Ministry of Investment,
industry and trade
of the Republic of Uzbekistan

Investment proposal:
Production of automobile starters and compressors

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Production of automobile starters and compressors

Economic impact:

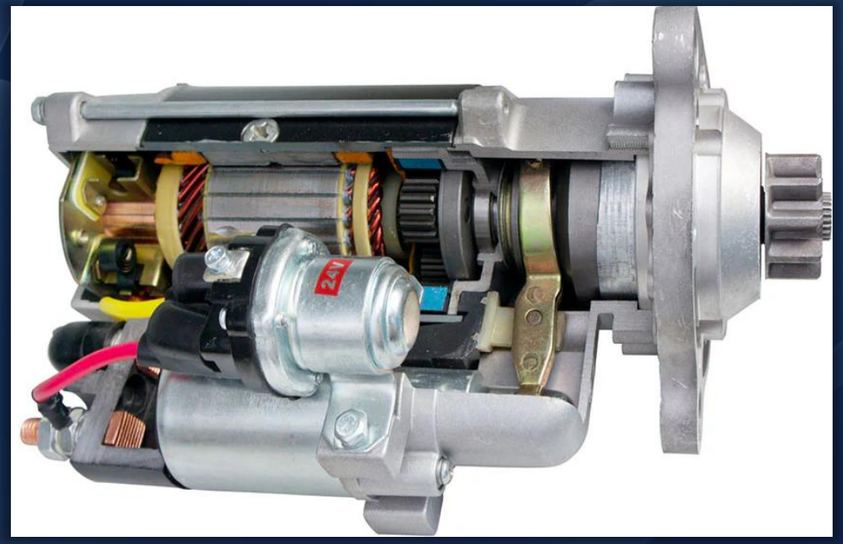
- Import substitution of ~$80M annually, export potential of $30M after Year 3, development of local supplier networks, contribution to GDP.
- Creation of 1,200 direct jobs and ~3,000 indirect jobs, skill development in mechatronics and automotive engineering, strengthening of industrial ecosystem.

Social impact:

1. Environmental: energy-efficient production lines, waste recycling (metal & lubricants), compliance with ISO 14001 standards.
2. Skill development: training programs for engineers and technicians will raise the country's human capital in advanced automobile industry.

Location of the project

Jizzakh region	
Size	21 200 km²
Population	1,5 million



Project description:

1. The project aims to establish a modern manufacturing facility for the production of automobile starters and compressors. With the rapid growth of the automotive industry, increasing demand for spare parts and the trend toward localization of auto component production, this project seeks to provide high-quality, cost-effective components for domestic and export markets.

2. Supply OEMs (Original Equipment Manufacturers) and the aftermarket. Generate employment and technical expertise in the automotive sector. Increase competitiveness in global auto-parts supply chains.

Economic indicators:

Financing: 60 million USD

Area: 10 hectares

Revenue: $94 million/year

ROI: 30,7 %

NPV: ~ $32,1 million

IRR: ~26%

Production indicators:

Annual production:
1 000 000 units

Starters:
650 000 units

Compressors:
350 000 units

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Processing chain & product yield

Key production stages

Desktop $ laptop computers

1. Raw material procurement – steel, aluminum alloys, electronic components.

2. Casting & machining – die-casting for housings, precision CNC machining for shafts & rotors.

3. Winding & assembly – copper winding for starter motors, compressor sub-assembly.

4. Heat treatment & surface coating – durability & corrosion resistance.

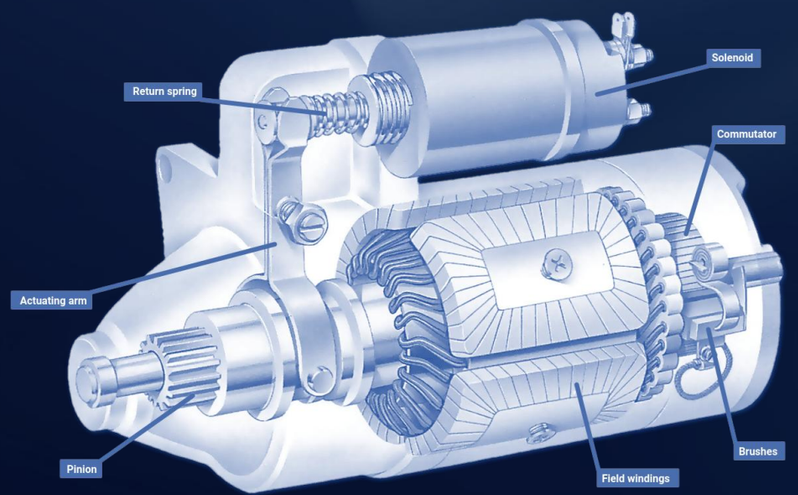
5. Final assembly – starter and compressor integration with electronic control modules.

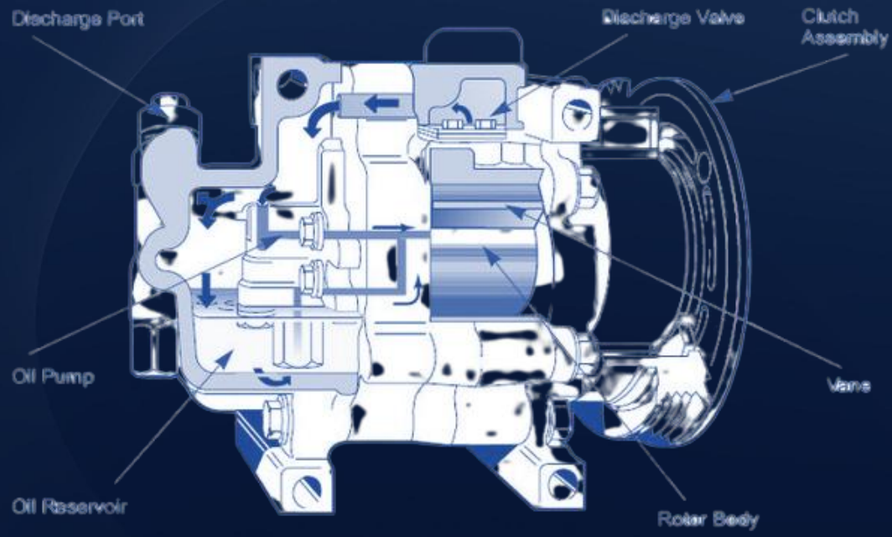
6. Quality testing – performance, endurance, vibration, and thermal resistance tests.

7. Packaging & distribution – to OEMs and aftermarket suppliers.

Production capacity & technology

	Factors	Features
1	**Starters**	650 000 units/year
2	**Compressors**	350 000 units/year
3	**Technology**	Automated machining & assembly lines, CAD/CAM design, ISO/TS 16949 certified quality control system.
4	**Raw materials**	Steel, aluminum alloys, copper, magnets, electronic modules.





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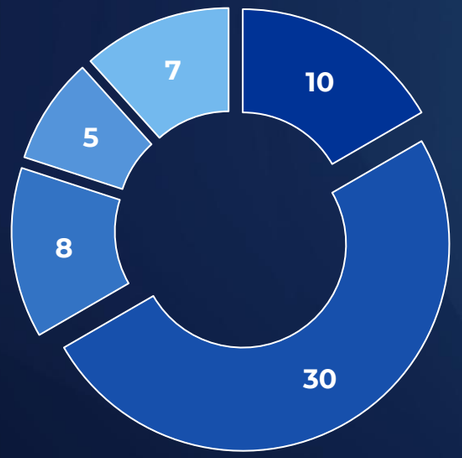
Project expenses

Initial Investment (CAPEX) *(mln dollar)*

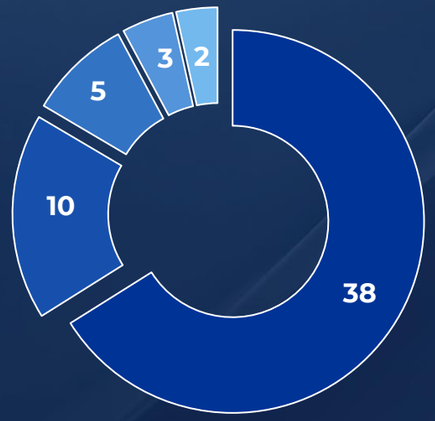
Total CAPEX: **$60 mln**



- Land and construction
- Technological equipments
- Infrastructura and transportation
- Licenses & certification
- Others

Operating Costs (OPEX) *(mln dollar)*

Total OPEX: **$57,5 mln**



- Raw materials
- Labor
- Utilities
- Logistics and maintenance
- Marketing

This financial overview outlines a comprehensive cost structure and strong profitability of the proposed starter and compressor products project. The breakdown includes both initial capital investment (CAPEX) and annual operating costs (OPEX), alongside projected revenue and profit estimates.

Product	Capacity	Amount (million USD)
Starters	650 000 units	52
Compressors	350 000 units	42
TOTAL		**94**

Annual EBITDA:
= $94 mln - $57,5 mln = **$36,5 mln**

The project's strong profitability forecast is underpinned by efficient operations and high market demand, positioning it as a highly attractive investment.

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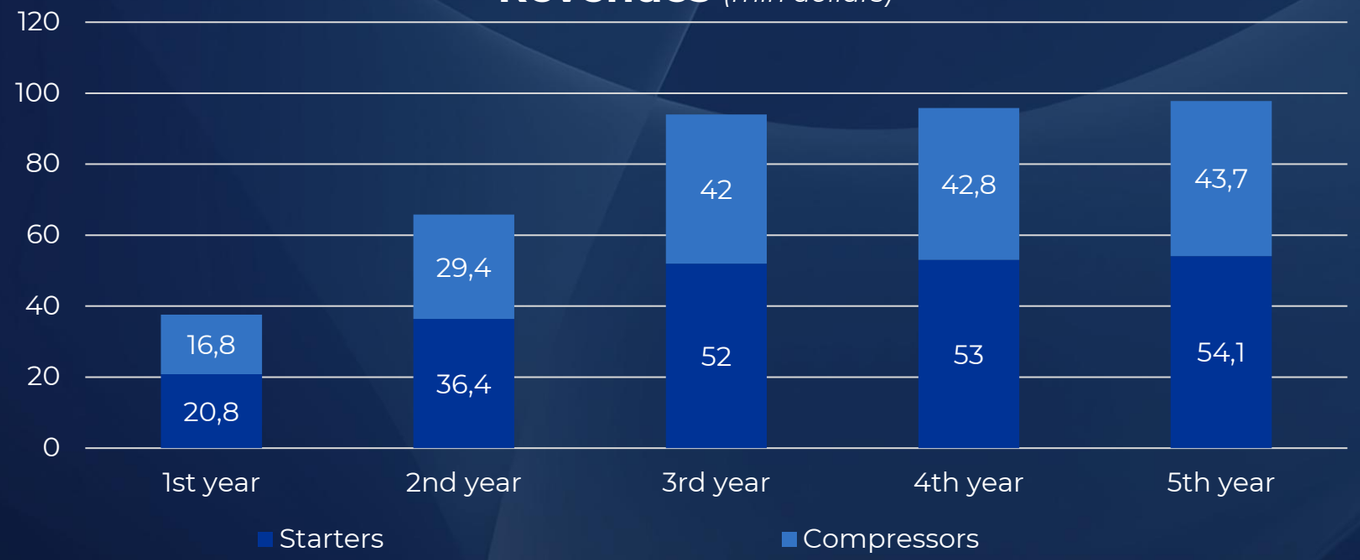
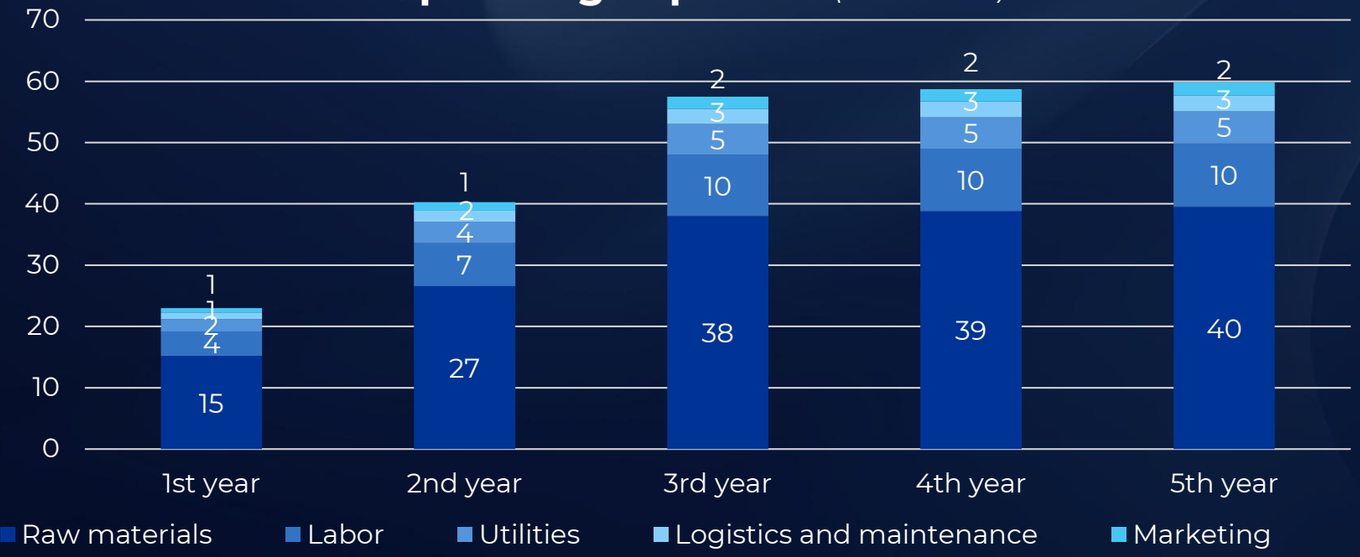
Financial indicators
(5-year projection)

Revenues *(mln dollars)*



Operating expenses *(mln dollars)*



Total 5-year cash flow:
$391M after full CAPEX recovery

NPV (12% discount rate):
NPV= **$32,1 million** *(Highly favorable!)*

IRR (Internal rate of return): ≈ **26%**

Payback period (PP):
= **3,5 years**

Profitability index (PI):
=(NPV+CAPEX)/CAPEX=($32,1M+$60M)/$60M= **1,54**

Return on investment (ROI):
= **30,7**