DIE INDO-EUROPAISCHE TELEGRAPHENLINIE 1867-1870
Anaklia is logically positioned as the main gateway to the Caucasus and Central Asia.

Anaklia City and Special Economic Zone

- Special Economic Zone (SEZ) adjacent to the deep-sea port site
- Initial project land plot up to 400 ha, with expansion to a city scale project of up to 2000 ha
- Focusing on light manufacturing, logistics, warehousing, manufacturing and assembly, distribution centers, retail and other essential businesses
- New branded legislation to provide regulatory grounds for Anaklia City and Special Economic Zone development
- Green and Smart City concept with a full pledge on urban and spatial planning from the outset

Anaklia Deep Sea Port project

- Build-own-transfer (“BOT”) with a 52-year concession
- 340 ha port development area
- Port depth of 16m CD
- 14M ton capacity by 2030 (Phase 1 & 2)
- Able to accommodate vessels up to 10,000 TEU
- Up to 100M ton annual capacity following conclusion of all development phases
- Total cost estimated at USD 2.5 billion in 9 development phases

Part of the ancient Silk Road route from China and Central Asia through the Caucasus and onward into Europe.
The Anaklia will serve as the main gateway for imports/export between Western Countries and landlocked Caucasus countries, Central Asia states and North West of Iran.

Primary Market
- Countries: Georgia, Armenia and Azerbaijan
- Primary market with population over 17M and annual nominal GDP of USD 102B

Secondary Market
- Countries: Kazakhstan, Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan and Northwest Iran
- Secondary landlocked Hinterland market of 146 million people and annual nominal GDP of USD 759 billion
Anaklia is well positioned to serve as key node in trade/transportation between Europe – Iran, Europe and India via South-West transportation corridor.

- Intention to become primary node in trade between Europe and Iran, **USD 15 billion** trade annually (2016).

- Estimated robust growth of trade between EU and Iran after full relief from sanctions (pre-sanction level back in 2006 was **c.USD 29 billion**)

- In 2016, trade volume between EU28 and India reached **USD 91 billion**

- In 2015, Georgia, Azerbaijan, Ukraine and Iran formed consortium “South-West” to promote the transportation corridor India-Iran-Europe through Caucasus.
Anaklia is located on a crossroad between Europe and Asia. Part of the ancient Silk Road route from China and Central Asia through the Caucasus and onward into Europe.

- Trains from North-West China to Georgia’s Black Sea coast takes just **8 days** in comparison with 45 days maritime route

- Georgia received **first train** via Silk Road back in 2015 year (more than 250 trains planned in 2018)

- Georgia, Azerbaijan and Kazakhstan **founded consortium** which offers single railway tariff across the Central Asia-Caucasian Transit Corridor TITR
TBC HOLDING

Established in 2014 by Mamuka Khazaradze, who is a prominent leader, successful businessman and avid supporter of the Georgian economy, TBC Holding is one of the companies within the larger TBC Group.

Conti International

Conti International is a member of the Conti Group. Established in New Jersey 110 years ago by Conti family, Conti Group is 5th generation, privately owned global developer, construction and program manager of capital asset projects.
**FEBRUARY 8, 2016**
Georgian Government announces Anaklia Development Consortium LLC ("ADC") to win the tender to construct, operate and develop the Anaklia Deep Sea Port

**OCTOBER 3, 2016**
Project groundbreaking and signing ceremony: ADC and the Georgian Government sign the Investment Agreement relating to the build, operation and transfer of the Anaklia Deep Water Black Sea Port

**OCTOBER-DECEMBER 2016**
ADC and Van Oord sign the agreement on the project pre-construction works

**JANUARY 2017**
Van Oord completes early field works on the project site

**MAY 2017**
Anaklia Port Master Plan developed

**JUNE 2017**
Launching Anaklia Special Economic Zone and the City Project

**JUNE 2017**
Majority of the Anaklia Deep Sea Port project’s Feasibility Studies completed

**JUNE 2017**
ADC names leading US operator SSA Marine as the container terminal operator of Anaklia Deep Sea Port

**JUNE-AUGUST 2017**
Environmental Impact Assessment process including public hearings underway

**2017 December**
Environmental Impact Assessment process including public hearings underway

**2021**
Start of Anaklia Deep Sea Port operations

**2021**
Anaklia Deep Sea Port Construction Start-off
Anaklia Port advantages

- First Deep Sea port in Georgia
- Leading international terminal operator
- Capable to accommodate panamax and post-panamax types vessels
- STS Cranes
- Up to USD 160 shipping cost advantage per TEU
- Opportunity for direct calls
- State of the art TOS
- Decreased time of shipping
- Road and rail links to the port
- 95% + uptime
Anaklia Deep Sea Port Phase 1

- Opening in 2021
- Rail and road connections developed by the Government of Georgia
- Design Port depth of 16m CD
- Total Development Cost – USD 540 million
- 65% debt/ 35% equity
- Terminal Operator - SSA Marine
- 1.5m ton Dry Bulk Terminal
- Up to 900,000 TEU initial capacity
- Up to 1.5 million TEU capacity by 2030 (Phase 2)
Government Projects BY 2020

- New 500km of roads
- Up to 500km to be rehabilitated
- 50 new and rehabilitated tunnels
- 90 new and rehabilitated bridges

Total Budget: USD 3.5 billion
Free market access to over 2 billion people markets.

WTO member since 2000 year
Ongoing FTA negotiations with Hong Kong and India

EU DCFTA
CIS FTA
China FTA
EFTA FTA
Turkey FTA

US, Canada, Japan GSP

9th EASE OF DOING BUSINESS
One of the easiest countries for doing business (by World Bank)

13th ECONOMIC FREEDOM
Free and open market economy (by the Heritage Foundation)

7th CRIME INDEX
One of the safest countries in the world (by Numbeo)

11.8% UNEMPLOYMENT RATE
2016 year

50% YOUNG LABOR
of unemployed population are aged between 20-34

~420$ AVERAGE MONTHLY SALARY IN 2016, WITHIN BUSINESS SECTOR
Including white and blue collars

25th LABOR FREEDOM INDEX
By Heritage Foundation Index of Economic Freedom 2017

15% CORPORATE PROFIT TAX ONLY ON DISTRIBUTED PROFIT

18% VAT (VALUE ADDED)

20% PERSONAL INCOME

≤1% PROPERTY TAX

#8 TOTAL TAX RATE

16.4% TOTAL TAX RATE (% OF PROFIT)
*CALCULATED BEFORE INTRODUCTION OF NEW CORPORATE PROFIT TAX MODEL INTRODUCED SINCE JANUARY OF 2017 YEAR

Extremely business oriented government.
They already selected Georgia
Anaklia City and Special Economic Zone Project

- Anaklia City and Special Economic Zone on the hinterland of the new deep sea port, will be fully integrated with the port and national infrastructure (road, rail and airport).

- Logistic and distribution activities serving the regional markets (Caucasus, Central Asia and beyond);

- Light manufacturing and industrial activities benefiting from free trade agreement with the markets of more than 2 bln population;

- Financial, retail and whole sale, tourism and entertainment and other service industries acting as a hub for regional business

- 90km from Kutaisi International Airport

- In addition to the existing preferential business terms in Georgia, Anaklia City and SEZ will have a more favorable business environment in terms of regulatory framework

- The special status of Anaklia is outlined in the Georgian Constitution, which allows for a special regulatory environment (e.g. British Common Law, International Arbitration, IP laws etc.) and tax system.

- Kutaisi Technological University, which will be co-developed by the Technical University of Munich (TUM) is located less than 100km from the Anaklia SEZ

- MOU with the San Diego University STEM Program in Georgia
"Anaklia City" will become a focal point for international business and high value added service industries, it plans to attract light manufacturing production, logistics companies, as well as service sectors and will be open to global corporations, financial and insurance players. The city will be built and developed as an industrial park, residential, business complex, educational area, office space and recreational area.

Georgia cuts the route to Europe in half. This way is more profitable for high-value cargo. Large companies which hold high-value cargo are interested in spending the least amount of time on transport and having the fastest manufacturing cycle. Anaklia port will also significantly reduce the price as we estimate USD 160 less per TEU.
Anaklia Development Consortium / JSC Anaklia City

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