

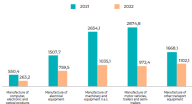


INDUSTRIAL MACHINERY

Ukraine Invest
YOUR INVESTMENT MATTERS

MACHINE BUILDING SECTOR PRODUCTION

VOLUME OF PRODUCTS SOLD, 2021-2022, MLN USD



Despite the war, Ukrainian producers continued to export machine-building products:

Exported:

65% of produced motor vehicles, trailers and semi-trailers

38% of produced machinery and equipment

37% of produced electrical equipment

MACHINE BUILDING SECTOR FDI AND EXPORT

FDI stock in machine-building, mln USD



Largest export categories	Value exported in 2021, mln USD	Assets, mln USD
Turbojets, turbopropellers and other gas turbines	419,6	4
Air or vacuum pumps	158,6	18
Pumps for liquids	141	2
Machinery for sorting, screening, separating	103	17
Machinery, plant or laboratory equipment	84,1	19
Axles, for electrical purposes, and wheels and parts thereof for railway or tramway locomotives	214,3	16
Parts of aircraft and spacecraft	50,2	28

WHY INVEST IN UKRAINE

Skilled and competitive labor force

Ukraine is known for skilled labor force and high education level.

Ukraine is 21st in The Global Skills Index 2022 mostly in consequence of skills that involve computer science and applied mathematics, software engineering, big data, and machine learning.

180 532

Graduates with a Bachelor's Degree in all specializations
2021/2022

STEM BACHELOR GRADUATES BY SPECIALIZATION

Name of Specialization	Number of Graduates
	<i>2021 / 2022 academic year</i>
Natural Sciences	2 933
Mathematics and Statistics	921
Information Technology	13 764
Mechanical Engineering	5 035
Electrical Engineering	4 959
Automation and Instrumentation Engineering	2 787
Chemical and Bioengineering	1 435
Electronics and Telecommunications	2 074
Production and Technology	4 872
Architecture and Construction	6 742
Agricultural Sciences and Food Technology	5 428
Transport	8 053

WHY INVEST IN UKRAINE IT & DIGITAL INTEGRATION

IT export 2021
6.9 bln USD

IT export 2022
7.35 bln USD

Growth 5.8%

Ukraine has a potential to become a regional leader in the field of complex and science-intensive engineering services such as:

- industrial automation and complex engineering;
- programming in the field of industrial high-tech;
- industrial design (electrical, mechanical, electronic etc.).

42 product companies in advanced manufacturing and 90 R&D centers operating in Ukraine and may provide innovative solutions for businesses in the sector

WHY INVEST IN UKRAINE

Investment Incentives

Incentives for significant investments



5-year corporate income tax (CIT) exemption



Value-added tax (VAT) exemption for import of new equipment and components to it



Exemption from import duty of new equipment and components to it



Construction of related infrastructure (highways, communication lines, utilities etc.)



Lease of state or communal land plots without auction



Land tax exemption / lower land tax rate

AMOUNT OF STATE SUPPORT



up to 30%
CAPEX

PROJECT REQUIREMENTS

20+ mln EUR investments
80+ jobs to be created

Eligible industries:

- processing industry
- extraction for the purpose of further processing and/or enrichment of natural resources (except hard coal, lignite, crude petroleum, natural gas)
- waste management
- transportation
- warehousing
- postal and courier activities
- logistics
- education
- R&D
- healthcare
- arts and culture
- sports
- tourism
- hospitality



Guide: Incentives for Significant Investments

WHY INVEST IN UKRAINE

Investment incentives

Ukraine Invest
YOUR INVESTMENT PARTNER

Incentives for Industrial parks



full or partial compensation of interest rates on loans for arranging an industrial park, carrying out economic activity



10-year CIT exemption



exemption from import duties for new equipment



non-refundable financing for arranging an industrial park and/or construction of related infrastructure facilities



land tax exemption/
lower land tax rate



exemption from real estate tax for industrial buildings



compensation for connecting to engineering grids



VAT exemption for importing new equipment



exemption from payment of forestry production losses



Guide: State support for industrial parks

Incentives for e-transport industry

TAX AND CUSTOMS INCENTIVES for e-transport industry



Temporary CIT exemption (till 2036) for legal entities that conduct solely business activity of production and sale of electric motors, lithium-ion (lithium-polymeric) batteries, their charging devices, electric transport, other eco-transport, tram and metro cars



Temporary VAT exemption (till 2026) for import and sale on the territory of Ukraine of electric and eco-vehicles



Temporary VAT and customs duty exemption (till 2031) for importing goods by the legal entities that conduct or plan to create/modernize their production for industrial production of electric vehicles, eco-transport, trams and metro cars

THE AMOUNT OF CIT EXEMPT

can only be used for purposes of R&D activities, creation or re-equipment of factories material and technical base, increasing the volume of production

ABOUT UKRAINEINVEST

UkraineInvest is the investment promotion office of the Government of Ukraine established in 2018.

UkraineInvest mandate includes:



INVESTMENT ATTRACTION

UkraineInvest consistently reaches out to international investment community to promote sectoral investment opportunities in Ukraine (greenfield, brownfield, JVs, etc.) and market projects open to investments. We also provide potential investors with information on setting up & doing business in Ukraine (e.g. macro and industry-specific information, legal and tax frameworks, etc.).



INVESTOR SUPPORT AND TROUBLESHOOTING

UkraineInvest assists businesses 24/7 at all stages of projects implementation by providing guidance and troubleshooting services. Special emphasis is put on consulting investors on obtaining government investment incentives.



PROMOTING UKRAINE AS INVESTMENT DESTINATION

UkraineInvest team actively promotes Ukraine at various platforms throughout the world, and organizes events for potential investors in order to make the world aware of Ukraine's investment attractiveness and specific opportunities.