



Proposed Investment In A Feasible End to End Feedlot, Animal Food Production & Hi-tech Halal Slaughtering Facilities

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# Overview of the Project

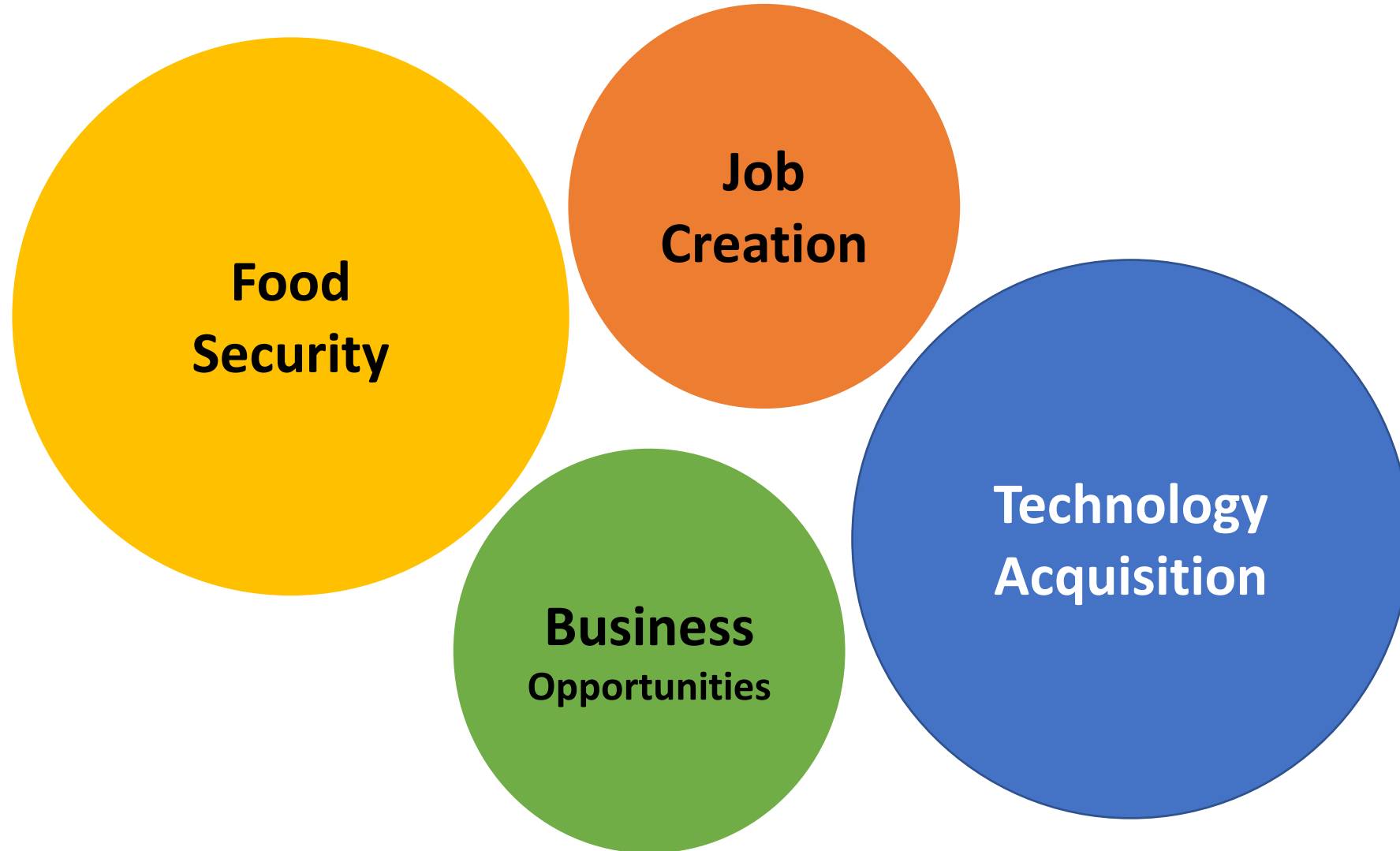
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# The Big Picture

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This project could solve...



Sponsors:



Partners:



# Executive Summary

“To be a major Halal Beef supplier & Animal Feed for Malaysian and Asia Pacific markets”

## Value Proposition

Halal accredited Abattoir

High Tech Animal Food Processing

Business & Employment Opportunities

The project capacity of **20,000 cattle per year**, account to 8,500 metric tones of beef, still short from the local shortage of 150,000 metric tones

Capacity

To position this project as the “**High Quality Halal Beef Producer**”, to take advantage of the country’s Halal recognition and quality process  
The project will provide high tech jobs for local in halal processing. R&D and commercialization opportunities

Opportunities

Annual Revenue: **RM200 million**  
Growth rate: 3% pa  
Employment: 1000  
Entrepreneur: 100

Growth

Initial Investment

Infrastructure & CAPEX works to commence to take 24 months to complete. Temporary mobile facility to be utilized during the period

**Total Investment: RM300 million**

Market

It is more feasible to Export, as the local beef price is not competitive. Local beef price is controlled at RM23 per kg.

**Export price** could be **RM40 per kg**

ROI

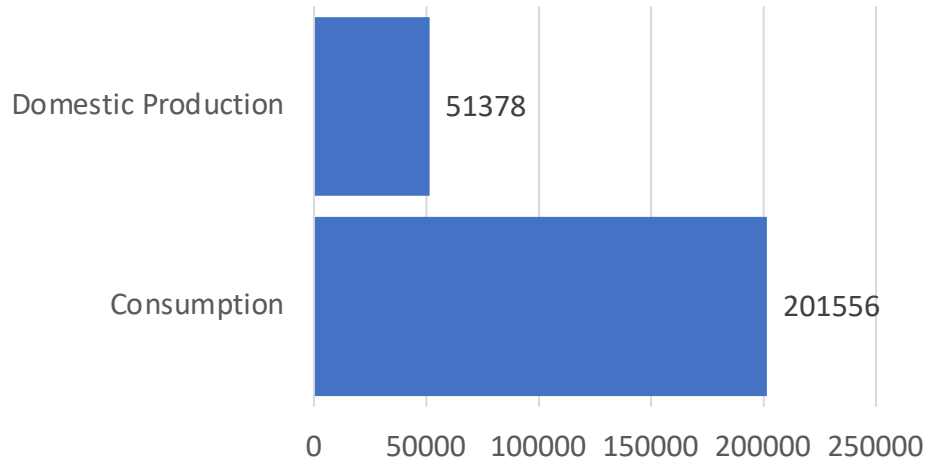
Net Present Value: **RM619million**  
Internal Rate of Return: **25%**  
Payback Period: **7 years**

# The Problem

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## *Mismatch between domestic production vs consumption*

Domestic Consumption & Production in 2013

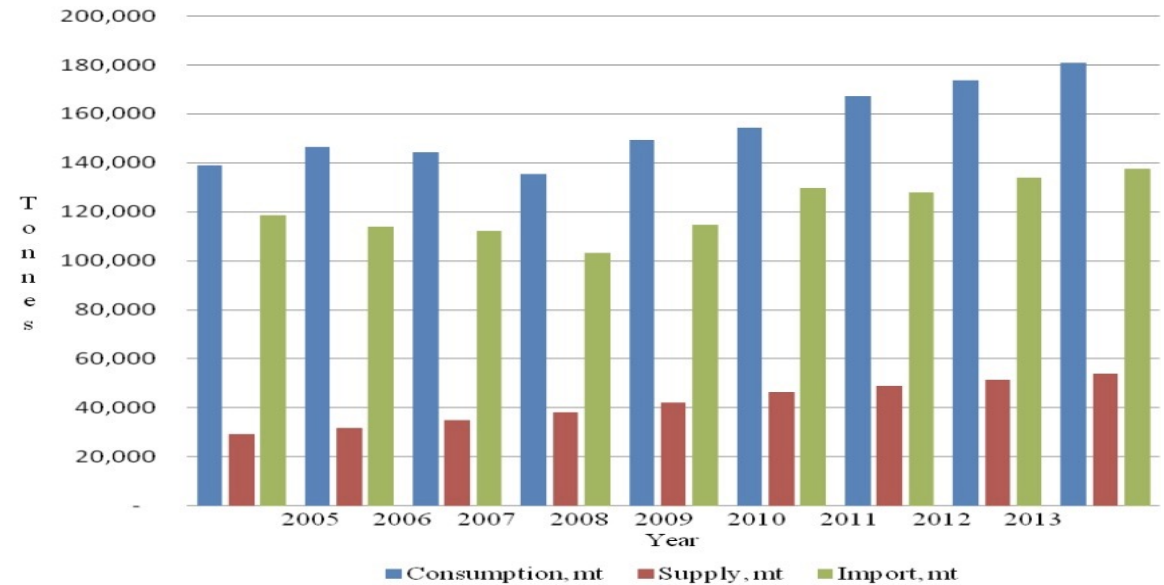


Domestic production account to less than 30%

2

## *Over dependency on imports (70%)*

Growth trend of Malaysia's beef consumption, production and import from 2005 to 2013



3

## *Price of imports lower than locally produced*

Local

**RM33** per kg

Import

**RM21** per kg

4

## *Growing unemployment*

Principal Statistic of Labor Force, Sarawak

Labor force: **1.2 million**

Unemployed: **38,400**

Unemployment rate: **3.1%**

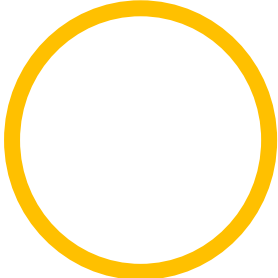


# The Solution

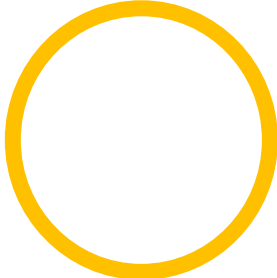
To establish an end-to-end feedlot, animal food processing, and abattoir center



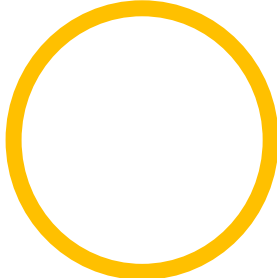
## Solving



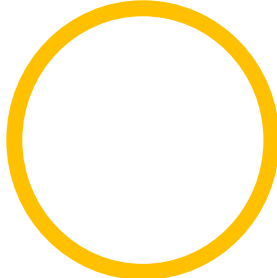
Contribute to shortage in domestic supply



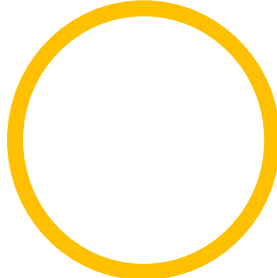
Lowering Cost thus lowering Price



Creating immediate employment opportunities



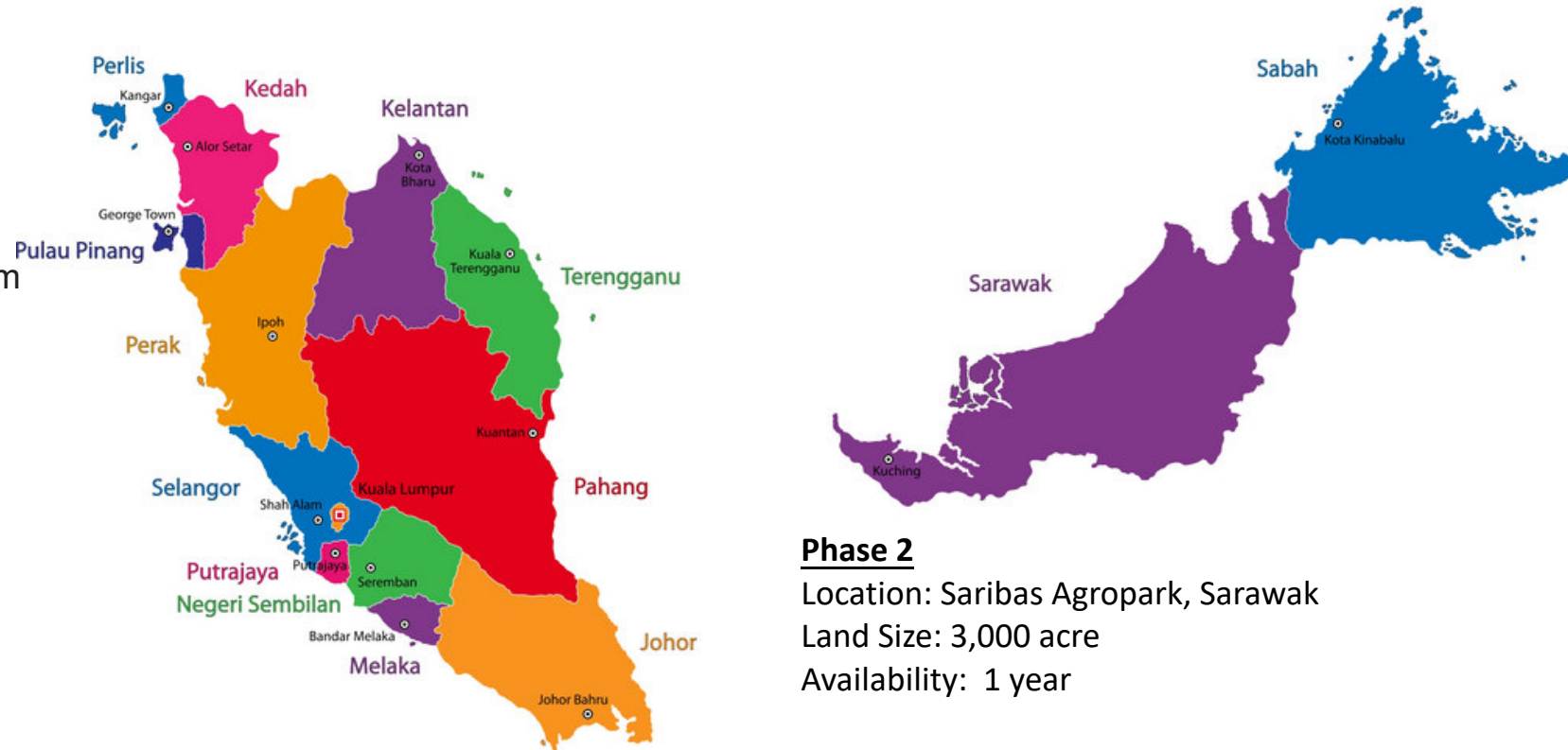
Providing opportunities for contract farming on food supply



Continuous R&D initiatives

# Project Information

- Project: **FEEDLOT, ANIMAL FOOD PRODUCTION & HI-TECH HALAL SLAUGHTERING HOUSE**
- Component:
  - Feedlot
  - Animal Food Production Facility
  - Slaughtering house
  - Dairy product
  - Breeding
- Total Revenue: **RM200 mil** per annum
- Production Capacity: **20,000** cattle per annum
- Area Requirement: 1,000 acres
- Jobs opportunities: 100 staff
- Business opportunities:
  - Animal food supply
  - Medicine
  - Repairs & maintenance
  - Services
  - Logistics
  - Insurance



## Phase 2

Location: Saribas Agropark, Sarawak

Land Size: 3,000 acre

Availability: 1 year

## Phase 1

Location: Kahang, Johor

Land Size: 1,000 acre

Availability: Immediate



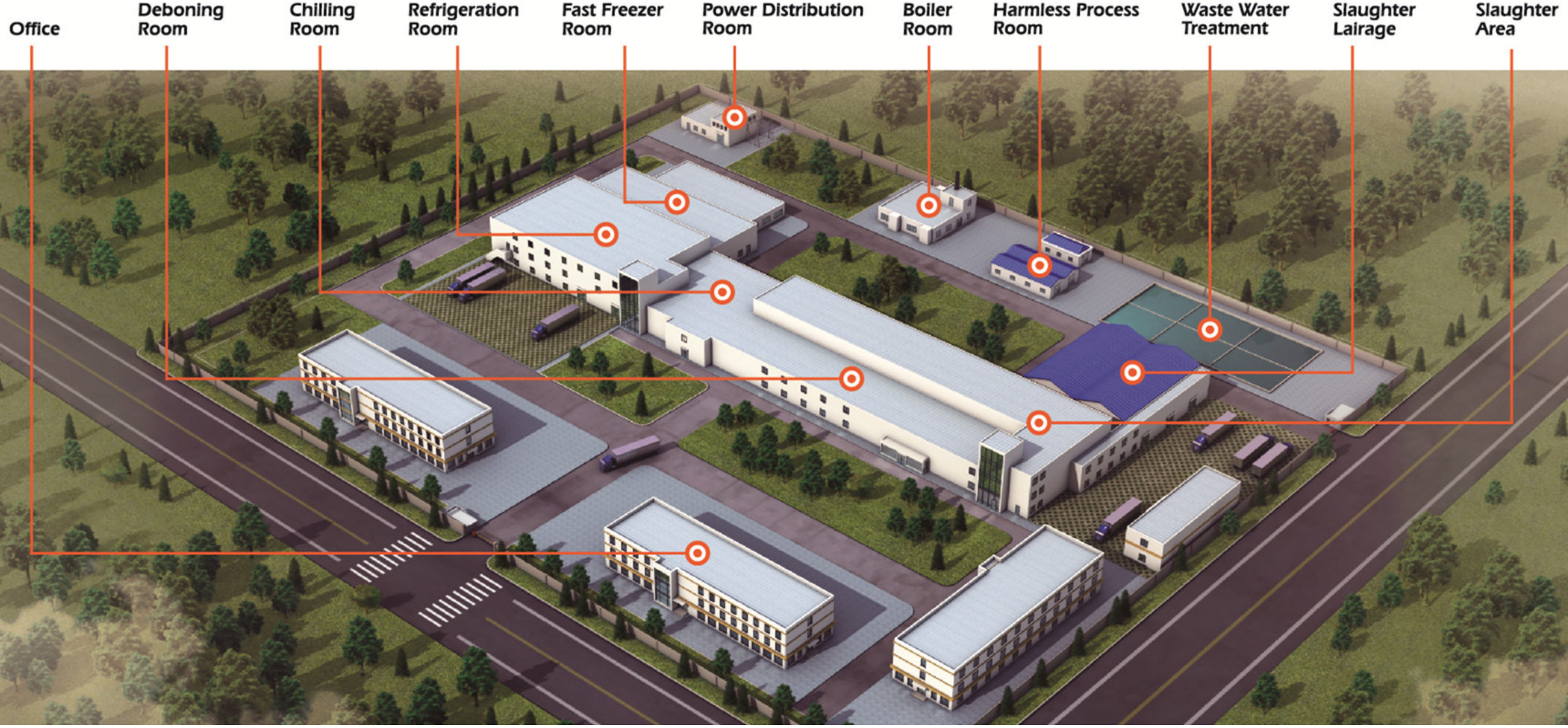


**DOUBLE ROTARY HALAL KNOCKING BOX**

The box is designed to enable slaughtering process is conducted efficiently and ergonomically using Islamic compliance  
Speed: 100 heads per minute  
Capacity: 3000 heads per day  
Motorized rotation

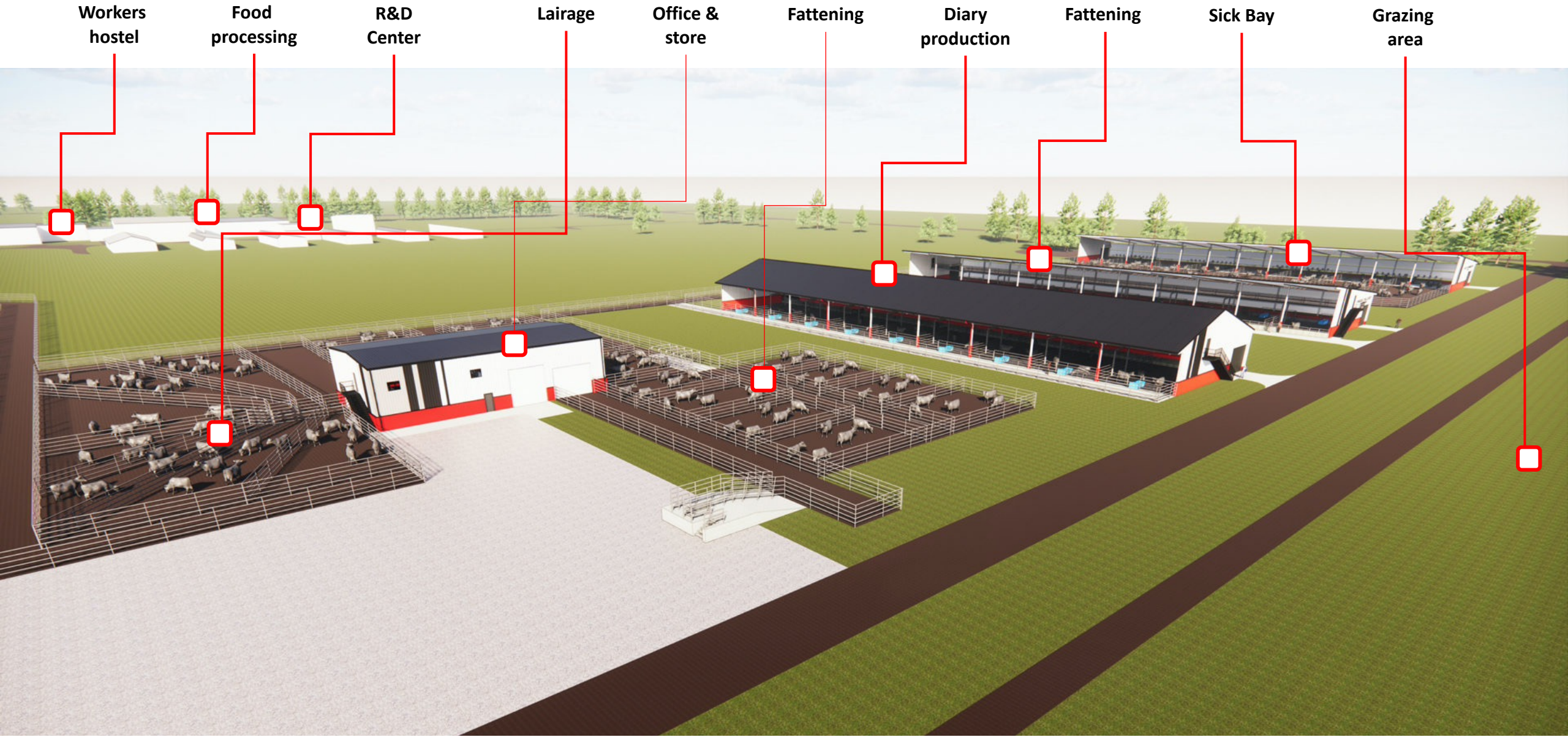


# Facility layout – Slaughtering Plant





# Facility layout – Feedlot





# About Opriland Holding Sdn Bhd

Date of Incorporation: 10 March 2008

Principal Activities: Agriculture, Aquaculture, Aquamarine

Paid up capital: RM1.0 Million



## Dato Abdah Selamat - ADVISOR

Bachelor of Commerce , University of Canterbury ,  
Christchurch , New Zealand Chartered Accountant , New  
Zealand . Chartered Secretary n Administration , United  
Kingdom. Public Accountant , Malaysia .



## Nik Azlina Abdullah - ADVISOR

Masters in Architecture, University of Sheffield  
Chartered Architect, Arbitrator and Mediator in Contract  
Law under the Privy Council and International Court of  
Justice. Over 40 years experience, and was the former  
Executive Chairman & Managing Director of General  
Lumber Fabrication and Builders Berhad, a company listed  
at KLSE



## Khamsaton Suliman – MANAGING DIRECTOR

Universiti Kebangsaan Malaysia (UKM) (1988-1993),  
Bachelor on Arts, with Honors, majoring in Geography,  
minor in History. UKM (1994)  
Diploma in Education (Dip. Ed).



## Abdul Qadir Aros – GENERAL MANAGER

Bachelor of Commerce (Accountancy) Australia,  
MBA in Strategic Management (UTM), Chartered Institute  
of Management Accountant, UK,  
Chartered Accountant, Malaysia

MOU to supply cattle for China, Solomon  
Island, and Angola from 2005-2010



Cattle supply (PNBE) 2010





# Main Partners

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## Technology Partner



Meatek Food Machineries India Pvt. Ltd., a Registered Company was established in the year 2004, to Design, Manufacture, Install and Run Modernized Slaughter House for Buffalo & Sheep/Goat. They are technocrats and are fully equipped to deal all technicalities of modern Slaughter House in respect of hygiene, quality control and rendering etc  
Meatek has Designed, Manufactured and Installed around total 51 Slaughter Projects in Private Sector as well as 08 Govt. Municipal Slaughter Houses, which are more than 75% of the total modernized slaughter houses in India. In last 5 years, they did slaughterhouse projects in Africa and South America and still have projects in-hand for these countries

## Supply Partner

The logo for Rosewood consists of the word 'ROSEWOOD' in white, bold, uppercase letters centered within a solid black rectangular background.

Rosewood Station Pty Ltd is a 100% wholly owned subsidiary of SEDC and is located in the Northern Territory, Australia with a land size of 296,169 ha (731,834 acres). The principal activity of Rosewood Station is cattle breeding (Brahman Crossed with Charolais). The maximum carrying capacity is 30,000 heads of cattle. Rosewood Station is among the main suppliers of feeder steer and breeder cattle to Sarawak. In addition, the main markets of Rosewood Station are Australia and Southeast Asia (Malaysia, Indonesia and Brunei).

## Marketing Partner



Sojitz Group is engaged in a wide range of businesses globally, including manufacturing, selling, importing, and exporting a variety of products, in addition to providing services and investing in diversified businesses, both in Japan and overseas.

# Existing market through partnership



# Business Model “To be a major Beef supplier for Malaysian and Asia Pacific markets”



# Financial Summary

Total Investment

RM300 million

Annual Revenue

RM200 million

Net Present Value

RM619 million

Internal Rate of Return

25%

Payback Period

7 years

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Exit
Total Income		102,678,000	106,728,000	155,592,000	204,456,000	204,456,000	
Cost Of Sales		91,175,840	99,787,680	102,641,297	105,719,344	105,990,007	
Gross Profits		11,502,160	6,940,320	52,950,703	98,736,656	98,465,993	
Opex		9,096,155	10,033,500	13,576,140	17,187,393	17,305,610	
<b>EBIT</b>		<b>2,406,005</b>	<b>(3,093,180)</b>	<b>39,374,563</b>	<b>81,549,263</b>	<b>81,160,383</b>	
Cash taxes		625,561	0	10,237,386	21,202,808	21,101,700	
Capex		760,000	1,000,000	1,000,000	1,000,000	1,000,000	
Unlevered Free Cash Flows		1,020,444	(4,093,180)	28,137,176	59,346,455	59,058,684	
Initial Investment	(300,000,000)						
Terminal Value							928,065,028
<b>Net Cash Flows</b>	<b>(300,000,000)</b>	<b>1,020,444</b>	<b>(4,093,180)</b>	<b>28,137,176</b>	<b>59,346,455</b>	<b>59,058,684</b>	<b>928,065,028</b>
Cumulative NCF	(300,000,000)	(298,979,556)	(303,072,736)	(274,935,560)	(215,589,105)	(156,530,422)	771,534,606

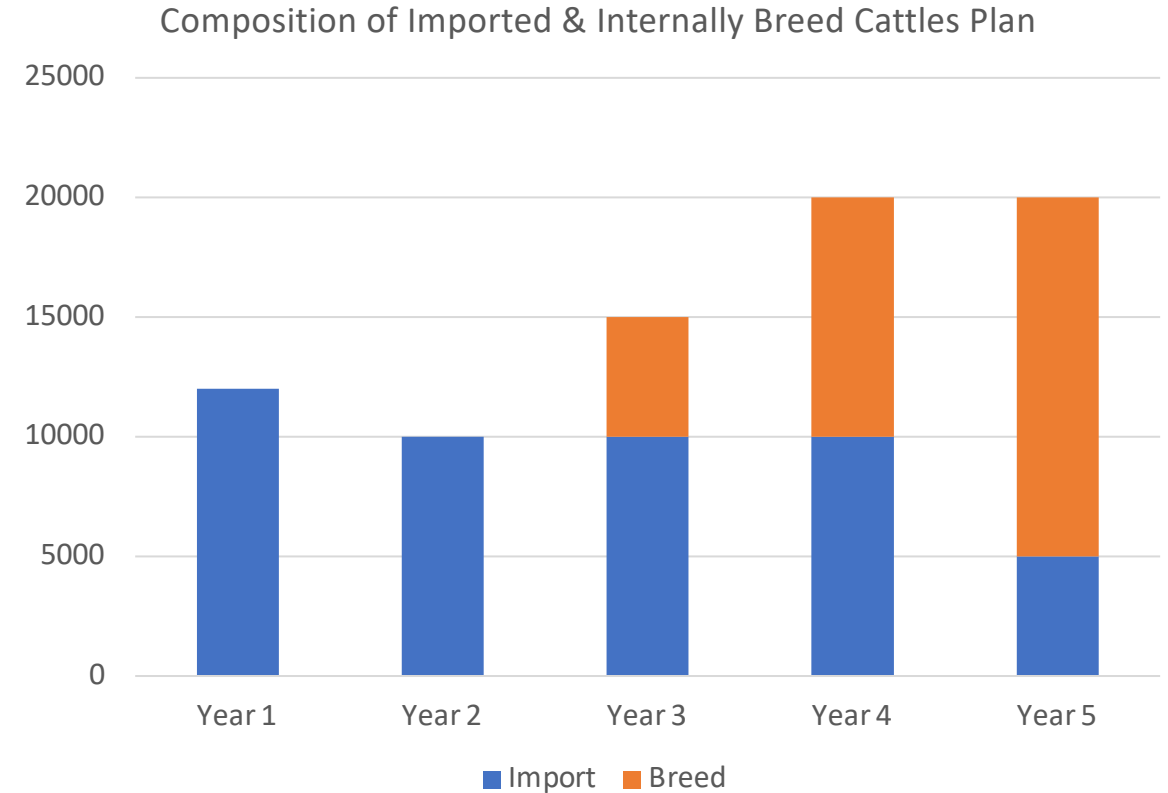
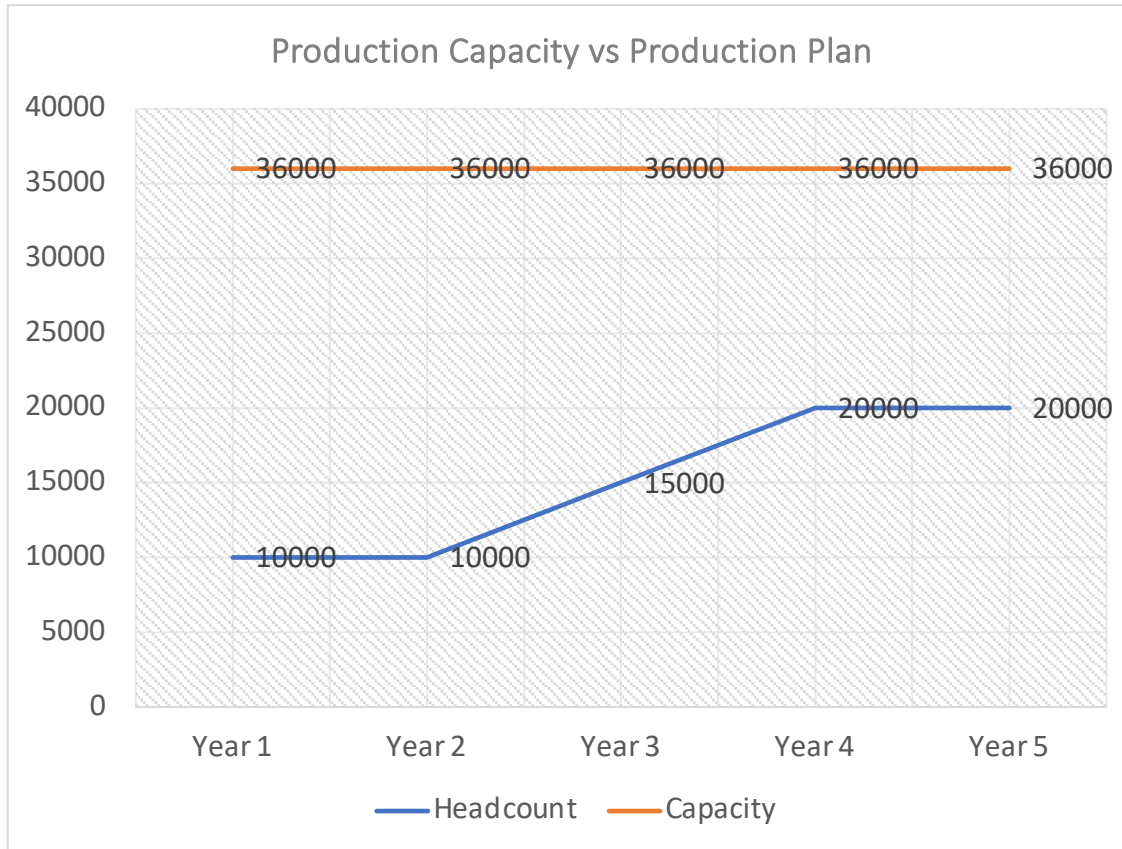


# Order Book / Potential

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No	Source	Requirement	Value (RM)
1	Local market	1,000 mt per month	25.0 million per month
2	Philippines market	500 mt per month	22.0 million per month
3	Sojitz	200 mt per month	9.0 million per month
4	Meatek	300 mt per month	13.5 million per month
	<b>Potential</b>	<b>2,000 mt per month</b>	<b>69.5 million per month</b>
	CAPACITY	300 mt per month	

# Operational Plan – Production Capacity

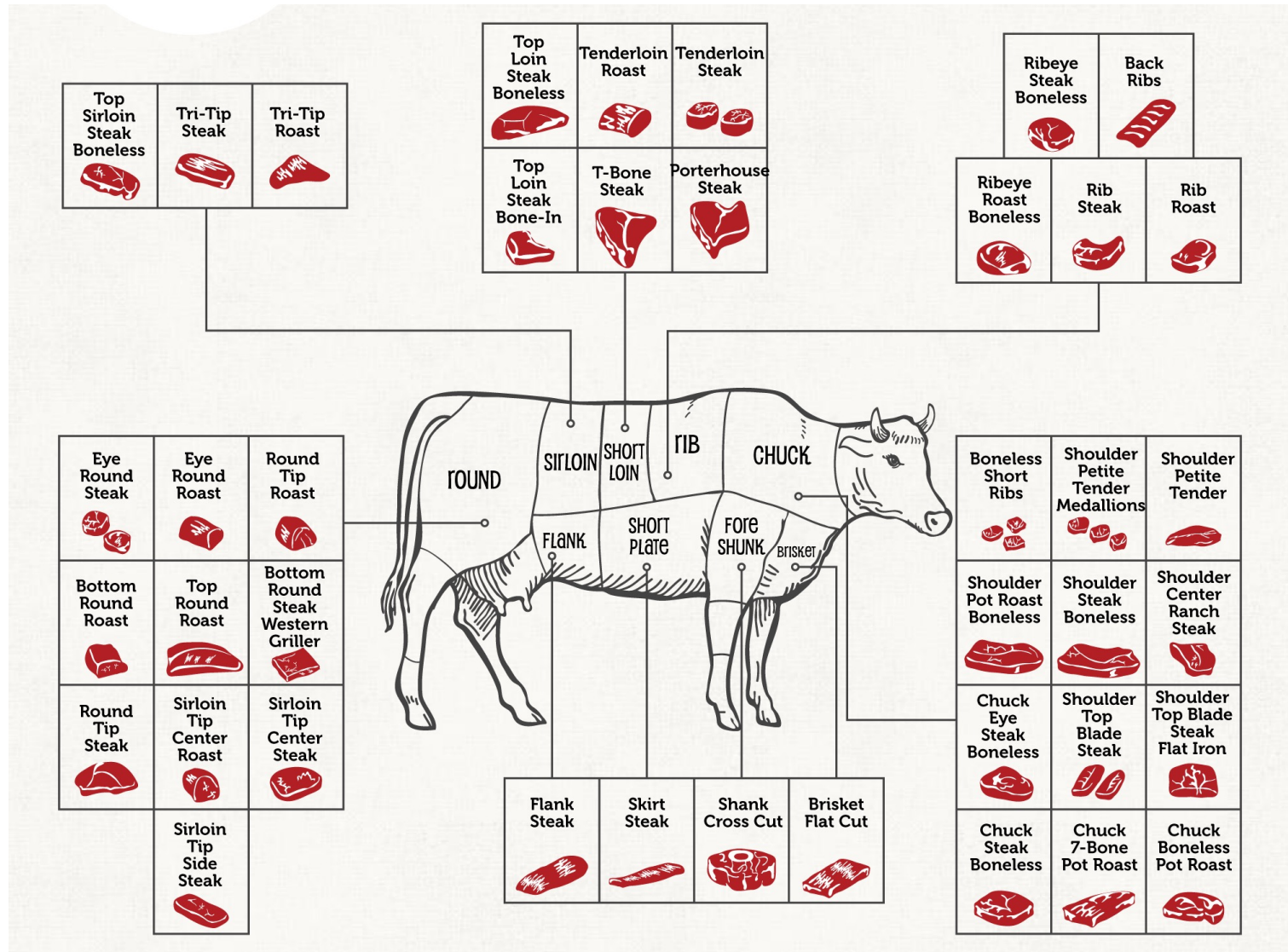
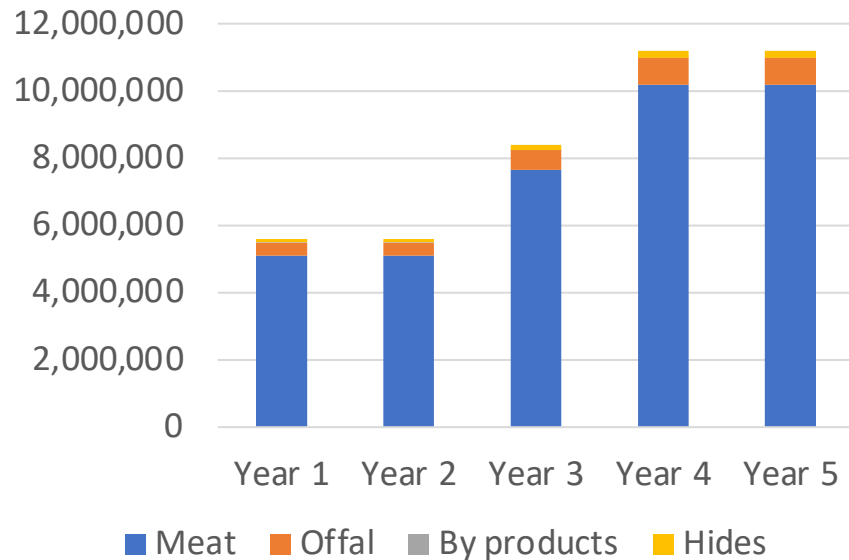


- Abattoir slaughtering capacity is 3,000 headcount per month
- In the first 2 years, to import and slaughter 1,000 cattle per month, 10,000 cattle per year
- In the first year, to import 10,000 heads for breeding purposes. The breed cattle will be ready for slaughtering from the third year onwards

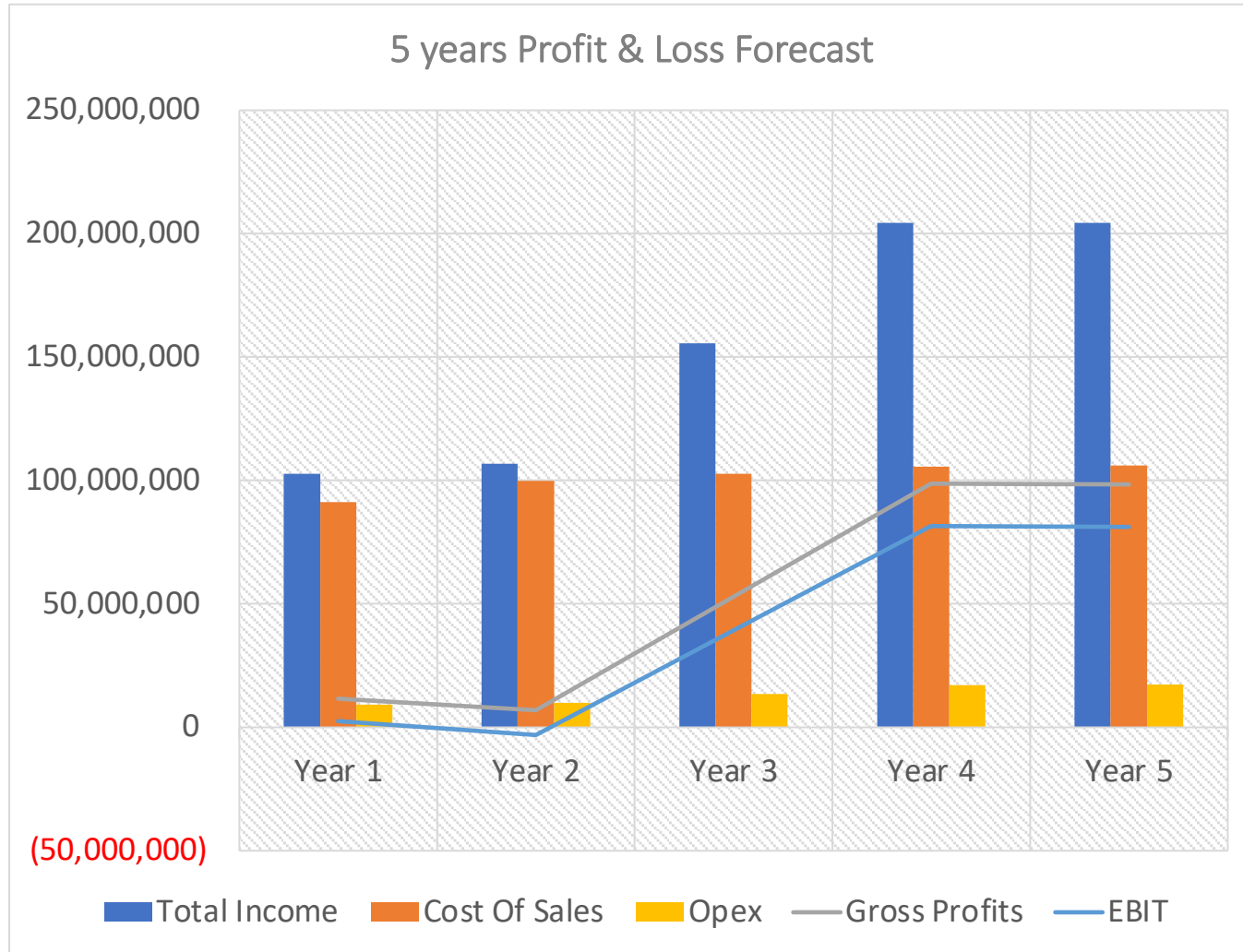
# Revenue Optimization

- Average weight per cattle ready for slaughtering is 350-450kg
- Each cattle could produce 43% sellable meat, and 10% offal
- There will be from by products and hides
- The beef cuts would generate different market prices, but for the purpose of forecast, we shall use USD10 per kg as the average

Monthly Revenue Composition



# Financials Forecast: 5 years Profit & Loss



## KEY ASSUMPTIONS:

**1,000** - Cattles to slaughter per month

**10,000** - Cattles to slaughter per year in the first 3 years

**20,000** - Cattles to slaughter per year in the 5<sup>th</sup> year onwards

**450kg** - Average weight per imported cattle

**USD 3.60** - Cost per kg of cattle from Australia

**USD10 / RM42** - Export Sales Price per kg of fresh meat

**20%** - Gross Profit Target per cattle

**RM300 mil** - Capital Expenditure / Investment requirement



# Financial Requirement – Use of Fund

## Stage 1: Initial

### Opex: RM3.0m

- Salaries
- Rentals
- Business Development

### Working Capital: 20.0m

- Purchase of cattle
- Freight
- Food

### Capex: RM5.0m

- Office Set up
- Bookings & Deposits
- Temporary facilities

## Stage 2: Development

### Working Capital: 20.0m

- Purchase of cattle
- Freight
- Food

### Capex: RM300.0m

- Feedlot
- Food processing
- Slaughtering house
- Machineries
- Infrastructure

### Land: RM200.0m

- Land acquisition
- Nursery
- Infrastructure
- Capex

## Stage 3: Full Capacity

## Stage 4: Expansion / Exit



# Our People

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# Our Partners

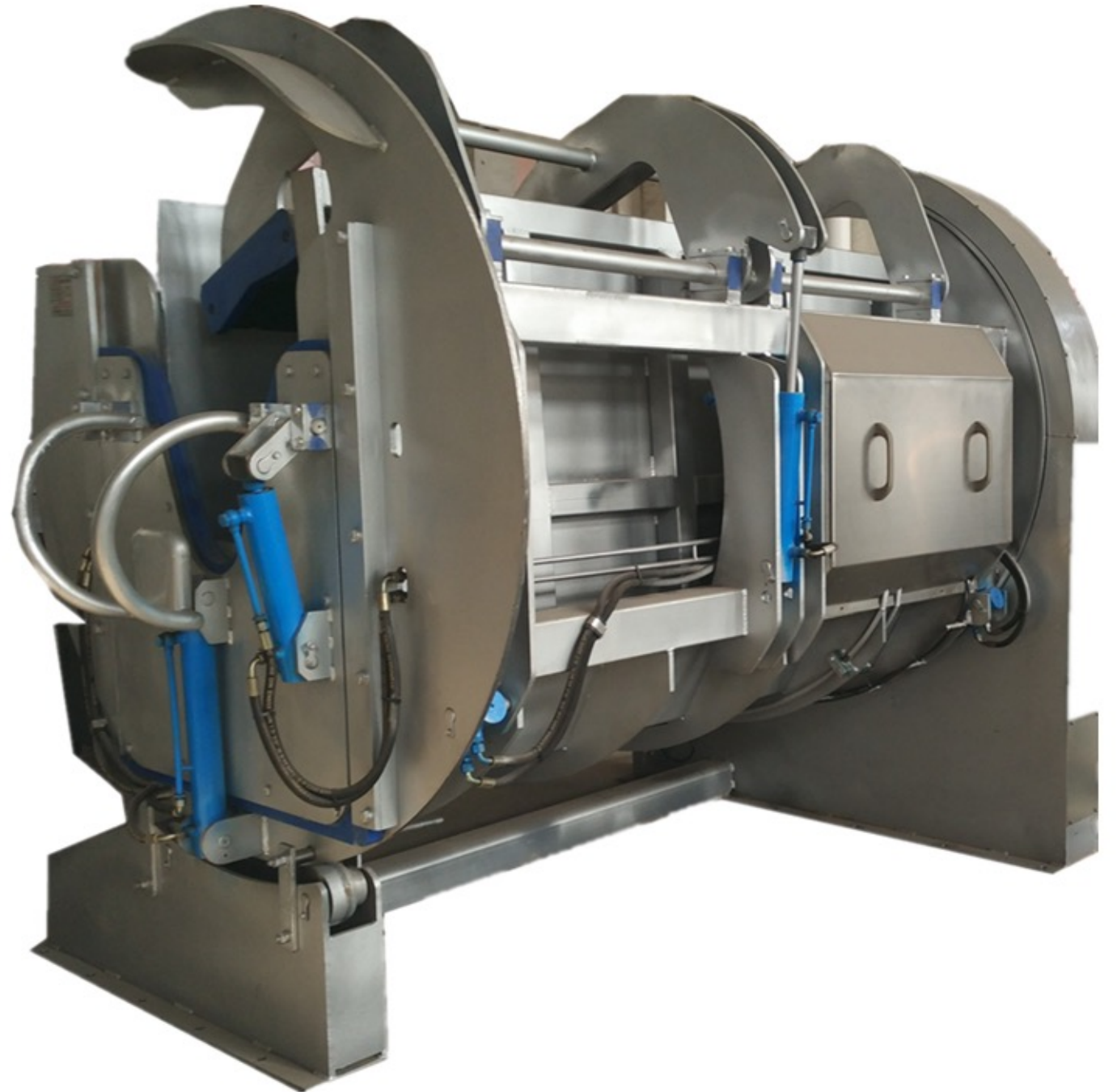
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# The Technology

4





# The Proposed Land

5





# Machines & Equipment

6





# Financials

7





# Credentials

8

