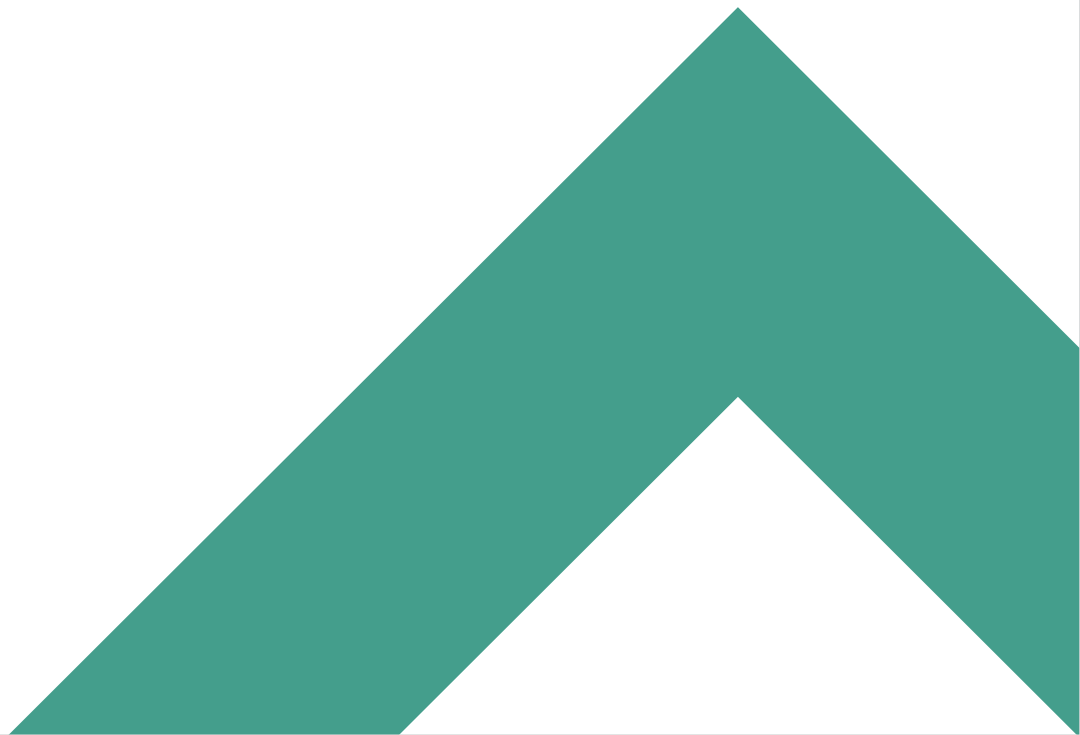


IBCCS GEORGIA | GATEWAY TO GROWTH

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IBCCS GEORGIA

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INTRODUCTION:

IBCCS Georgia operates as a proud member of the **IBCCS TAX** International Group. As a business consulting firm, our primary mission is to highlight Georgia's remarkable potential as a top destination for business operations and quality living.

Since 2018, our professional team has amassed unparalleled experience and, most importantly, an in-depth understanding of the global market's rules and regulations. We are a dedicated team of consultants committed to actively assisting clients at every step with tailored tax, accounting, legal, and business advisory services.

Expertise in international taxation and local regulations constitutes the firm's most valuable asset, enabling the provision of customized solutions to meet the specific needs of clients.

At **IBCCS Georgia**, we understand the intricacies of conducting business in Georgia. Our core mission is to find the most optimal solutions for our clients and offer specialized guidance on establishing or relocating businesses, while expertly managing all accounting, legal, and tax obligations.

Navigating Business Success in Georgia

We have a profound understanding of conducting business in Georgia. Our mission is to connect clients with the most effective solutions in the Georgian market. We offer specialized guidance for establishing or relocating businesses locally, while expertly managing all accounting, legal, and tax obligations.

Exceeding Client Expectations

Our goal is to not only meet but surpass client expectations. We aspire to become the leading B2B consultancy, helping businesses thrive in an ever-changing world.

Comprehensive Service Offerings

We provide extensive support in finance, taxation, accounting, and legal domains, ensuring our clients receive unparalleled assistance in all crucial aspects of their business activities.

IBCCS SERVICES:

IBCCS Georgia's proficiency encompasses a diverse array of industries. Our highly motivated team possesses the requisite expertise and resources to deliver professional solutions locally and internationally for businesses operating within these sectors:



SOFTWARE DEVELOPMENT & SUPPORT SERVICES



DIGITAL GOODS SELLERS



DEVELOPMENT AND CONSTRUCTION COMPANIES



CRYPTOCURRENCY DEVELOPERS/ TRADERS



SERVICE PROVIDERS AND MEDIA



LOGISTICS, TRADE AND WAREHOUSING



HOTELS, RESTAURANTS



GAMBLING



FINANCIAL SERVICE PROVIDERS



OIL/GAS

ACCOUNTING SERVICES:

Our comprehensive service includes the following:

- Developing Financial Policy
- Ongoing Monthly Accounting Service
- Accounting of the previous Period
- Payroll Service
- Revision of Accounting
- Preparation of Financial Statement
- Managerial Reporting
- Valuation of Financial Rating
- Developing Business Plan

TAX SERVICES:

Furthermore, our company offers an extensive suite of tax services to businesses of all sizes, including:

- Tax Consultation Developing Tax Policy
- Diagnosing Tax Compliance of Business
- Tax Audit
- Obtaining Tax Licenses
- Acquiring Tax Residency/tax ID number
- Negotiation for tax agreement and Debt Apportionment
- Settling Tax Disputes
- Obtaining Advance Ruling
- Any type of representation to the Ministry of Finance and Revenue Service

LEGAL SERVICES:

And lastly, we provide business solutions with full-scale legal services in the following fields:

- Company formation and Joint Ventures, M&A, etc.
- Contracts, Agreements, Regulatory Filings, etc.
- Employment Law and Immigration
- Intellectual Property (Trademarks, Patents, Copyright etc.)
- Construction Legal Support
- Licensing (Gambling and VASP)
- Family and Inheritance Law
- Legal Risk Assessment
- Notary Service Support
- Dispute Resolution (Litigation, Arbitration etc.)

OUR CLIENTS:

With a strong presence in the Georgian and global markets, our goal is to establish standards that align with international regulations.

Our comprehensive services cover financial, tax, and legal consultation, along with various investment services such as relocation and implementation. We are fully equipped to help businesses with permits, operations management and additional investment-related support.

Since our establishment in Georgia (2018), we have expanded our services in response to high demand, tailoring our offerings to accommodate the budgetary constraints and specific needs of our client businesses.

Our diverse client portfolio comprises a wide range of companies from various industries, operating both locally in Georgia, and globally. This list includes:

LOCAL CLIENTS:

Egeorgia LLC	
FARGIN LLC	
Elt Building LLC	
Tekto Group LLC	
Coinmania LLC	
GBG LLC	

Boulevard Point LLC



Gumbati Apart Kvariati LTD



Blue Energy Georgia LLC

West Georgia Energy LLC

INTERNATIONAL CLIENTS:

IDS BORJOMI TBILISI



XTEN Limited



Design Studio NAO LLC



GoldenWeb LLC



CMX Solutions LLC



Helpware Inc



Playtika LLC







Strikerz LLC



As Georgia's economic ambassador - we are exploring the potential investors and provide them with partnership offers, to secure their assets and investments.

It's noteworthy that our foreign clients are from the countries such as :

Estonia		Poland	
Latvia		France	
Israel		Ukraine	
Germany		Armenia	
UK		USA	
Cyprus		UAE	

Service areas vary depending on the types of business activities companies engage in. Our goal is to assist businesses in leveraging the advantages offered by the country or the services we provide, regardless of their location.

Reinforcing our dedication to delivering comprehensive cross-border solutions, **IBCCS Georgia** has been working closely with respected local and international Companies.

LOCAL:



INTERNATIONAL:



WHY IBCCS GEORGIA:

- Transparency and direct communication
- High quality of task performance
- Timeliness
- Long term partnership
- Global Perspective
- Result Oriented focus
- Insurance
- International Network

Advantages in the market:

Feature	IBCCS Tax	Georgian Industry Standard
Types of services (Tax, Accounting, Legal, other)	5+	2+
Jurisdictions	Multiple Jurisdictions	Georgia
Operational Management	Local/Foreign Companies	N/A
Staff Experience with foreign clients	85%	10%
Foreign language skills	95%	20%
Client Base	90% Foreign Clients	Domestic Focus

All those high-quality indicators set us apart as a trusted and reliable partner for businesses and investors seeking to expand their presence in the Georgian market.

COOPERATION PROPOSAL

➤ Market Entry Strategy:

- Assessment: Initiated with a comprehensive analysis of the business model to tailor the market entry strategy per the company's goals.
- Business Model Development: Scrutinizing company operations, preferred structures, and strategies to devise the most efficient and effective approach to conducting business.
- Company Establishment: Facilitating prompt and streamlined company registration, capitalizing on Georgia's straightforward taxation system and business-friendly regulations.

➤ Tax, Legal and Accounting Services:

- Tax Optimization: Take advantage of favorable business tax rates and exemptions on reinvested profits, among the lowest globally.
- Legal Framework: Navigate Georgia's well-structured legal framework with expert assistance, ensuring compliance and safeguarding your interests.
- Comprehensive Financial Management: Offerings encompass a full suite of accounting and financial services, aligning with International Accounting Standards to guarantee complete compliance.

› Business Support Services:

- Local Networking: Access a wide network of local businesses and government entities to foster valuable connections.
- International Staff Support: Comprehensive assistance for your team members relocating to Georgia, including visa support and accommodation arrangements.

› Strategic Partnership:

- In a long-term strategic partnership, we aim to leverage combined expertise and resources to tap into new markets and foster innovation.
- This collaboration brings together the strengths of both entities, boosting competitive advantage and paving the way for sustainable growth through synergies.

› Cross Selling:

- Our entities can collaborate to serve each other's clients, thereby expanding our reach to new international clients.
- Furthermore, leveraging Georgia's strategic location could facilitate the establishment of a hub, offering convenient access to markets in Central Asia and Europe.

EXPECTATIONS

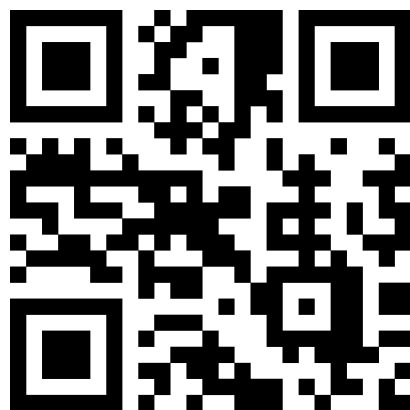
We believe that Georgia has significant potential for growth in the following industries:

- IT Development
- Renewable Energy
- Real Estate and Development
- Logistics and warehousing
- Customer support outsource

In the future, our company remains dedicated to supporting our country's journey towards growth and prosperity.

As IBCCS Georgia looks to the future, our team is going to keep the needs of our clients at the forefront, leveraging innovative solutions, and building lasting relationships.

Our firm is well positioned to play a pivotal role in Georgia's continued economic development and prosperity, always striving to exceed the expectations of the businesses we serve and position ourselves as a premier business consulting entity in Georgia.



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Georgia – Overview

Your Gateway to Seamless Business Expansion:

Official Language – Georgian
Currency – Lari, GEL, ₾
Population – 3.7 million
Area – 69,700 km²
GDP (USD) – 34.2 billion (2023)

The economy of Georgia is highly integrated with regional and international markets. Georgia is located in the Caucasus region and is a gateway between Europe and Asia.

The country has successfully adopted the DCFTA, which resulted in the elimination of all customs duties for goods originating from Georgia that are being imported into the EU market.

Additionally, Georgia has become the second European country to have a Free Trade Agreement (FTA) with China (following Switzerland).

The most attractive investment opportunities in Georgia:

- › Real Estate & Tourism;
- › Agriculture & Agribusiness;
- › Supportive / Outsourcing Services;
- › Logistics & Transportation.

Doing Business in Georgia:

Company Incorporation:

- › Time of incorporation: 1 working day;
- › Presence required to incorporate a company: Not required in case the company is incorporated by the local attorney (e.g. our firm);
- › No obligatory capital requirements.

Taxation:

- › Estonian Model - Corporate Profit Tax – **15%**, payable only when the dividend is distributed;
- › Dividend withholding Tax – **0% - 5%**;
- › Import Tax – **0%, 5% or 12%**;
- › Excise Tax – depends on the listed products;
- › Property Tax – up to **1%**;
- › Double Tax Treaties Network – very broad, with more than **56 DTTs signed**;
- › Tax year – tax calendar year;
- › Advance Rulings from tax authorities – available;
- › VAT Registration – voluntary, only obligatory if the turnover of activities subject to VAT exceeds GEL **100,000** per annum;
- › VAT Rates – standard rate: **18%**;
- › Social Security Tax – **0%** (does not apply).

Legal forms of doing business:

There are a few types of legal forms available for setting up business in Georgia out of which 3 most commonly used are: **Individual Entrepreneur (IE)**, **Limited Liability Company (LLC)**, and **Joint Stock Company (JSC)**. IE is mostly used for a solo entrepreneur providing services to local or international clients and benefiting from the option to pay a 1% fixed CIT tax. Joint Stock Companies are relatively large businesses with significant scale and big shareholder structures. Hence, LLC is the most commonly used entity and gives international clients sufficient comfort and flexibility.

Registered office:

It is mandatory to have a registered office in the territory of Georgia. Our firm provides services of registered office, rental of physical office space, and a range of office facility services.

In addition, we provide management services that include a full range of administrative, and secretarial duties. We can also provide various elements of substance for the business.

Opening of a bank account:

IBCCS provides a full range of bank account opening services without the physical presence of the client. We have established a successful and long-term cooperation with leading banks in Georgia.

Georgia is a member of the Common Reporting Standard (CRS) which makes the jurisdiction attractive for clients who want to maintain confidentiality.

Additional Tax incentives:

Apart from the Estonian taxation model implemented in Georgia, where corporate taxes are only levied upon dividend distribution, companies in Georgia can also access further tax advantages, including:

Additional Tax incentives:

- › **STC** regime: exemption from **CIT**, and **import tax** for international trading companies;
- › **IC** regime: reduced **CIT** and **PIT** for IT and ship management companies and/or for providing services related to them;
- › **VZ** regime: **exemption** from **CIT** and **VAT** for providing IT services;
- › **Free Industrial Zone**: Companies: exemption from **CIT** and **VAT**.

How can we assist?

We assist international and local clients with legal and tax advice during all stages of their businesses including incorporations in Georgia.

Experience in international taxation is one of the most important assets of our firm. We provide a one-stop-shop and tailor-made solutions in the design and implementation of the structures, decreasing or eliminating tax costs.

Residency in Georgia

Georgia has become an important jurisdiction in international tax planning, offering a tax-friendly environment, a stable legal system, and a developed banking infrastructure.

Positioned in the Caucasus region, Georgia serves as a gateway between Europe and Asia, with its economy deeply integrated into regional and global markets.

Currently ranked **7th globally for ease of doing business**, Georgia is increasingly recognized as one of the most attractive countries for relocation.

The main benefits of obtaining Georgian TAX residency include:

- No taxation of foreign source passive income
- No taxation of cryptocurrency trading
- Low taxation of Personal Income Tax (**PIT**) and Corporate Income Tax (**CIT**)
- Double Taxation Avoidance Treaties (**DDT**) with 56 countries.

According to Georgian immigration law, individuals seeking tax residency must spend 183 days or more within the country over any continuous 12-month period.

Residency permit requirements can be fulfilled through the following options:

1. Working Permit

Incorporating a Georgian entity and assuming a role as an employee within the organization.

2. Purchase of a Real Estate

Acquire property with a minimum value of 100,000 USD (Value and not a price)

3. Investing in Georgia

Make a minimum investment of 300,000 USD in business in Georgia.

3. Investing in Georgia

Note: Investment cannot be considered as procurement of the property or any other movable or immovable assets. Investment must ensure the creation of employment opportunities for at least 3 Georgian residents.

High Net Worth Individual Status (HNWI)

Georgian law provides an exclusive opportunity to secure a Permanent Residency Permit, even without physically entering Georgia, by attaining High Net Worth Individual (HNWI) status.

To qualify for Tax Residency in Georgia VIA HNWI program, it is imperative for an individual to demonstrate ties with Georgia through either presence or assets and meet one of the requirements:

- Confirming that the individual's assets exceed GEL 3,000,000 globally, including ownership of property in Georgia valued at a minimum of 500,000 US dollars, and possession of a residence permit/residence certificate/ID card of a Georgian citizen (Residency Card should be applied separately).
- Confirmation of an annual income exceeding 200,000 GEL for the last three tax years, ownership of property valued at least 500,000 US dollars in Georgia, and possession of a residence permit/residence certificate/ID card of a Georgian citizen (Residency Card should be applied separately).
- Confirmation of the property ownership exceeding 3 million GEL, including ownership of property in Georgia valued at least 500,000 US dollars, and proof of receiving at least 25,000 GEL of income from a Georgian source in the previous tax year.
- Confirmation of an annual income exceeding 200,000 GEL in the last three years, ownership of property valued at least 500,000 US dollars in Georgia, and proof of receiving at least 25,000 GEL of income from a Georgian source in the last tax year.

The maximum period for discussing the application and granting Georgian residency is 3 months.

Tax incentives in Georgia

Georgia has become an important jurisdiction in international tax planning, offering a tax-friendly environment, and a stable legal and well-developed banking system.

Georgia is ranked **7th in the world for ease of doing business**;

Some of the main tax incentives that Georgia offers are:

- **No corporate tax** is paid until the company distributes a Dividend;
- **Exemption from CIT** for retained earnings;
- **No VAT** for Companies rendering service to Non-resident Companies;
- **STC Regime:** exemption from **CIT**, **VAT**, and **Import tax** for international trading companies.
- **IC Regime:** **reduced CIT** and **PIT** for IT and ship management companies and/or for providing services related to them;
- **VZ Regime:** **exemption from CIT** and **VAT** for providing IT services;
- **Free Industrial Zone Companies:** exemption from **CIT** and **VAT**.

LLC (Limited Liability Company) in Georgia

Georgian LLC can be widely used for any kind of business whether performed locally or internationally. There are no restrictions regarding business activities. There are also no restrictions regarding the nationality and residence of directors and shareholders of the company and with no obligatory capital requirements. A Bank account for the LLC can be easily opened in Georgia, whether for the resident or nonresident clients. A remote opening is available with the help of the appointed local attorney (e.g., our firm).

Taxation: Corporate Profit Tax - 15%, Company does not pay any corporate taxes until the time they distribute the dividend.

VAT – 18% if you reach a local turnover of 100,000 GEL within a 12-month period.

IE (Individual Entrepreneur) in Georgia

If you are acting as a solo entrepreneur, you can register yourself as an IE and become a Georgian tax resident for the corporate income from the day of registration. In addition to that, you can get a special status where you will be able to pay 1% fixed for all the income generated from your business activity.

Taxation: Corporate Profit Tax **with a status** -1%, VAT – 18% if you reach a local turnover of 100,000 GEL within a 12-month period.

STC (Special Trade Company)

STC regime is designed for Georgian companies dealing with international trade. The company is structured in the same way as the local LLC and the **STC license** issued by the Revenue Service.

The condition for obtaining the STC certificate is using Georgia as a hub for logistics and trading outside Georgia.

Example: a company established in Georgia buying goods from China and selling them to Poland.

Taxation: Corporate Profit Tax - 0%, **NO VAT**.

IC (International Company)

IC regime is designed for Georgian companies dealing with IT services and/or Maritime Businesses (commercial and maintenance services by a ship-owner and/or services related to ship ownership). The company is structured in the same way as the local LLC and the IC license issued by the Revenue Service.

The condition for obtaining the IC certificate is to have a shareholder company in the structure, with at least two years of experience in carrying out IT activities and having more than 50% of shares in the company. Additionally, it is necessary to have an IT team working from Georgia.

Example: a company established in Georgia performing IT services outside Georgia or vessel maintenance services in Georgia.

Taxation: Corporate Profit Tax - 5%, **NO VAT**, reduced tax for PIT of 5% for all the employees. (Standard PIT rate in GEL is 20%)

VZC (IT Virtual Zone Company)

VZ regime is designed for Georgian companies dealing with IT (information technology) services exported outside Georgia. The company is structured in the same way as the local LLC and the VZ license issued by the Revenue Service.

The condition for obtaining the VZ certificate is performing IT services to entities located outside Georgia and having an IT team working from Georgia.

Example: Georgian company performing software development services to a Polish company.

Taxation: Corporate Profit Tax - 0%, **NO VAT**.

Free Industrial Zones (FIZ) in Georgia

All Free Zones provide generous investment incentives such as the possibility of 100% foreign ownership, no corporate taxation, no restriction on repatriation of capital and profits, no exchange control, and no restrictions on investment in any industrial sector.

Key Considerations:

- Importing goods from Georgia to the Free Zone is exempt from all taxes except a 4% duty;
- Importing goods from countries other than Georgia is exempt from all taxes;
- Exporting goods abroad is exempt from all taxes;
- Exported products to the territory of Georgia should include VAT and 4%.

Navigating Legal Landscapes in Georgia

Georgia's legal system is renowned for its reliability and efficiency, making it an attractive choice for both business and personal matters.

A clear and comprehensive codification of legislation provides businesses and individuals with a transparent framework to operate within **Georgia's Continental European legal system**.

Highlighted aspects encompass:

- A **robust legal framework** that builds trust among foreign investors and individuals;
- Efficient administrative services tailored for **quick and effective document processing**;
- **Trustworthy dispute resolution** systems that provide a secure environment for legal transactions;
- A commitment to **excellence in legal services**, ensuring reliability and efficiency for Investors/Expats;
- Easy travel and **Visa-free regime for up to 100 countries**, making Georgia an attractive and accessible destination.

Modern Corporate Legal Framework of Georgia:

Georgia's modern corporate law provides predictability and transparency, boosting confidence for foreign investors, especially in corporate governance.

Ease of Company Formation and Mergers and Acquisitions (M&A) Registration

In Georgia, companies can be incorporated within 1 (one) working day by applying to the Public Registry. Moreover, it is possible to expedite the process of registering with the company on the same day.

No Mandatory Capital for LLCs

Georgia's legal framework does not require a minimum capital for Limited Liability Companies (LLCs), providing flexibility for investors.

Different Types of Shares for LLCs

LLCs in Georgia can issue different types of shares, allowing the structure to meet the needs of its shareholders and business goals.

Opportunity for Non-citizens and Non-residents to Register as Individual Entrepreneurs

Non-citizens and non-residents can register themselves as Individual entrepreneurs in Georgia and use the benefits of Georgian taxation without registering Legal entities for their businesses.

Protection of Intellectual Property

SAKPATENTI, Georgia's National Intellectual Property Center is part of WIPO World Intellectual Property Organization (WIPO), guaranteeing strong IP protection and the ability to register IP rights globally from Georgia.

Apostille Service:

Having been a member of the Hague Apostille Convention for over a decade, Georgia has a long history of authenticating documents for use in foreign countries.

Documents can be notarized and apostilled for international use in just one day, showcasing the efficiency of Georgia's legal framework

- **One-Day Apostille:** Get documents apostilled in just one day, saving time and hassle;
- **Global Notarized Power of Attorney (PoA):** Individuals **with a residence permit in Georgia** can issue a notarized PoA from anywhere in the world using WhatsApp or Skype and even apostille it for international use;
- **Certification of Public Documents:** Possibility to apostille public documents such as company extracts, charters, real estate ownership certificates, and marriage certificates, allowing them to be recognized internationally.

Litigation:

A well-functioning litigation system provides foreigners and investors with access to justice, allowing them to seek redress for grievances through the courts.

Important considerations:

- State fees for litigation for filing the action amount to **only 3% of the valuation**, but no more than around 1000 Euros for natural persons and 1700 Euros for legal entities;
- The **National Enforcement Bureau ensures court decision enforcement** by deducting funds from debtors' bank accounts and selling their properties at auctions;
- The National Enforcement Bureau **registers the debtor in the Public Registry of Debtors**, which automatically extends seizures to newly acquired Real Estate and newly opened bank accounts;
- **Foreign court decisions are recognized and enforced in Georgia**, granting the power to satisfy the claim with the debtor's assets located in Georgia.

Real Estate Insights: Legal Guidance Through Investment:

Georgia is one of the few countries with a transparent database for real estate property boundaries and ownership, alongside countries like Sweden, Norway, Denmark, and Finland.

The legal framework offers:

- **Accessibility:** Foreigners can easily purchase real estate in Georgia, including apartments, flats, and non-agricultural lands;
- **Information Transparency:** Real estate data is publicly available, allowing legal advisors to check ownership and legal status thoroughly;
- **Remote Transactions:** Legal assistance enables remote transactions through a Power of Attorney;
- **Ownership Registration:** Ownership rights are registered by the public registry, ensuring transparency;
- **Mortgage Loans for Non-Residents:** Non-residents can obtain mortgage loans in Georgia, facilitating property acquisitions with a simple application process without bureaucratic hurdles;
- **Investment Opportunities:** Investors can easily invest in ski resorts, seaside locations, and the capital.