

easier in agriculture and construction ensuring utmost safety and reliability. And finally, this

project is as much attractive as it seeks to enhance nationwide & worldwide access to our

new product.

 **Project location**

21/5 Armavir City, Armavir Marz, Armenia

 **Project implementation period**

3-4-year period

 **Project overall cost**

USD 4.7 million

 **Required investments (inc. source of investment –how much)**

USD 3.2 million foreign direct investments from various sources and amounts

2. **General Information about the Author**

** Organization/person name**

“Armavir Machine-Tool Factory” OJSC

 **Organization type**

Open Joint Stock Company (OJSC)

 **Field (Scope)**

Manufacturing

3**. Product/service general description (market description)**

** Product/service name**

Manufacturing: Non-Food Products

** Castings:** Ferrous and Non-Ferrous, Investment Molded

 **Castings of Large Parts:** Sand Molded

 **Drilling-and-Milling Machines:** Vertical

 **Drilling Machines:** Radial and Special-Purpose

 **Drilling Machines:** Vertical

 Stone-Cutting Machines

 Tractors

 **Product/service competitive advantages**

“Armavir Machine-Tool Factory” OJSC is the only company with its products in domestic market!

The company (former Hoktemberyan Machine-Tool Factory”) was founded in 1938 and it

was later privatized and renamed “Armavir Machine-Tool Factory” OJSC. It is located in

Armavir City, Armavir Marz, Armenia.

The factory covers about an area of 70,000 square meters, enabling the production of more than 1000 machines a year.

It is also near by the railway station which helps us organize the product transportation more safely and rapidly.

Since the establishment of the factory its goods and products have been exported to

Europe, the USA, Southeast Asia and more than 40 countries.

The company is specialized in the production of Radial Drilling Machines, stone cutting

machines, precision castings with melting models of ferrous and non-ferrous metals,

grinding steel balls in different sizes, manufacture of agricultural equipment and spare parts.

“Armavir Machine-Tool Factory” OJSC has the rigorous quality guarantee system and has

passed ISO9001:2000 quality assurance system.

Hence, our products are strictly supervised by the quality-checking department during its

producing and they will again be examined before leaving factory to ensure the quality

stated in the order. We provide the security of the product transportation, the installation and

debugging of the equipment and the training of skilled workers.

 Information on product/service property rights, license and certification, ADD legal framework ,

regulatory requirements that applies to the specific product or service

Before developing a new product we take care of the needs of our customers to provide

them with first class services. We provide the whole service like installation of equipment,

debugging, skill training on workers and after-sale service

During the warranty period of 12 months services will be provided for free. Should your item

be used more than one year, we will provide repair with a low charge.

The products are strictly supervised by the quality-checking department during its producing

and they will again be examined before leaving factory to ensure the quality stated in the

order. We provide the security of the equipment transportation, the installation and

debugging of the equipment and the skill training of workers.

Here are some exceptions to our general after-sale services, and the Factory has the right

not to provide services in line with Services Commitment. But we will offer you services at

your own expense

**Thus, the company provides you with excellent services free of charge, except :**

1. Over one year.

2. Damage caused by improper using.

3. Damage caused by unauthorized alteration.

4. Damage due to force majeure.

 **Brief description of the internal market**

Mechanical engineering plays a huge role in the economy of any country.

Armenia, whose economy shrank by 15% in 2009 as an expatriate-financed construction

boom fizzled along with the world economy. With a mediocre growth forecast for the next

few years, this landlocked former Soviet republic, dependent upon Russia and Iran for

virtually all of its energy supplies, is struggling to keep up with the rest of the world.

Before independence the internal market was largely industry-based – chemicals,

electronics, machinery, processed food, synthetic rubber, and textile – and highly dependent

on outside resources.

Today, The republic had developed a modern industrial sector, supplying machine tools,textiles, and other manufactured goods to sister republics in exchange for raw materials and energy.

Hence, ENGINEERING PLANTS, MACHINE-TOOL PLANTS are of great interest today as well.

** Current position in the market/ expected share in the market**

Start-up / N/A

** Target groups of consumers and consumer markets**

are from local market

 **Main competitors**

Main competitors are those from foreign market. As to the local market, there is no

competition.

 **Key strategic partners, including those involved in project finance;**N/A

 **Export Market Description /export current / expected volume, the export share of sales volume /**

Since the establishment of our company our goods and products have been exported to Europe, the USA, Southeast Asia and more than 40 countries. Nowadays, the export share of sales volume is about 9%, which is expected to increase due to the constant growth and development.

 **Access to foreign market**

Mainly to the Republic of Georgia, Russian Federation and Middle East.

4. **Project financial indicators**

 Project overall cost USD 4.7 million

 Capital costs USD 4.7 million

 Internal funds invested

Land, buildings, equipment, casting workshop, working capital are available.

 Available funds N/A

 Required investments USD 3.2 million

 Period for payback 6-9- year period

 Net discounted income N/A

 Profitability index N/A

 Discounted profitability index of investments N/A

 **Key risks and measures to reduce and prevent risks**

The key risk is that the value of a portfolio, either an investment portfolio or a trading

portfolio, will decrease due to the change in market risk factors. The four standard market

risk factors are stock prices, interest rates, foreign exchange rates, and commodity prices:

therefor, in order to reduce and/ or prevent risks the company may draw Investment Policy

Statement, and in order to utilize efficient diversification, the company will employ

investment managers if necessary and so forth.

 **Tax benefits/privileges for the last 5 years N/A**

**5. Offer to investors**

 Required amount of investments

Required amount of investments USD 3.2 million

 Investor participation form

Equity financing, loans, grants, etc.

 Guaranteed profit

Depending on the conditions of project financing the company may offer 11-12% of shares

to potential investor.

 Investment return / payback guarantees / securities, bank guarantee, transfer and etc. /N/A

6. **Information about the teaser project**

 Preparation Date 25.09.2015

 Exchange rates as of the preparation date 1 USD = 407 AMD

7. **Contacts**