



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

Investment proposal: Production of facing slabs



Production of facing slabs (ceramic, marble, granite, laminate, vinyl coverings)

Economic impact:

- Export potential: export volume \$8–10 million/year (30–40% of production). Export to Kazakhstan, Kyrgyzstan, Tajikistan, Russia and Afghanistan.
- Reduces import dependence by $\approx 20\text{--}25\%$ (up to \$20 million/year) in the premium tile and stone segment.

Social impact:

- The project will create over 200 direct high-skilled and semi-skilled jobs and an estimated 400+ indirect jobs in logistics, maintenance, and services.
- It will facilitate technology transfer and create a new pool of local expertise in advanced materials engineering and modern manufacturing practices.



Project description:

1. The project will create over 200 direct high-skilled and semi-skilled jobs and an estimated 300+ indirect jobs in logistics, maintenance, and services.
2. It will facilitate technology transfer and create a new pool of local expertise in advanced materials engineering and modern manufacturing practices.
3. Locating the plant in an industrial zone will stimulate the development of local infrastructure and support services.
4. The project will foster collaboration with local universities and research institutes (e.g., TIIME, Navoiy State University) on R&D for new refractory formulations.

Economic indicators:



Financing: 28 mln USD



Area: 7 hectares



Revenue: \$25,35 million/year



ROI: 25%



NPV: ~ \$12 million



IRR: ~18%

Production indicators:



Annual production: 2,65 mln sq.m.



Ceramic: 2 mln sq.m.



Marble and granite: 150 thsd sq.m.



Laminate: 300 thsd sq.m.



Vinyl (LVT): 200 thsd sq.m.

Location of the project



Navoiy region	
Size	110 800 km ²
Population	1,1 mln



Processing chain & product yield

Key production stages

1. Ceramic tiles (granite/porcelain): Preparation of raw materials, drying and grinding, molding, drying, glazing and decorating, firing ($\approx 1200\text{ }^{\circ}\text{C}$), calibration and sorting, Packaging and warehousing.

2. Marble and granite (slabs and tiles): Quarrying of blocks, sawing, drying, grinding and polishing, calibration and cutting, impregnation/protection, quality control, sorting and packaging.

3. Laminate: Preparation of the base (HDF/MDF board), paper impregnation, lamination, cooling and stabilization, milling of locks (Lock system), quality control, sorting and packaging.

4. Vinyl flooring (LVT): Preparation of the mixture – PVC granulate + plasticizers + stabilizers. Calendering or extrusion – formation of base layers. Application of a decorative layer (printing or film). Pressing/lamination, Application of a protective layer (PU-coating). Cutting and milling of format (tiles, planks, click-lock). Quality control and packaging.

5. Preparation and storage of raw materials, main technological process, quality control (laboratory: mechanical, chemical, visual tests). Logistics and warehousing. Water and dust purification system (ecology, compliance with standards).

Technical & production factors

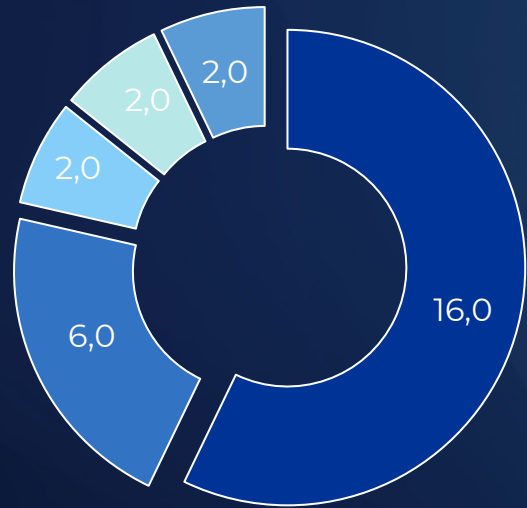
	Indicator	Notes
1	Technologies and equipment	Ceramics/porcelain: modern presses (SACMI, KEDA), digital printing, energy-efficient kilns (roller kilns) → reduce gas/electricity consumption by 10–15%. Marble/granite: multi-blade machines, CNC machining, automatic polishing. Laminate: continuous pressing lines (HDF/MDF + decorative layer), locking profiles. LVT: extrusion/calendering, multi-layer lamination, PU protective coating. Automation and digital quality control reduce waste and increase product stability.
2	Raw material factors	Availability of local raw materials: clays, sands, marble/granite quarries (Uzbekistan has significant reserves). Imported components: pigments, glazes, resins, films for LVT - depend on the global market situation and logistics. Stability of supplies: conclusion of long-term contracts with local quarries and foreign chemical manufacturers.
3	Energy factors	Ceramic production and firing are energy-intensive processes. The tariff for electricity and gas is important (guideline: \$0.07/kWh, \$100–120/1000 m ³ of gas). The use of heat recovery systems, cogeneration and modernized furnaces reduces the cost price.





Project expenses

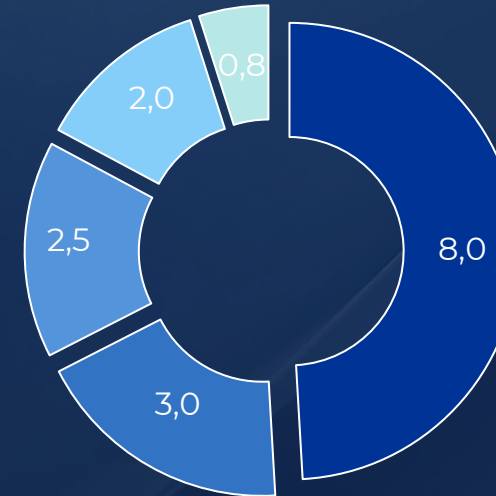
Initial Investment (CAPEX) (mln dollar)



Total CAPEX: **\$28 mln**

- Equipment and technology
- Construction and infrastructure
- Utility Connections & Infrastructure
- Engineering, installation & commissioning
- Others

Operating Costs (OPEX) (mln dollar)



Total OPEX: **\$16,3 mln**

- Raw materials
- Energy & utilities
- Labor
- Logistics and marketing
- Others

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

Product	Volume	Revenue (\$ mln)
Ceramic	2 mln sq.m.	14
Marble and granite	150 thsd sq.m.	3,8
Laminate	300 thsd sq.m	3,0
Vinyl (LVT)	200 thsd sq.m.	2,4
TOTAL		25,35

Annual EBITDA:

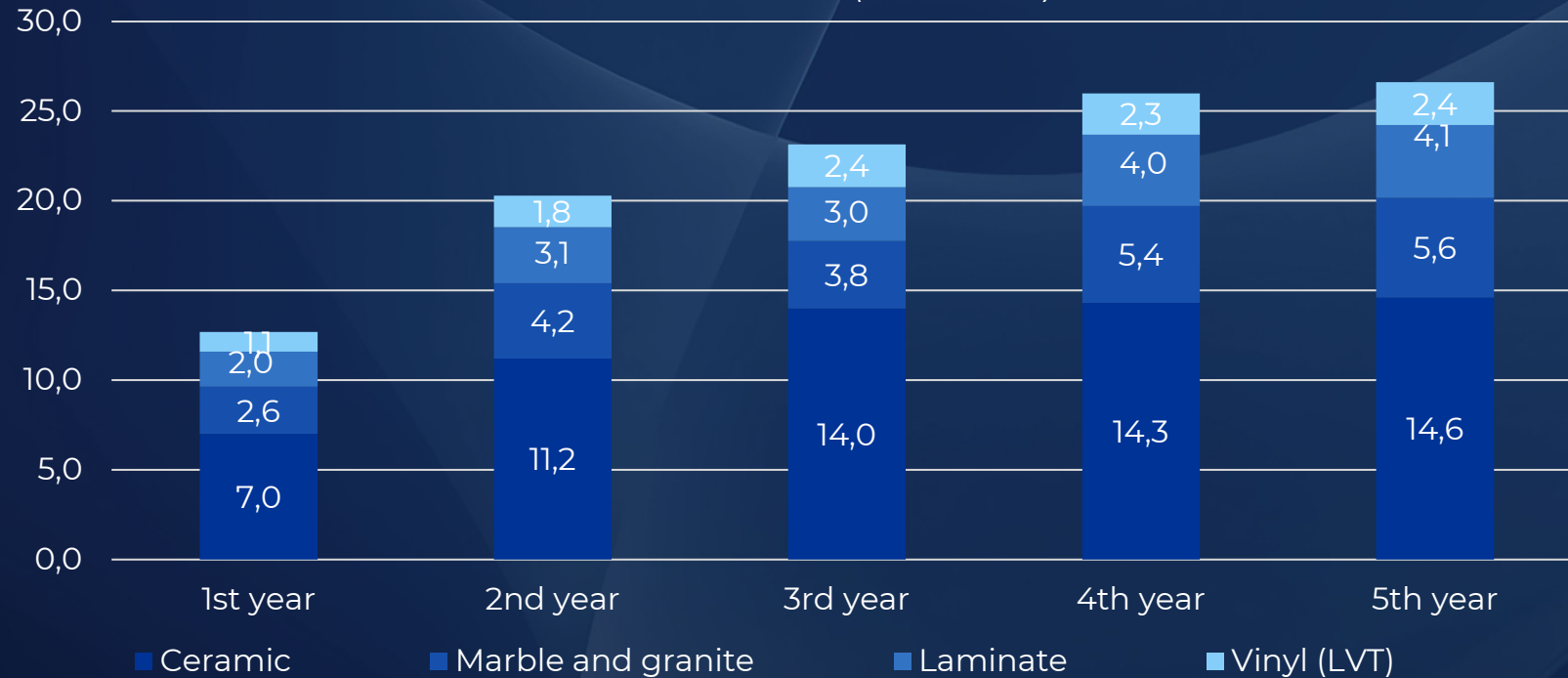
= \$25,35mln - \$16,3mln = **\$9,05 mln**

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

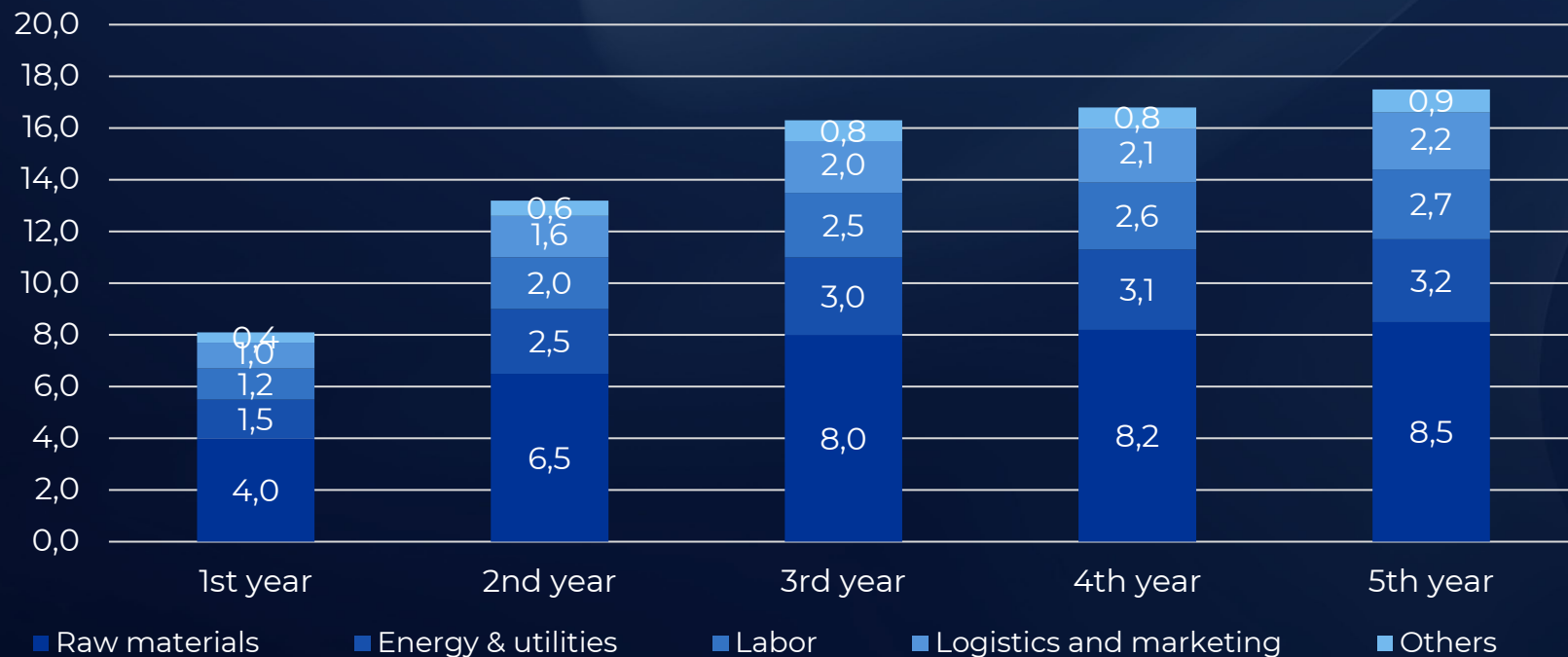


Financial indicators (5-year projection)

Revenues (mln dollars)



Operating expenses (mln dollars)



Total 10-year cash flow:

\$72M after full CAPEX recovery

NPV (12% discount rate):

NPV= **\$12 million** (Highly favorable!)

IRR (Internal rate of return): **≈ 18%**

Payback period (PP):

= **5 years**

Profitability index (PI):

$= (\text{NPV} + \text{CAPEX}) / \text{CAPEX} = (\$12\text{M} + \$28\text{M}) / \$28\text{M} = \mathbf{1,4}$

Return on investment (ROI):

= **25%**