



31

## Establishment of the production with the polymer coatings on galvanized steel or aluminum sheet in the city of Dnipro



### Creation of the line of Polymer Coating on galvanized steel sheet.

The design capacity is 55 thousand tons of steel per year.

The galvanized sheet steel with polymer coating is a primary product for production of facade and roofing materials including sandwich panels and metal shingles.



### Initiator

Elvas trading house, Ltd  
[www.elvas.com.ua](http://www.elvas.com.ua)

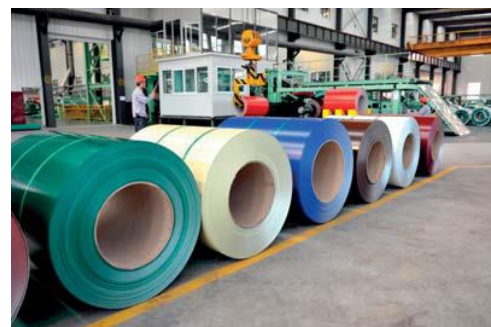


**Duration**  
12 months



### Project goals

- the saturation of Ukrainian market with polymer coating galvanized sheet steel. Today there is no modern producer in this sphere in Ukraine;
- wholesale and retail trade with different coating types, production of roofing and facade materials (metal shingles, profiled flooring, siding), metal packaging production;
- the equipment will allow to produce in small lots the wide range of products both in the color and pattern range and with various mechanical properties;
- creation of 20 new jobs.



### Project economic indicators

Required investment capital: **\$9 mln**

Initiator contribution to the project implementation: **\$4.2 mln**

Required investment capital: **\$4.8 mln**



Net Present Value (NPV)	<b>\$4,5 mln</b>	Payback period (PP)	<b>6 years</b>
Profitability index (PI)	<b>27%</b>	EBITDA	<b>\$16 mln</b>
Internal Rate of Return (IRR)	<b>35%</b>		



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32



### Project technical parameters

#### Land plot characteristics:

- **land plot:** 2.03 ha;
- **intended use:** production of metal products;
- **cadastral number:** assigned;
- **administrator:** Elvas trading house, Ltd.

#### Engineering infrastructure:

water, gas and electricity are available and do not require any additional investments.

#### Company resources:

- Elvas Group has its own steel service center located in the industrial zone of the city of Dnipro with railway line and storage facilities. Own production of metal shingles profited flooring, metal staling.
- Overhead crane – 12 tons, beam crane – 10 tons.

#### Transport infrastructure:

- railway lines are in the territory of factory;
- 1.2 km and 5 km to the river port.



### Mechanisms for cooperation

- credit line up to 7% year in foreign currency;
- share interest in % according to the amount of investment.



### Additional information

Ukraine annually imports 260 000 tons of polymer coated galvanized steel or aluminum sheet (as of 2016). According to the experts' forecast, the overall annual market consumption in Ukraine will reach up to 500 000 tons by 2022. At present, there is no modern polymer coated galvanized steel or aluminum sheet producer in our country. Since 2000 year, Elvas Group has imported and processed coating steel.

Our existing customer base is capable to consume the entire 100% of the design output of above Color Coating Line. The planned return on investment in the line is 4 years.

It is possible to provide financial statements of Elvas Group projects business plan and several small co-investors.



**Project location:** the city of Dnipro, Ukraine.



**Dnipropetrovsk Regional Investment Agency**

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