1. **PROJECT TITLE**
   
   BIOMASS HEATING SUPPLY AND OLD FACILITIES RENOVATION

2. **SECTOR**
   
   Energy sector - renewable energy (pellet and woodchips)
   Construction sector - (heating / windows / insulation)

3. **LOCATION**

   The firm will be headquartered in the Aleksandrovac industrial zone, Municipality of Laktaši. The location is in the northern part of the RS/BiH, only 25 km from the border with Croatia and the EU, 2 km from the new A1 motorway, 25 km from the main administrative centre of the Republic of Srpska - Banja Luka, and only a few kilometres from Mahovljani airport.
   
   A small office to cover the FBiH, i.e. Herzegovina will be located in Istočno Sarajevo, where proximity of an international airport and connection to the A1 motorway are an added benefit.
4. **BRIEF PROJECT DESCRIPTION**

GI d.o.o. is planning to supply heat energy under contracts, including modernisation of facilities by installing new biomass-fuelled heating systems or boiler rooms, replacing old windows with the new, installing roof and/or building insulation at businesses and public institutions in the RS/BiH territory, starting with smaller projects. Installing such a heating system is planned in 100 small facilities of total area of about 100,000 m² and two big projects of total area of about 160,000 m² within the next two years. The payback period is 5 to 6 years for the small facilities, and estimated at about 10 to 12 years for the two big projects. The annual growth is estimated at about 10%, with a positive cash flow after two years of operation. The heat will be supplied under contracts for a period of 20 to 25 years, and net profits will be generated for 10 to 15 years after the payback.

5. **PROJECT DETAILS**

**WHAT TYPE OF PROJECT IS IT?**

Greenfield project

**PROJECT STATUS**

Company registration under preparation

**REASONS TO INVEST IN THE PROJECT**

- The area of BiH / RS is 53% / 51.7% respectively covered by forest, i.e. there is more than 2.7 million hectares (or 1 million hectares, in case of the RS) which enable wide access to stocks and intermediate goods.
- Four firms are manufacturing quality boiler rooms in BiH, which enables fast intervention by local partners on maintenance, installation or overhaul, and competitive prices compared to foreign boiler rooms or equipment.
- All installation and works will be performed by certified local partners, under our internal team’s design and supervision.
- The Detailed Business Plan and the Feasibility Study were completed in June 2017, and are available upon request.
- Our mission is to employ and retain best young talents in our country, to generate profit, to grow each year by 5 to 10%.
- Unique manner of operation and doing business is based on the *Lean Management and Six Sigma* methodology.
- In addition to the fact that heating services for clients and partners would improve by 50%, by saving energy and fitting into the existing budget intended for heating.
during a year, we would also renovate the facility for partners and clients and contribute to the quality of the living and working environment.

**BENEFITS FOR INVESTOR**
- Investment payback after 10 years and share in net profits during the next 10/15 years
- Estimated annual growth is about 10%
- Positive cash flow already after two years of operation
- Lower CO2 level in the region
- Renewable energy trends are growing throughout the world and provide a vast market
- Competition is low, funds are lacking for renovation of facilities, 30 to 40 years old boilers fired by heavy oil (mazut) and other environmental pollutants are still used for heating
- Unique business model, innovative and unknown at the market
- Complete control of operation as an equal partner with detailed monthly and annual operating reports
- Participation in key decisions based on a contract
- Business openness to consultations and suggestions
- Young but also very experienced and capable team

**6. PROJECT FINANCING**

**GIVE ESTIMATED PROJECT VALUE IN EURO**
13,230,000 Euro

**PLANNED SOURCES OF FINANCING**
Joint venture governed by a B2B contract  
Favourable loan with a 2 year grace period and interest rate of up to 4 or 5%

**INPUTS BY LOCAL PARTNER - GI d.o.o.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land 3,000 m²</td>
<td>5,000 euro</td>
</tr>
<tr>
<td>Company registration</td>
<td>1,000 euro</td>
</tr>
<tr>
<td>Know-how and technical documents including pre-feasibility study, feasibility study and business plan</td>
<td>85,000 euro</td>
</tr>
<tr>
<td>Project design and preparation of all other documentation</td>
<td>120,000 euro</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>211,000 euro</strong></td>
</tr>
</tbody>
</table>
Municipal incentive for new employment available once a year, reduction of municipality level fees for construction and operation
Financial and non-financial support from the local self-government, in particular during start-up
Years of knowledge and experience building of the future team

INPUTS BY INVESTOR

| Company setup                                      | 760,000 euro |
| Intermediate goods (pellet and woodchips for first heating season) | 4,500,000 euro |
| Boiler rooms and renovation equipment             | 7,080,000 euro |
| Labour / Vehicles / Advertising / Other            | 679,000 euro |
| **Total**                                         | **13,019,000 euro** |

CONTRACT TYPE
Private B2B partnership contract

7. PROJECT APPLICANT AND CONTACT INFORMATION
GI – GLOBAL INVEST D.O.O.
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Web site: www.gi.ba – available once the company is legal to operate
www.gi-doo.com – under construction
https://www.facebook.com/GlobalInvestdoo/
https://www.linkedin.com/company-beta/18144690/
https://www.xing.com/companies/gi-globalinvestd.o.o