



# **PRODUCTION OF LIVE VANNAMEI SHRIMP**

**St. Petersburg 2018**

# Russian shrimp market today

**Shrimp consumable volume in Russia – 30 000 tons per year**

**boiled-frozen**



**fresh frozen**



**chilled**



Boiled-frozen shrimp is sold practically in all shops and is considered to be the worst food to be eaten.

Fresh frozen shrimp is sold only in large cities, it costs more than boiled-frozen, but if it is grown in China, growth hormones have been used in 99% of cases.

Chilled shrimp is shipped to Russia from abroad in small quantities and it is very expensive. The production of live shrimp in Russia is 2 tons per year.

# Comparison of the cost of chilled foreign shrimp and frozen one

**boiled-frozen**



**\$11,3 per kg.**  
(glaze 10-30%)

**fresh frozen**



**\$ 17,7 per kg.**  
(glaze 10-30%)

**chilled**



**\$ 40,3 per kg.**  
(net weight)

If you defrost the frozen shrimp glaze and drain the water, a shrimp weight will change by 10-30%. But there are some questions left where exactly it has been grown and whether hormones have been used during its growing. The cost of fresh-frozen shrimp grown in Argentina is \$ 38.7 per 1kg.

Also, the taste and quality of frozen and defrosted seafood always differ from chilled or live seafood in a worse way.

# The cost of shrimp produced on a farm in St. Petersburg



**Live shrimp**

**\$ 25,8 per kg.  
(net weight)**

A aqua farm production module allows to grow shrimp continuously and deliver it to a market every month, despite the fact that a shrimp grows for 5 months. Under a seasonal decline in demand, a shrimp gains an additional weight and in the season it is sold more profitably.

Shrimp growing takes place in recirculatory aquaculture systems using natural feedstuff, not using growth hormones, colorings and antibiotics. Shrimp naturally gains the required commercial weight.

# Delivery of live shrimp to other cities



Shrimp delivery in a live form  
(without water) by technology  
**Waterless Shipping of Live Shrimp**

**72 hours (3 nights)**

Storage of shrimp in a chilled way

**120 hours (5 nights)**

## Estimation of the potential volume of LIVE shrimp market in Russia

city	population	%	2% population	kg/year	kg
<b>Moscow</b>	<b>12 506 458</b>	<b>2%</b>	<b>250 129</b>	<b>2</b>	<b>500 258</b>
<b>St Petersburg</b>	<b>5 351 000</b>	<b>2%</b>	<b>107 020</b>	<b>2</b>	<b>214 040</b>
<b>Novosibirsk</b>	<b>1 602 815</b>	<b>2%</b>	<b>32 056</b>	<b>2</b>	<b>64 113</b>
<b>Yekaterinburg</b>	<b>1 455 904</b>	<b>2%</b>	<b>29 118</b>	<b>2</b>	<b>58 236</b>
<b>Nizhny Novgorod</b>	<b>1 264 075</b>	<b>2%</b>	<b>25 282</b>	<b>2</b>	<b>50 563</b>
<b>Kazan</b>	<b>1 231 878</b>	<b>2%</b>	<b>24 638</b>	<b>2</b>	<b>49 275</b>
<b>Chelyabinsk</b>	<b>1 198 858</b>	<b>2%</b>	<b>23 977</b>	<b>2</b>	<b>47 954</b>
<b>Samara</b>	<b>1 169 719</b>	<b>2%</b>	<b>23 394</b>	<b>2</b>	<b>46 789</b>
<b>Rostov-on-Don</b>	<b>1 125 299</b>	<b>2%</b>	<b>22 506</b>	<b>2</b>	<b>45 012</b>
<b>Ufa</b>	<b>1 270 300</b>	<b>2%</b>	<b>25 406</b>	<b>2</b>	<b>50 812</b>
<b>Volgograd</b>	<b>1 015 000</b>	<b>2%</b>	<b>20 300</b>	<b>2</b>	<b>40 600</b>

**Total: 1 167 652 kg**

There are 10% of people in any city who care about what they eat. But let's take 2% of them for making calculations. If 2% of people buy only 2 kg of live shrimp a year, this will be the minimum potential volume of live shrimp sold in a city. It is necessary to pay attention to the fact that the number of population is taken from Russian Federation Statistics data. In reality, the number of inhabitants in these cities is much bigger.

# A shrimp farm consists of 3 premises of 1,500 sq m each



The shrimp farm is located in 3 premises of 1,500 sq m each.

The premises are located in Leningrad region, in the village of Telman (3 km away from a Moscow - St. Petersburg highway).

The air temperature in each room is 29 degrees, and the water temperature in the pools is 28 degrees.

The production volume of the farm is 200 tons of shrimp per year.



# Potential consumers of live shrimp



**Restaurants**



**Pubs**



**Japanese restaurants**



**Pizzerias**



**Network Retail**

Preliminary negotiations with restaurant chains, pub chains and network retailers of premium class have been made. All of them recognize that they have a strong need for purchases of live (chilled) shrimp. Today they have to use frozen shrimp of questionable quality.



# There are several quarantine and production modules in each building

## A quarantine module



## A production module



In the quarantine module the postlarva of shrimp brought from abroad is acclimatized for a month.

In the production module (vertically integrated pools) the shrimp grows up to the marketable mass for another period of 4 months.

**The output of shrimp weighing 20 grams is 200 tons per year from the whole farm**



# On the farm in the future

## Giant freshwater shrimp (Rosenberg)



## Australian Cancer



## Sea Asparagus



**There will be excursion aquariums, fast food and a shop on the farm**



# Our partners for the development of the shrimp farm and fast food chain



**ADMINISTRATION of LENINGRAD REGION**

**Committee of Agro-industrial and Fishery complex**

**Department on Fishery development**



# The state support of aquaculture in Leningrad region

- **30%** Compensation of a recirculatory aquaculture system cost

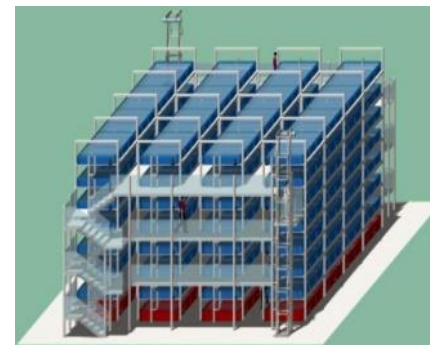
After the construction of the recirculatory aquaculture system (a quarantine module and a production module), the state is compensating 30% of its cost

- Compensation of feedstuff - **\$ 0.42** per kg.

Permanent compensation for the purchase of shrimp feedstuff is 25 rub/ kg (cost of feed stuff is 100 rub / kg)

- Preferential lending - **1,5 - 5%**

Companies participating in the state program called "Development of a fishery complex" receive preferential loans from Rosselkhozbank at 1.5-5% per annum



# Today the site and the hangars are ready



The technology of cultivation has been worked out

The financial model has been calculated

A process of a production module is being designed

A team of specialists has been selected

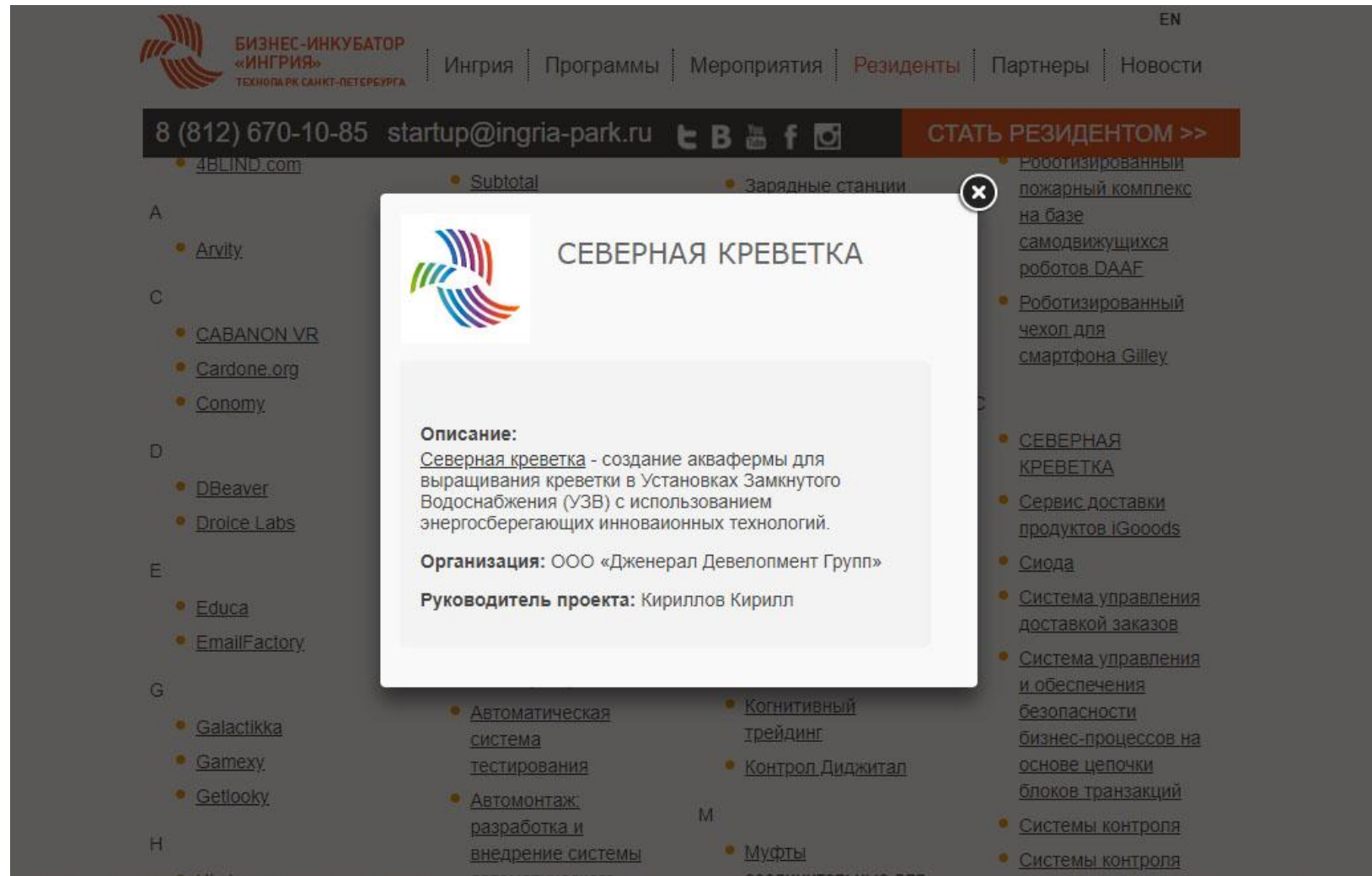
An agreement with Administration of Leningrad region has been reached

A registration process of documents for entry into the state program is being made



# THE PROJECT ON CREATING "SEVERNAYA KREKETKA" AQUAFARM BECAME A RESIDENT OF "INGRIA" BUSINESS INCUBATOR IN 2018

"Ingria" Business Incubator is one of the top 10 business incubators in Europe



The screenshot displays the website of the Ingria Business Incubator. At the top, the logo and name 'БИЗНЕС-ИНКУБАТОР «ИНГРИЯ» ТЕХНОПАРК САНКТ-ПЕТЕРБУРГА' are visible, along with navigation links for 'Ингрия', 'Программы', 'Мероприятия', 'Резиденты', 'Партнеры', and 'Новости'. A contact bar includes the phone number '8 (812) 670-10-85', email 'startup@ingria-park.ru', and social media icons. A prominent button reads 'СТАТЬ РЕЗИДЕНТОМ >>'. The main content area features a list of projects categorized by letter (A, C, D, E, G, H). A modal window is open, displaying the logo and name 'СЕВЕРНАЯ КРЕВЕТКА'. The modal text provides a description of the aquafarm project, the organizing company 'ООО «Дженерал Девелопмент Групп»', and the project leader 'Кириллов Кирилл'.

**СЕВЕРНАЯ КРЕВЕТКА**

**Описание:**  
Северная креветка - создание аквафермы для выращивания креветки в Установках Замкнутого Водоснабжения (УЗВ) с использованием энергосберегающих инновационных технологий.

**Организация:** ООО «Дженерал Девелопмент Групп»

**Руководитель проекта:** Кириллов Кирилл



# ACCORDING TO “BUSINESS PETERSBURG” NEWSPAPER THE PROJECT ON CREATING “SEVERNAYA KREKETKA“ AQUAFARM HAS TAKEN THE FIRST PLACE AMONG INNOVATIVE PROJECTS

Деловой  
Петербург

25 лет



на фото: Кирилл Кириллов, компания Производство живой креветки

# Participation in the project office “Smart City”

Company SEVERNAYA KREVIETKA has been invited to participate in the project office "Smart City" created by the Governor of St. Petersburg



В апреле 2017 года Губернатор Санкт-Петербурга Г. С. Полтавченко дал старт городской инновационной программе «Умный Санкт-Петербург».

Это приоритетная программа городского развития, направленная на создание системы управления городскими ресурсами «умный город», которая позволит повысить качество жизни населения и обеспечить устойчивое развитие города. Реализация программы осуществляется за счет широкого внедрения информационно-коммуникационных технологий (ИКТ) в управление городскими процессами и повышения эффективности взаимодействия граждан, представителей бизнеса и органов власти.



**Total cost of the project \$ 5 645 161**

**The amount of required investment is \$ 738,709**

**Own investments - \$ 80,645**

**Ready to give a share in the company - 28%**

**Return on investment in 5 years**

**An investor will receive \$ 1 612 903 (21% per annum)**

**The money will be spent on the implementation of the first phase of the project in the first year and the production of 20 tons of shrimp per year**

# Parameters of the project



Parameter	Unit of measure	Value
<b>Sales</b>		
<b>Breakeven point</b>	%	15%
<b>Operating lever</b>	%	69%
<b>Profitability</b>		Average value
<b>Gross profit margin ratio</b>	%	58%
<b>Operating profit margin ratio</b>	%	43%
<b>Net profit margin ratio</b>	%	41%
<b>Indicators of economic efficiency</b>		Without a financing scheme
<b>Planning period</b>	month	120
<b>Internal rate of return (IRR) per year</b>	%	33%
<b>Payback period, month</b>	month	54
<b>Payback period with a discount, month</b>	month	61
<b>Index of profitability</b>		4,7



# The team

1. General Manager - Kirill Kirillov, experience of entrepreneurial activity since 2002.
  2. Sales Manager – Sergey Belkov, sales experience since 1998.
  3. Engineer-oceanologist – Sergey Kustov, experience of growing shrimp since 2003, trained in Ecuador, a patent for utility model.
  4. Zoo-engineer-fish breeder – Alexander Krasnosnos, experience in recirculatory aquaculture systems since 2008.
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# Contact Us



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