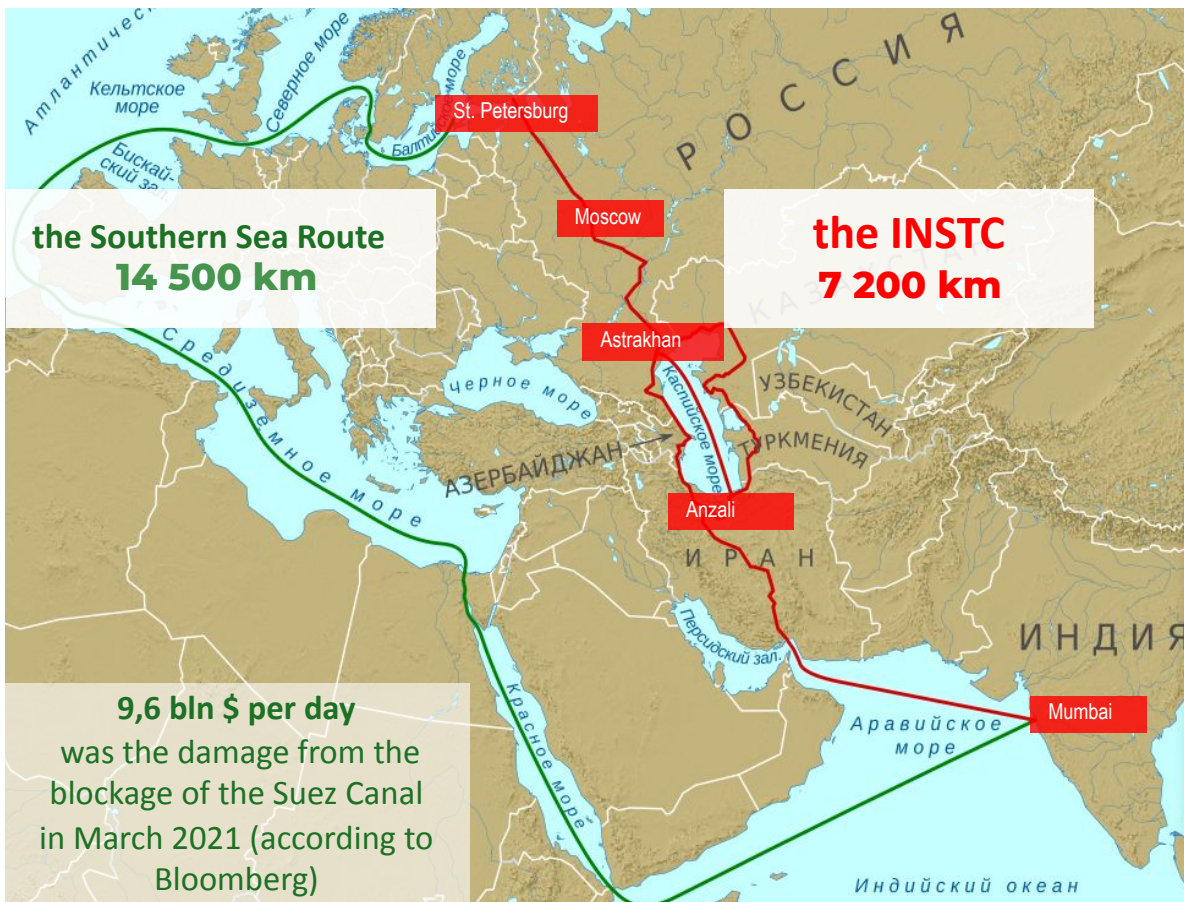


The Astrakhan Region Caspian Cluster of Special Economic Zones



2023



"We support the **INSTC** project. Its launch will make it possible to deliver goods **2.5 times faster** than today - **up to 25 million tons annually** from European countries via Iran to the Near East and Middle East as well as South Asia".

(President of the Russian Federation V.V. Putin, at the Fifth Caspian Summit, 12.08.2018.)



AGREEMENT ON INTERNATIONAL NORTH-SOUTH TRANSPORT CORRIDOR of September 12, 2000.

CONVENTION ON THE LEGAL STATUS OF THE CASPIAN SEA of August 12, 2018.

ORDER OF THE PRESIDENT OF THE RUSSIAN FEDERATION "ON THE NATIONAL GOALS AND STRATEGIC OBJECTIVES FOR THE DEVELOPMENT OF THE RUSSIAN FEDERATION"

INSTRUCTIONS OF THE PRESIDENT OF THE RUSSIAN FEDERATION on the socio-economic development of the Astrakhan Region: Pr-2314 of 11.12.2018, Pr-1002 of 6.06.2019.

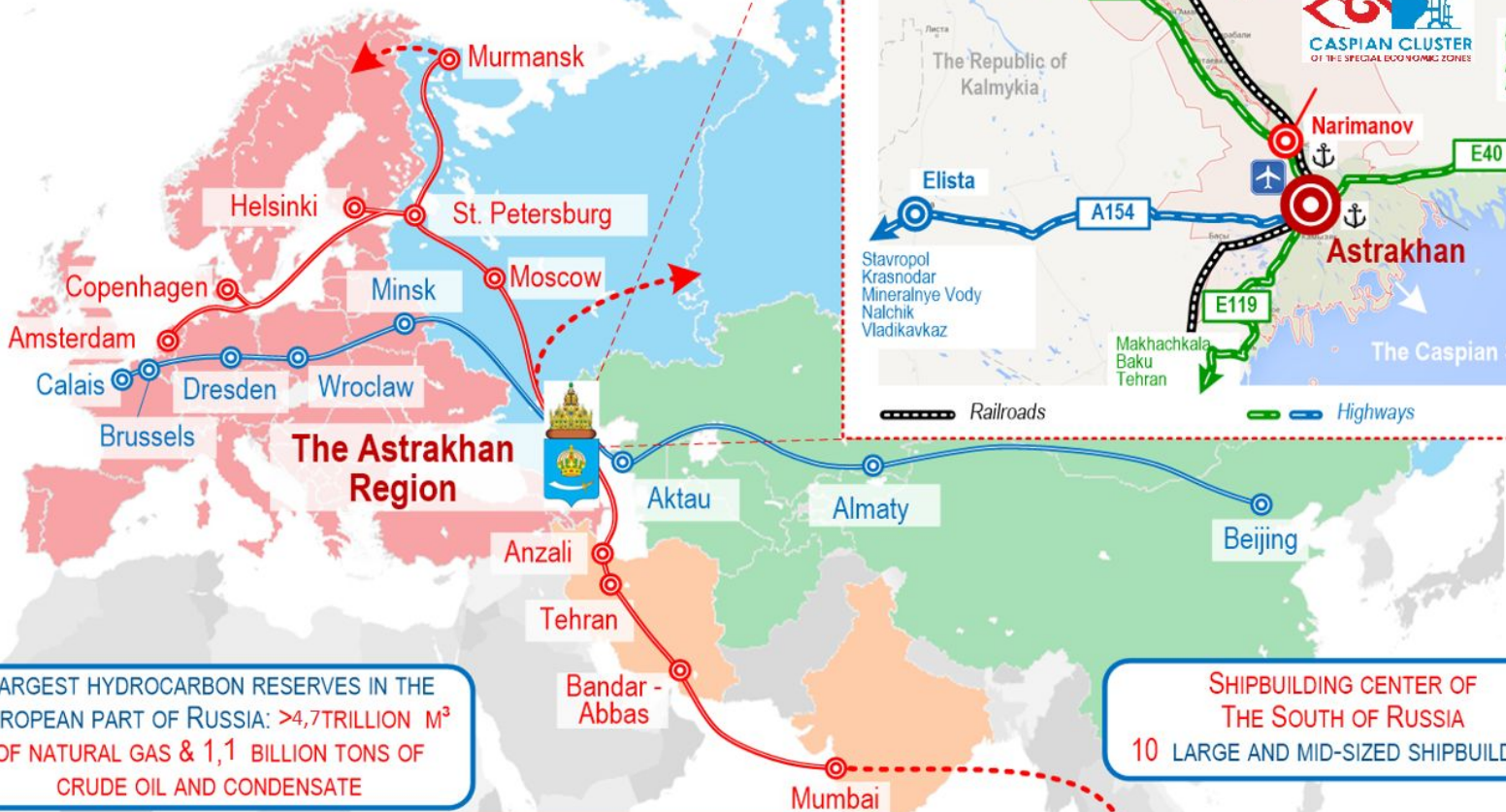
SET OF MEASURES TO DEVELOP THE INSTC TRANSIT POTENTIAL

STRATEGY FOR THE DEVELOPMENT OF RUSSIAN SEA PORTS IN THE CASPIAN BASIN, RAILWAY AND ROAD APPROACHES TO THEM until 2030.



Astrakhan Region is a major centre for the development of Russia's industrial, oil and gas and logistics projects on the International North-South Transport Corridor (INSTC)

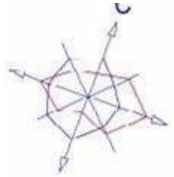
AREA OF THE ASTRAKHAN REGION – 52900 KM²
 POPULATION – 1 MLN PEOPLE
 GRP – 662 BLN RUB.
 INDUSTRIAL PRODUCTION INDEX (2022) – 116,2%



LARGEST HYDROCARBON RESERVES IN THE EUROPEAN PART OF RUSSIA: >4,7 TRILLION M³ OF NATURAL GAS & 1,1 BILLION TONS OF CRUDE OIL AND CONDENSATE

SHIPBUILDING CENTER OF THE SOUTH OF RUSSIA
 10 LARGE AND MID-SIZED SHIPBUILDERS

THE ASTRAKHAN REGION IS AN OPPORTUNITY TO PARTICIPATE IN EURASIAN INTERNATIONAL TRANSPORTATION ROUTES, PROXIMITY TO THE STATES WHICH ARE THE MAJOR PARTICIPANTS OF THE CASPIAN OILFIELD DEVELOPMENT PROJECTS



The Resolution of the Astrakhan Region Government of 06.04.2015

№123-Р "On Establishment of SEZ Lotus PJSC

Functions of the management company:

- Infrastructure construction and its functioning;
- Attracting tenants and other investors to SEZ;
- SEZ area design;

SEZ Lotus was established according to the Decree of the Russian Federation Government N 1214 of November 18, 2014

991 ha

SEZ total area

630 ha

Area of the land plots for tenants

>30

Infrastructure facilities have already been built and commissioned

1.4 bln

Confirmed infrastructure financing

SEZ Lotus Main Areas of Activity and Company's Performance



14
Tenants



27 bln rubles
Investment Portfolio



> 1400
New workplaces



> 3,6 bln rubles
Investments Made



SHIPBUILDING AND PRODUCTION OF COMPONENTS




- ⊙ Production of ship systems
- ⊙ Production of shipboard equipment
- ⊙ Production of shipbuilding components

PRODUCTION OF OIL&GAS EQUIPMENT AND COMPONENTS



- ⊙ Production of oil&gas and drilling equipment
- ⊙ Production of components for oil&gas equipment

HI-TECH INDUSTRIAL PRODUCTION



- ⊙ Mechanical engineering
- ⊙ Production of crane equipment
- ⊙ Production of polymers
- ⊙ Medicine and pharmacology



A PORT SPECIAL ECONOMIC ZONE RESIDENT HAS A RIGHT TO CARRY OUT **PORT ACTIVITIES AND (OR) CONSTRUCTION, RECONSTRUCTION AND OPERATION OF PORT INFRASTRUCTURE FACILITIES**

The port activity includes the following activities performed in a port:

- ⑥ **goods warehousing, storage and other service typically rendered in a sea port, river port, airport according to the international contracts of the Russian Federation and the Russian Federation legislation;**
- ⑥ **provision (including with marine stores, board supplies) and equipment of vessels, aircraft;**
- ⑥ **production, repair, maintenance, modernization of sea-going, river and aircraft, aerotechnics, including aviation engines and other components;**
- ⑥ **water biological resources processing;**
- ⑥ **preparation operations of goods for sale and transportation (packing, sorting, repacking, lot dividing, marking and similar operations);**
- ⑥ **simple assembly and other operations, execution of which does not considerably change goods condition according to the list approved by the Russian Federation Government;**
- ⑥ **exchange trade in goods;**
- ⑥ **wholesale trade in goods;**
- ⑥ **provision of port special economic zone infrastructure facilities functioning;**
- ⑥ **production activity according to the port special economic zone activity agreement.**

The anchor tenant

Port and Logistics Company Caspiy LLC

The project of constructing a modern port with a container terminal is implemented jointly with foreign partners

More than 27 bln rubles of private investments

Hamburg Port Consulting estimated the potential port's cargo turnover at 19 million tons by 2050

Tenant

AgroTerminalCaspiy LLC

The project of construction of a modern terminal for storage and shipment of grain and vegetable oil



TAX BENEFITS

VAT

~~20%~~ **0%** works (services) in the port special economic zone are not subject to taxation

INCOME TAX*

~~20%~~ **2%** for 10 years starting from the moment of profit-making. After this period the income tax is 10%

PROPERTY TAX*

~~2,2%~~ **0%** for 10 years starting from the date of registration of the property rights

LAND TAX*

~~1,5%~~ **0%** for 5 years starting from the date of registration of the land plot property rights

TRANSPORT TAX*

~~UP TO 2,5 EURO FOR 1 HP~~ **0%** for 12 years starting from the date of vehicle registration



* the taxation conditions are taken from the laws applicable to the existing industrial production SEZ Lotus and will be defined for the port SEZ in the nearest future

CUSTOMS PREFERENCES

IMPORT CHARGE

~~ACCORDING TO LAWS~~ **0%** foreign goods (raw materials, equipment, spare parts)

VAT FOR IMPORT

~~20%~~ **0%** foreign goods (raw materials, equipment, spare parts)

EXPORT CHARGE

0% outside the territory of the Customs Union (Russia, Kazakhstan, Belarus)

VAT FOR EXPORT

0% outside the territory of the Customs Union (Russia, Kazakhstan, Belarus, Armenia, Kyrgyzstan)

DURATION OF CUSTOMS REGISTRATION

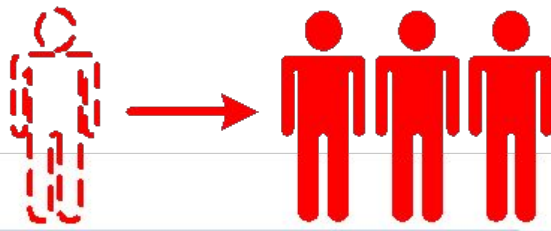
~~72 HOURS~~ **3 HOURS**

GOODS IMPORTED ON THE TERRITORY OF THE PORT SEZ ARE CONSIDERED TO BE PLACED UNDER THE FREE CUSTOMS ZONE PROCEDURE FROM THE DATE OF THEIR IMPORT

SEZ "LOTUS" RESIDENTS ARE SUPPLIED WITH TECHNICAL CONDITIONS ON ENGINEERING INFRASTRUCTURE ON THE BORDER OF THEIR LAND PLOTS

Process of Obtaining the SEZ “LOTUS” Tenant Status

THE SEZ “LOTUS” TENANTS



READINESS TO INVEST AT LEAST 120 MILLION RUB IN A PROJECT.*

- **STEP 1** — APPLICATION FOR OBTAINING A TENANT STATUS
- **STEP 2** — PREPARATION OF INVESTMENT PROJECT BUSINESS PLAN AND ALL NECESSARY DOCUMENTS
- **STEP 3** — THE BUSINESS PLAN IS CONSIDERED BY THE SUPERVISORY AND EXPERT COUNCIL
- **STEP 4** — CONCLUSION OF AGREEMENT ON PURSUIT OF INDUSTRIAL PRODUCTION ACTIVITY
- **STEP 5** — OBTAINING SEZ MEMBER COMPANY (TENANT) CERTIFICATE

STATUS OF SEZ «LOTUS» TENANT IS VALID UNTIL 2063



July 10, 2019 Meeting with the business representatives from Russia, India and Iran supported by governmental authorities, New Delhi (India)

The Iranian FEZs Anzali and Chabahar and SEZ Lotus JSC signed a cooperation agreement on developing the INSTC



June 16, 2022 St. Petersburg International Economic Forum. SEZ Lotus JSC and the Indian Business Alliance signed a cooperation agreement on the development of the INSTC

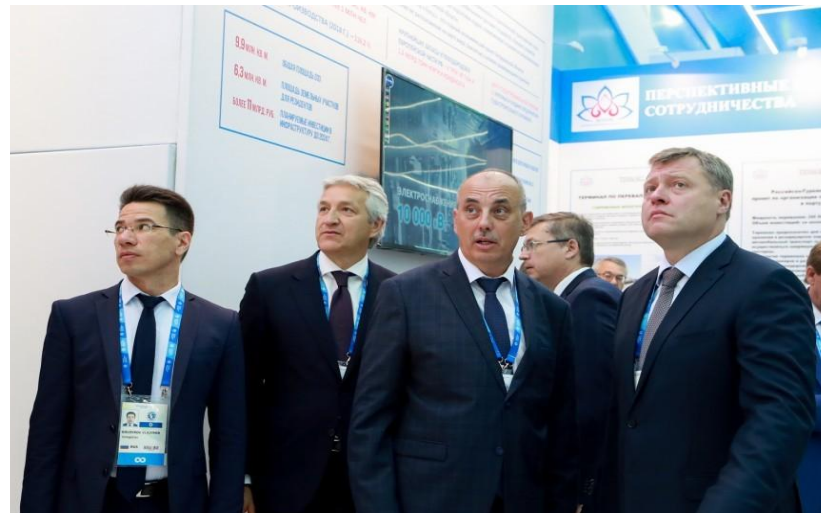


July 19, 2021. Signing of a cooperation agreement between SEZ Lotus JSC and the Iranian holding Parsian (incorporated in the largest business association of Iran - Mostazafan Foundation).

The official visit of the delegation of the Astrakhan Region, headed by Governor Igor Babushkin to Azerbaijan



Participation in the First Caspian Economic forum in Turkmenistan



Visit to SEZ "Khorgos-Eastern Gate" (Kazakhstan), signing of agreement on cooperation



Signing of cooperation agreement and memorandum of intent to establish a Logistics Centre of Turkmenistan in the Port SEZ



Caspian Container Lines



In 2020, a test container line between ports in the Astrakhan region and the Islamic Republic of Iran was launched as part of the assignment to organize test container transportation of the set of measures to develop the transit potential of the North-South ITC

Work is underway to establish regular container shipping

The Government of the Russian Federation supported the construction of **modern dry bulk carriers**
The Southern Shipbuilding and Repair Centre (part of USC) has been contracted to build and deliver
4 multi-purpose cargo container ships

The construction is being carried out by LOTUS SEZ tenant JSC «Shipyard «Lotos»



Main technical specifications: length - 141 m, width - 16.9 m, depth - 6.3 m. Cargo hold capacity - 12,000 cubic meters, deadweight in the sea - 9,200 tons (with a draught of 5.3 m), in the river - 5,000 tons (with a draught of 3.6 m), speed - 10 knots



Welcome to SEZ Lotus!

**Joint-Stock Company
Special Economic Zone LOTUS
Director General: Sergey Milushkin
Address: Russia, the Astrakhan Region, Astrakhan
Tel. : +7 (8512) 51-32-66**

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