

POTI FREE INDUSTRIAL ZONE

UNIQUE LOCATION, INFINITE POSSIBILITIES

WHY GEORGIA

- Stable democracy
- Corruption-free environment
- ▶ Availability of project financing through public and private funds
- ▶ Government commitment on investment protection
- Efficient banking services
- ▶ Lowest crime rates in the region

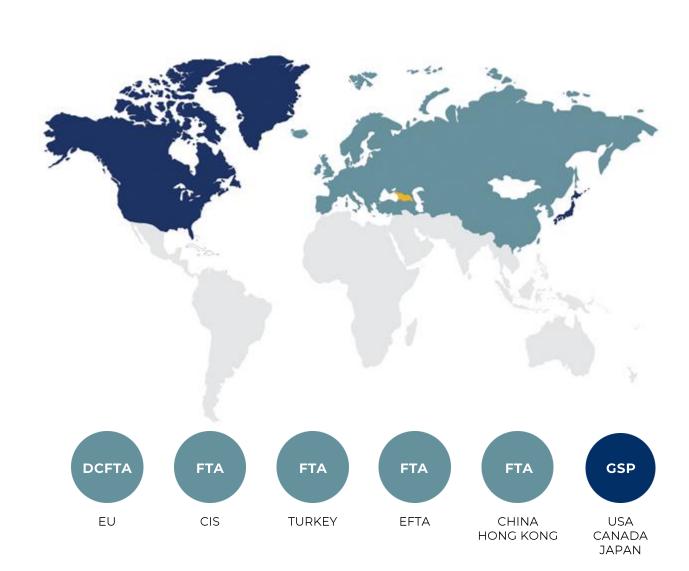


Georgia has become the regional hub for companies looking to expand in the Black Sea, Caucasus and Caspian region. Strategically located on the ancient "Silk Road", Georgia has unique geopolitical and economic position connecting Asia, the Middle East and Europe.

Business and investor friendly regulations play a key role in attracting and expending new business to Georgia.

A stable economic environment and competitive operating costs contribute significantly to Georgia's manufacturing and trading development.

FREE TRADE ACCESS TO 2.3 BILLION MARKET





ABOUT US

First Free Industrial Zone in the Caucasus Region

Established in June 2008

Fully functional since November 2010

75% shares of Poti Free Industrial Zone are managed by Euro-Asian Management Group (EAMG) LLC

Poti FIZ is situated on the shortest historic trade route (Silk Road) connecting East and West

Strategic geo-political & economic location provides easy access to EU&CIS 1 billion markets along with Middle East and Central Asia

Adjacent to Poti Sea Port – one of the largest and oldest sea port on the Black Sea

Location - Black Sea port, city of Poti, Georgia

Free Zone Area - 300HA

Distance: 320 km to Tbilisi

70 km to Batumi

Poti FIZ has around 110 active licensee companies and seeks for further expansion through continuous infrastructure developments and attractive packages proposition to its investors.

Companies intending to incorporate their business at Poti FIZ are required to obtain a license. The type of a license depends on the proposed activity in FIZ.

9 TYPES OF LICENSES



MANUFACTURING

Production, Manufacturing, Assembling activities



GENERAL TRADING:

Import-export of wide range of products

SPECIAL TRADING:
Import-export of items from similar product lines



WAREHOUSING

Development of warehouse(s) for subleasing purposes



CONSULTING

Consulting services



BUSINESS SUPPORT SERVICES

Various types of services including all material service support



FINANCIAL SERVICES INCLUDING BANKING

Operation of Banking and Financial Institutions



LOGISTICS

Logistics, transportation, Expeditor services



CONSTRUCTION CONTRACTING

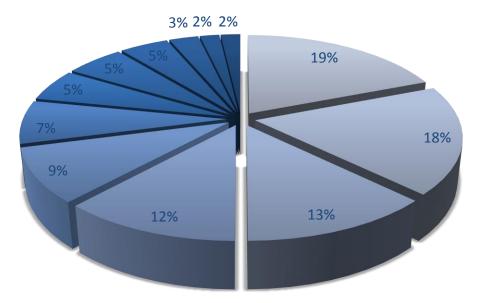
Performance of physical construction within Poti FIZ

Possible Location of Sand Dredger

AVAILABLE INFRASTRUCTURE AND LOGISTIC FACILITIES IN POTI FIZ

- ► Railway access-146m (1st stage)
- Railway loading area with ramp
- Access roads
- Customs zones
- Warehousing facilities
- Office spaces
- ► Electricity connection & water supply
- Security systems

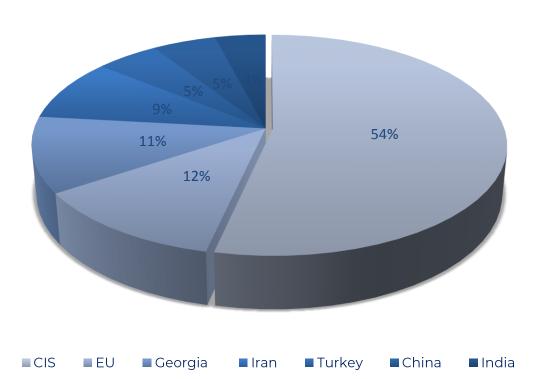
SECTOR WISE ANALYSIS



- Pharmaceuticals
- Service and Consulting (IT Services; Legal and Marketing Consulting; other services)
- Industrial/heavy construction machinery; agricultural machinery; oil and gas equipment;
- Chemical; petrochemical and agrochemical products; perfumery; plastic products etc.
- Other (Warehousing; Logistic; energy sector and the companies with the general trading licenses)
- Steel and roofing material
- Automotive Sector (car spare parts; tires)
- Food products (rose oil; milk powder; VET foods; almonds; cashew; peanuts; poultry; etc)
- Home appliances; el. equipment; cinema screens
- Alcohol products
- Textile
- Construction/Building Materials

INVESTMENTS BY REGIONS

Azerbaijan	25
Ukraine	13
Georgia	11
Iran	9
Russian Federation	8
China	5
Turkey	5
India	4
Armenia	4



OFFICES AND SMART OFFICES Poti FIZ offers high class, unfurnished office suites from 44 sq.m to 56.6 sq.m. Smart Office tariffs include the provision of: Poti FIZ legal address; A desk for flexible use, for a minimum period of 6 hours per day; IT/telecommunications infrastructure.

WAREHOUSES

Poti FIZ offers pre-built warehouses suitable for storage and light industrial activities.

Flexible standard-size units from 241sq.m. to 608 sq.m.

Existing electricity connections.

Fitted with fire-detection system.

Floor load capacity of 5 tons per sq.m.

24 hour security within the FIZ.

LAND

Competitive land-lease costs for short and long-term contracts.

Direct access from inside the Poti FIZ into regional and international railway networks and highways.

Adjacent to Poti Sea Port and close to the international airports of Kutaisi and Batumi.

Low utility costs for power and water. 24-hour security within the FIZ.

TAX ADVANTAGES

TAX COMPARISON	POTI FIZ	GEORGIAN RESIDENT COMPANY
IMPORT TAX	0%	Up to 12%
VAT	0%	18%
PERSONAL INCOME TAX	20%	20%
CORPORATE INCOME TAX	0%	15%
DIVIDEND TAX	Ο%	5%
PROPERTY TAX	0%	1%

IMPORT&EXPORT-TAXATION BETWEEN POTI FIZ AND GEORGIA

11 4D 0 DT TO D 0 T 1 T 1 7	4% Duty (out of Invoice Value)			
IMPORT TO POTI FIZ FROM GEORGIA	0% VAT			
IMPORT TO POTI FIZ	0% Tax on import			
FROM OTHER COINTRIES	0% VAT			
	4% Duty (out of Invoice Value)			
EXPORT FROM POTI FIZ TO GEORGIA	0% VAT			
	0% Tax on import			
BUYER COMPANY IN GEORGIA PAYS 0% OR 12% - TAX ON IMPORT AND 18%-VAT				
EXPORT FORM POTI FIZ	0% VAT			
TO OTHER COUNTRIES	0% Tax on import			

MANUFACTURING IN PLACE AT POTI FIZ

Roofing Cinema screen

Building materials PVC (Polyvinylchloride)

Ethanol Lubricants

Perfume Tires



TRADING IN PLACE AT POTI FIZ

Machinery & equipment

Automotive spare parts

Automotive Heating Systems & Pumps

Metals & Precious Metals

Chemical products

Pharmaceutical

Beverages
Food products
Luxury vehicles
Ethanol
Apparel
Wood
Tires

POTI FIZ ADVANTAGES

- Simple business set-up procedures
- No limitations on company legal form ownership
- No obligation to lease a physical facility
- 100 % ownership for foreigners in FIZ
- 100 % capital & profit repatriation
- No minimum capital required
- Low leasing & license tariffs
- Low labor cost
- Low utility cost
- Easy and speedy customs procedures
- No prohibition on import of products
- Close proximity to Poti Sea Port
- Land plots for industrial projects





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THANK YOU!