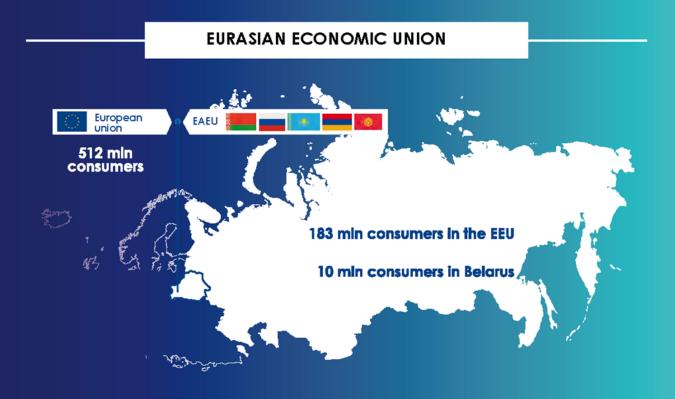


TECHNICAL RE-EQUIPMENT OF PRODUCTION FACILITIES OF OJSC BELTAPAZ IN ORDER TO EXPAND THE RANGE OF MANUFACTURED TECHNOLOGICAL EQUIPMENT

REPUBLIC OF BELARUS Business Environment



INVESTMENT LEGISLATION

agreements on avoidance of double taxation

The Republic of Belarus is a member of the Multilateral Investment Guarantee Agency

> agreements on assistance in the mutual protection of investments

Law on investment

 Protection against nationalization
 Unhindered transfer of profit (income) abroad

3. Equality and nondiscrimination of investors

VISA REGIME

In 2018, Belarus extended the visa-free stay for foreigners to 30 days. Visa-free visits are provided on condition of the entrance through the National Airport Minsk for citizens of 74 countries, including European countries, as well as Brazil, Indonesia, the United States, Japan and other countries.

ABOUT COMPANY

Open Joint Stock Company Grodno Plant of Lathe Chucks BeITAPAZ was founded in 1958. The enterprise manufactures more than 100 modifications of self-centering spiral-rack and pinion lathe chucks, processes MTZ parts, manufactures consumer goods

Products: lathe chucks, chuck spare parts, special chucks, lathe chucks

Quality standards: certificates of conformity for lathe chucks No. POCC BY.AM03.H04982 and No. POCC BY.MM03.H04778

Quality system: the quality management system for the production of lathe chucks and parts for automotive vehicles is certified in accordance with the requirements of STB ISO 9001-2015

Markets of presence:

The largest enterprises of the machine-tool and tool industry of mechanical engineering of the Russian Federation, Ukraine, Kazakhstan, Latvia, Lithuania

ABOUT PROJECT

Product description	Expansion of the range of production of self-centering lathe chucks with connecting dimensions according to DIN 6350, development and mastering the production of self-centering lathe chucks with tangential precision adjustment, creation of new types of specialized equipment for metalworking machines
Necessary equipment	 Lathes with CNC of various configurations (3 units) Special commodity CNC machines (3 units) Coordinate Measuring Machine Special CNC Grinding Machine CNC Bar Lathe Cylindrical grinding machine (2 units) Gear hobbing semiautomatic device (2 units) Surface grinding machine Special grinding machine Special grinding machine 3 Axis CNC Vertical Machining Center
Rationale for the choice of equipment	The approaches to the selection of equipment were based on the need to improve the quality of manufacturing, ensure flexibility in production, and reduce the cost of manufacturing

ABOUT PROJECT

Objectives achieved during project implementation, project efficiency:

creation of a sufficient economic and technical base for the stable operation of the enterprise;

increasing the volume of production and sales of products;

increase in the export of products; increase in wages;

re-equipment and modernization of the technological equipment park for the production of new equipment;

lower production costs

Key advantages of the project

The current volume of the domestic market is USD 2.0 million

State support (protection against imports, guaranteed government procurement)

Degree of market concentration: 95%

FINANCIAL INFORMATION

Investment size	USD 3 million
Investor participation form	Acquisition of a block of shares; additional issue of shares for sale
Terms of project implementation	December 2021 - December 2026
Market size	USD 2.0 million
Domestic market share	70%
Main competitors	"Bison-bial" (Poland), "Griff" (China)
ИНФРАСТРУКТУРА	
Circuit	380/220V
Water pipes	there is
Land plot	total area: 71,912.61 sq.m.
Building	industrial: 29 493 sq.m. warehouses

EAEU TECHNOLOGICAL EQUIPMENT MARKET IN 2019

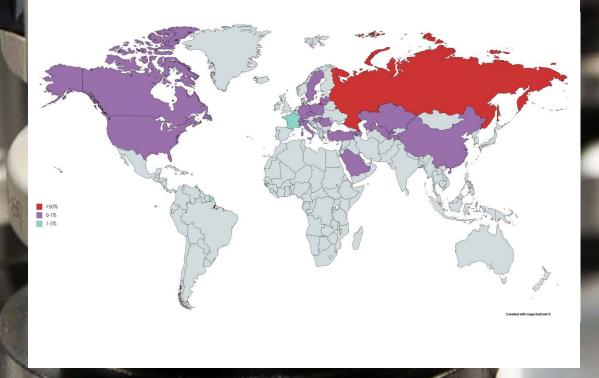
The import of technological equipment to the EAEU countries demonstrates a multiple excess over export from third countries both in physical terms and in value.

According to the International Trade Center (ITC), the Russian Federation (specific weight 90.7%) was the main export direction for technological tooling from the Republic of Belarus in 2019.

For 2015-2019, the largest growth in export deliveries from Belarus in value terms is observed in countries such as Armenia (+ 84%), Tajikistan (+ 82%) and Poland (+ 77%).

The supplies of technological equipment to Latvia increased 6.6 times, to Italy 5 times, to Poland almost 4 times.

Export of goods from Belarus in 2019



NATIONAL AGENCY OF Investment and privatization

The Agency is ready to help foreign investors interested in doing business in Belarus:

- Presentation of information on investment opportunities, preferential regimes and benefits, industries, legislation
- Provision of current information on investment projects
- Selection and provision of information on options for land and premises
- Search for potential partners for the implementation of the investment project; organization of meetings, negotiations with potential partners to establish cooperation
- Providing a platform for negotiations and support for the investor during the negotiations

- Organization of visits to the Republic of Belarus (development of a program of stay, assistance in obtaining a visa)
- Representing the interests of the investor in negotiations with officials the government on implementation of investment projects, as well as on improving business practices in the Republic of Belarus
- Post investment support

NATIONAL AGENCY OF INVESTMENT

OF INVESTMENT AND PRIVATIZATION

Phone

+375 17 200 81 75 +375 17 226 41 66

Fax +375 17 226 47 98

E-mail mail@investinbelarus.by