



Bahman Geno Co. (Before the Operation)



Base Value for 20% Shares: US\$ 77,969,083

(Exchange Rate: 29563 IRR)

Assessment Date: September 2014

Assessment Method: Net Assets Market Value

Transferring Method: Tender

Part I: General Information

Hormoz Oil Refining Co. is registered at Tehran on June, 2008. The central office of the company is located at Tehran and the construction site of the refinery is located at Bandar Abbas. Name of the company is changed to Bahman Geno in 2013. The investment required for the project is estimated about €4.2 billion. The programmed nominal capacity of the refinery is daily refining of 300,000 barrels of extra heavy and heavy export crude oil to produce gasoline, Jet fuel, diesel fuel, petroleum coke and other oil products. The refinery construction is defined in two phases. The required investment to complete the first phase is estimated about \$ 2.2 billion. The required water of the project is provided through the supply with water of the sea and with the participation of Persian Gulf Star Oil Company. The area of the land dedicated to the refinery is about 750 hectares.

According to the official notice dated 28 September, 2013 of National Development Fund of Iran to Bank Pasargad, it is approved to pay a loan in amount of US\$ 1,753,600,000 to finance Bahman Geno project from the resources of the Fund. Payment of the loan will be in eight years with 1-year break and the interest rate of 6% plus 1.5% charge which is assigned to be paid during 3 years, along with the progress of the project.

IPO Address: No. 15, Mahestan St., Iran Zamin Ave., Shahrak-e Ghods , Tehran, Iran

Post Code: 1465834581

Website: www.ipo.ir

E-mail: marketing@ipo.ir

Tel: +982188085624

Fax: +982188085622

Part II: Main Information

Parent Company: Oil Refining Industries Development Company

Shareholders: Oil Refining Industries Development Co. (20%), Modabber Mining & Industrial Development Co. (79.92%), Others (0.08%)

Capital: US\$ 1,420,695

Chief executive officer: Mr. Eskandari

Establishment Date: 2008

Programmed nominal Capacity: Daily refining of 300,000 barrels of extra heavy and heavy export crude oil

Total Assets: US\$ 471,264,757 (The concession of receivable loan value: US\$ 255,995,670)

Total Liabilities: US\$ 81,486,994 ((Debts to Oil Refining Industries Development Co: US\$ 48,774,000)

Net profit (loss): US\$ (33,826)

Retained earnings (loss): US\$ (473,565)

Location: Bandar Abbas, Hormozgan Province

Field of Activity: Designing, management, financing, construction & maintenance of factory located at Bandar Abbas to produce petroleum products

Number of Staff in 2014: 10

Part III: Financial Information

3-1-Main Items of Assets in US\$

(Exchange Rate: 29,563 IRR)

| Title | Book value (March 2014) | Evaluated by Independent Expert (September 2014) |
|---|------------------------------------|---|
| The concession of receivable loan value (from the resources of National Development Fund of Iran) (3-1-1) | 0 | 255,995,670 |
| Assets in process of completion | 60,988,398 | 152,758,516 |
| Land (3-1-2) | 2,909,042 | 37,952,846 |
| Technical knowledge | 8,828,603 | 20,566,248 |
| The right of refinery electricity subscription | 947,130 | 2,029,564 |
| Capital prepayments | 6,799,039 | 0 |
| Other assets | 1,961,912 | 1,961,912 |
| Total assets | 82,434,124 | 471,264,757 |

IPO Address: No. 15, Mahestan St., Iran Zamin Ave., Shahrak-e Ghods , Tehran, Iran

Post Code: 1465834581

Website: www.ipo.ir

E-mail: marketing@ipo.ir

Tel: +982188085624

Fax: +982188085622

3-1-1- Details of the concession of receivable loan value: According to the official notice dated 28 September, 2013 of National Development Fund of Iran to Bank Pasargad, it is approved to pay a loan in amount of US\$ 1,753,600,000 to finance Bahman Geno project from the resources of the Fund. Repayment of the loan will be in eight years with 1-year break and the interest rate of 6% plus 1.5% charge which is assigned to be paid during 3 years, along with the progress of the project.

Because of the importance of aforesaid loan for continuity of the company's activity, the value of aforementioned loan has been estimated to the amount of US\$ 255,995,670 according to output rate of riskless investment and discount rate of long-term loan and it has been respected at share evaluation report.

3-1-2- Land Information in US\$

| Title | Kind of usage | Area (m ²) | Book Value | Evaluated by Independent Expert (September 2014) |
|--|------------------------|------------------------|------------------|--|
| land for construction of Refinery | industrial/green space | 7,165,200 | 0 | 33,826,066 |
| The land for construction of site of the pump house & water pipeline route | industrial | 584,000 | 2,029,564 | 2,875,216 |
| The joint pipeline route with Persian Gulf Star Oil Company | industrial | 258,000 | 879,478 | 1,251,564 |
| Total | - | 8,007,200 | 2,909,042 | 37,952,846 |

*The considered value for the land (US\$37,952,846) is the right of operation of the land, because the ownership of the land is not transferred to the company, yet.

3-2- Main Items of Liabilities and Assets in US\$

| Title | Book value (March 2014) | Evaluated by Independent Expert (September 2014) |
|-------------------------------|-------------------------|--|
| Long-term accounts payable | 48,878,666 | 48,878,666 |
| Other accounts payable | 32,608,328 | 32,608,328 |
| Total liabilities | 81,486,994 | 81,486,994 |
| Capital | 1,420,695 | 1,420,695 |
| Retained earnings | (473,565) | (473,565) |
| Revaluation difference | 0 | 388,830,633 |
| Owner's equity | 947,130 | 389,777,763 |

IPO Address: No. 15, Mahestan St., Iran Zamin Ave., Shahrak-e Ghods , Tehran, Iran

Post Code: 1465834581

Website: www.ipo.ir

E-mail: marketing@ipo.ir

Tel: +982188085624

Fax: +982188085622

3-3-Main Items of Income Statement in US\$

| Title | March 2014 | March 2013 |
|---|-------------------|-------------------|
| Administrative & general expenses | (338,261) | (304,435) |
| Operating profit (loss) | (338,261) | (304,435) |
| Net other non-operating revenues & expenses | 304,435 | 338,261 |
| Net profit (loss) | (33,826) | 33,826 |

Part IV: Other Information

4-1-Input Provision: Buying input Contract with the priority of extra heavy crude oil to the daily capacity of 300,000 barrels for a period of 25-years has been signed with National Iranian Oil Company and it is extendable within next 5 years.

4-2-Gas Provision: The necessary license for taking subscription right of gas consumption has been received that after paying the necessary funds to National Iranian Gas of Iran, will be finalized.

4-3-Water Provision: The necessary water was provided through the supply with water of the sea and with the participation of Persian Gulf Star Oil Company.

4-4-The capital increase: The issue of capital increase from US\$ 1,420,695 to US\$ 21,716,335 from the credit of current receivable of shareholders & cash contribution, and by issuing the new shares, has been approved through the extraordinary general assembly of representatives of shareholders on July 22, 2013 and it has been agreed by the Board of Directors of National Iranian Oil Refining & Distribution Company. But realizing above mentioned matters is depending on certainty of all paragraphs of aforementioned approval of NIODC.

4-5-Estimation of the total investments required: Based upon preliminary estimations, the project spending would be about €4.2 billion and it was supposed to be utilized until March 2013, but because of coming delays, the necessary actions for revision are ongoing.