INVESTMENT POTENTIAL OF SAKHA REPUBLIC (YAKUTIA)
YAKUTIA – TERRITORY OF OPPORTUNITIES

YAKUTIA IS HOME TO MORE THAN 120 NATIONALITIES

POPULATION – 962.8 THOUSAND
Number 1 by natural population growth in the FEFD

AREA – 3.1 MILLION SQ. KM

CAPITAL – YAKUTSK CITY
324.6 THOUSAND PEOPLE
YAKUTIA – TERRITORY OF OPPORTUNITIES

High Yakutia’s Rating among 85 regions in Russia

- **BB/ruAA**
  - Standard&Poor’s
  - 21st Social and economic development

- **BBB-/AA+(rus)**
  - FitchRatings
  - 6th Capital Investments per capita

- **5th**
  - GRP per Capita

- **1st**
  - Natural Reserves

- **15th**
  - Exports

- **Sustainable economic growth**
- **High potential**
- **Wealth of natural resources**
- **Proximity to USD 10+ trln Asia Pacific Market**
MINERAL RESERVES BASE

Yakutia's share in Russian mineral reserves

<table>
<thead>
<tr>
<th>Mineral</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diamonds</td>
<td>78.4%</td>
</tr>
<tr>
<td>Uranium</td>
<td>53.1%</td>
</tr>
<tr>
<td>Antimony</td>
<td>51.0%</td>
</tr>
<tr>
<td>Tin</td>
<td>35.6%</td>
</tr>
<tr>
<td>Silver</td>
<td>15.8%</td>
</tr>
<tr>
<td>Gold</td>
<td>12.9%</td>
</tr>
<tr>
<td>Coal</td>
<td>5.2%</td>
</tr>
<tr>
<td>Gas</td>
<td>4.5%</td>
</tr>
<tr>
<td>Oil</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

- Diamonds: 930.7 mln carat
- Gold: 1783.4 tons
- Silver: 18 814 tons
- Antimony: 162 720 tons
- Coal: 14.3 billion tons
- Tin: 770 436 tons
- Oil: 671.9 mln tons
- Gas: 3.15 TCF

Yakutsk
MAIN MACROECONOMIC INDICATORS

GROSS REGIONAL PRODUCT, RUB BILLION

INVESTMENT IN FIXED CAPITAL, RUB BILLION

IMPORT, USD MILLION

EXPORT, USD MILLION

* прогноз
STATE SUPPORT MEASURES

IN RUSSIA

36 SEZ territories that provide infrastructure funded by the Government / tax advantages/ free custom zones

Low cost debt financing (5%) via Industrial Development Fund - Far East Development Fund

Government subsidies for infrastructure construction and large investment projects

Industry measures of government support

Partial reimbursement of costs associated with export-oriented high-tech/innovative products and services

IN YAKUTIA

SEZs: Industrial Park KANGALASSY and South Yakutia

One Stop Shop assistance in obtaining permits and licensing approvals

Connectivity to basic infrastructure such as water, electricity and broadband

Regional financial and banking institution ensuring seamless capital movement

Local content in goods, services and human recourse

Tax advantages for international investors via Regional Investments Projects scheme

Project financing
<table>
<thead>
<tr>
<th>Type of tax</th>
<th>Tax rate</th>
<th>Tax rate for ASEZ residents</th>
<th>advantage – «+»; disadvantage – «-».</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit tax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal budget</td>
<td>2%</td>
<td>0% (first 5 years)</td>
<td>+2% (first 5 years)</td>
</tr>
<tr>
<td>Regional budget</td>
<td>18%</td>
<td>0% (first 5 years), 10% (next 5 years)</td>
<td>+18% (first 5 years), +8% (next 5 years)</td>
</tr>
<tr>
<td>VAT (period of recovery)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal budget</td>
<td>3 month</td>
<td>10 days</td>
<td>+80 days</td>
</tr>
<tr>
<td>Property tax</td>
<td>2,2%</td>
<td>0% (first 5 years)</td>
<td>+2,2% (first 5 years)</td>
</tr>
<tr>
<td>Land tax</td>
<td>0,3% - 1,5%</td>
<td>0% (first 5 years)</td>
<td>+(0,3%-1,5%) (first 5 years)</td>
</tr>
<tr>
<td>Pension Fund of Russia</td>
<td>22%</td>
<td>6% (first 10 years)</td>
<td>+16% (first 10 years)</td>
</tr>
<tr>
<td>Social Insurance Fund</td>
<td>2,9%</td>
<td>1,5% (first 10 years)</td>
<td>+1,4% (first 10 years)</td>
</tr>
<tr>
<td>Statutory health insurance fund</td>
<td>5,1%</td>
<td>0,1% (first 10 years)</td>
<td>+5% (first 10 years)</td>
</tr>
</tbody>
</table>
# TAX AND ADMINISTRATIVE ADVANTAGES FOR ASEZ RESIDENTS

## ADMINISTRATIVE PREFERENCES:

<table>
<thead>
<tr>
<th>Support measures</th>
<th>Standard procedure</th>
<th>Preferences for ASEZ residents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision of a land plot located in state or municipal ownership</td>
<td>the contract of lease of the land plot is concluded at auctions held in the form of an auction</td>
<td>the lease of land located in municipal ownership is concluded without participation of tenders and for the term of implementation of the agreement</td>
</tr>
<tr>
<td>Visa regime for foreign citizens</td>
<td>foreign citizens can enter the Russian Federation and leave the Russian Federation if they have a visa for valid documents proving their identity and recognized by the Russian Federation</td>
<td>foreign citizens arriving in Russia through the checkpoints through the state border of the Russian Federation located on the territory of Free Port of Vladivostok, a simplified visa procedure for entry into the Russian Federation</td>
</tr>
<tr>
<td>Permission for foreign labor without quotas</td>
<td>- it is necessary to have a permit to hire and use foreign workers; - to determine the size of the quota, employers must submit relevant applications, which are considered by the regional interdepartmental commission; - there is no need to obtain quotas in the event that a work permit is issued for a highly qualified specialist and a non-quota specialty.</td>
<td>- does not require obtaining permits to attract and use foreign workers; - quotas are determined by a decision of the supervisory board</td>
</tr>
<tr>
<td>Additionally</td>
<td>- unscheduled inspections only after the approval of the Ministry of Regional Development of the Russian Federation - issuance of building permits within 40 days - state financing of infrastructure - preferential connection to the infrastructure - duty-free zone regime</td>
<td></td>
</tr>
</tbody>
</table>
Main Foreign Partners of Sakha Republic (Yakutia)
INTERNATIONAL PROJECT SUCCESS STORIES

LG Sakha Center construction project

Silver mining project

Oil production project

Investments total
USD 7.5M*

Investments total
USD 66M

Investments total
USD 31M*

*In case of US$1 = 55 rubles
Welcome to Yakutia!