



Leu - AGRO Mind – Map Volga Basin - AGRO

Leu - AGRO Martin Leu CH – 8231 Hemmental / Switzerland

> CH +41 79 707 6460 RU +7 920 505 7700 US +1 210 888 0720

e-mail: martinleu@leuagro.com

www.leuagro.com









"Swiss Precision High-Tech Agriculture"

Mission

"Leu Argo's "core business is the production of high quality, raw and value added semi manufactured commodities and food ingredients. According these goals Leu AGRO will establish large scale farms in the CIS – Countries where is great potential to become one of the worlds top well known and trusted producer and shipper of high quality agriculture products, and value added processed raw agriculture commodities for customers in the domestic and international markets.

Controlled production under the "Leu - AGRO Label" for domestic and worldwide customers will be done with high tech production technologies, where production processes will be taken into consideration all possible environmental aspects, with the latest state of the art labor friendly workplaces and facilities.



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<u>Statement</u>

The combination of agricultural innovation and the size of output in connection with know how and value chain structure, will give Leu AGRO the capability to participate on the leading edge how to "Feed the World of the Future".

Project Objectives:

- 1. In the early stage we are going to setting up agriculture production and value added manufacturing companies in the CIS Countries.
- 2. Production and Harvest of high quality agriculture products, for storage, processing, sale and shipping.
- 3. Become a leading and reliable supplier of high quality raw agriculture commodities and food products.
- 4. Reach the success where profitability is sustainability achieved.







Vision:

Leu-Agro, in collaboration with its associates and partners aspires to be amongst the elite global producers of agricultural commodities with an integral cultural ethos. As a startup venture, Leu-Agro aims to produce agriculture commodities by effective utilization of land and vertically integrated production design to increase efficiency and productivity. Our environmental and social footprint are as important to us as our growth; Leu-Agro will deploy environmentally sustainable and labor friendly policies with state of the art workplaces and facilities.

Goals and Background:

In the pursuit of our vision, Leu-Agro aims to introduce projects in the Russian Federation and CIS Countries, which undoubtedly have the potential to become one of world's premiere agricultural production place and exporter. There will be four projects to serve as a platform for our growth, each with agriculture products that will be most fitted for their regional climatic and farming conditions. Together with these four projects, we will produce significant amount of agricultural products for the purpose of selling to domestic and international customers to meet there increasing demand for raw and semi manufactured commodities. The vision of the company is to provide quality agricultural products to businesses and consumers in Russia and parallel to international customers. Our company wishes to grow and become one of the top agricultural product manufacturing companies in Russia

Additionally, the organization has the mission to manufacture top quality products for customers in domestic market and challenge the competition that exists in the region. The companies aims are to deliver products using conventional strategies and streamlined planning. Agricultural products are one of those products that have become extremely generic and their consumption will steadily grow up because of increasing world population with higher income standards. Taking in consideration demand and potential of this project the company will be formed with



Project Outcome

Operations of the company will include the major divisions like Operations, Engineering and Infrastructure Management, Sales and Marketing, Financial Management, Human Resource and Supply Chain Management. However, each of these functions shall have its own dedicated department with specified divisions and operations. Each department shall has processes that would be streamlined to function and work towards the organization's vision and mission. The activities of the company are divided into primary and secondary activities.

Management

The leader and brain behind the entire project is Martin Leu, a 46 years old Swiss, he is acting as the head of this project during the course of the startup and its implementation. He has higher education at the Technical Schools HF Wood and Civil Engineering Biel Switzerland, affiliated to the Bern University of Applied Sciences Switzerland. He decided in the late 80's to dedicate his work and future to go in agriculture project and food production, having previously worked in western Canada exploring grain farming, he possesses expertise on farming under extreme climatic and economic conditions. He has been involved in different large size agriculture projects in North America. In 2009 he started to work in the Russian Federation were he was able to gain a tremendous amount of experience in agriculture production and setup of large scale farming operation in the Black Earth Region, controlling farming and agriculture operation in excess of 100K ha.

The team surrounding the leader is formed with agriculture production and agronomy specialists, financial and experienced managers to support the operation. The entire team brings in more than 100 year of hands on experience and know how to the managing platform. With the supporting team and the leader, Leu-Agro can be established with tremendous amount of know how and serious expertise in agricultural production.



Products and Services

Leu-Agro will produce a wide range of agricultural commodities with vertical integration; We will NOT only deal with primary agricultural products, but also with special production and value added semi manufactured processing.

The following list includes our primary and secondary agricultural products and their processing:

Primary Agriculture Production:
 Wheat (Winter and Spring) □ Barley (Malting and Feed) □ Raps and Flax (Linen) □ Sunflower (Oil and Confection) □ Soybean and Corn □ Sugar Beets □ Lentils and Edible Beans □ Millet and Canary Seed (Birdfeed Line) □ Alfalfa and High Quality Hay □ Potatoes, Vegetable □ Edible Bean's. □ Feedlot (High Quality Beef) □ Cow / Calf operation, Cattle Breeding. □ Dairy Farming

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Secondary Production / Processing:	
Seed Farm, high quality seed, focus on Black Earth Region Crops. Vegetable oil processing of Raps, Sunflower, Flax (Linen), Soya. Sugar Beet processing, production of high quality Sugar. Lentils and Edible Beans Processing. Starch / Ethanol production. Hay and Alfalfa Pellets production. High Quality Meat Cattle and Breeding stock. Irrigation Farming development. Potatoes and Vegetable production. Fruit production.	
☐ Fruit production.	



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Operational Design:

Leu-Argo's core competency lays in its operational design, with its capability of vertical integration as main formula for its success. The start up venture will have four projects, in different geographical locations in the Russian Federation. Primary reason for choosing Russia lays in its ability to transform its underdeveloped agricultural region into a prosperous and productive landscape.

The chosen regions also have reasonable climatic conditions, which are relatively conductive for farming. Such a potential is also complemented with ease of land accessibility for sale and rent, as well as development and reconstruction of infrastructure in these regions offers a great opportunity which should not be missed.

Each project will be setup as compact as possible, divided into large clusters of land, with each having in size of 40'000 plus ha minimum in a radius of 50 km. In the center of these farming clusters will be a central base, to reduce the risk of potential losses from thefts and climatic hazards. At the base will be a swift execution and logistics center including grain drying and storage facilities, with integrated rail access and therefore point to load and unload rail cars. This central bases will act as support center for up to 5 land clusters farms on administration, logistic, maintenance and engineering.

Projects:

Volga Basin AGRO



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" Volga Basin - AGRO", located in the eastern Black Earth Soil Region along the Volga River of Russia, will focus on Irrigation production.

Project:

Volga Basin - AGRO, is located in the eastern Black Earth Soil Region along the Volga River of Russia.

This farm area will focus in the production of Wheat, Sunflower. Soybean and Corn, Alfalfa and High Quality Hay, Potatoes, Vegetable, Edible Bean's and Feedlot (High Quality Beef).

Its vertical integrated unit will be mainly used for Irrigation Farming with a ratio of 80%, Feed and Hay Production, Alfalfa Pellets, Potatoes and Vegetable processing, Fruit production and Beef / Meat processing.





Land Accessibility:

Gaining accessibility to lands in these regions is an important task, for this Leu-Agro has developed the certain strategy. The land in these regions can be purchased, or rented / leased for an extensive time period until the first opportunity arises for the land to be purchased or taken over. Buy outs and registration of existing non registered "payee" land from the shareholders of existing collective farms is also being considered as an option. Other land owners in financial difficulties or ones who do not take care of the their land holdings will be tempted to become shareholders of farming companies with their land being part of the shareholder structure, we believe such options poses an interesting offer to existing land owners.

Farming Techniques and Technology:

Among our core competencies is to have a clear understanding of technologies and capacities which are needed for successful large scale farming operation in the Black Earth Soil Region. First and foremost, all land at our disposal will be cut short from production for the startup year, to implement a cleanup process as well as leveling the fields and taking care of the weed pressure that exists in most areas of central Russia. During the land development process, approximately 40-50% of our land will be used for Winter Wheat, while the rest will be used for following years spring crops.

Heavy Disc, soil restructuring and leveling equipment will be allocated for the implementation of the initial program. Stage two in second crop year will make usage of No-Till farming practices. That will successfully enable us to make savings in production cost from second year onwards. Such farming practices will deploy the most efficiency, productivity and economical production process possible under the circumstances and climatic condition of the Central Black Earth Region. GPS and Auto-Steer equipment will be used from startup to solve any and all issues with expensive overlapping fieldwork.

With the use of soil scanner at the first seeding operation we will make scans of all fields, for future variable rate application of seed and fertilizer. This will be supported by a combination of yield mapping and soil testing.

At the farms grain storage bins with aeration floor and dryer setup will support the harvest operation. With this type of grain storage we will be able to produce in early stage of the business high quality grain for the needs in domestic and international markets.



Workforce:

With Leu Agro extensive know how of farming in the Black Earth Region the following plan has been developed for the management of labor force; The Russian farming sector has an urgent need of high qualified specialists to support the operation and development. To train local management on the cluster level (Farms), we plan to bring in agronomy, engineering and general technologies specialists to support the daily activities. Any and all special production and vertical integrated business segments will be supported as needed by western educated and experienced specialist. The local work force and management will need to manage the local operation and businesses with the support of segment specialist. It is our plan to train local specialist locally, as well with international business trips and training. Our workforce will be the key factor for success and we are planning on treating this with the highest level of respect for the future development of the company, so we can attract the local specialist to stay long-term in the agriculture business and look at Leu Agro as a great work place with future carrier chances. In regions with low labor force and in remote areas we are planning on offering local temporary housing and transportation services to bring in employees from further distances for seasonal / temporary and full time work.

Development plan:

Leu Agro plans in short the following development plan for the project laid out in the previous writing. As the project is of large size it will not be possible to start all projects at the same time, that's why we are planning on starting with one 50'000 ha initial startup farm that will serve as a model project / farm and will be the base and guideline for the expansion. With this we will have an initial farm that can serve as well as test outlet to roll out all the knowhow and technologies to the future farms. The other projects are laid out in a development plan that extends up to 2030 to complete on the planed and offered projects above.



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Investment and investor:

At the present the initial Group structure and setup is being formed to open the direction towards potential investors to become part of the project. The project is looking for startup investment to hire the management team and start with the land acquisition process, planning and procurement.

The initial investment for the startup in US Dollar and the detailed plan and allocation of this investment can be requested by interested investors, and will cover the planning of the setup of the future projects parallel to the initial model farm, what will pave the way for the investment for the future above outlined projects.

For further information and details to the development and investment opportunity please contact:

"Martin Leu – Leu AGRO" martinleu@leuagro.com



Team Leu – AGRO, the future in Agriculture production.

Martin Leu / Leu – AGRO Herbstel # 41 CH – 8231 Hemmental / Switzerland

> CH +41 79 707 6460 / RU +7 920 505 7700 / US +1 210 888 0720 e-mail : martinleu@leuagro.com