Making investments happen by making investors happy

SEZ STUPINO QUADRAT
DEVELOPED BY GDP QUADRAT
RUSSIA’S INDUSTRIAL DRIVER
Who stands behind GDP Quadrat?

**MR Group**
The holding company
A market leading real estate development and management company

- 5 Mln. sq. m. built
- 15 Years of experience
- 20 Complete projects

Moscow, Moscow region, Sochi

**Ekaterina Evdokimova**
Managing partner GDP Quadrat
Attorney-at-Law (DE), Lawyer (RU), LL.M. (USA)

- 15 years of advisory on **industrial Construction** and production localization in Russia
- **10-years experience** as Head of Russia Desk and Partner with an international law firm
- Ranked in Chambers Global and Best Lawyers 2013, 2014
INVESTOR CONCENTRATES ON PRODUCTION AND SALES

The rest IS OUR JOB
WITH US

SPEED

TRANSPARENCY

COMFORT

SAFETY
What is STUPINO QUADRAT?

**STUPINO QUADRAT**: four industrial parks and a Special Economic Zone in Moscow region, a new residential area NOVOE STUPINO and an art cluster ART RIVER.
The right place to invest

STUPINO QUADRAT:
an excellent location to access main industrial centers of Russia
Access to the main market

**STUPINO QUADRAT**: access to main market (European part of Russia with 82% of population) and the main trade routes

- Moscow
- Saint Petersburg
- Novosibirsk
- Yekaterinburg
- Nizhny Novgorod
- Samara
- Omsk
- Kazan
- Chelyabinsk
- Rostov-on-Don
- Ufa
- Volgograd

**Top-12 by population**

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moscow</td>
<td>12,2m</td>
</tr>
<tr>
<td>Saint Petersburg</td>
<td>4,5m</td>
</tr>
<tr>
<td>Novosibirsk</td>
<td>1,5m</td>
</tr>
<tr>
<td>Yekaterinburg</td>
<td>1,35m</td>
</tr>
<tr>
<td>Nizhny Novgorod</td>
<td>1,25m</td>
</tr>
<tr>
<td>Samara</td>
<td>1,16m</td>
</tr>
<tr>
<td>Omsk</td>
<td>1,15m</td>
</tr>
<tr>
<td>Kazan</td>
<td>1,14m</td>
</tr>
<tr>
<td>Chelyabinsk</td>
<td>1,13m</td>
</tr>
<tr>
<td>Rostov-on-Don</td>
<td>1,1m</td>
</tr>
<tr>
<td>Ufa</td>
<td>1,06m</td>
</tr>
<tr>
<td>Volgograd</td>
<td>1,02m</td>
</tr>
</tbody>
</table>
Close to Moscow

**STUPINO QUADRAT:** Close to Moscow
Country’s main transport and logistics hubs within reach
Road infrastructure

Direct access to STUPINO QUADRAT from the toll road M4 (Moscow – Don)
**Workforce and R&D source**

**STUPINO QUADRAT:** Close to Moscow
Close to workforce and R&D potential of the Moscow Region

### Moscow Region Districts

<table>
<thead>
<tr>
<th>District</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stupino District</td>
<td>120,000</td>
</tr>
<tr>
<td>Ozery District</td>
<td>35,800</td>
</tr>
<tr>
<td>Kashira District</td>
<td>69,100</td>
</tr>
<tr>
<td>Zaraysk District</td>
<td>41,600</td>
</tr>
<tr>
<td>Serpuhov District</td>
<td>35,000</td>
</tr>
<tr>
<td>Kolomna District</td>
<td>45,300</td>
</tr>
<tr>
<td>Chehovsky District</td>
<td>121,200</td>
</tr>
<tr>
<td>Voskresensk District</td>
<td>154,900</td>
</tr>
<tr>
<td>Domodedovo District</td>
<td>144,900</td>
</tr>
<tr>
<td>Ramenki District</td>
<td>269,100</td>
</tr>
<tr>
<td>Moscow</td>
<td>12,108,000</td>
</tr>
</tbody>
</table>

**Special economic zone**

STUPINO QUADRAT

Map showing the Stupino District and other districts, with icons representing R&D resources and workforce resources.

- R&D resources
- Workforce resources

INDUSTRY | TECHNOLOGY | DEVELOPMENT
Supply Networks:

Water supply: **15,000 m³ per day**

Sewage treatment plants (industrial discharge)

Sewage treatment plants (rainwater)

Gas supply: **60,000 m³/h**

Electricity: **100 MW**

Your benefits:

- Convenient land plot location
- Electricity, gas and water
- Connection points on the land plot borders
- Railroad on site

More than 1,000 ha of industrial land with engineering infrastructure and technical conditions for connection.
Prepared infrastructure

On site:
Gas distribution station and electrical substation are ready to operate, the construction of the freight railway terminal is being complete.
Destinations

- Domodedovo International airport: 71 km
- Vnukovo International airport: 110 km
- Sheremetyevo International airport: 140 km
- Paveletsky railway station: 1 hr 40 min (by train)
- Moscow (centre): 110 km (app. 1.5 hrs by car)
- The Moscow Outer Ring (A108): 15 km
- The Moscow Automobile Ring Road (MKAD): 73 km
- The Federal Highway M-2 <Crimea>: 47 km
- The Federal Highway M-5 <Ural>: 53 km
- The Federal Highway M-3 <Ukraine>: 110 km
- The Federal Highway M-4 <Don>: 7 km
- Kashira Highway (backup route for M4): 14 km
- Central Ring Road (CKAD): 60 km (from 2020)
- Shmatovo freight terminal (Moscow Railway): on site
- Stupino City, Customs terminal Stupino: 18 km
### Benefits of Special Economic Zone

<table>
<thead>
<tr>
<th>Tax</th>
<th>STUPINO QUADRAT</th>
<th>In the rest of the RF</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit tax</strong></td>
<td>2% first 8 years 7% next 6 years 15.5% until 2064</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Property</strong></td>
<td>0% 10 years from the property registration</td>
<td>up to 2.2%</td>
</tr>
<tr>
<td><strong>Land</strong></td>
<td>0% starting from the moment of the title registration</td>
<td>up to 1.5%</td>
</tr>
<tr>
<td><strong>Transport</strong></td>
<td>0% 5 years from the transport registration</td>
<td>up to 15%</td>
</tr>
</tbody>
</table>

**VAT and customs free** import of production lines and raw materials
SEZ Project

- 0% customs duty, import VAT and other taxes
- Fast track for construction permits
- Limited governmental audit
- Federal government support
- All products are labelled as “MADE IN RUSSIA”

✓ Property type – private property
✓ Guarantee from unfavorable changes in the legislation of the Russian Federation

Non-SEZ Project

× NO customs privileges
× NO or less tax benefits
× NO guarantee against unfavorable changes
× NO fast track for construction
× NO limitations for governmental audit
× NO automatic labelling as “MADE IN RUSSIA”
× NO or less federal government support
SEZ

- Minimum investment - €2 million
- Step-by-step localization of production not mandatory
- Taxation privileges for 49 years
- Legal guarantee against unfavorable changes
- Product labelling “MADE IN RUSSIA” facilitated*
- NO state supervision of localization process

SIC (special invest contract)

- Minimum investment – €12 million
- MANDATORY step-by-step localization of production
- Taxation privileges for 10 years
- Legal guarantee against unfavorable changes
- Product labelling “MADE IN RUSSIA” for limited period
- State supervision of localization process

COMBINATION OF SEZ AND SIC IS POSSIBLE!

* Amendments to Federal Law N 116-F3 “On Special economic zones in the Russian Federation”
Construction optimization

Save up to 50-60% of project costs

Package solutions for investors of any level

The "turnkey" project - from 9 months

From 17,000 RUB per 1 m²
How to become a resident of the SEZ?

Establish a local SPV
- Authorised capital 10 000 RUB (less than €200)
- Local address in the municipal district of the SEZ
- One or two CEOs (new!)
- List of documents available upon request

Prepare a business plan
- Total investment min. 120 million RUB (appr. €2 million)
- 40 million RUB (less than €800 000 within the first three years)

Decision of the expert commission

Written agreement with RF, region and managing company of SEZ
- Business plan is the basis for investor’s obligations
- Investor, region and managing company are liable for investor’s performance
- Period of benefits begins with signing of the agreement
Verified by investors

17 manufacturers are investors and residents of Special economic zone «STUPINO QUADRAT»

Stupino District

Population 130,000
Higher education 30%
Technical colleges 7
Graduates per year 1000+
Area 80,441 ha
Roads 1,511 km
NOVOE STUPINO – comfortable and safe residential area for employees and their families

**For life**
Comfortable **Cottages**, Townhouse, apartments, hotels

**For family**
International school
Child care, park
**Environment and holiday inns**

**For well-being**
Sports center
**Private clinics**
Wellness center
Fitness center

**For entertainment**
restaurants
cafe
**cinema**
museum
concert hall
exhibition complex

**For professional education**
Colleges, community colleges, Scientific facilities, Universities
Central Federal Academic University, cooperation with the top-rated Universities*

* planned
Flexible decisions – low risks

Full range of services for greenfield projects from pure land plot sale to turn-key solutions

Pure land plot sale

Optional services:
• Technical contractor services
• General contractor selection
• Design services
• Project management solution
• Project financing solution
• Property leasing solutions

Turn-Key solution

Low risk solution:
• Full project completion
• Timeline adherence
• Predictable budget
• Flexible financing
• Penalties for non-fulfilment
• Possible rental solution
Integrated services

**BUSINESS INFRASTRUCTURE**
- Personal drivers with foreign language skills
- Sale and rent of industrial sites
- Cooperation with authorities
- Office rental
- Preparation of business plans
- Account keeping
- Co-working center
- IT support
- Translations
- Advertisement

**RECRUITMENT**
- Development of incentive program
- Outsourcing / outstaffing
- Temporary management
- Staff training
- Staff sharing
- Recruitment of staff of various qualification

**SOCIAL INFRASTRUCTURE**
- School
- Kindergarten
- Hotel
- Restaurants
- Cinemas
- Houses, flats and dormitory accommodation for staff members

**CONSULTING**
- Assistance and getting the funding
- Legal and tax consulting
- Intellectual property protection
- Development of marketing strategies
- Tax and fiscal audit
- Search of channels of marketing
- Supplier search

**OPERATING BUSINESS**
- Service of engineering projects
- Check-Point
- Area cleanup operations
- CCTV monitoring
- Capital improvement

**TRANSPORT AND LOGISTICS**
- Lease of railroad engine
- Railway station at site
- Customs brokerage
- Temporary storage warehouse
- High speed air transportation
- Customs controlled zone on the resident sites

**PROFESSIONAL MANAGEMENT COMPANY**
Best investment climate in the Moscow Region in consequence of comprehensive support from federal, regional and local government structures, inter alia with transparent legislative and decrease of administrative barriers

We serve you with

Complete document package
  Vendor due diligence
  Environmental audit
  Geological survey
  Standard form contract

Turn-key development*
Full compliance
Service provider network*
Your business support

Market analysis

Recommendations on distribution channels

Raw materials and components suppliers

State financial aid

Direct subsidy
Interest rate subsidies
Government purchase preference
Custom Privileges
Quota
Special agreements

We create added value
Governmental support

SMEs support

Governmental plan for competitiveness increase in national production - 22 subprograms for different branches

Special Economic Zone Tax and customs reduction

Fund for support of production - low interest rates and direct subsidies

Project financing on discounted rates for new facilities’ construction

Territories of accelerated growth – tax and customs reduction

Return of the interest paid for the loans used for production infrastructure and facilities

Special contract with purchase guarantee

Bank programs for
- SME
- Industrial parks
- Residents of industrial parks

Regional Support:
- grants
- discounted loans
- special taxation

INDUSTRY | TECHNOLOGY | DEVELOPMENT
Prerequisites

- Reduction of import fails to catch up with the import substitution
- Economical and political issues dictate the necessity of localization for foreign investors
- Russian Federation and its Federal States created a wide range of instruments for support of the local producer
Support on all levels

Governor of Moscow region Andrey Vorobyev opens the GRUMA plant, September 2017

Vladimir Putin visits the eco-town NOVOE STUPINO, July 2011
Residential part of STUPINO QUADRAT: secure territory, comfortable housing, beautiful nature
A town for families

Kindergarten

Vacation hotel
A town for life

Apartment buildings
Cottages and townhouses
The bridge over the railway and direct access to M-4 (Moscow – Don)
Electricity substation 220 MW
Gas distributing station
60,000 m³ per hour
Gas distributing station
60 000 m³ per hour
Gas distributing station
Water supply facility: 15 000 m³/day
Sewage treatment facilities
Plants of residents of SEZ «STUPINO QUADRAT»
Plant opening ceremony of ARVALUS
Plant opening ceremony of GRUMA
Laying of foundation stone for our resident's factory
Laying of foundation stone for our resident’s factory
Laying of foundation stone for our resident’s factory
Our events
Our events
Our events
This building details the different stages in which the project was developed.

From the top of this structure opens up an excellent view of the whole area.
ART RIVER is the culture center of the STUPINO QUADRAT. The future art cluster is planned to be erected near village Petrovo, on the magnificent warp of the Kashirka river.

Key elements of the cluster:

- Culture center, including the watchtower, Info center with sales office, children club and cafe.
- Art-residence with houses for artists, mini hotel and workshops.
- Territory for organizing festivals, with the summer camping spot.
- Eco-farm, for breeding organic products, with farmers, supporting infrastructure and cafe – restaurant.
- All-year cultural activity of the cluster residents may enable vivid and authentic center of cultural gravity for the industrial district and the whole Moscow region.
FESTIVAL TERRITORY

Festival place

Summer cafe

Open air exhibition
ECO FARM

Through
Greenhouse
Bakery, shops

Mini eco hotel
Stables
House for support staff

Warehouse for products and equipment
**10 reasons to invest in STUPINO QUADRAT**

<table>
<thead>
<tr>
<th>Good social infrastructure</th>
<th>Special economic zone</th>
<th>Excellent location</th>
</tr>
</thead>
</table>
| High-comfort living spaces, medical and educational facilities, sports, entertainment and cultural opportunities | - Tax benefits  
- Customs benefits  
- «Single window»: range of state services in one place | Close to Moscow, huge workforce and R&D resources, main product markets and transport hubs |

<table>
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<tr>
<th>Utilities included</th>
<th>Best investment climate</th>
<th>Unique service offering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive and flexible land prices including utility limits</td>
<td>Fast document processing, region's government support</td>
<td>Professional management company with the widest range of services on the Russian market</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Full energy supply</th>
<th>Turn-key / financing solutions</th>
<th>Verified by investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing hook-up points for electricity, gas and water</td>
<td>Full range of services for greenfield projects from pure land plot purchase (with optional services to choose) up to low risk turn-key solutions</td>
<td>33+ major international brands as established residents of Stupino District</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reputable Developer</th>
<th></th>
</tr>
</thead>
</table>
| Shareholders of GDP Quadrat:  
- MR Group LLC with 10-yrs market experience, 20 real estate projects and 5 million sqm portfolio  
- Ekaterina Evdokimova with 10-years experience as Head of Russia Desk and Partner with an international law firm in Germany | |
Making investments happen by making investors happy®

SEZ STUPINO QUADRAT
DEVELOPED BY GDP QUADRAT

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