



«NC «Kazakhstan Engineering» JSC

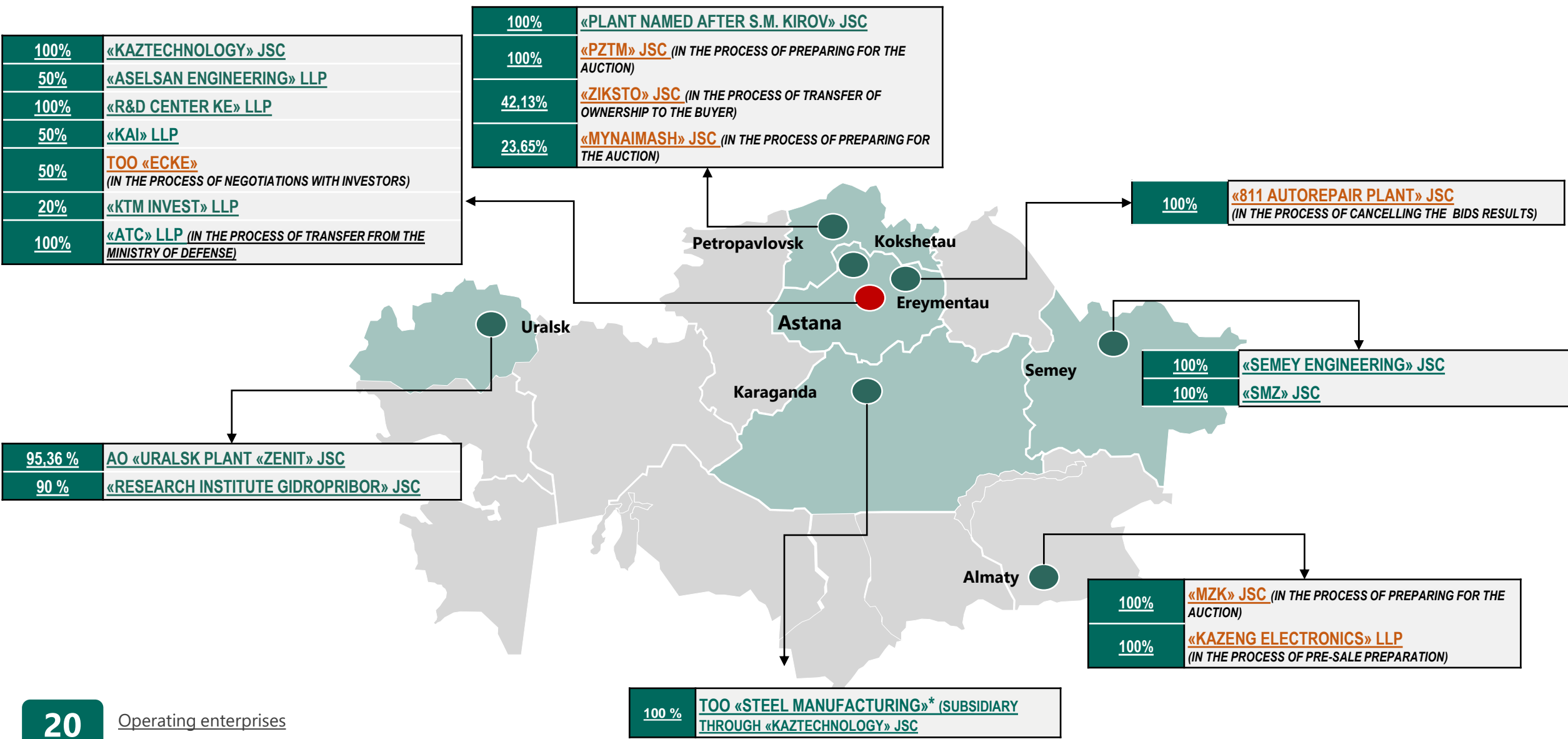


«National Company «Kazakhstan engineering» JSC was established in 2003 and implements state policy in the sphere of defense, civil and dual-purpose products manufacturing, participation in a unified military and technical policy, implementation of military and technical cooperation, formation, placement and execution of the State defense order.

Mission: provide competitive high-tech solutions and products for the needs of the Military Forces of the Republic of Kazakhstan through the effective development of technological capabilities.



Structure of Kazakhstan Engineering's group of companies



20

Operating enterprises

5

Enterprises in the sales process



Manufactured products



Location



Qualified personnel: **370** people

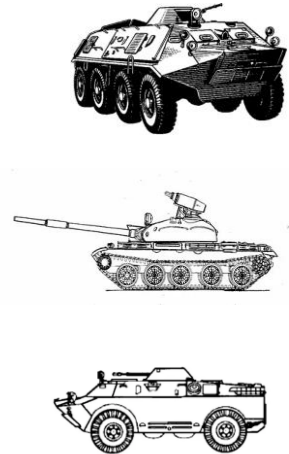


Machines and equipment: **307** units.



Building area: **45,000** m².

Manufactured products



Manufactured products

- Service, repairment and modernization of armored vehicles (T-72, APC, BMP).
- Repairment of special equipment (IMR-2 on T-72 chassis, BAT-2, BREM, EOV-4421 on KrAZ chassis, PTS-2);
- Production of components for military equipment;
- Production of components for railways (gondola hatch covers, longitudi)

Areas of planning production



- Organization of large-knot assembly of armored personnel carriers BTR-82A;
- Organization of large-knot assembly of special tracked fire-fighting vehicle SPM;
- Organization of licensed large-knot assembly of SBM «Tiger»;
- Production of special-purpose MAZ vehicles;
- Multi-purpose floating armored vehicle Vitim;
- «Cayman» MBT, «Volat» V-1 armored vehicle;
- Modernization of the tracked transporter-tractor GT-T (production of a prototype of light- armored GT-T instead of MTLB);
- Production of grain carriers.

Location



Qualified personnel: **480** people



Machines and equipment: **1270** units.



Building area: **92,000** m2.

Manufactured products



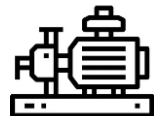
- Mobile drilling and lifting rigs;

- Special service equipment;



- Spare parts of lifting units and special equipment;

- Power equipment;



- Heat-exchange equipment;

- Railway equipment.



«S.M. KIROV PLANT» JSC

Location



Qualified personnel: **614** people

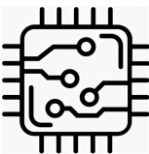


Machines and equipment: **270** units.



Building area: **28,000** m2.

Manufactured products



- Radio-electronic warfare and radio-electronic intelligence + service;
- Production of computers, laptops, tablets; production of multilayer printed circuit boards;
- Supply of radio-electronic equipment for railway transport;
- Production of rod pumping control units and electric motor control devices;
- RTO of the tactical missile system «Tochka-U»
- Design and Production work for a multiple launch rocket system
- Special equipment for oil production industry sides,
- end platform sides).

Areas of planning production



- VHF, KV ranges radio-stations;
- Modernization of mobile radio relay station;
- Development of missile and fuel cluster;
- Production of shelters to deploy communication systems in the interests of the Military Forces of the RK ;
- Development of a prototype of an anti-tank missile system;
- Repair and modernization of the «STRELA» system;
- Development of radar and antenna platforms;
- Deliveries of «Convoy-P» system for railway direction;
- Creation of anti-fire robots;
- Supply of access control systems (ZIK-SCUD);
- Supply of highway medical and rescue stations;



«MACHINE-BUILDING PLANT NAMED AFTER S.M. KIROV» JSC

Location



Qualified personnel: **366** people



Machines and equipment: **1000** units.



Building area: **85,000** m2.

Manufactured products



- MODIFICATION, UPGRADING, REPAIR OF TORPEDO ARMAMENTS;
- STAND AND MARINE TRIALS;
- DESIGNER PROJECTS;
- SCIENTIFIC RESEARCH;
- TRAINING OF PERSONNEL;
- MAINTENANCE AND WARRANTY SERVICE .



Location



Qualified personnel: **770** people



Machines and equipment: **1000** units.



Building area: **124,000** m2.



Qualified personnel: **130** people

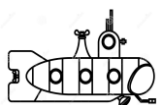


Machines and equipment: **90** units.



Building area: **17,000** m2.

Manufactured products



- Development work "Creation of an Auxiliary (multifunctional) vessel.
- RR and MRO of ships, boats, STSW and BRM
- Small patrol boats
- Border patrol boats
- Production of metal structures, vessels
- Peregrine Falcon 15, 16, 18 factory repair
- Mobile diving station, diving equipment
- Maintenance of inflatable life rafts PSN-16MK, PSN-10
- Production of sea buoys, milestones, navigational equipment.

Areas of planning production



- Troops vessel with a displacement of about 300 tons (Dugong type); sea-based PMB;
- Multipurpose fire-fighting and rescue vessel; rescue boat with cabin and open deck;
- Civil shipbuilding products and services (universal ships, tugs, fire-fighting vessels, etc.), lattice decks, patrol boats, small watercraft, inflatable sea target, naval simulators, target-training complexes, unmanned submersibles;
- Large shipboard shield;
- Multifunctional supply vessel, excursion and pleasure craft, boats, launches, mobile robotic complexes.



Location



Qualified personnel: **142** people



Machines and equipment: **130** units.



Building area: **25,000** m2.

Areas of planning production



- Development of «Mobile Hospital» machines;
- Assembling of Kalashnikov AK-12 and AK-15;
- Creation of automatic fire extinguishing system;
- Dustproof device PALL;
- Production of military and civil gas masks;
- Production of radiators liquid cooling for military and special equipment;
- Assembly of technical assistance vehicles;
- Manufacture of agricultural machinery units;
- Assembly production of hydraulic cylinders.



Location



Qualified personnel: **185** people



Machines and equipment: **45** units.



Building area: **14,000** m2.

Manufactured products



- Assembly of SkyLark-1Lex UAV systems
- Repair of Su-25 aircraft
- Regulated repair of C295M aircraft C+4Y-check
- C295M aircraft technical support
- C+8Y-check C295M repair
- Repair of Su-27 aircraft
- Regulated maintenance of An-72/An-74 aircraft



- Comprehensive service of SU-30 aircraft;
- Organization of joint production of L-39NG aircraft, as well as servicing of L-39 aircraft;
- Localization of L-410 aircraft assembly production
- Scheduled repair of C295M aircraft;
- Large-scale assembly of ANKA UAVs
- Establishment of loitering munition production

Areas of planning production

Location



Qualified personnel: **37** people



Machines and equipment: **7** units.

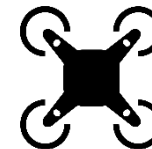


Building area: **2,000** m².

Manufactured products



- R&D on special equipment, etc.
- Development of national military standards, normative documents, etc. Additional direction (services)
- Support of experimental development work in the interests of enterprises.
- Services in organizing weapons and military technology tests at testing grounds.
- Analysis of AMS lines of products, AMS markets, etc.
- Training courses for the defense-industrial complex



- Establishment of a training center for the military structures with virtual reality (VR) technologies
- Small target for air defense missile systems with heat flow simulator
- Tactical intelligence complex «Shagala-M»
- Loitering munition
- Robotized ground complex on the basis of a tracked platform
- Unmanned aerial system helicopter system

Areas of planning production

Location



Qualified personnel: **37** people



Machines and equipment: **7** units.



Building area: **2,000** m2.

Manufactured products



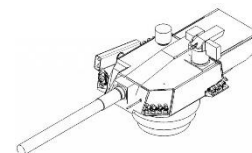
- DMR communication
- Mobile software-based technical fire control system of 122-mm D-30 howitzer battery (MPTK-A)
- Software-defined HF, VHF military radio stations, intelligence and surveillance equipment
- Technical means of border protection, MIDAS signaling complex
- Production of «BIYOVENT» ventilators;
- Automated warning system.



Areas of planning production



- MIRSAD situational awareness software
- NEFER 30mm stabilized remote-controlled combat module
- «Ihasawar» anti-drone electronic suppression system.
- Integration of a mobile intelligence and patrol system (MRPS) into military vehicles.
- Production of DS200T field automated tactical control telephone exchanges, AG-102 and TAG-102 firewalls
- Production of DMR Tier III standard radio stations
- Production of software and hardware complex of automatic warning system (CPS ASO)
- Production of signal and voice devices (SSD)
- Production of X-ray inspection systems



Location



Qualified personnel: **37** people



Machines and equipment: **7** units.



Building area: **2,000** m2.



Qualified personnel: **37** people



Machines and equipment: **7** units.

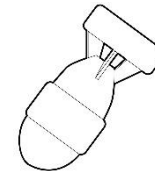
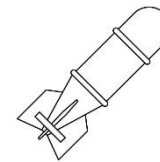
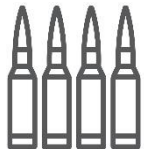


Building area: **2,000** m2.

Manufactured products



- Industrial disposal of ammunition;
- Production of 9x18 mm cartridges;
- Production of 9x19 mm cartridges.



- Increasing the range of recyclable ammunition (hexogen-containing ammunition, ammunition up to 152 mm caliber, engineering ammunition)
- Launch of a line for the production of rifle cartridges (5.45x39 mm, 7.62x54R)
- Expansion of the range of cartridges produced (cartridges of NATO standard calibers .308, .338, .375)
- Disposal of unused military property in the form of ammunition at the expense of own funds to make a profit from the sale of recycling products (metal, gunpowder, TNT)

Areas of planning production

Location



Qualified personnel: **42** people



Machines and equipment: 600 units.



Building area: **4,000** m².

Manufactured products



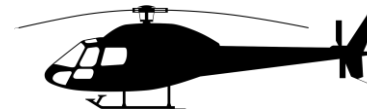
- H130, H145 helicopters
- H125, H130, H145 helicopters
- Regulatory work (maintenance) on Airbus helicopters
- Training of technical personnel and pilots



Areas of planning production



- Helicopter-type UAV «Hornet» prototype creation
- Expansion of export of products and services to foreign and neighboring countries (Tajikistan, Turkmenistan, Kyrgyzstan, Mongolia).



Proposed projects



Shipyard building (dual-purpose manufacturing and service)

Location



№1
«FEZ Aktau port»
 («Caspian Offshore and
 Marine Construction» LLP
 site)

№2
Alexander Bekovich-
 Cherkassky Bay
 («Semurg Invest» LLP site
 near the «Quryq»)



№3
Alexander Bekovich-
 Cherkassky Bay («ERSAI»
 LLP site)



Main Project
partner
33.3 % (offtake
contracts, staff)



Operational partner
33.3 % (feasibility study,
construction work,
shipbuilding
documentation, staff,
finances)



Kazakh business
representatives
33.3 % (finances,
land spot)

Preliminary project cost



100 ml. \$
NPV = 3.5 ml. \$ IRR = 0.8 %

Shipbuilding



Missile and
artillery boats



Barges
(15 - 25 ml. \$)



Tankers
(15 - 25 ml. \$)

Potential cooperation options

1. Consortium
establishment with
«COMC» LLP in terms of
their infrastructure
usage.

2. Consortium
establishment with
«ERSAI» LLP in terms of
their infrastructure
usage.

3. «Semurg Invest» LLP land
spot purchase with a
conduction of
international competition
in terms of the main
designer and constructor
determination.

Demand

Consumers	Shipbuilding	Ship repair
«Kazmortransflot» NCSC» LLP	16 un. Tankers + barges	every 3 years
NAVY	18 un. Corvettes + auxiliary vessels	every 2 years
Border Guard NSC RK	14 un. Patrol Ships + Small Vessels	every 2 years
Ministry of Emergencies RK	309 un. Small vessels	every 1,5 year
«NC «Kazakhstan Temir Zholy» JSC	8 un. Ferries + dry cargo vessels	every 2 years

Amount of vessels in RK

310 un.



ATC Aviation Training Center in Astana

Location



Area plan



Promising directions

Organization of reception, release and provision of airport services to charter flights and business jet class aircraft.

The development of the airfield to the regional level and the organization of inter-district and inter-regional air traffic.

Creation of an airline / air taxi in the future.



Preliminary project cost

5.5 million. \$

NPV = 6.6 million. \$ IRR = 16 %

Aviation equipment



6 aircraft
TL-2000 Sting
Carbon



2 aircraft
TL-2000 Sting S4



1 aircraft
TL-3000 +
1 aircraft Zlin Z-242L

Potential cooperation options

1. Realization of 51% of the participation in the ATC with further financial support of the Partner.

2. Realization of <34% of the share of participation in the ATC with bringing the Partner's share to 65% by replenishing the Authorized Capital.

Background information

- ✓ The Aviation Training Center has been in existence since November 17, 2006.
- ✓ The main subject and purpose of the company's activity is the implementation of production and economic activities in the field of education, including the initial training of flight personnel for civil aviation and pre-conscription youth for the Military Institute of the Air Defense Forces of the Armed Forces of the Republic of Kazakhstan

Airfield

- ✓ Three runways (unpaved), with dimensions of 1200m x 65m, 585m x 65m and 560m x 55m. for aircraft with a maximum take-off weight of up to 7 tons.
- ✓ The airfield has the following infrastructure facilities
 - ✓ -Two hangars for aircraft;
 - ✓ -Academic building;-
 - ✓ Control and dispatch center;-
 - ✓ Storage facilities.
- ✓ There is a tractor equipment on the balance sheet.



Licenses

- ✓ State license (perpetual), issued in 2008 to engage in Educational activities, specializing in Traffic management and operation of air transport;
- ✓ Certificate of the aviation training Center, which allows performing initial training of aviation personnel and retraining of aviation personnel;
- ✓ Certificate of the Air navigation service provider.

Munition plant in Karaganda region

Location



General information



Area

More than 50 ha



Jobs

More than 1000 new

Manufactured products

- Production of cartridges of different calibers;
- Production of components for military equipment;
- Modernization and repair of specialized equipment for the Armed Forces of the Republic of Kazakhstan;
- Special purpose textile products;
- Armament products (MANPADS, ATGMS, barrage ammunition, etc.);
- Scientific activities (Research, R&D, etc.);
- Ammunition production;
- Modernization 122mm.



Project cost

Under estimation



Driveways

Auto and railway



Planned terms of the project implementation

111 pieces

The composition of plant (third-party partners):

- Yugoimport (Serbia);
- Kalkan-7 LLP (Kazakhstan);
- Steel Manufacturing LLP.



Location

FEZ Saryarka, Karaganda region



Licenses

- ✓ General license for the development, production, repair, storage, purchase and sale of ammunition, repair and maintenance;
- ✓ General license for construction and installation works of category III;
- ✓ General license for the implementation of design work of category III;
- ✓ General license for exploration activities.

OPPORTUNITIES FOR COOPERATION

Financial investments

Possibility of acquiring a company from the asset portfolio

The Company is currently carrying out internal preparatory work to improve operational and financial efficiency and determine the optimal perimeter for the possible transfer of assets to a competitive sector.

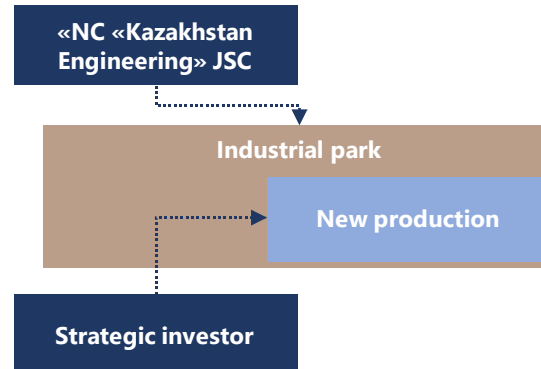
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Enterprises from the portfolio of «NC «Kazakhstan Engineering» JSC are considered for transfer to the competitive sector.

Strategic investments

Investments in major infrastructure projects

The Company's previously indicated projects to create industrial parks are a strategic area of development:
Aviation-Industrial Park;
Science and Industry Park;
Marine-themed Industrial Park.



Services:

- Provision of a production site;
- Opportunity to invest in the development of an industrial park together with «NC «Kazakhstan Engineering» JSC;
- Full support for obtaining the State Defense Order;
- And other services.

Direct investments

Implementation of new promising investment projects

In accordance with the mission and concept of development, taking into account the challenges and opportunities at the global, national and corporate levels, the key priorities are: sustainable development, responsible investments, efficient and active portfolio management. We are interested in attracting investment and technology to implement breakthrough and high-tech projects.



IRR > CoE, NPV > 0
Own funds of the «NC «Kazakhstan Engineering» JSC not more than 30%



«NC «Kazakhstan Engineering» JSC

Contacts:

Managing Director

Sultan Seisengaliyev

+ 7 (7172) 72 52 52 (1111)

S.Seisengaliyev@ke.kz / IR@ke.kz

