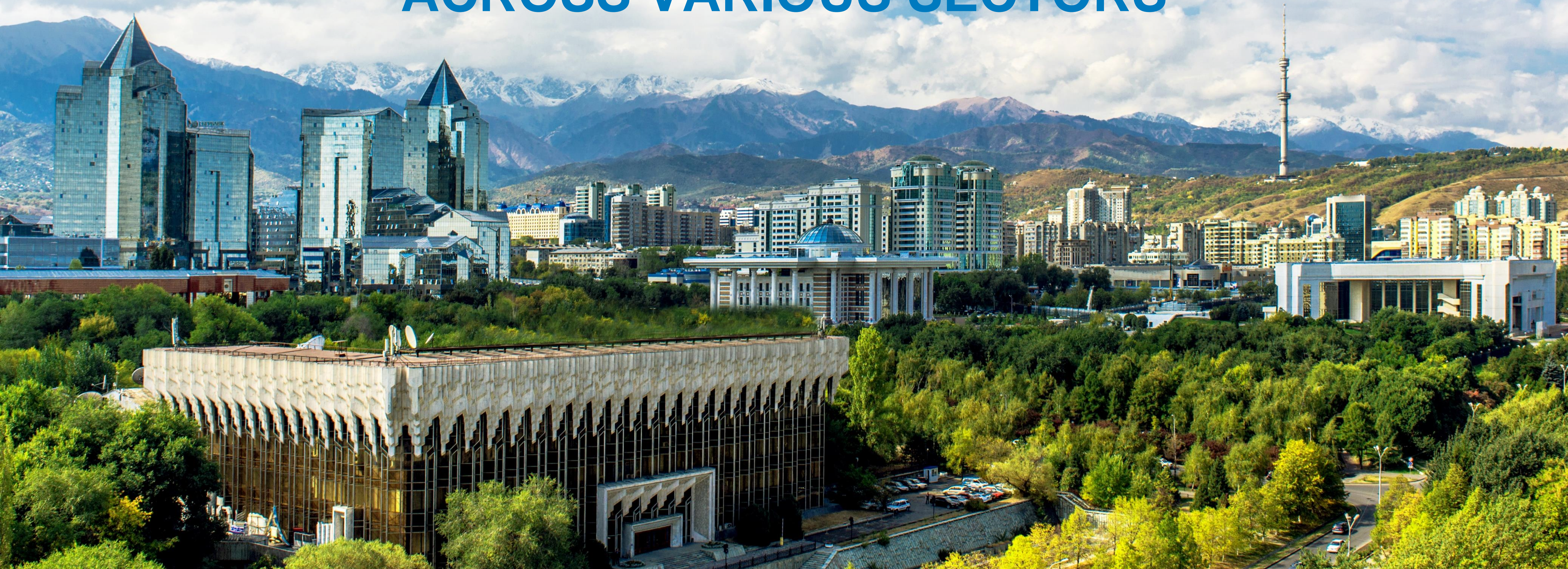


INVESTMENT OPPORTUNITIES OF KAZAKHSTAN ACROSS VARIOUS SECTORS



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THE LAND OF GREAT OPPORTUNITIES

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WHY KAZAKHSTAN?

KAZAKHSTAN IS A COUNTRY WITH RICH RESOURCES

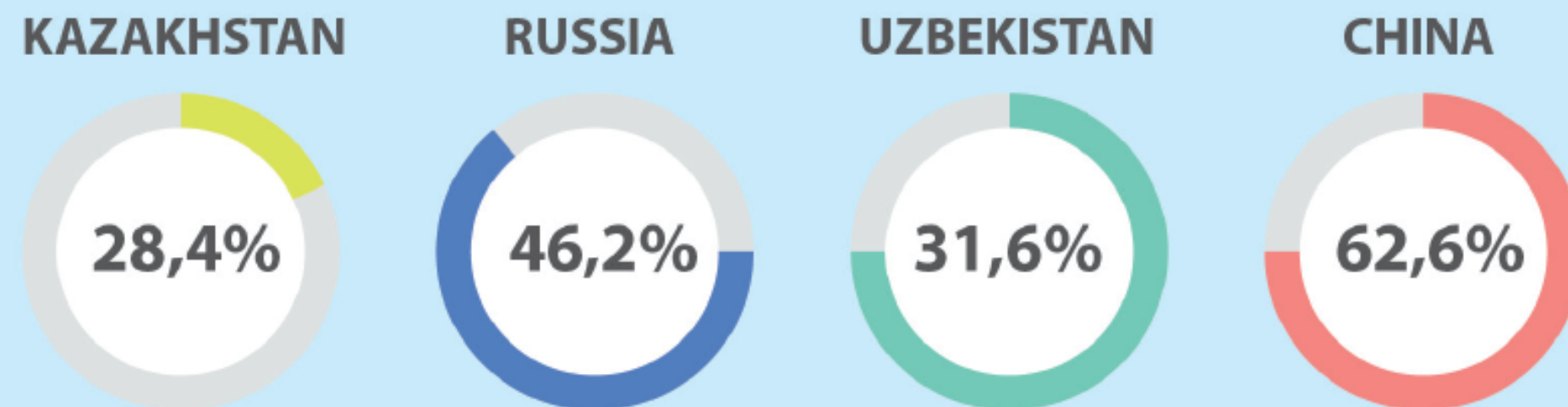
ALMOST ALL ELEMENTS OF MENDELEEV'S PERIODIC TABLE CAN BE MET IN KAZAKHSTAN

THE COUNTRY IS A WORLD LEADER



FAVORABLE TAX REGIME

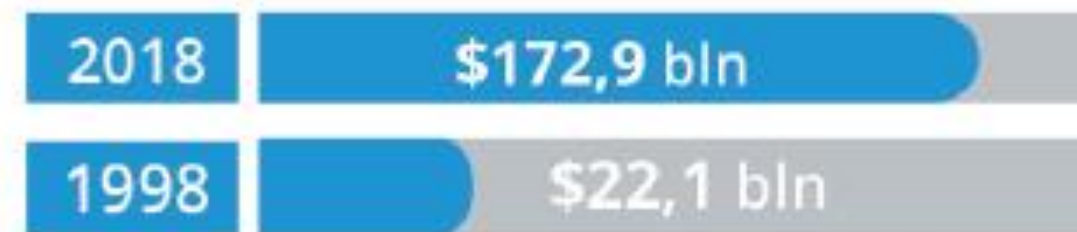
TOTAL TAX AND SOCIAL SECURITY RATE
(DOING BUSINESS 2020 IN CATEGORY - PAYING TAXES)



ECONOMIC ACHIEVEMENTS OF KAZAKHSTAN OVER 20 YEARS

GDP INCREASED 8 TIMES

From \$22,1 in 1998 to \$172,9 bln in 2018



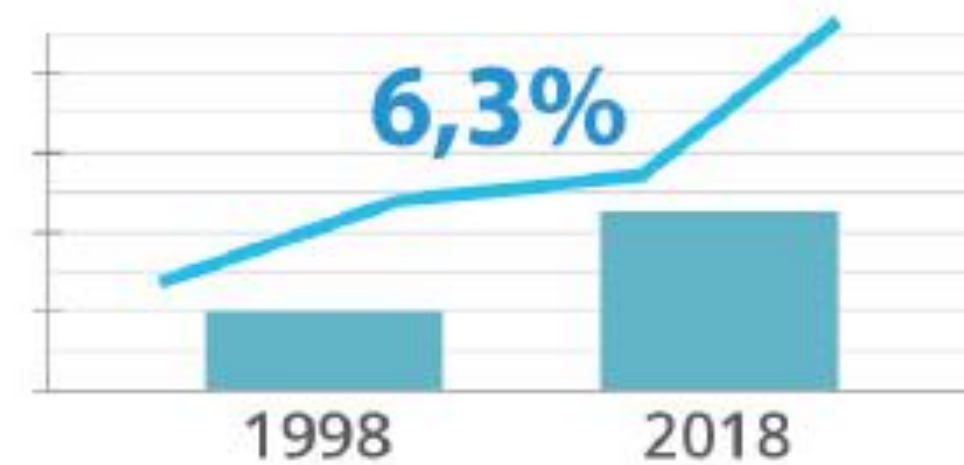
AVERAGE VOLUME OF GDP INCREASED 6,5 TIMES

From \$ 1,5 ths in 1998 to \$ 9,5 ths in 2018



AVERAGE REAL GROWTH OF GDP BY 6,3%

In period from 1998 to 2018



THE VOLUME OF EXPORT INCREASED BY 26 %

From \$ 48,5 bln in 2017 to \$ 61,1 bln in 2018

29th place in the world on human capital development index

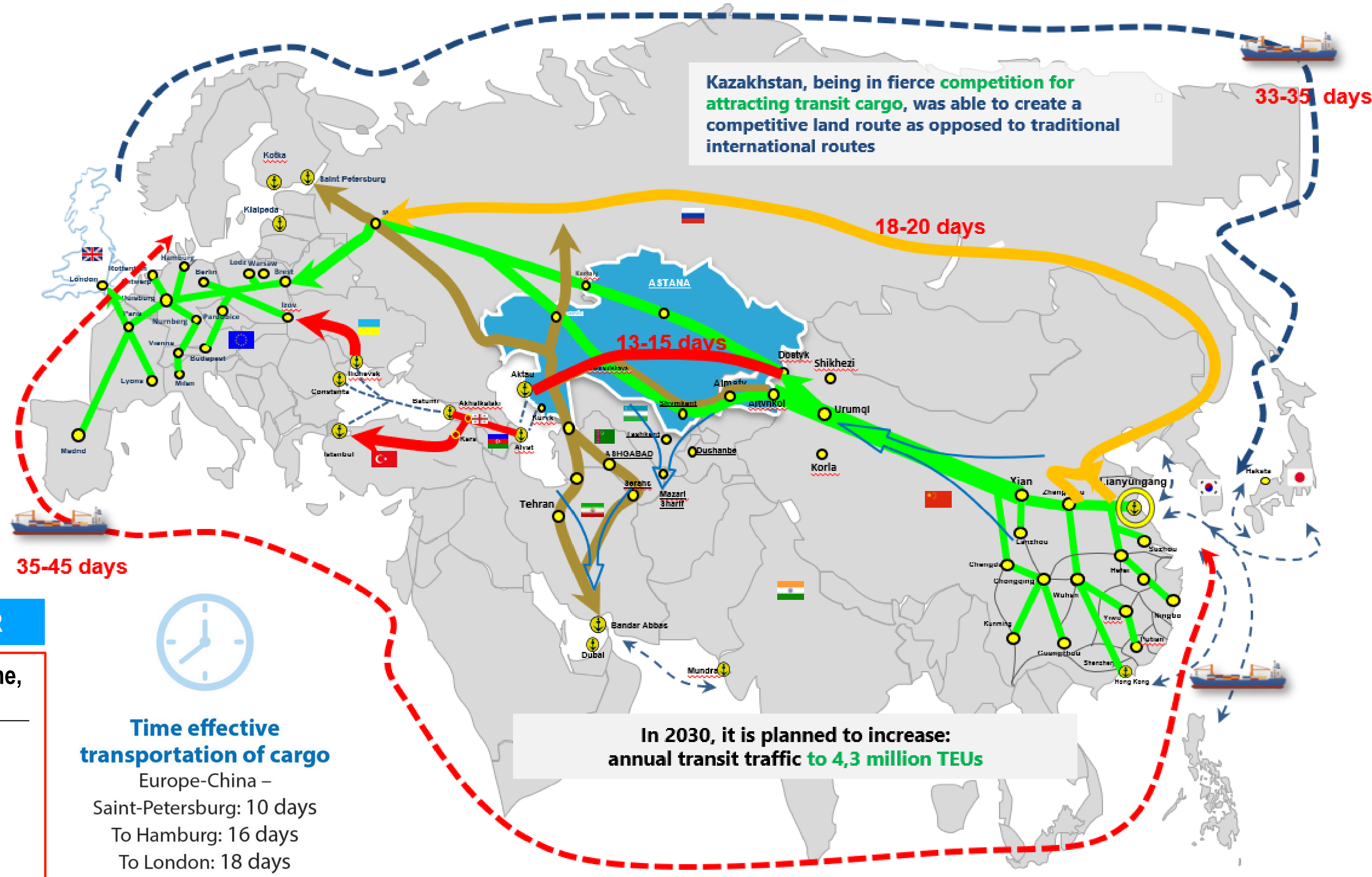
Cheap and reasonable

Qualified staff
Monthly salary
\$416 Kazakhstan \$548 Russia \$701 China

Simplified

employment procedure
Non-visa regime for citizens from more than 65 countries includes all OECD member-countries

STRATEGIC LOCATION



New state infrastructure program Nurly Zhol with 112 investment projects \$13 billion by 2025

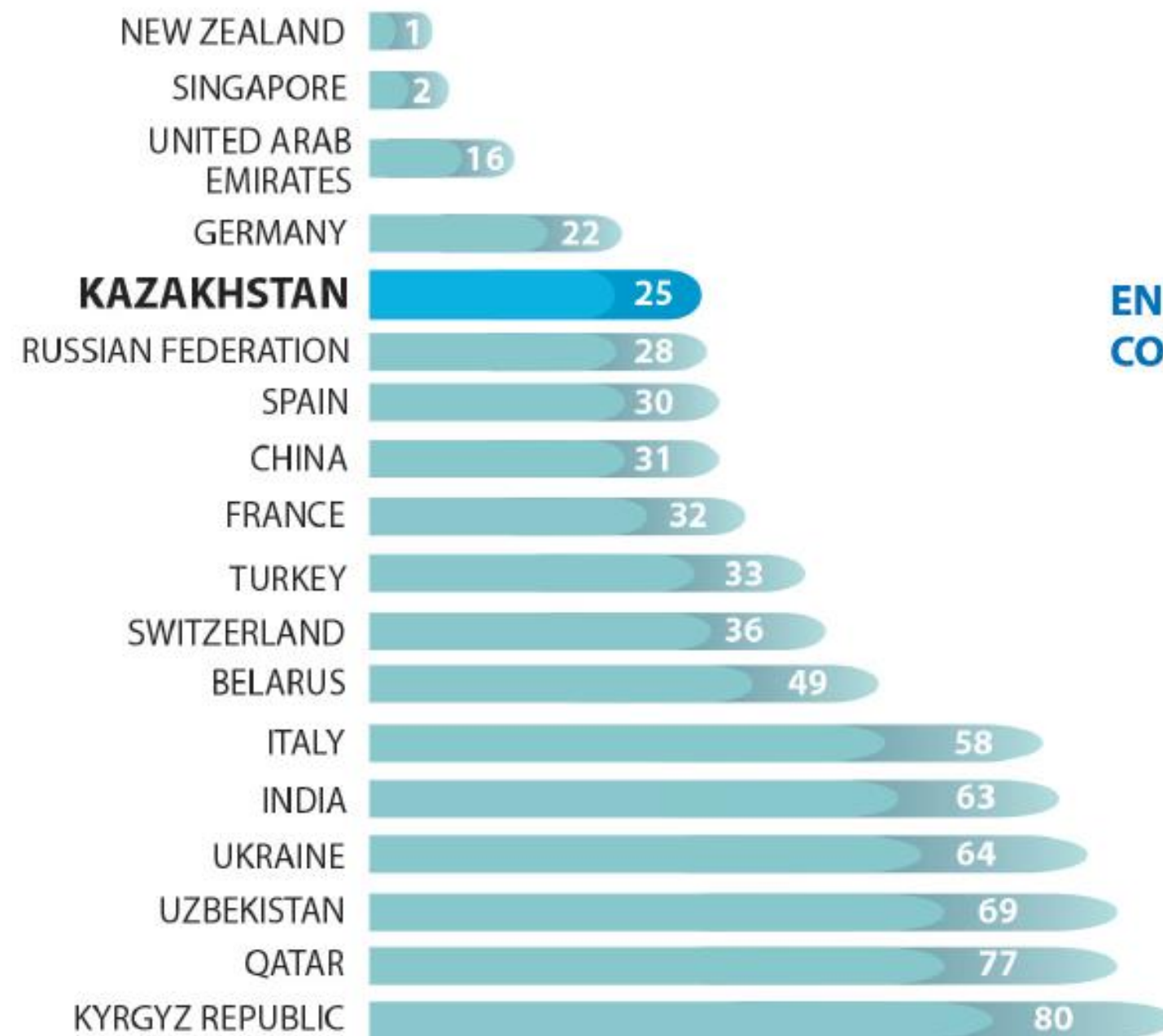
ROLE OF KAZAKHSTAN IN THE NEW LAND-SEA CORRIDOR

Routes	Distance, km	Travel time, days
Through Kazakhstan	9-10 ths.	13-15
Trans Siberian route	11-12 ths	18-20
The Northern Sea Route	14 -15 ths.	33-35
South Sea Route	23 000 ths.	45-60

INVESTMENT CLIMATE

1 FAVORABLE INVESTMENT CLIMATE

KAZAKHSTAN TAKES THE 25TH PLACE IN FLAGSHIP RATING OF WORLD BANK IN DOING BUSINESS (OUT OF 190) AND RANKS AMONG COUNTRIES WITH DEVELOPED ECONOMY



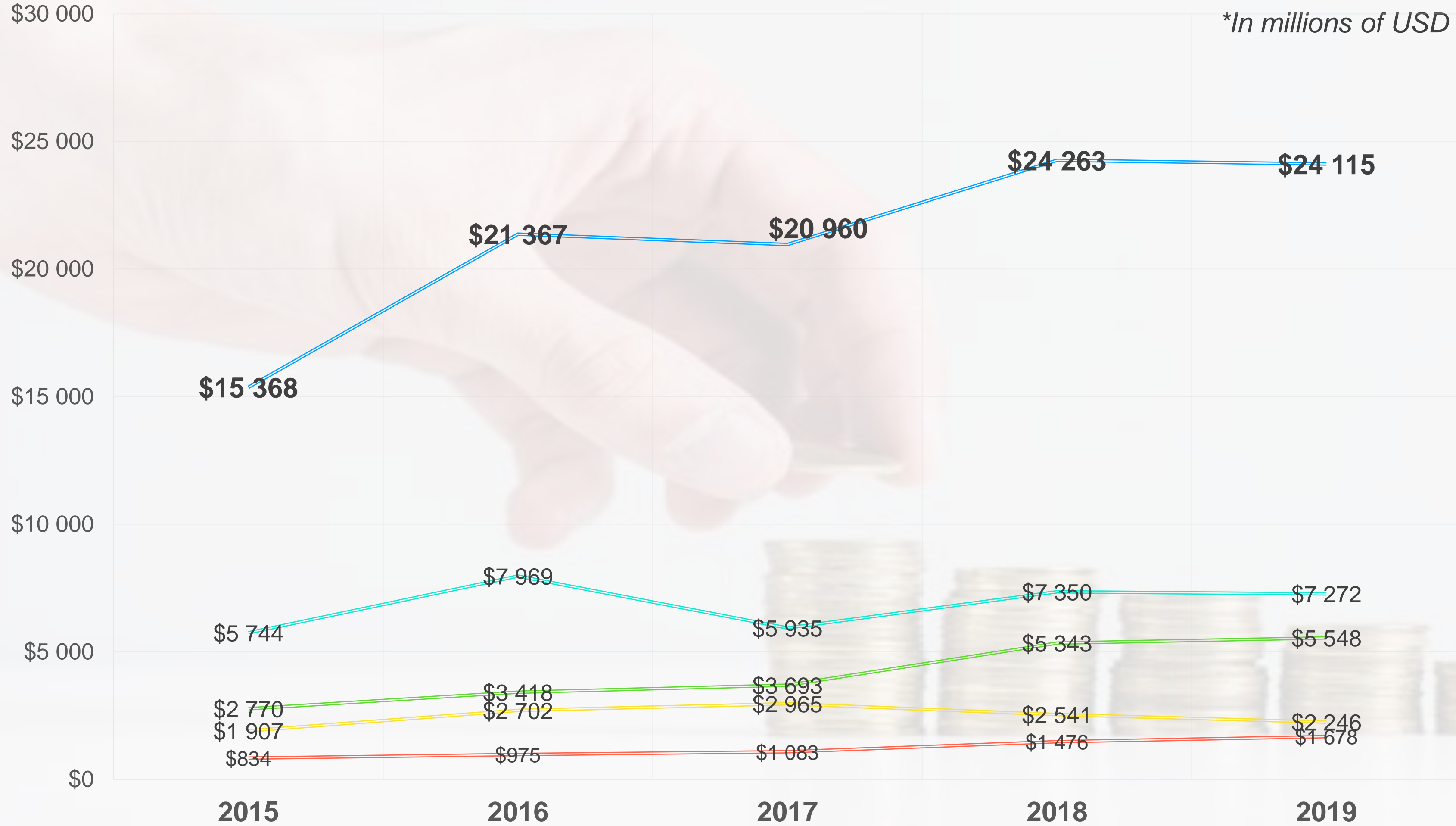
Source: World Bank, Doing Business – 2020



FOREIGN DIRECT INVESTMENTS IN KAZAKHSTAN

VOLUME OF FDI TO KAZAKHSTAN

— Total FDI — Netherlands — USA — Switzerland — China



Top 10 Investor Countries:

-  Netherlands
-  USA
-  Switzerland
-  China
-  France
-  Russia
-  Belgium
-  UK
-  Turkey
-  Japan

TOTAL: \$350 BILLION



MULTINATIONAL INVESTORS IN KAZAKHSTAN

<p><u>Oil and Gas:</u></p> <ul style="list-style-type: none"> ▪ Chevron (USA) ▪ ExxonMobil (USA) ▪ Royal Dutch Shell (UK-Netherlands) ▪ ENI (Italy) ▪ Total (France) ▪ CNPC (China) ▪ Lukoil (Russia) ▪ Inpex (Japan) ▪ Halliburton (USA) ▪ Schlumberger (USA) ▪ Baker Hughes (USA) ▪ Fluor (USA) 	<p><u>Agriculture and Food:</u></p> <ul style="list-style-type: none"> ▪ Tyson Foods (USA) ▪ Valmont Industries (USA) ▪ Coca Cola Company (USA) ▪ Philip Morris (USA) ▪ Lactalis (France) ▪ Danone (France) ▪ Lotte (South Korea) ▪ JTI (Japan) ▪ Efes (Turkey) ▪ Carlsberg (Sweden) 	<p><u>Mechanical Engineering:</u></p> <ul style="list-style-type: none"> ▪ General Electric (USA) ▪ Airbus Group (EU) ▪ Claas (Germany) ▪ Wilo (Germany) ▪ Alstom (France) ▪ Marubeni (Japan) 	<p><u>Chemical and Petrochem:</u></p> <ul style="list-style-type: none"> ▪ DuPont (USA) ▪ BASF (Germany) ▪ Linde Group (Germany) ▪ EuroChem (Switzerland) ▪ Air Liquide (France)
<p><u>Mining and Metallurgy:</u></p> <ul style="list-style-type: none"> ▪ Cameco (Canada) ▪ Rio Tinto (UK) ▪ Glencore (Switzerland) ▪ ArcelorMittal (Luxemburg) ▪ Polymetal (Russia) 	<p><u>Automotive:</u></p> <ul style="list-style-type: none"> ▪ Chevrolet (USA) ▪ Mitsubishi (Japan) ▪ Hyundai (South Korea) ▪ Kia (South Korea) ▪ Kamaz (Russia) 	<p><u>Retail:</u></p> <ul style="list-style-type: none"> ▪ METRO (Germany) ▪ Leroy Merlin (France) 	<p><u>Construction materials:</u></p> <ul style="list-style-type: none"> ▪ HeidelbergCement (Germany) ▪ Knauf (Germany) ▪ Vicat (France)
	<p><u>Information Technology:</u></p> <ul style="list-style-type: none"> ▪ Cisco (USA) ▪ Honeywell (USA) 	<p><u>Infrastructure & Transport:</u></p> <ul style="list-style-type: none"> ▪ Aecom (USA) ▪ Nippon Express (Japan) ▪ Sembol (Turkey) 	<p><u>Consulting and Accounting:</u></p> <ul style="list-style-type: none"> ▪ McKinsey & Co (USA) ▪ BCG (USA) ▪ Morgan Lewis (USA) ▪ PwC (UK) ▪ Deloitte (UK) ▪ Ernst & Young (UK) ▪ RSM (UK) ▪ KPMG (Netherlands)

...and other investors



INVESTOR'S RIGHTS PROTECTION



Foreign Investors' Council chaired by the President of the Republic of Kazakhstan



Coordination Council chaired by the Prime Minister of the Republic of Kazakhstan



Council on Improvement of Investment Climate under the Government



The Court of the Astana International Financial Centre and **International Arbitration Center** – the Common Law court system



The specialized judicial board of **the Supreme Court** and **the Court of Nur-Sultan city** for investment dispute resolution



Investment Ombudsman – the Prime Minister of the Republic of Kazakhstan



SUPPORT BY KAZAKH INVEST



KAZAKH INVEST

NATIONAL COMPANY



Unified negotiator

on behalf of the
Government



“One-stop shop”

for investors in
Kazakhstan



Trusted experts

with local
knowledge and
industry expertise



**Network of
representatives**

abroad and in all
regions of Kazakhstan

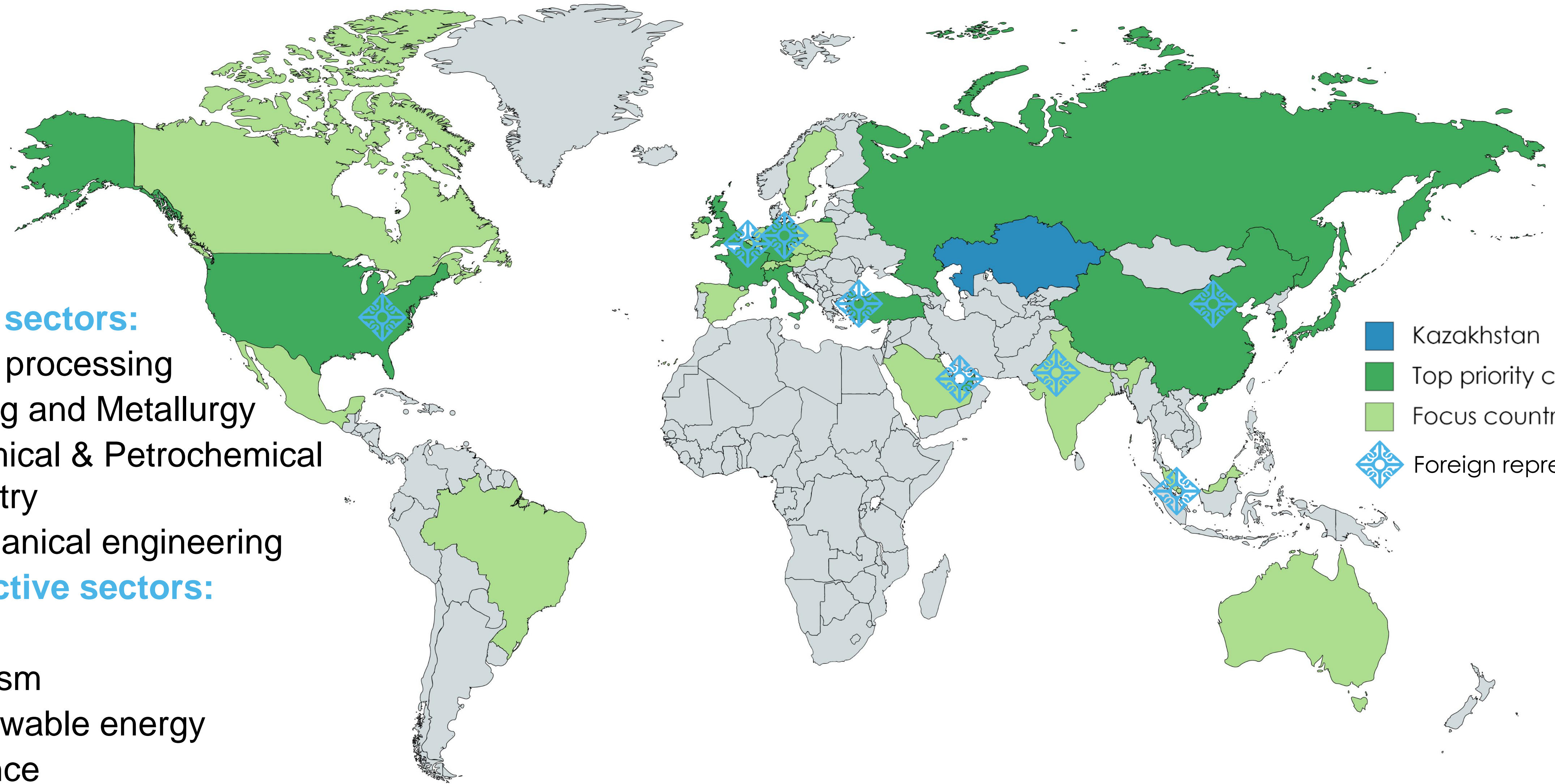






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COUNTRIES AND INDUSTRIES



-  Kazakhstan
-  Top priority countries
-  Focus countries
-  Foreign representatives

Priority sectors:

- ✓ Food processing
- ✓ Mining and Metallurgy
- ✓ Chemical & Petrochemical industry
- ✓ Mechanical engineering

Prospective sectors:

- ✓ ICT
- ✓ Tourism
- ✓ Renewable energy
- ✓ Finance

INVESTMENT PROJECT PROPOSALS

More than **100 investment proposals**
in the priority sectors



Agribusiness



**Mining and
Metallurgy**



**Chemical and
Petrochemical
Industry**



**Transportation,
Logistics and
Infrastructure**



Tourism



Others



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AGRIBUSINESS PROJECT PROPOSALS



- Construction of a soybean processing plant – **\$32M**
- Production of flax oil – **\$20M**
- Production of sunflower oil – **\$114M**
- Development of the production of vegetable oils – **\$12M**



- Modernization of the starch plant for the production of citric acid – **\$22M**



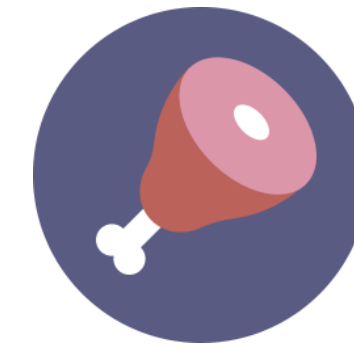
- Construction of a plant for the production of non-alcoholic products, concentrates and puree – **\$27M**
- Expansion of intensive apple orchards in the Almaty region – **\$7M**



- Production of potato starch – **\$45M**
- Sugar beet plant expansion and automation – **\$51M**



- Expansion of a greenhouse complex – **\$26M**
- Construction of greenhouse in Pavlodar oblast – **\$22M**
- Expansion of greenhouse up to 40 ha in Almaty region – **\$118M**



- Mixed crop-livestock cattle farming complex – **\$35M**
- Construction of feedlot and meat processing plant in West Kazakhstan – **\$17M**
- Small cattle mixed farming in Aktobe region – **\$33M**
- Organization of an integrated farm for the breeding of small cattle (sheep) – **\$20M**



- Organization of a genetic selection center in Almaty region – **\$27M**
- Mixed crop-livestock cattle farming complex – **\$35M**
- Reconstruction of the pig breeding farm – **\$28M**



- Expansion of a poultry meat production – **\$329M**
- Construction of a broiler poultry farm – **\$34M**

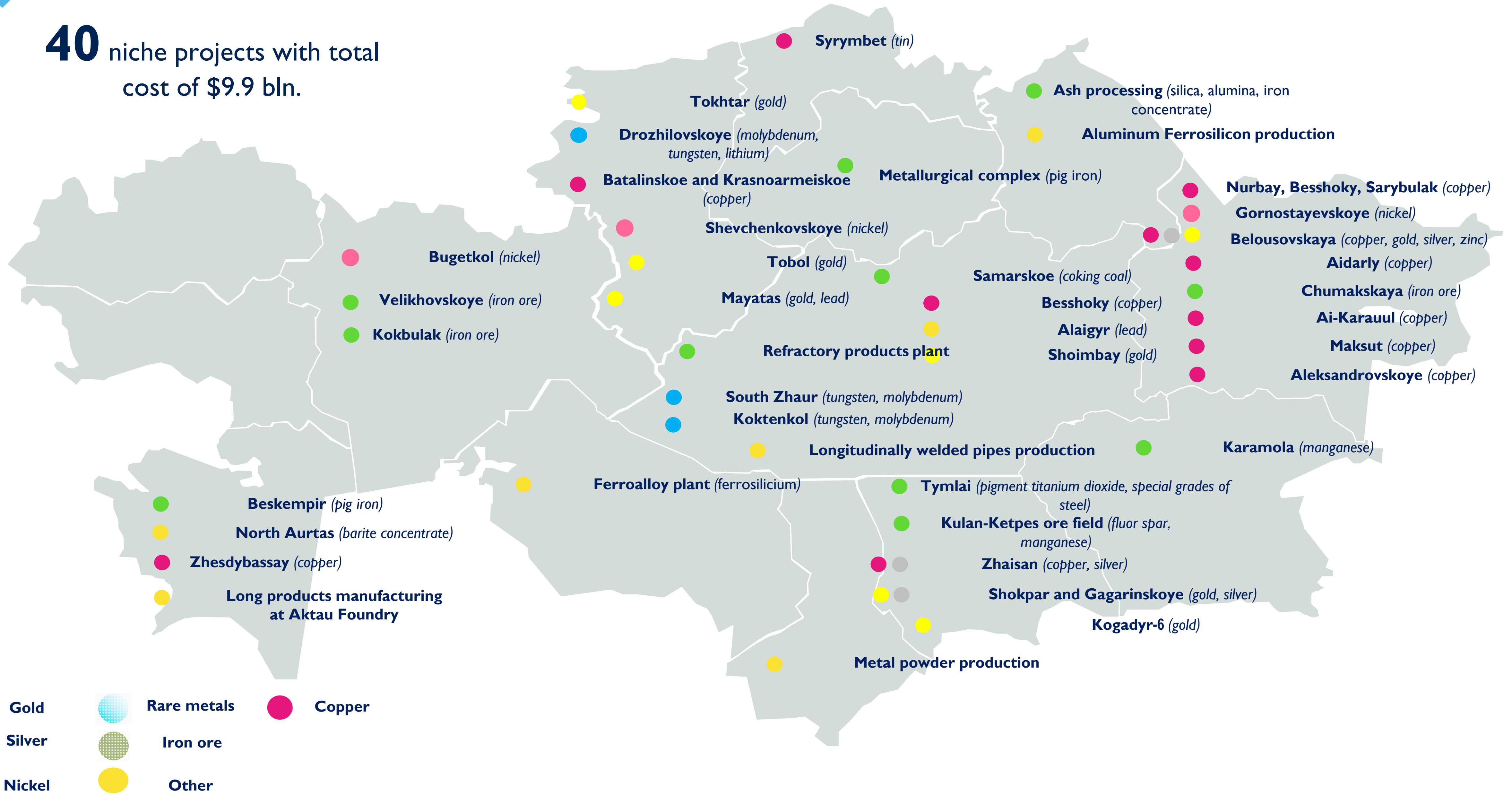


- Complex for the breeding and incubation of fish, the production of fish and related products – **\$18M**
- Construction of a complex for breeding and incubating commercial sturgeon and beluga – **\$11M**





40 niche projects with total cost of \$9.9 bln.



INVESTMENT INCENTIVES

13 Special Economic Zones

24 Industrial Zones

Investment Contract



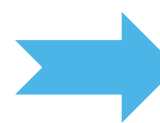
Corporate income tax



Land tax,
VAT



Property tax



Customs duties



Land plot



Ready infrastructure on “plug-and-play”
basis



Simplified procedure for foreign labor
employment

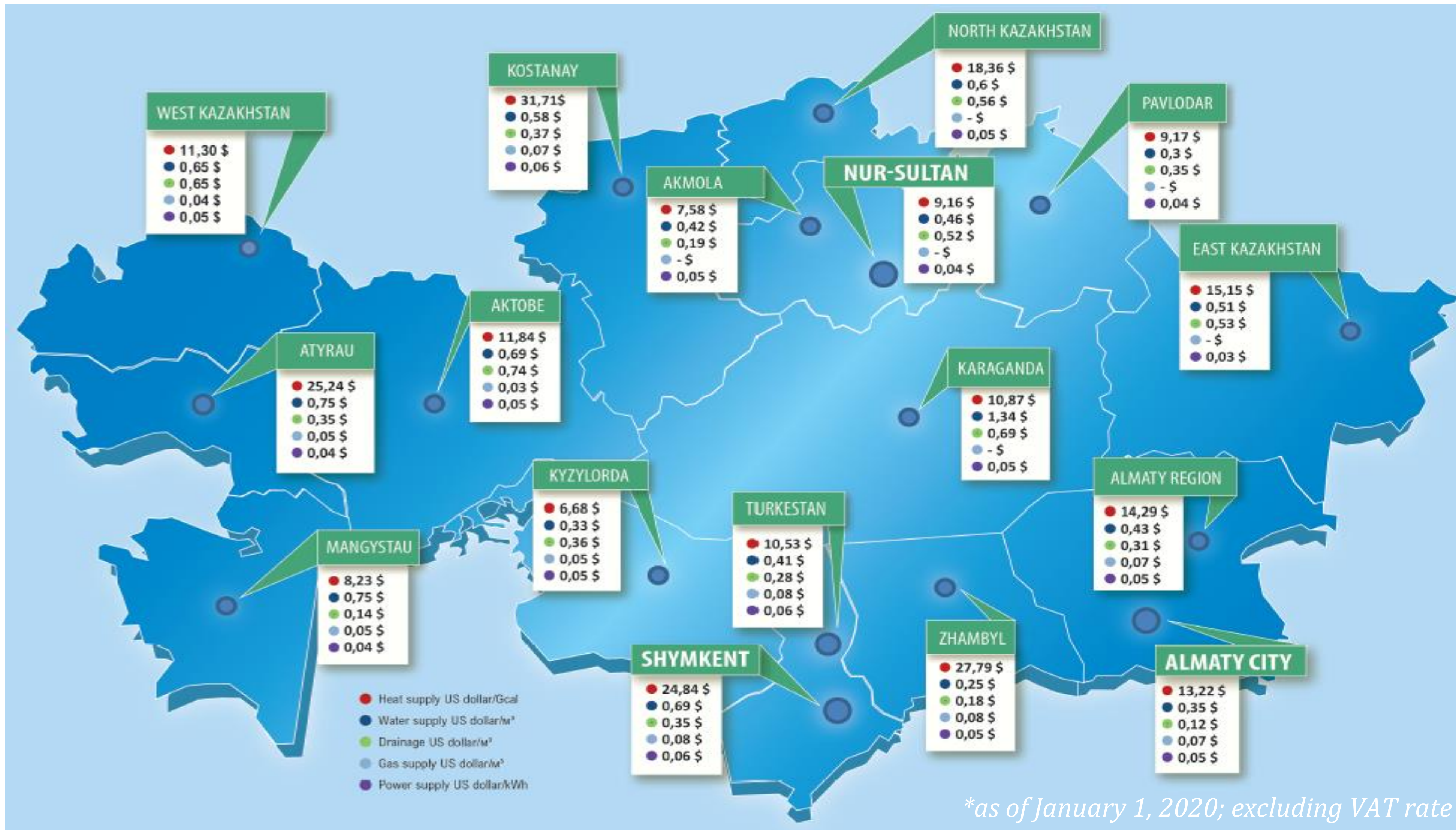
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COST OF UTILITIES IN THE REGIONS OF KAZAKHSTAN



*as of January 1, 2020; excluding VAT rate



Kazakhstan is № 1 in the Central Asia in connection to Internet (Global Digital Report for 2018)

Over 14 million population of Kazakhstan citizens regularly use Internet, coverage area is 77%



Housing construction

By 2020 it will reach 10 694 ths sq.m.



Kazakhstan has 24 airports, Nur-Sultan airport has communication with 21 states in 39 routes. From the capital of Kazakhstan there are flights to such international financial centers as Frankfurt, London, Dubai, Paris, Beijing, Moscow, Tokyo, Seoul



The length of railways in Kazakhstan is 16 thousand kilometers, which connect Kazakhstan railway system with neighboring states



In 2018 total volume of transportation of Kazakhstan port infrastructure in the Caspian Sea exceeded 5,2 mln tons



The length of roads is 96 ths km



PROJECT FINANCE OPPORTUNITIES

More than **20 financial institutions** with **government participation** for financing of the **priority sectors in Kazakhstan**, including:



Kazakhstan Investment Development Fund
(equity financing for investment projects with foreign participation)



Development Bank of Kazakhstan

Development Bank of Kazakhstan
(debt financing for investment projects, project financing, lending for export operations, leasing financing)



SAMRUK KAZYNA INVEST

Samruk-Kazyna Invest
(investment in fixed assets)



KAZYNA CAPITAL MANAGEMENT

Kazyna Capital Management
(private equity development)



QAZTECH VENTURES

QazTechVentures
(venture financing, export support)

There are multiple opportunities for obtaining finance from **international financial institutions** working with Kazakhstan, including:



THE WORLD BANK



European Bank
for Reconstruction and Development



Astana International Financial Centre



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