



POTI FREE INDUSTRIAL ZONE

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UNIQUE LOCATION, INFINITE POSSIBILITIES

www.potifreezone.ge



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

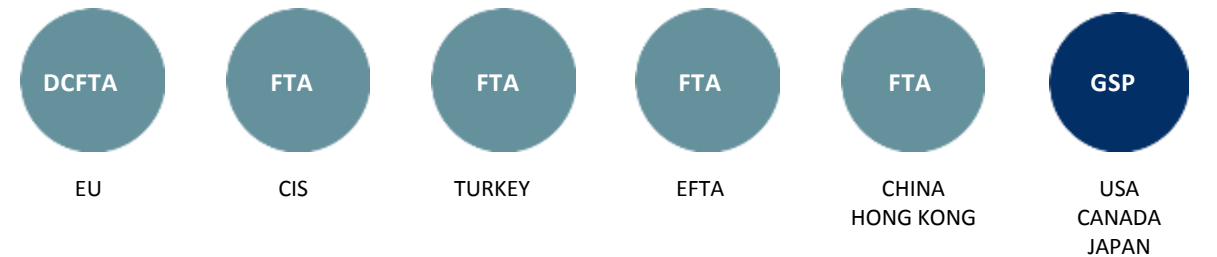


Georgia has become the regional hub for companies looking to expand in the Black Sea, Caucasus and Caspian region. Strategically located on the ancient “Silk Road”, Georgia has unique geopolitical and economic position connecting Asia, the Middle East and Europe.

Business and investor friendly regulations play a key role in attracting and expanding 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

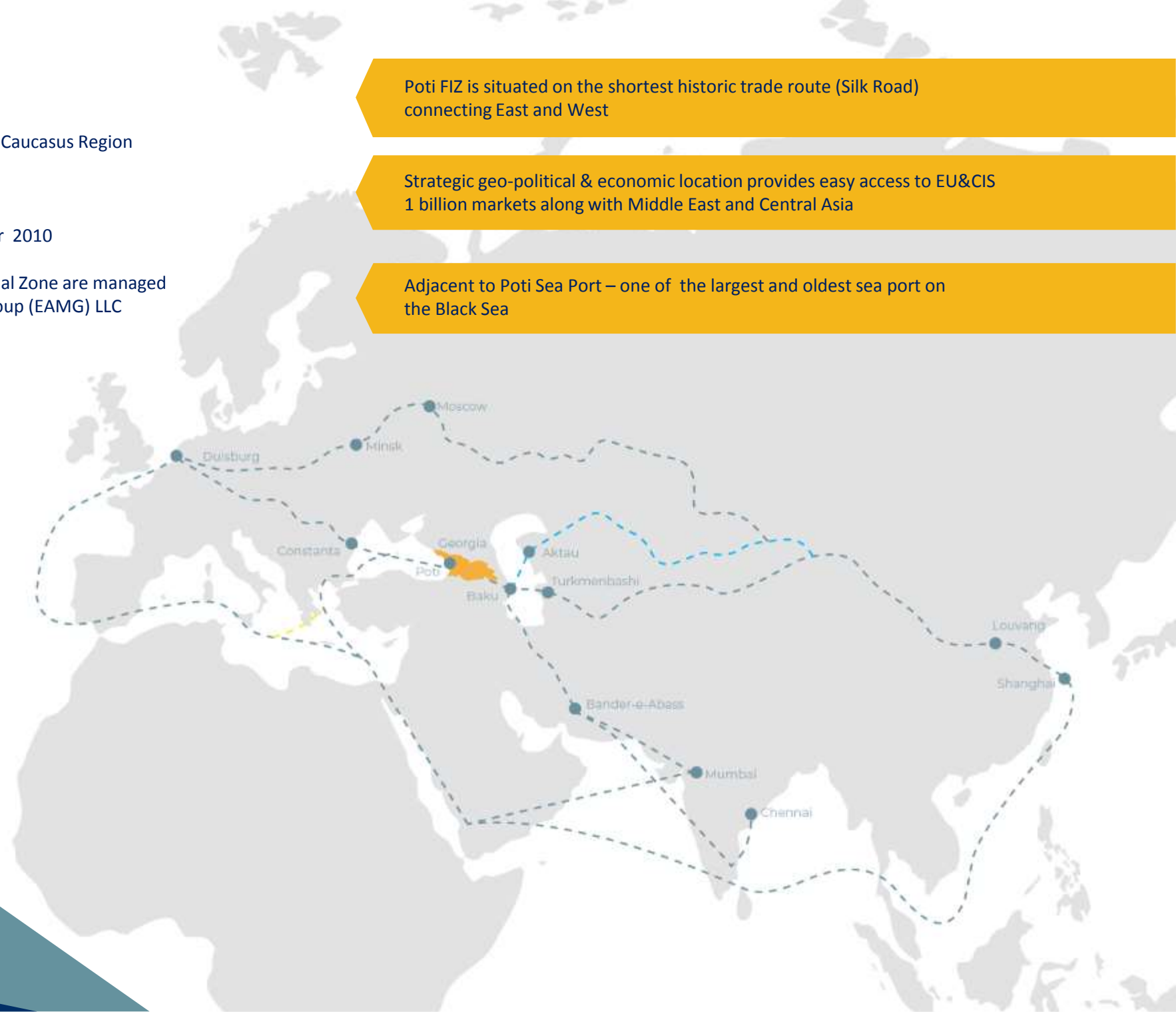
75% shares of Poti Free Industrial Zone are managed by Euro-Asian Management Group (EAMG) LLC

Location - Black Sea port, city of Poti, Georgia

Free Zone Area - 300HA

Distance: 320 km to Tbilisi

70 km to Batumi



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

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 sub-leasing 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



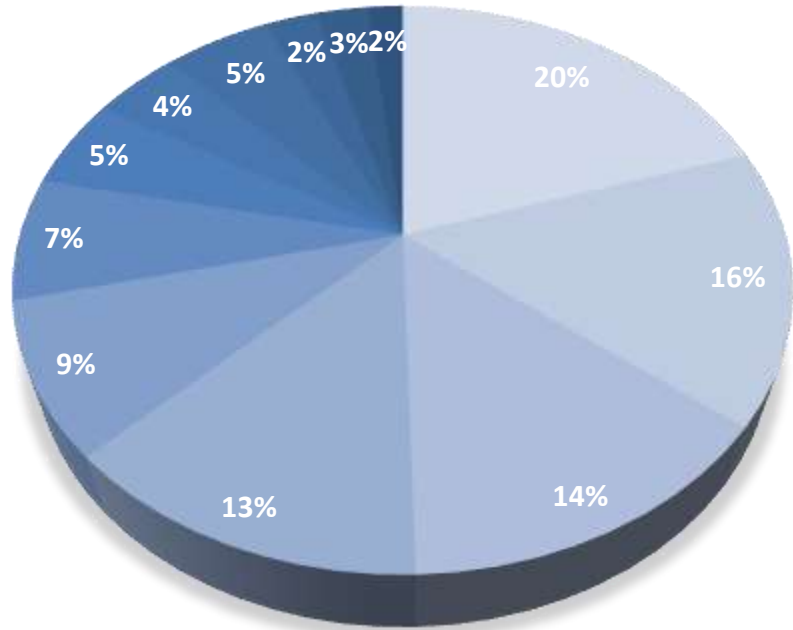
CONSTRUCTION CONTRACTING

Performance of physical construction within Poti FIZ

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

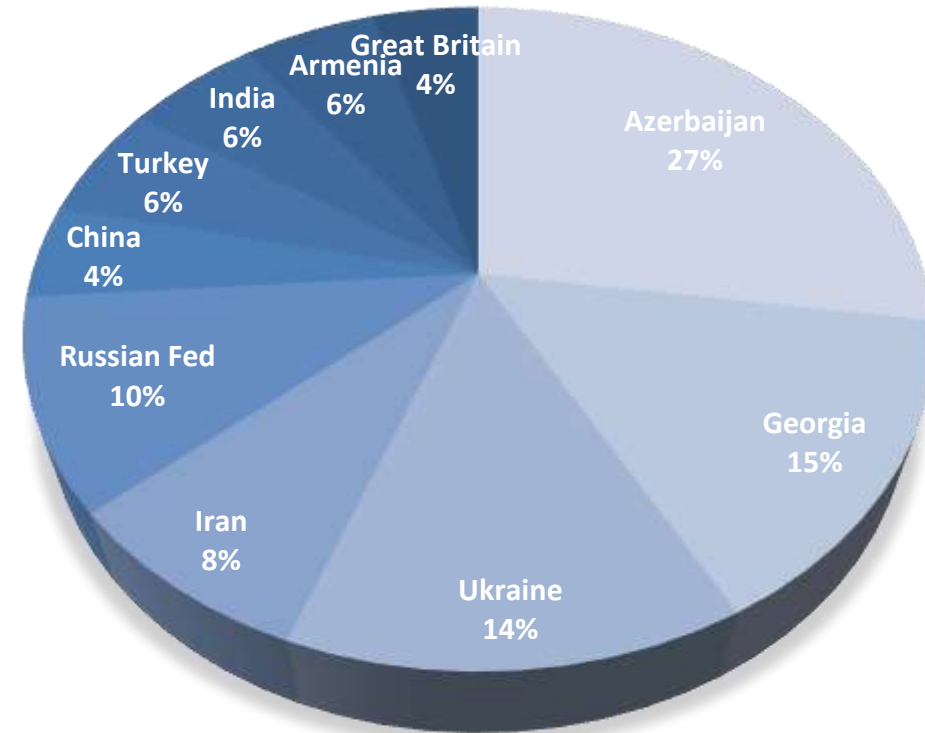
SECTOR WISE ANALYSIS



- Service and Consulting (IT Services; Legal and Marketing Consulting; other services) and Financial Services
- Pharmaceuticals
- 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

INVESTMENTS BY REGIONS/COUNTRIES

▶ CIS	54
▶ Georgia	13
▶ EU	12
▶ Iran	7
▶ Turkey	5
▶ India	5
▶ China	4



■ Azerbaijan ■ Georgia ■ Ukraine ■ Iran ■ Russian Fed ■ China ■ Turkey ■ India ■ Armenia ■ Great Britain

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

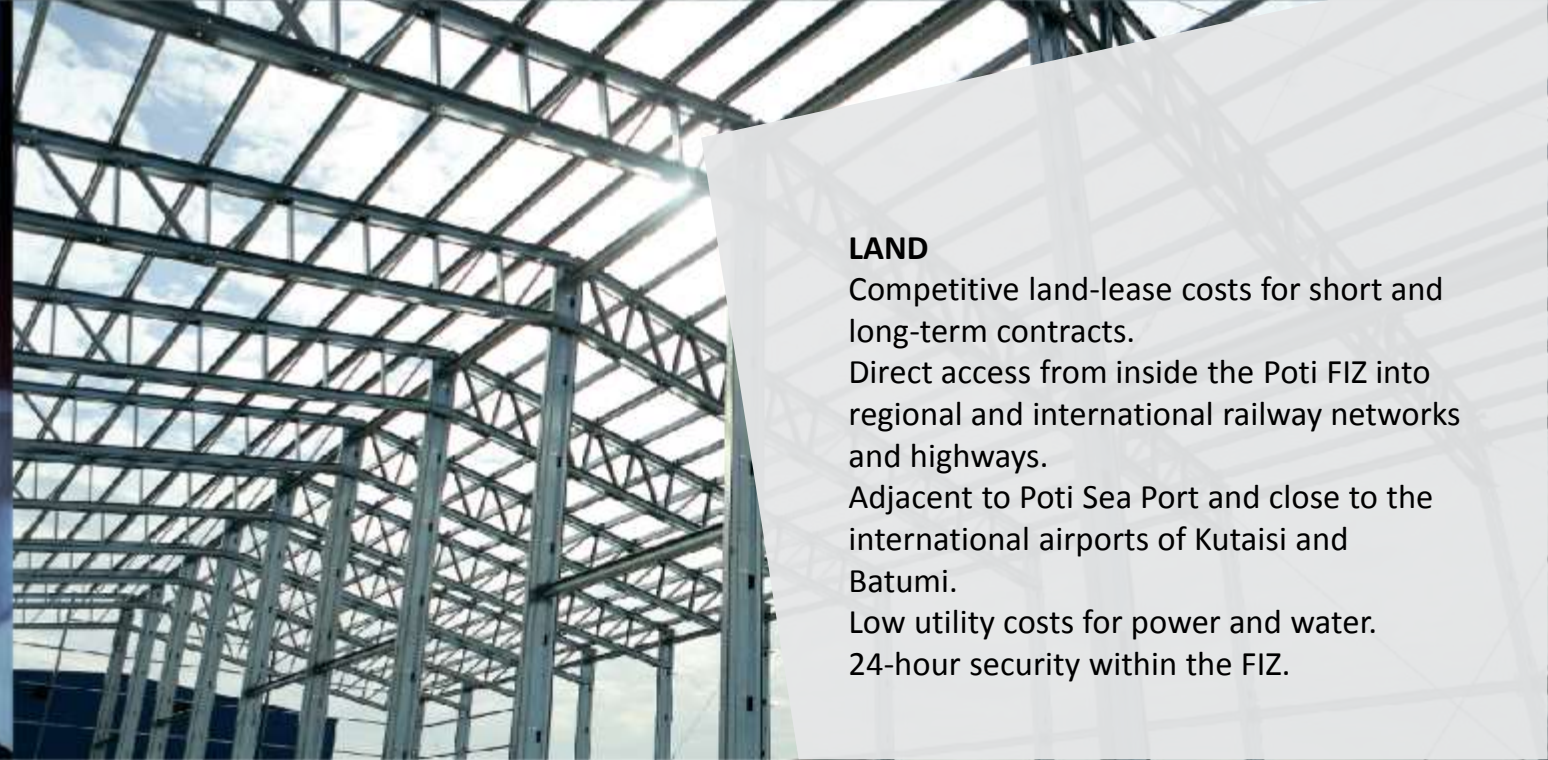
Competitive land-lease costs for short and long-term contracts.

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	0%	5%
PROPERTY TAX	0%	1%

IMPORT & EXPORT – TAXATION BETWEEN POTI FIZ AND GEORGIA

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

MANUFACTURING IN PLACE AT POTI FIZ

Roofing

Building materials

Ethanol

Perfume

Cinema screen

PVC (Polyvinylchloride)

Lubricants

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

INTERMETAL GEORGIA LLC

Manufacturer of roof files and building materials



K&GEORGIAN SPIRITS LLC (GEORGIA)

The largest producer and exporter of high quality brandy spirits in the Caucasian region



**WELFAR INTERNATIONAL LLC
(AZERBAIJAN)**

Regional distribution of pharmaceutical products



GRASSE PHARMA LLC (BELIZE)

Distribution center of pharmaceutical products



BGN LLC (AZERBAIJAN)

Storage and distribution of automobile spare parts



AROMA FRAGRANCES LLC (UKRAINE)

Perfume ingredients factory



SAS PAIMAN LLC (AFGANISTAN)

Storage facility for various FIZ companies



SERCHEM INDUSTRIAL LUBRICANTS LLC (TURKEY)

Lubricants manufacturing factory





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THANK YOU!