



Aras Free Trade-Industrial Zone Organization

Technical and Economic Feasibility Form Production Projects (Industrial - Agricultural)

1. Project:

Construction of an International Trade Tower

2. Project Presentation:

Provision of commercial, administrative, and recreational services

3. Description of the Project:

This project involves the construction of a multi-purpose complex on a 10,000 square meter area. It is designed to meet international standards and provide a tranquil and easily accessible environment for tourists and business professionals for commercial, administrative, and service-oriented activities. The project will create employment opportunities for 340 individuals.

a. Necessity of the Project:

The creation of multi-purpose centers with unique architecture and superframe structures in the region is necessary for the implementation of this project.

b. Mainland Privileges (Raw Material – Market):

- 1- 20-year tax exemption for all types of economic activities
- 2- Exemption from customs duties for the import of raw materials and industrial machinery
- 3- Priority given to the project in case of obtaining representation from reputable foreign and domestic brands
- 4- Benefit from shorter and simpler investment procedures due to organizational priorities

c. Market Potentials:

Capability to provide international and commercial services and product branding

d. Added Value:

40 Percent

4. Market Feasibility; Economic – Financial:

a. Annual Demand for the Product (Domestic – Countries of the Region – World Demand):

The project is in the field of commercial and service-oriented activities and can provide services in the branding domain.

c. Local and Regional Markets:

Statistics of tourists entering the free zone of Ares, 9 months of 1401	Population of Aras Free Zone (people)
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5. FS Components:

a. Fixed Capital: 4,823,940,000,000 rials

Working Capital: 176,050,000,000 rials

b: PBP: 4 years

c: IRR: 29

d: Land Area: 10,000 square meters

Built-up Area: 48,000 square meters

E: Direct Employment: 700 individuals

6. Technical Specs:

a. Table of Raw Materials and Estimated Consumption:

Utilization of state-of-the-art construction and mechanical materials, including injected rebars of NMB type, high-strength concrete, rebars with high yield strength, and precast columns with R-PC technology.

7. Risks of the Project:

a. Existing Risks in case of Losing Potential Market:

Exchange rate risk, inflation risk, liquidity risk, and business risk.

b: Risk of Rising Raw Material Price:

In case of an increase in the exchange rate, the cost of imported raw materials also increases, which affects the total cost of the product.

c: Risk of Currency Fluctuations and Inflation:

Financial provisioning based on the local currency, alignment of debts or assets based on the unit currency, presenting financial statements in the unit currency (without conversion), participating in derivative market contracts, conducting compensatory transactions, entering into purchase and sale contracts for products in the local currency.