

We invite you to invest into profitable application development business in Uzbekistan



Project overview

Project scope

- Application development business that targets Russia and CIS market with focus on developing custom parts of software products for large software companies

Geography

- Physical location: Tashkent, Uzbekistan
- Export market: Russia and CIS

Financing

- 0.5 USD mn

Timeline

- 2018 – office renovation and setup, hiring, equipment procurement and pre-sales
- 2019 and beyond – ramp-up to planned utilization of developer hours, continuous operation with gradual increase in the production capacity





Investment terms

- Investor will have ownership of the entire business

Risk adjusted investor NPV **12 USD mn**

IRR USD **91%**

IT companies receive significant economic benefits under: MUIC and President Decree #2042

Benefit type	Description	Timeline
 <p>Corporate taxes</p>	Exemption from: <ul style="list-style-type: none"> • Corporate profit tax • Property tax • Improvement & social infrastructure development tax • Uniform tax payment by micro and small businesses • Contributions to Republican Road Fund 	Till January 2028
 <p>Import duties</p>	<ul style="list-style-type: none"> • Exemption from customs duties (with the exception of customs processing fees) for imported equipment, machinery, components, spare parts and materials not produced in the Republic of Uzbekistan 	Till January 2028
 <p>Payroll taxes</p>	<ul style="list-style-type: none"> • Exemption from uniform social payment 	Till January 2028
 <p>Foreign currency exchange and transactions</p>	<ul style="list-style-type: none"> • Relieved from mandatory sale of 25% of foreign currency earnings • Allowed to make payments in foreign currency • Can accept foreign currency payments without mandatory service export agreement 	No time limitations

Contacts

State Investment Committee will be happy to answer any questions you may have

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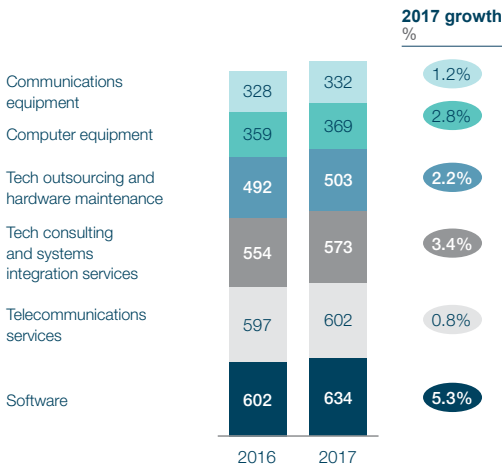
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Russia and CIS software development market presents an opportunity to capitalize on Uzbekistan's natural strengths

Global IT Services breakdown, USD bn



Global IT Services export flow

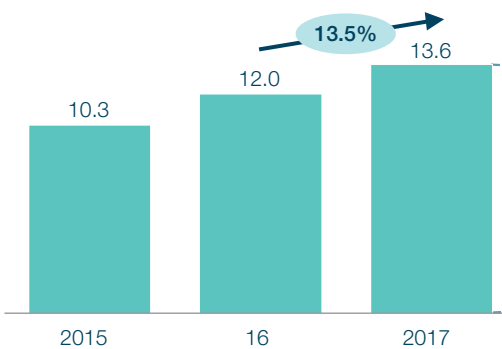


Software is the fastest growing sector of IT services

Russia and CIS software development market is untapped by global suppliers

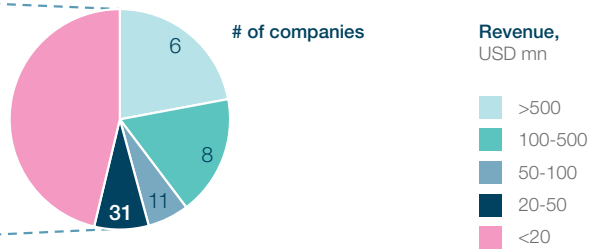
Russian software development offers higher than global average growth and highly consolidated demand

Russian software development market, USD bn



Russian software developers' share of market by size

High market consolidation: ~50 large players generate 1/2 of the market revenue



Serving ~50 top companies in Russia will allow access to 50% of the ~14 USD bn market

Uzbekistan has 50-70% lower main operating costs compared to other CIS countries

