



PERU'S THRIVING HIGH-TECH SCENE: *New investment opportunities*

PROMPERU'S INVESTMENT PROMOTION DIVISION

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PROMPERU'S NEW INVESTMENT PROMOTION DIVISION



We design and implement strategies and actions to attract, retain and boost the expansion of foreign direct investment in Peru. We promote investment opportunities related to greenfield projects, partnerships with Peruvian enterprises and company acquisitions, aimed at increasing the generation of goods and services.

WHO DO WE WORK WITH?

- Potential investors in prioritized sectors.
- Public & Private Institutions and Associations.
- Other Intermediaries.

INVESTMENT PROMOTION IN PERU

PROINVERSION

Promotes investment into public services and public infrastructure - through different mechanisms (biddings, concessions, public-private associations)



PROMPERU

Promotes Foreign Direct Investment into prioritized productive sectors - through projects that preferably increase tourism and exports of goods and services

WHY PERU?

A SAFE AND ATTRACTIVE INVESTMENT DESTINATION



A COUNTRY THAT BUILDS TRUST

- According to the Central Bank, the lowest **Country Risk** in the region was recorded in 2020. So far in 2021, Peru maintains one of the lowest **Country Risk levels**.
- With the recent 101-year bond issuance, Peru became one of the few countries in the world with a century-long bond with a low interest rate.



HUMAN CAPITAL GROWTH

- Ranked 56th in the Global Talent Index, above Mexico and Brazil, highlighting its improvements in investment and development of local talent.



OPENING UP TO INTERNATIONAL MARKETS

- Position 76 in Doing Business 2020.
- Peru has 21 Free Trade Agreements (FTAs) in force, plus WTO and Pacific Alliance. Likewise, 28 Bilateral Investment Treaties (BITs) plus 01 amendment and 9 Double Taxation Avoidance Agreements (DTAs).



EXCELLENT MACROECONOMIC ENVIRONMENT TO INVEST

- Even in a context of heightened global risk aversion, the Peruvian Sol (PEN) has shown a **low volatility** compared to other currencies in the region over the past 22 years.
- World's Best Culinary Destination for the eighth time at the World Travel Awards 2019.



FAVOURABLE BUSINESS CLIMATE

- In the last 20 years, Peruvian GDP has recorded a sustainable growth pace, exceeding in many opportunities the world and LATAM region average.
- On a comparative level in South America, it is estimated that in 2021 and 2022, Peru will register the highest growth. In 2023, it is estimated to be the 2nd fastest growing economy.



ENTREPRENEURIAL ATTITUDE TO BUSINESS

- The Peruvian entrepreneur is one of the youngest in the world, at the age of 24.
- 4th globally in self-confidence (GEM 2019)
- 5th in the region, excelling in networking and innovative product development (GEI 2020).



LOW INFLATION IN THE REGION

- As of February 2021, Peru had one of the lowest inflation rates in the region. Low and stable inflation reduces macroeconomic uncertainty.
- Peru's inflation expectations are the lowest for 2021, according to the IDB.
- Peru will have the second lowest inflation in Latin America until 2025 (ANDINA).



INTERCONNECTED ECONOMY TO DIGITAL TRENDS

- Peru holds the 56th place in Global Connectivity (2019), with improvements in:
- Demand for online applications, smartphones and broadband internet.
 - A recent boom in startups' activity.



PERU: THE NEW INVESTMENT HUB

Reasons to invest in Peru

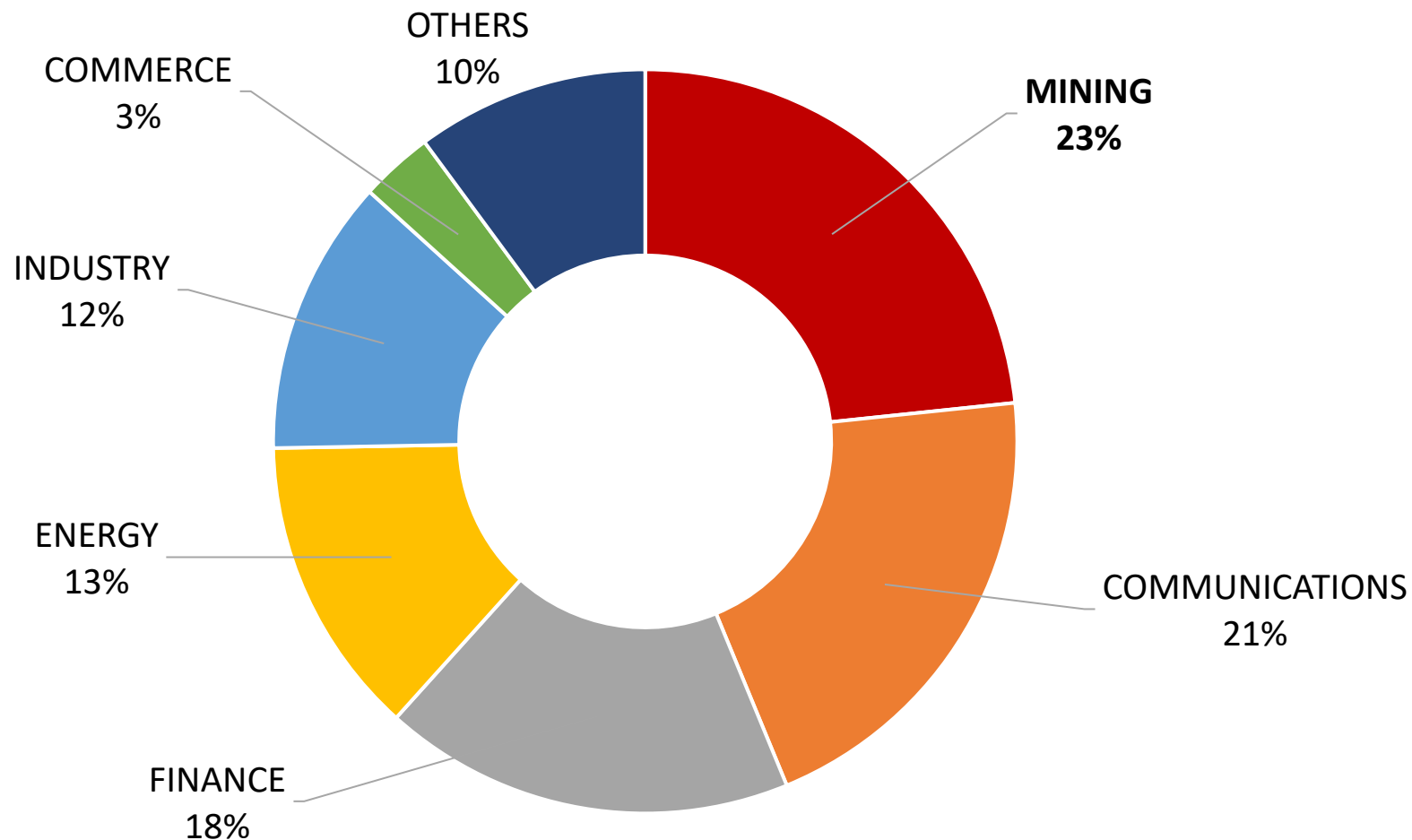
- Sustained economic growth in the last two decades
- Productive sectors with high growth potential:
 - **Tourism, High Technology, Manufacturing, Textile, Food Industry, Fishing for Human Consumption, Renewable Energy, Retail, Real Estate, Forestry and Metalworking**
- Diversity of Natural Resources
- Climate Diversity
- Strategic location in the South American Pacific region
- Active participation in international trade and investments: **21 Free Trade Agreements and 29 Bilateral Investment Treaties**
- Modern and stable legal framework for investments



PERU: AN ATTRACTIVE DESTINATION FOR INVESTMENT

Foreign Direct Investment (FDI) in Peru

FDI stock by Economic Sector as of 2020

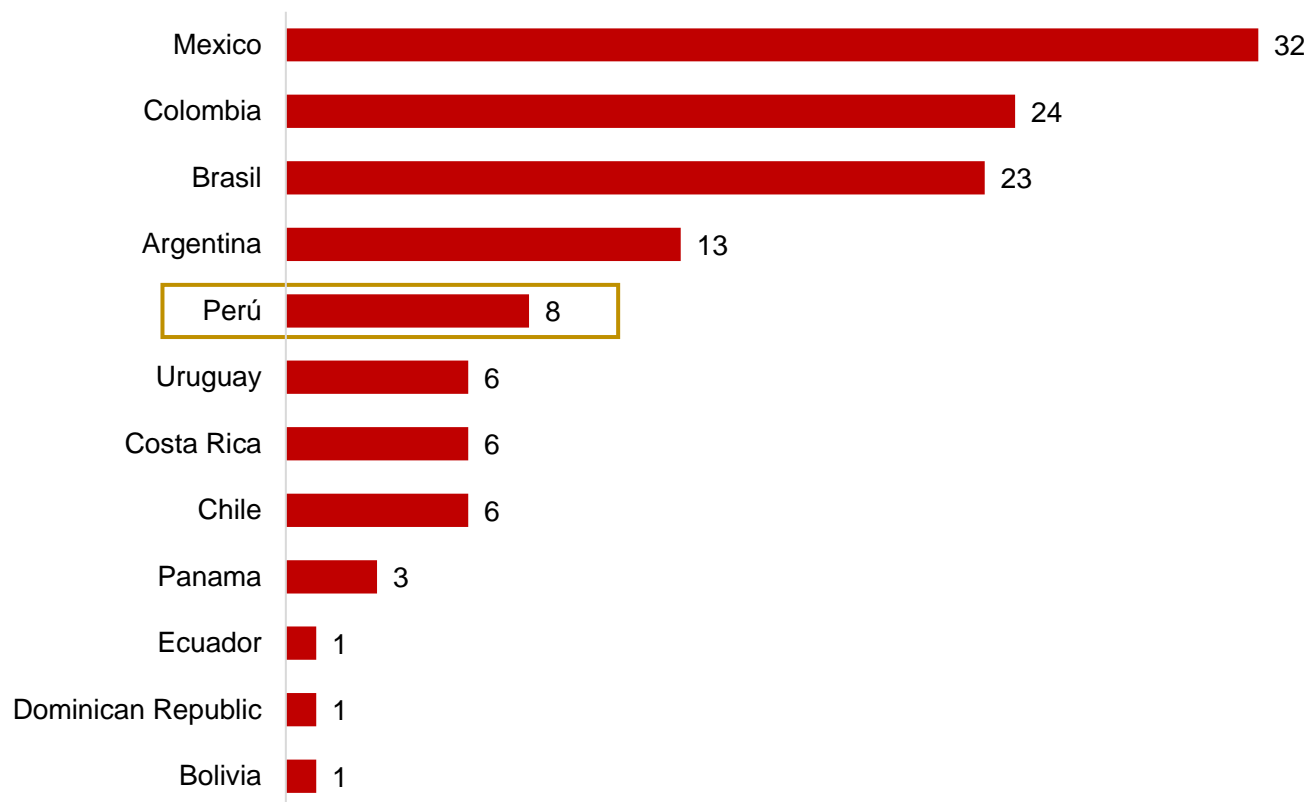




FOREIGN DIRECT INVESTMENT IN PERU

In 2020, Peru ranked fifth among countries that received FDI in Latin America in the Software and IT services sectors, surpassing countries such as Chile, Uruguay, Panama and Ecuador

Number of FDI projects in Software & IT Services in Latin America (2020)

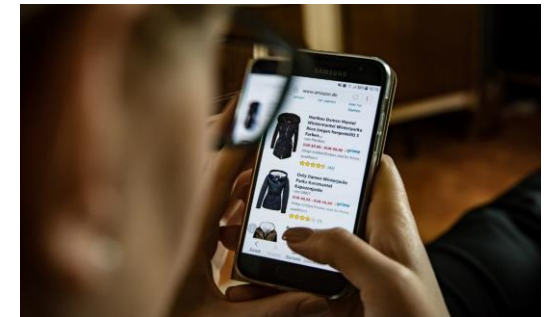




PERUVIAN HIGH TECH SCENE

Competitive Advantages

- **Tax benefit** - Law N° 30309: **Income Tax Deduction of up to 175%** for foreign-based companies that invest in R+D+I projects in Peru (evaluation in charge of the Peruvian government agency CONCYTEC).
- **Software and IT Services:**
 - In the 2016-2019 period, FDI recorded an **annual average growth rate of 94%**
 - In 2019: 09 FDI projects for a total of **USD 58.9 million**, which generated **514 jobs**
 - In 2020, FDI amounted to **USD 20.9 million**
- With more than **100 Fintech start-ups**, Peru is positioned as the **third country in number of Fintech start-ups in the Andean region**
- In the last 10 years, Peru recorded the highest average annual growth rate of E-commerce in the region (+35%)
- Peruvian Internet users are more active users compared to other countries in the region (going online on average more than 5 times a week)
- In the 2017-2020 period, 72% of companies that expressed an intention to invest in Peru belong to the High Technology sector





FOREIGN DIRECT INVESTMENT IN PERU

DID YOU KNOW?

Through 2017-2020, 72% of companies with intention to invest in Peru belong to the High-Tech sector





FINTECH IN PERU

With more than 100 Fintech start-ups, Peru is positioned as **the third country in number of Fintech start-ups** in the Andean region, a trend boosted by the low level of banking services penetration in the Peruvian economy



In the LATAM region, Peru is positioned as the **sixth in importance** in the Fintech innovation ecosystem



FINTECH IN PERU



In 2019 there were just over 100 Fintechs in Peru. By April 2021, the country has **over 200 Fintech startups**

Towards the end of 2019, Fintech companies were moving around USD 4 billion. **By April 2021, they are approximately moving USD 15 billion to USD 20 billion**





FEMALE-LED FINTECHS

In Latin America, ***one in three fintech startups*** has a woman in its founding team; well above the global average, estimated at 7%

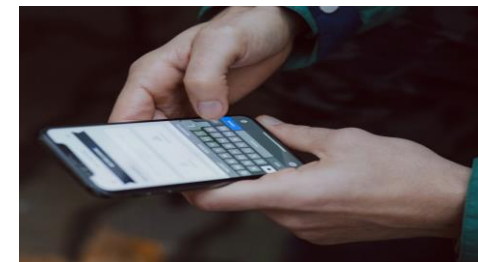


In Latin America, **Peru ranks second with 45.2%** in regards to the number **of women founders or that belong to the Fintech startup founding team**



PERU'S E-COMMERCE EVOLUTION

ABOUT PERUVIAN INTERNET USERS



DID YOU KNOW?



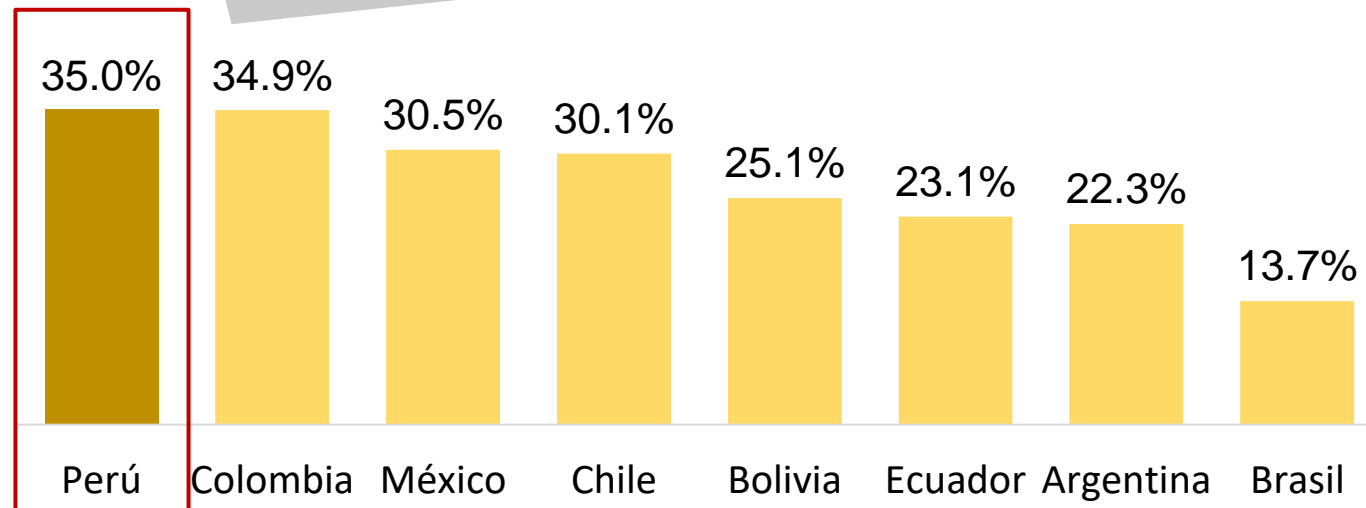


PERU'S E-COMMERCE EVOLUTION

PERSPECTIVES WITHIN THE REGION

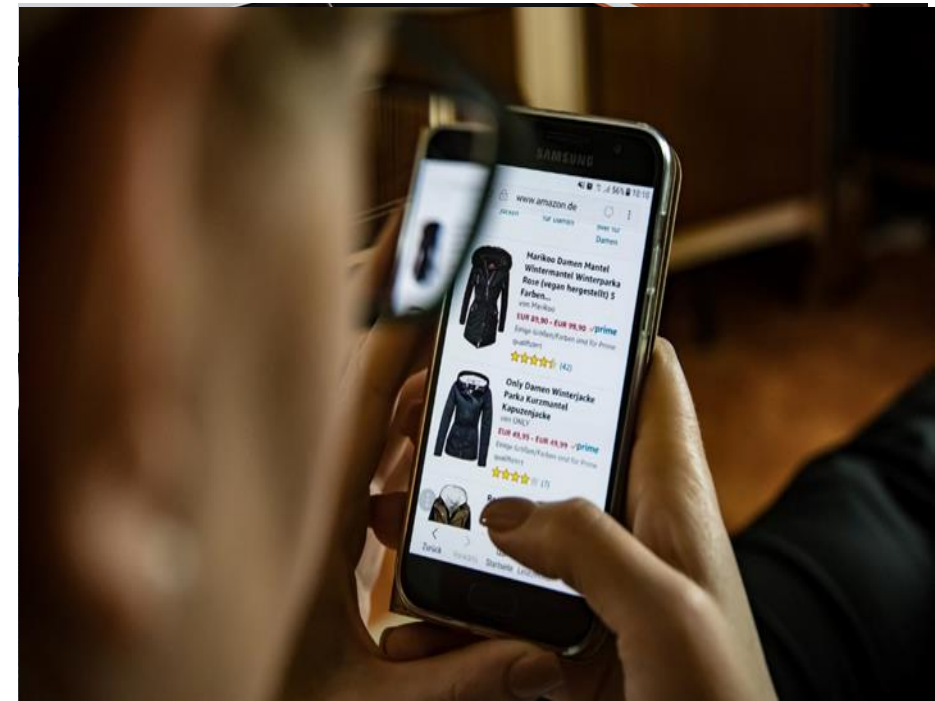


Peru recorded **the highest** annual average growth rate of e-commerce in the LatAm region in the last ten years



Note: Calculations are based on estimated values of e-commerce volume B2C (USD million)

Source: Peruvian Chamber of E-Commerce -CAPECE



The Peruvian Chamber of E-Commerce estimated that by 2019 the e-commerce market in Peru had reach USD 4 billion, and by 2022 it would reach USD 14 billion





SUCCESS STORY: *An Indian Adventure*

TATA Consultancy Services

- **World leader in IT services**, consulting and business solutions; pioneer in remote work.
- 446,000 consultants in 46 countries.
- Annual revenues of **USD 20.9 billion** in the fiscal year ended in **March 2020**.

In Peru:

- Started operations in 2010, with 300 people and 12 clients.
- It **currently employs 1,000 people**, serving **20 clients** in the **banking, insurance, telecommunications, retail and the food industries**.

CERTIFIED TOP EMPLOYERS PERÚ, TOP EMPLOYERS LATIN AMERICA & TOP EMPLOYERS GLOBAL - 2020



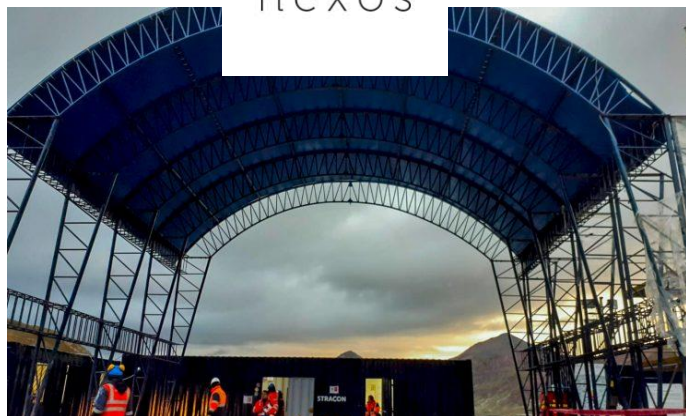
**TATA
CONSULTANCY
SERVICES**





SUCCESS STORY: *Modular Design & Construction for ALL*

NEXOS PERU



Innovative Provider of Temporary Housing Solutions

- **NEXOS PERU** has provided innovative temporary housing solutions for **construction and mining companies**
- Cutting-edge, **patented technology**
- **Main clients:** CHINALCO, PETROTAL, SOUTHERN PERU
- Current markets: Peru and Ecuador



2020 Sales: USD 7 million



INVESTMENT PROJECTS IN THE SECTOR

Main Projects currently available in our investment portfolio



+19

High Technology

The Division of Investment Promotion acts as a partner for the consolidation and expansion of Startups:



- In Retail: customized geospatial platform with geo-transactional capture.
- In Agricultural cultivation: monitoring, control and analysis platform.
- In Health-tech: wellness management software for companies.
- In Fintech: cross-border neobank multi-country platform associated with VISA and own BIN; mobile application for financial management of personnel and micro-small companies; invoice collection platform.



Peru - seeking to expand into LATAM and USA

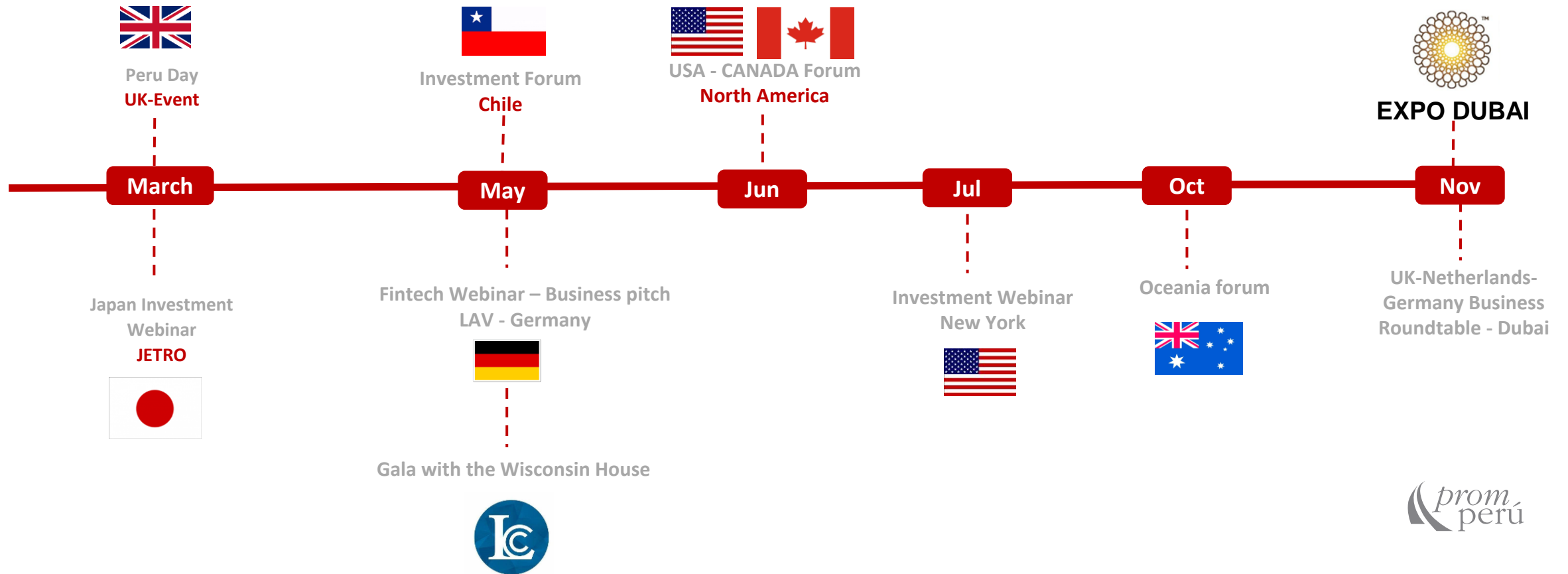


USD 31'850,000

UPCOMING EVENTS



- 2021 calendar



We invite you to participate in our Community
of Business Investors, in which you will find a
space to interact, exchange ideas and learn
about our **Investment Portfolio 2021**

Welcome!



INVEST PERU



Thank you very much!



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