



ABSEZ

Permanent Tax-Free Zone

Brand new investment paradise

Investment is NOW OPEN



GOVERNMENT OF ANTIGUA AND BARBUDA
Office of the Prime Minister

Queen Elizabeth Highway
St. John's
Antigua and Barbuda

Tel. (268) 460-5100
Fax. (268) 462-3225
pmsecretariat@ab.gov.ag

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Welcome Speech from the Prime Minister Sir Gaston Browne of Antigua and Barbuda

Since I took office in June 2014, the Government of Antigua and Barbuda has sought and secured no less than USD 2.5 billion in new, high profile, multi-million-dollar direct investments for the country. As a result, the country has posted the fastest growth in the Caribbean region in 2017, with a significant 7.4% increase in GDP, according to new data from the United Nations Economic Commission for Latin America and the Caribbean.

In 2015, the Senate and the House of Representatives approved the Antigua and Barbuda Special Economic Zone (referred to as the ABSEZ). The conditions inherent in the national legislation caused our conditions to be internationally competitive. The permanent tax-exemption policy enshrined in the ABSEZ was aimed at attracting foreign direct investments; the law has enhanced the international competitiveness, inducing business to invest in the ABSEZ. It enables foreign investors to invest in the ABSEZ with minimum risk and high profits.

With the entrance of international NGOs and foreign businesses into the ABSEZ, the tourism industry of Antigua will receive a boost; that increase in arrivals will in turn drive the economic development of various industries, increase employment, diversify national income and social benefits, and enhance the popularity and international status of Antigua and Barbuda. Establishing the ABSEZ is a target set by my country and we are honored to include the VIDA as a primary contributor to the completion of this mission and vision. We firmly believe that the ABSEZ, fortified by the international NGOs and foreign investors, has laid a solid foundation for

the country's long-term sustainable economic growth, to thrust Antigua and Barbuda into becoming the regional economic powerhouse of the Caribbean.

The ABSEZ is set on over 1,600 acres of prime land in northeast Antigua, consisting of three islands and one large peninsula. The government approved the overall master plan of ABSEZ in 2015; it encompasses 19 economic components. The environmental assessment of the ABSEZ was approved in August 2017, following the joint efforts of the government and Vida. The development and construction of roads and various municipal infrastructure in ABSEZ, and the formation of site leveling and of a beach were completed in August 2019; they met the requirements of global standards. With high-standard planning and design, high-standard investment and development construction, high-standard and efficient operation and management, these conditions will make ABSEZ become a huge industrial chain, each link supporting the other. The establishment of the ABSEZ will make the participating international NGOs and foreign investors, as well as the country of Antigua and Barbuda, become the biggest beneficiaries of its economic development.

The ABSEZ Administrative Committee is responsible for the overall management and various examination and approval work of the ABSEZ. The ABSEZ Administrative Committee will implement a more flexible, convenient and efficient administrative management and serve foreign-funded enterprises 24 hours a day.

Mr. Vida is the most trusted partner of the Antigua and Barbuda government and serves as the Chairman of the ABSEZ Administrative Committee; the work of ABSEZ falls within the lawful ambit of the state.

In order to serve the foreign-funded enterprises, the government has set up a supervision committee to determine whether the ABSEZ Administrative Committee has implemented flexible, convenient and efficient management, serving foreign fund enterprises 24 hours a day. Further, the Government of Antigua and Barbuda is fully committed to the rapid development of the ABSEZ.

I sincerely welcome international NGOs and foreign businesses to invest in the ABSEZ. I welcome all on behalf of the Antigua and Barbuda people.


The Honorable Gaston Browne
Prime Minister
Antigua and Barbuda



In 2015, the Antigua and Barbuda National Senate and House of Legislation approved the Antigua and Barbuda Special Economic Zone (hereinafter referred to as the “ABSEZ Special Economic Zone”). The state has approved the most internationally competitive permanent tax exemption policy for the Antigua and Barbuda Special Economic Zone by law. All foreign-funded enterprises which invest in the ABSEZ Special Economic Zone are exempt from import and export duties, income tax, and inheritance tax. No any other tax for employees neither. All business activities in the Antigua and Barbuda Special Economic Zone are permanently tax free. Foreign companies that choose to invest in the ABSEZ Special Economic Zone will improve their international competitiveness, with zero risk and high returns and benefit from it lifetime. The purpose of Antigua and Barbuda Special Economic Zone is to attract non-governmental organizations and foreign businessmen to invest directly in the ABSEZ Special Economic Zone.

As non-governmental organizations and foreign businessmen invest directly in the ABSEZ Special Economic Zone,

1. it will promote the rapid development of the tourism industry in Antigua and Barbuda;
2. it will promote the economic development of various industries in Antigua and Barbuda;
3. It will solve the long-term large-scale employment problem in Antigua and Barbuda;
4. It will increase the international visibility and international status of Antigua and Barbuda;
5. Antigua and Barbuda will become the biggest beneficiary of global economic growth, with diversified national income and social benefits;
6. Promote the industrial integration of foreign and local enterprises in order to form a close industrial chain and create opportunities for joint ventures and cooperation between local and foreign enterprises;
7. University students in Antigua can study in the University town of the Antigua and Barbuda Special Economic Zone, so as to avoid the high consumption of studying abroad. Six months before graduation, they will receive a technician certificate at the technical school of the Antigua and Barbuda Special Economic Zone. After graduating from university, they can directly work in foreign-funded enterprises in the Special Economic Zone of Antigua and Barbuda, which permanently solves the problem of high consumption of Antigua students studying abroad;
8. The permanent tax exemption policy of the Antigua and Barbuda Special Economic Zone can achieve the sustainable economic development of Antigua and Barbuda;
9. The Antigua and Barbuda Special Economic Zone will become a rising pearl in the world.

The biggest beneficiary of the Antigua Special Economic Zone is Antigua and Barbuda itself, all industries in Antigua and Barbuda, the people of Antigua and Barbuda and foreign investment enterprise in the Antigua and Barbuda Special Economic Zone.

Table of Content

| | |
|--|----|
| 1. Introduction of ABSEZ | 7 |
| 2. Introduction of Antigua and Barbuda and Geography | 8 |
| 2.1 Location: Radiant South and North America, Europe and Africa, beautiful Central American islands | 8 |
| 2.2 Economic, Political, and Diplomatic Situation: Economic development is expected in the future and diplomatic relations are harmonious and stable | 8 |
| 3. The positioning and strategic planning of the ABSEZ | 9 |
| 3.1 ABSEZ positioning: permanent tax-free international special economic zone..... | 9 |
| 3.2 Strategic planning for the ABSEZ: multifunctional and multi-industry develop together | 10 |
| 3.3 The strategic significance of the ABSEZ: coordinated development domestic and abroad to enhance the comprehensive strength of the region | 12 |
| 4. Management and organization of ABSEZ | 13 |
| 4.1 Management Structure of the ABSEZ | 13 |
| 4.2 License Order of ABSEZ | 13 |
| 5. ABSEZ policy and investment environment | 16 |
| 5.1 ABSEZ Policy: Permanent tax exemption with international competitiveness | 16 |
| 5.2 High-quality investment environment: secured social environment, protected by Commonwealth law and free financial regulations..... | 16 |
| 6. Negative sides list in ABSEZ..... | 18 |
| 7. Authorization, approval status and project construction progress in ABSEZ | 19 |
| 7.1 Authorizations and approvals obtained..... | 19 |
| 7.2 Project Construction status..... | 19 |
| 8. ABSEZ Marketing and Promotion..... | 20 |
| Attachement | 26 |
| Attachment 1: Approval document in 2015 | 26 |
| Attachment 2 : Approval document in 2017 | 27 |
| Attachment 3: Approval document in 2019 | 30 |
| Attachment 4: Letter from DCA for Maintenance Dredging | 32 |

1. Introduction of ABSEZ

Antigua and Barbuda Special Economic Zone (referred to as the Antigua Special Economic Zone) is a special economic zone approved by the national legislation of the Commonwealth island country Antigua and Barbuda. It is the **only permanent free zone in the Commonwealth**. It covers an area of approximately 1,650 acres and consists of three islands and a peninsula. The master plan of the Special Zone includes **19 functional sub-districts**, covering various aspects such as finance, tourism, entertainment, gaming, medical treatment, health, science and technology, trade, 10 five-star hotel, industrial zone, residential area and education, etc.

The most dazzling advantage of the ABSEZ is its **permanent tax exemption policy**: exemption from import and export duties, income tax, inheritance tax, permanent zero tax on all business activities in the ABSEZ; all employees of foreign-funded enterprises are exempt from payroll tax. The tax exemption policy of the ABSEZ is protected by Commonwealth law and the local legislature, allowing investors to obtain a generous return on investment while taking the minimum risk.

The ABSEZ adheres to the principles of "high standard planning and design, high standard investment development and construction and highly efficient operation and management". The intention is to turn the ABSEZ into an advanced and complete industrial chain cluster and an attractive international commercialization platform. The ABSEZ is expected to generate **US \$ 15 billion in direct investment and 31,000 jobs**.

Antigua and Barbuda has a stable political environment, good public order, transparent legal system and free financial regulations. **The investment environment is very good**. The ABSEZ Management Committee and Supervisory Committee are committed to provide convenient and efficient administrative and commercial services to all foreign-funded enterprises. The Antigua and Barbuda government will fully support the rapid development and construction of the ABSEZ.

In March 2020, the ABSEZ has completed the investment, development and construction of roads and various municipal infrastructure, as well as site leveling and beach construction. **It has reached the conditions for global investment and foreign investment on boarding**.

Picture 1, ABSEZ



2. Introduction of Antigua and Barbuda and Geography

2.1 Location: Radiant South and North America, Europe and Africa, beautiful Central American islands

Antigua and Barbuda is an island country in Central America, located between the Caribbean Sea and the Atlantic Ocean, and is the northern part of the Caribbean Lesser Antilles. Antigua and Barbuda have two main islands, Antigua and Barbuda, with an area of 280 square kilometers and 160 square kilometers, respectively. The country is a member of the Caribbean Community and its capital is Saint John on Antigua.

Picture 2 Antigua and Barbuda geography, national flag and local scenery



2.2 Economic, Political, and Diplomatic Situation: Economic development is expected in the future and diplomatic relations are harmonious and stable

From an economic point of view, the economic growth prospects of Antigua and Barbuda region are very good. Relevant data show that Antigua and Barbuda was the fastest growing country in the Caribbean in 2017 with a GDP growth rate of 7.4%; Antigua and Barbuda's main economic

source is tourism, which accounts for domestic production about 70%. The total value of tourists is about 1.5 million. At the same time, the government is also vigorously developing the financial and communications industries to achieve rapid economic development.

Picture 3Antigua and Barbuda Sailing Race, Parliament Hall and Diplomatic Meeting



From the perspective of political system, Antigua and Barbuda is a member of the Commonwealth. The Constitution stipulates that the country is a “unified and sovereign democracy”. The country implements a parliamentary democracy and its politics is relatively stable and free. In addition, the country is applicable to the common law system and its policies are more transparent, its capital can achieve market-oriented operations and its trade and investment risks are low.

From the perspective of foreign policy, the Antigua and Barbuda government promotes a pragmatic and equal foreign policy and has established good diplomatic relations with the United States, Great Britain, China, and the Caribbean countries. Antigua and Barbuda is a member of WTO, the external political environment is relatively harmonious. Countries in the Americas, Europe, Africa, and the Pacific have signed relevant trade agreements.

3. The positioning and strategic planning of the ABSEZ

3.1 ABSEZ positioning: permanent tax-free international special economic zone

In 2015, the Antigua and Barbuda National House and Senate legislated the Antigua and Barbuda Special Economic Zone (referred to as ABSEZ), which aims to establish a self-contained industrial, commercial and industrial system with good infrastructure, financial offices and

business centers. The original purpose of the establishment of the ABSEZ is to build an attractive and competitive business platform for public and individual organizations and groups, thereby driving the coordinated development of the multi-industry in the Antigua and Barbuda region, solving long-term employment problems and providing a regional economic development belt to new growth points.

The special feature of the ABSEZ is that the country has approved the most internationally competitive **permanent tax exemption policy** through legislation: that is, the ABSEZ implements zero tax and enterprises in the ABSEZ enjoy the full tax exemption of the country.

3.2 Strategic planning for the ABSEZ: multifunctional and multi-industry develop together

On November 28, 2015, the Antigua and Barbuda Government Development Planning Authority (DCA) approved the master plan of the ABSEZ for a total of 1,650 acres. On February 22, 2019, the Ministry of Environmental Protection, the Ministry of Fisheries and the Planning Bureau of the Antigua and Barbuda Government 'DCA' jointly approved the overall planning of the ABSEZ Mangrove Forest Reserve, beach construction, freshwater lake construction, port and adjustment. On August 30, 2017, the cabinet and the Ministry of Environmental Protection conducted marine surveys and surveys in the ABSEZ, hydrological address report, once-in-50 to 100-year flood control planning and design, mangrove protection area planning and design, fishery and marine ecology planning and design, Beach construction planning and design, all approval of the overall environmental assessment report of the ABSEZ. The ABSEZ is expected to bring in 15 billion USD in direct investment and nearly 31,000 jobs.

Reviewing from the existing planning, the ABSEZ covers an area of about 1,650 acres and contains 19 functional zones (16 functional zones have been approved), covering finance, tourism, entertainment, gaming, medical, health, technology, Trade, 10 five-star hotel, industrial zone, residential area, education and other aspects, the specific functional zoning and floor space are shown in the following table:

Sheet 1 Schematic diagram of functional zoning and area of the ABSEZ

| Functional Zone | | Size (Acres) |
|--------------------------------|--|---------------------|
| 1 | Ten Five-star hotels and Casino | 173 |
| | <i>Hotel</i> | <i>Size (Acre)</i> |
| | <i>H - 1</i> | <i>8.4</i> |
| | <i>H - 2</i> | <i>18.3</i> |
| | <i>H - 3</i> | <i>18.7</i> |
| | <i>H - 4</i> | <i>16.9</i> |
| | <i>H - 5</i> | <i>16.5</i> |
| | <i>H - 6</i> | <i>17</i> |
| | <i>H - 7</i> | <i>17.3</i> |
| | <i>H - 8</i> | <i>12.3</i> |
| | <i>H - 9</i> | <i>39.4</i> |
| | <i>H - 10</i> | <i>8.9</i> |
| 2 | International Financial Center | 30 |
| 3 | International Tourism and Leisure, Commerce, Culture, Entertainment, Offshore Duty-free Comprehensive Development Zone, The Ever-Bright City of Antigua and Barbuda. | 30 |
| 4 | International headquarters base development zone | 40 |
| 5 | International Medical, Plastic Surgery, Rehabilitation and Comprehensive Development Zone | 30 |
| 6 | International Investment Immigration Residential Area | 105 |
| 7 | International Investment Immigration Residential Area | 47 |
| 8 | International Golf Resort | 320 |
| 9 | Paradise Island, International Comprehensive Entertainment Zone | 50 |
| 10 | International University Town | 65 |
| | <i>Institutional</i> | <i>Size (Acre)</i> |
| | <i>I - 1</i> | <i>50.1</i> |
| | <i>I - 2</i> | <i>15.2</i> |
| 11 | Customs: International Warehouse Free Trade Zone | 30 |
| 12 | International Warehouse Logistics Wholesale Area | 15 |
| 13 | International Technology R & D Zone | 30 |
| 14 | International Free Trade Comprehensive Industrial Development Zone | 495 |
| 15 | International Port Transportation Hub Base | 40 |
| 16 | Golf course land | 150 |
| Total land in the ABSEZ | | around 1650 |

3.3 The strategic significance of the ABSEZ: coordinated development domestic and abroad to enhance the comprehensive strength of the region

Benefiting from the government's strong support and good tourism resources, the ABSEZ will attract a large number of international investors to settle in and become a shining pearl in the world, while driving the diversified and healthy development of the local economy, also brings rich returns to enterprises and investors in the ABSEZ. In the long run, the strategic significance mainly has the following three aspects:

① Promote the diversified development of the economy in the Antigua and Barbuda:

The ABSEZ is expected to generate \$ 15 billion in direct investment. This is conducive to the rapid development of the local tourism industry, and will promote the coordinated development of multiple industries in the Antigua and Barbuda and promote the optimization and upgrading of the industry. This is conducive to changing the status of the single economy of the Antigua and Barbuda and promoting the diversification of the economy of the Antigua and Barbuda. At the same time, the presence of foreign companies will bring rich capital, high-quality talents and advanced management experience, which will further improve the speed and quality of economic development in the Antigua and Barbuda.

② Solving domestic employment problems

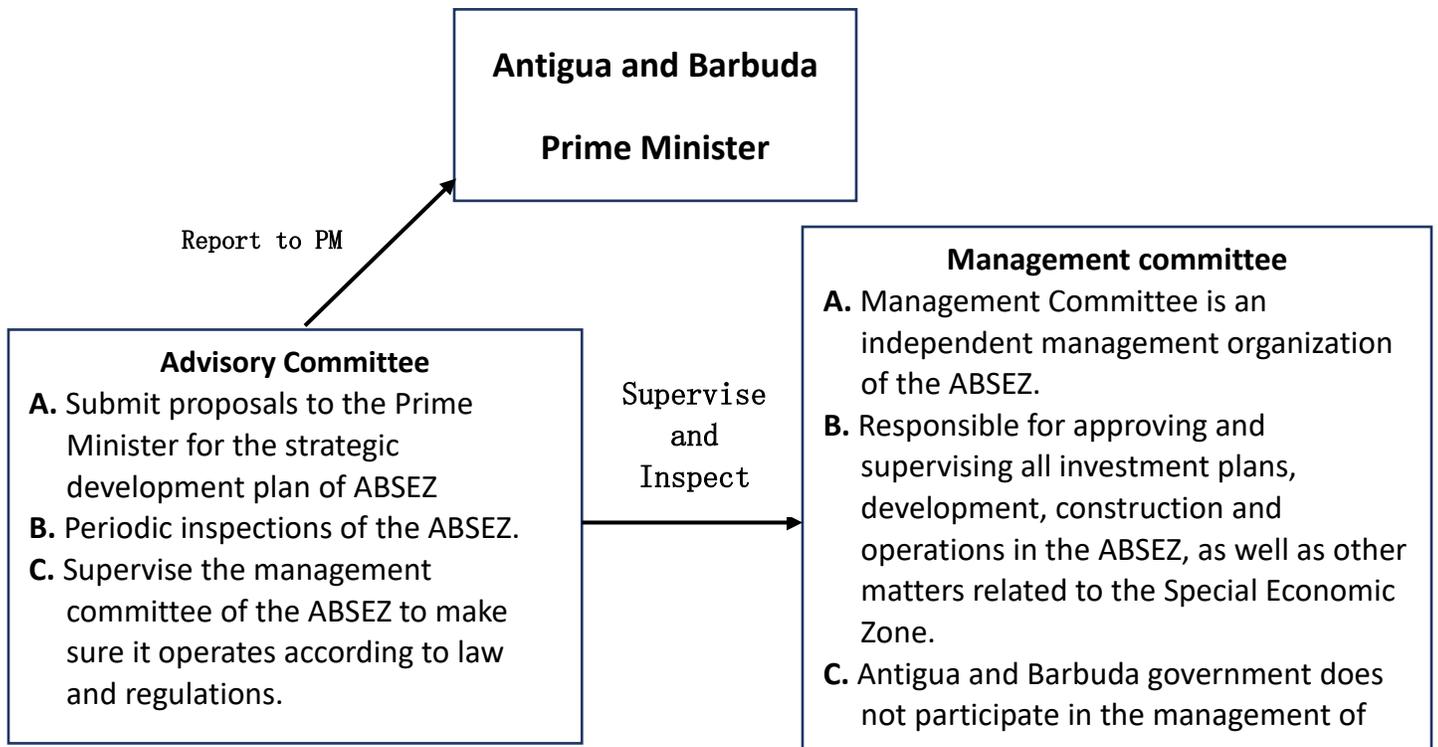
The establishment of the ABSEZ will provide about 31,000 job opportunities and resolve the long-standing employment problems in the country. At the same time, students can study in the University City of the ABSEZ to avoid the high consumption of studying abroad. Six months before graduation, they receive training and license at the Technical School of the ABSEZ. After graduating from university, they can directly work in foreign-funded enterprises in the ABSEZ, which permanently solves the problem of high-consumption study abroad and employment of students in the country. This is conducive to providing a large number of high-quality labors for the country and further promoting the economic development of Antigua and Barbuda.

4. Management and organization of ABSEZ

4.1 Management Structure of the ABSEZ

The main management bodies of the ABSEZ are the **Advisory Committee** and the **Management Committee**. All the departments of the Antigua and Barbuda national government do not participate in any management of the ABSEZ. The ABSEZ Management Committee is an independent management organization of the ABSEZ. The management committee is only subject to inspection and supervision by the advisory committee. The specific management mode and organization can only be shown in the following figure:

Picture 5: The management structure and related functions of the ABSEZ



4.2 License Order of ABSEZ

The license order is the "pass" and "action guide" for the ABSEZ. It tells investors "what to do" and "how to do" in the ABSEZ. In 2015, Antigua and Barbuda government issued the ABSEZ License Order for Yida International Investment Group. The main contents are as follows:

Sheet 2 ABSEZ License Order

| License Order | Content |
|--|--|
| <p>Responsibility of Management Committee</p> | <ol style="list-style-type: none"> 1. All business activities of foreign-funded enterprises with investments in the Antigua and Barbuda Special Economic Zone do not need to go to any department of the Antigua and Barbuda national Government. The Antigua and Barbuda Special Economic Zone Management Committee is responsible for the overall management and approval in the Antigua and Barbuda Special Economic Zone. 2. After foreign-funded enterprises purchase land in the Antigua and Barbuda Special Economic Zone, including the planning and design, fire & environmental impact assessment, sanitation, and construction project quality inspection to completion acceptance, the Antigua and Barbuda Special Economic Zone Management Committee will implement convenient, flexible and efficient administrative management. The management committee of the Antigua and Barbuda Special Economic Zone implements a shift working system on Saturdays and Sundays without rest, providing services to foreign-funded enterprises 24 hours seven days. 3. All the foreign-invested enterprises investing in the Antigua and Barbuda special economic zone, the industrial and commercial registration, bank account opening, seal engraving and work visas for the management staffs will be handled by the Antigua and Barbuda special economic zone management committee. (Government regulations and lawyer fees are borne by the enterprise itself.) |
| <p>Page 9 of License Order Tax exemption</p> | <p>The Antigua and Barbuda Special Economic Zone has permanent zero tax and is exempt from all national and local taxes in the Antigua and Barbuda.</p> |
| <p>Page 9 of License Order Exemption from import and export duties</p> | <ol style="list-style-type: none"> 1. Imported and exported machinery and equipment, production and processing and assembly parts, construction materials, office supplies, finished and semi-finished products, raw materials and any services related material provided in the Antigua and Barbuda Special Economic Zone are exempt from all taxes and expenses. 2. All goods imported, exported and re-exported by the Antigua and Barbuda Special Economic Zone are exempted from import and export duties and all other related taxes. 3. All furniture and office supplies needed for workers and residents arriving in the zone are exempt from import duties and other related taxes. |
| <p>Page 10 of License Order Fast Track to establish the company</p> | <p>To apply for registration of an enterprise in the Antigua and Barbuda Special Economic Zone, the enterprise registration procedure in the special zone must be completed within 72 hours (equivalent to 3 working days), special economic zone provides one-stop service for enterprise registration.</p> |
| <p>Page 12 of License Order construction permit and approval</p> | <ol style="list-style-type: none"> 1. The Antigua and Barbuda Special Economic Zone's overall plan and overall environmental assessment were approved by the Antigua and Barbuda national government at one time 2. The permits for all infrastructure and all construction projects in the Antigua and Barbuda Special Economic Zone are granted by the department which responsible for the approval of construction permits in the special economic zone, which comprehensively approves buildings, structures, typhoon resistance, and environmental impact assessments. It is also responsible for examining and approving the issuance of qualified permits. The legal effects of the permits have the same legal effect as issued by the Antigua and Barbuda Planning Bureau. 3. International architects are invited to approve and design projects for the Antigua and |

| | |
|--|--|
| | <p>Barbuda Special Economic Zone in accordance with the current planning laws and regulations.</p> <p>4. The review and approval of all development projects in the Antigua and Barbuda Special Economic Zone is approved within 7 working days and reported to the Antigua and Barbuda Planning Bureau and the Environmental Protection Bureau for the record.</p> |
| <p>Page 13 of License Order customs procedures and approval</p> | <p>1. The Antigua and Barbuda government grants an independent operating permit to the customs of the Antigua and Barbuda Special Economic Zone.</p> <p>2. The special economic zone has its own import and export customs, which is managed by the customs department established in the special economic zone and is supervised by the advisory committee. A special customs management department should be established to ensure that the customs operate independently and convenient and fast customs clearance procedures should apply in the zone</p> <p>3. The Antigua and Barbuda Special Economic Zone Customs has implemented simple customs import and export procedures, including principles and standards in line with World Customs Organization (WCO) standards, an electronic information exchange system, and all import and export clearances within the Antigua and Barbuda Special Economic Zone are completed within 3 days.</p> |
| <p>Page 14 of License Order Working Permit</p> | <p>Foreign (non-) residents are allowed to be employed by any professional commercial and industrial activities (including supervision, technical and consulting positions, etc.) and the working permit can be approved within 14 days.</p> |
| <p>Page 14 of License Order Project permit approval requirements</p> | <p>An entity would like obtains approval to make the business operation in the Antigua and Barbuda Special Economic Zone does not need a project application form, a feasibility report or a project start-up approval process.</p> |
| <p>Page 14 of License Order Decrease restriction of the current admission system for medical services:</p> | <p>1. All investments and operations of the medical and health industries in the ABSEZ, including stem cell related businesses, are exempt from all taxes, furthermore, there are no any other restrictions on the type of business as well as trading business in medical supplies and equipment.</p> <p>2. Overseas doctors registered in Antigua and Barbuda can practice in the zone licensed and other experts in the health care industry are free to conduct business within the zone as well.</p> |
| <p>Page 14 of License Order Environmental protection and approval</p> | <p>1. The overall environmental assessment of the Antigua and Barbuda special economic zone was approved by the Antigua and Barbuda government one-time.</p> <p>2. The Antigua and Barbuda Special Economic Zone Management Committee has established a professional environmental and fire approval authority to issue environmental and fire permits to all development projects in the zone. The approval of the institution in the special economic zone has the same legal effect as the approval of the Antigua and Barbuda government.</p> <p>3. Antigua and Barbuda Special Economic Zone employs international professional environmental assessment experts and firefighting experts to review and approve the environmental assessment and fire protection plan in the Antigua and Barbuda Special Economic Zone in 7 working days according to the national laws and regulations of the Antigua and Barbuda.</p> |

| | |
|--|---|
| Page 17 of License Order Education and Employment | Education, research and development center will be established in the Antigua and Barbuda Special Economic Zone which create employment opportunities and this center will be exempted all educational taxes and other related taxes. |
| Page 17 of License Order The gaming industry | <ol style="list-style-type: none"> 1. The concession granted to the ABSEZ which allows the establishment, promotion and development of gambling activities (including online gambling), including but not limited to gambling, sports, horse racing, racing, or any other form of gambling industry. 2. The casino operating licenses granted to the ABSEZ are exempted from the gaming tax and related income taxes, including the exemption of all annual casino license fees, and any taxes and fees generated by casino guests. |
| Page 17 of License Order Duty free shopping on outlying islands | There is no limit to the age, times and amount of purchase on the shopping by overseas residents in the ABSEZ, unlimited types of duty-free products, simplified and convenient customs clearance procedures or direct pick-up at duty-free shops at the airport terminal are available. |

5. ABSEZ policy and investment environment

5.1 ABSEZ Policy: Permanent tax exemption with international competitiveness

The permanent tax exemption policy adopted by the ABSEZ allows investors to enjoy high returns while taking minimal risks. The generous permanent tax exemption policy also allows investors to enjoy "one investment, lifetime income." Permanent tax exemption policy specifically includes:

Sheet 3 Detailed tax exemption policy includes:

Enterprises approved within the ABSEZ are **exempt from all corporate taxes**. All shareholders, residents in the zone, overseas employees, and the profits of all investments, equity, and other assets in and outside the zone are **exempted from corporate and personal income taxes**.

All goods imported, exported and re-exported by the ABSEZ are **exempted from import and export duties and all other related taxes**.

Exemption of all VAT, sales tax, capital gains tax and other related taxes in the ABSEZ

All sales, business, development, construction and other activities in ABSEZ are **exempt from all taxes**.

All companies, shareholders, residents and individuals registered in the ABSEZ are **exempt from asset profit tax** and **wealth tax** on land, equity, securities and other investments and assets in the special zone or in any country.

All companies or individuals, regardless of the relationship between the donor and the grantee, are **exempt from all estate taxes, gift taxes, and other related taxes**.

5.2 High-quality investment environment: secured social environment, protected by Commonwealth law and free financial regulations

Secured social environment, government bill protection and free financial regulations create an

excellent investment environment for investors.

① Secured social environment

The Antigua and Barbuda is a multi-ethnic immigrant country. Multi-ethnics live together in harmony and have good social order. In Latin America and the Caribbean, Antigua and Barbuda rank among the top ten in maintaining the rule of law, ahead of Peru, Colombia and Argentina. Among the 126 countries in the world, Antigua and Barbuda rank 33. Ronald Sanders, Ambassador of Antigua and Barbuda in the United States, once stated: "The law enforcement agencies of the Antigua and Barbuda nation implement government policies in a transparent manner, and the Antigua and Barbuda government continues to uphold and improve human rights, civil rights, political rights, social order and public safety." Good The rule of law environment guarantees that investors can safely conduct business activities and secure profits in the ABSEZ.

② Stable Law protection

The ABSEZ is approved by the Antigua and Barbuda's house and the senate, which means that the ABSEZ and various tax exemption preferential policies are not affected by the rotation of political parties. It is permanently protected by the laws of the commonwealth and Antigua and Barbuda. The laws of the Antigua and Barbuda are adapted to the common law system and their policies are highly transparent, which can ensure the market-oriented operation of capital and reduce investment and trade risks. In particular, the ABSEZ is the only permanent duty-free zone in the Commonwealth.

③ Freely financial regulation

The ABSEZ is a world-renowned tax-free offshore financial center.

For enterprises, there is no foreign exchange control in the ABSEZ and funds can be freely moved in and out. The offshore company is located in the ABSEZ, which performs global asset allocation, avoids various taxes, and realizes the preservation and appreciation of global assets. ABSEZ-registered companies holding global companies' equity and assets can enjoy permanent corporate and personal income tax exemption, inheritance tax, and asset appreciation tax exemption, and any transaction tax can be exempted when transferring related equity and assets within the ABSEZ.

For individuals, the ABSEZ is exempt from personal income tax (including overseas and domestic

income), capital gains tax, net asset tax, gift tax, inheritance tax, overseas income tax, and so on.

6. Negative sides list in ABSEZ

The negative list of the ABSEZ mainly stipulates what investors cannot do. The specific content is shown in the following table:

Sheet 4 Detailed content of negative list

| Industry | Special Management Measures |
|-------------------|---|
| Agriculture | Planting and trade of hard drugs, import and planting of pests and virus seedlings |
| Industrial | Unapproved production and trading of hazardous chemicals Production and storage of flammable and explosive products, Process and storage of nuclear fuels, materials and uranium product, any pollutant and unsafe production and operation which will do harm to air, soil and environment are strictly prohibited. |
| Trade | Pharmaceuticals including heroin and cocaine and aesthetics , Weapons and ammunition smuggling, storage and production of firework and explosive products. |
| Transportation | Restricted measures are in place for docking of ships loaded with raw oil, chemicals, explosive and other dangerous products |
| Health | Live stockings un-quarantined and unapproved by the Zone committee are forbidden for import and export and storage. |
| Import and export | All prohibited products, import and export products that are not compliance with custom clearance shall be subject to confiscation. |

Punishment for breach Negative List:

- 1) All trading enterprises registered in the ABSEZ, if they violate the negative list ban, all their assets in the ABSEZ shall be confiscated.
- 2) For the import and export enterprises of the ABSEZ, the customs of the ABSEZ shall confiscate all the goods that are not imported and exported in accordance with the declaration.
- 3) For anyone who violates the ban, all the confiscated property belongs to the Development Fund of the ABSEZ to support the development of the ABSEZ.

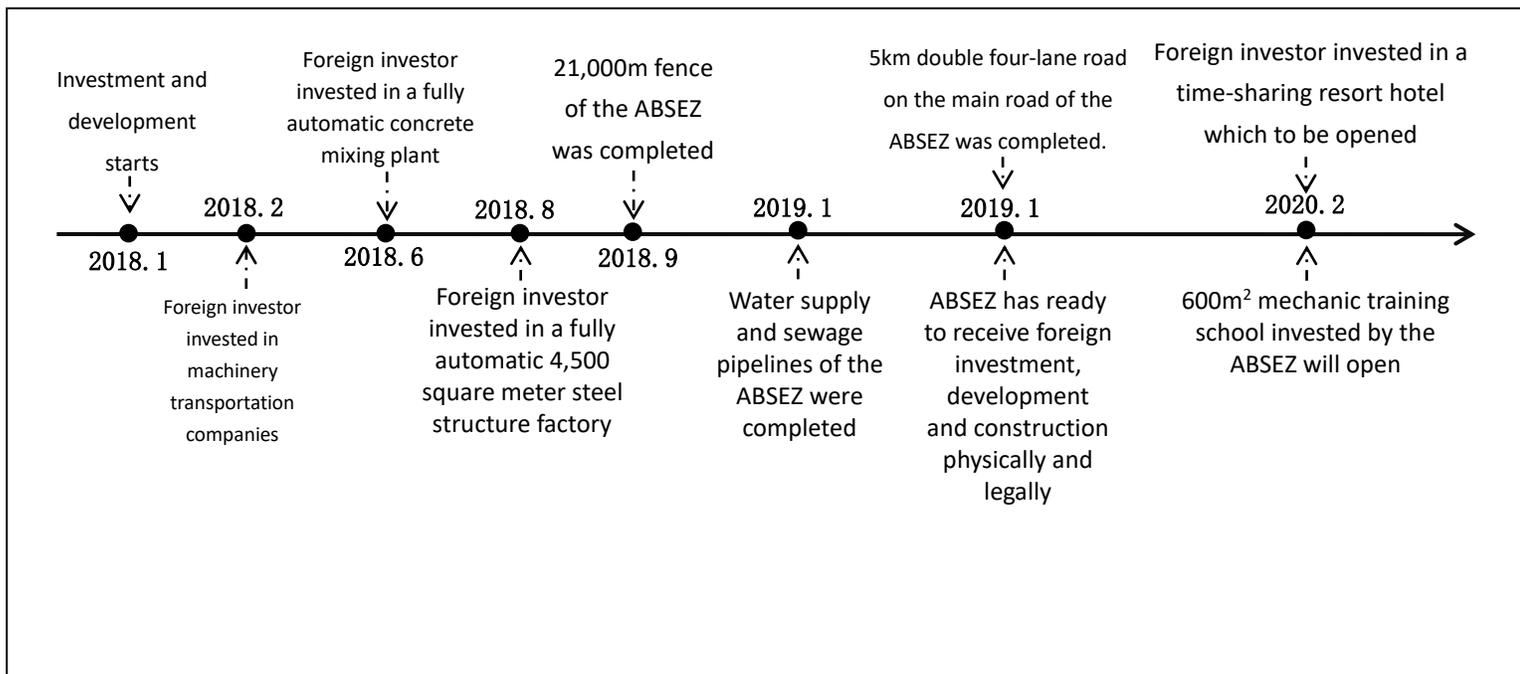
7. Authorization, approval status and project construction progress in ABSEZ

7.1 Authorizations and approvals obtained

The Antigua and Barbuda government approved the 1,650-acre construction master plan of the Antigua Special Economic Zone in Nov 28, 2015 and the 1,650-acre construction land environmental assessment report and hydro-geological report on August 30, 2017. The 100-year flood control report and mangrove assessment report were also approved. On February 22, 2019, the DCA, the Ministry of Fisheries, and the Ministry of Environmental Protection approved the 70-acre mangrove forest protection zone, freshwater lakes, beach construction, ports, and the overall plan for the adjustment of the Antigua and Barbuda Special Economic Zone. (Please see the attachment for the approval in 2015 and 2019)

7.2 Project Construction status

The preparations for all the municipal infrastructure construction of the ABSEZ started in September 2017 and officially started investment and development in January 2018:



Picture 6 Construction status in ABSEZ

8. ABSEZ Marketing and Promotion

At the 30th March 2020, the Antigua and Barbuda Special Economic Zone has ready to receive foreign investment, development and construction physically and legally. All functional zones are opening for investment. There is in total 1650 Acre lands available. Details are following below:

8.1 Hotel

The ABSEZ will plan to build 10 five-star hotels with a total construction area of approximately 250,000 square meters and provide 1,000 employment opportunities.

The climate of Antigua and Barbuda is livable year-round, with a minimum temperature of 22 degrees in winter and a maximum temperature of 28 degrees. The highest temperature in summer is 32 degrees. Antigua and Barbuda is famous for its blue sky and white clouds and 365 beaches. About 1.5 million tourists visit here every year. The existing high-end hotel supply capacity cannot meet the growing tourist demand and the tourism industry has great potential.

According to the tax exemption policy, foreign investors are exempt from tax on purchasing land, building hotels, and importing related goods in the ABSEZ. Taxes are not payable on income earned by foreign companies operating and selling hotels. The tax exemption policy can help foreign investors reduce investment risks and increase investment returns to the greatest extent.

The investment and construction of ten hotels will also promote the development of tourism-related enterprises: including all building materials companies, sand and stone companies, cement, construction machinery companies; all supermarkets, restaurants, retail, taxis, car repairs and accessories companies.

8.2 Industrial Zone

The ABSEZ Industrial Zone plans to introduce 500 labor-intensive foreign-funded enterprises

which are expected to bring 4 million square meters of engineering construction and nearly 27,500 jobs.

According to the tax exemption policy, foreign-registered companies, investment in building factories, import and export of related raw materials, sales of related goods, and corresponding profits are not required to pay taxes to the government; similarly, all workers and managers of the company's factories are not required to pay wage tax. For example, if your plant sells \$ 100 million a year and your tax rate is 50%, your company will need to pay \$ 50 million in taxes. However, according to the tax exemption policy of the ABSEZ, all of these 50 million taxes is classified as your company's profit. This also gives your company enough room to reduce prices to increase the international competitiveness of your products.

8.3 Golf course and golf villa area

The ABSEZ golf course, golf villas and clubs have a total construction area of 300,000 square meters and can solve the employment of 500 people.

The ABSEZ Golf Course will become the world's first independent island golf course. The golf course is positioned as a private golf club and qualified for international games. Similarly, construction of related venues in the ABSEZ is not subject to land acquisition tax (2.5% in the United States), material sales tax (4.5% in the United States), wage tax (50-70% in the United States), capital gains tax (23.8% in the United States) and income tax (39.6% in the United States) to maximize investors' interests.

Picture 7 Antigua and Barbuda Scenery



8.4 International Medical Rehabilitation Area

The total construction area of the International Medical Rehabilitation Zone of the ABSEZ is 60,000 square meters, which can provide employment for 200 people.

There is only one hospital in Antigua and Barbuda currently. The equipment and technology cannot meet the future needs, which cannot meet the needs of the middle classes. This part of the people above the middle classes basically choose to go to the United States, Canada, the United Kingdom and Europe for medical treatment. In addition, there are more than 1.5 million tourists from Europe and the United States each year. The ABSEZ will also welcome 1-2 million permanent residents in the future and the existing medical capacity is seriously insufficient. Therefore, it is now very suitable to build a high-level hospital, set up a medical examination center, a medical and rehabilitation center, and a medical plastic surgery center in the ABSEZ.

8.5 International Commodity Duty Free Logistics Wholesale Center

The total construction area of ABSEZ International Commodity Duty Free Logistics Wholesale Center is 100,000 square meters, which can solve the employment of 100 people.

Antigua and Barbuda is located in the Caribbean, radiating South America, North America, Europe and Africa. Enterprises in special economic zones do not have to pay any tax while selling their products to four continents.

8.6 International Warehouse Free Zone

The total construction area of the ABSEZ International Warehouse Free Zone is 200,000 square meters, which can solve the employment of 300 people. ,

When the products produced by 500 foreign-invested enterprises in the ABSEZ need to be exported, the exported goods must enter the ABSEZ warehousing and duty-free zone. The ABSEZ Customs can export only after passing the inspection according to the commodity export declaration and commodity inspection to ensure the safety and legalization of import and export commodities. The ABSEZ duty-free storage zone is a long-term storage of international goods free of tax. The warehousing free zone provides flexible storage services for international

goods, making the ABSEZ to a storage and transportation hub that connects the world and regional commodity trade. The warehousing free zone also provides a flexible duty-free operation platform for international import and export trade and re-export traders to promote the sales of international goods.

8.7 Central Business Center

The 300,000-square-meter business center of the ABSEZ can provide employment for 500 people.

The ABSEZ Business Center is an international business center integrating tourism, leisure, entertainment, duty-free shopping and entertainment. Inside there are dining and dining areas, bars, karaoke areas, outlying island duty free areas, gaming areas and so on. Free zones can import goods from the global free zones to sell in the Antigua and Barbuda offshore free zone. Anyone who visits and vacations in Antigua and Barbuda can purchase duty-free goods in the free zone. Antigua and Barbuda nationals must pay consumption tax to the country when shopping in the free zone. The casino is located in a five-star hotel, exclusive area for business culture and entertainment, and the casino has more entertainment venues and dining areas.

8.8 University Town

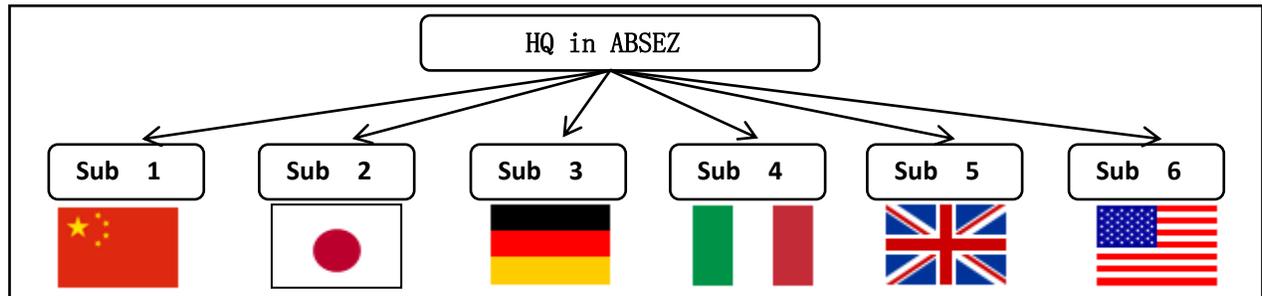
The total construction area of the University City of the ABSEZ is 150,000 square meters, which can provide employment for 100 people.

The ABSEZ plans to build five international private universities, an international technical private university, an international private tourism university, and an international private language school, which will recruit students globally.

Antigua and Barbuda is an investment immigration country. Most students enrolled can apply for investment immigration in the ABSEZ. High school graduates from all over the world who have not been admitted to the university can come directly to the University City of ABSEZ after completing relevant courses at the University City Language School in the ABSEZ.

8.9 Headquarters area

The total construction area of the headquarters of the ABSEZ is 300,000 square meters, which can solve the employment of 500 people.



Sheet 8: Hub and Sub company

If the company's group headquarters is registered in the Samba Special Economic Zone, it can register several branches in the Samba Special Economic Zone, each branch holding companies in other countries, according to the tax exemption policy of the Samba Special Economic Zone:

- ① Profits from companies in different countries are returned to the ABSEZ branch and are exempt from income tax.
- ② When companies from other countries sell, they only need to sell the holding branch of the Samba Special Economic Zone, and there is no tax on the sale of the company.
- ③ When the assets of companies in other countries need to be transferred, they can be exempted from transaction tax, transfer tax and income tax by selling the subsidiaries of the ABSEZ to other countries.
- ④ When the products and semi-finished products of factories in other countries are sold to the branches of the ABSEZ, or the products assembled by the ABSEZ Company are sold to the world, import and export duties are exempt.

8.10 Financial Center

The total construction area of the financial center of the Samba Special Economic Zone is 50,000

square meters, which can solve the employment of 200 people.

The financial center of the Samba Special Economic Zone has established various fund centers, offshore settlement centers, offshore insurance companies, offshore trust companies, offshore asset management companies, international securities trading centers, and so on.

The land of the Antigua and Barbuda Special Economic Zone is limited. We kindly please all agencies send the information of the intended investment enterprises to the Antigua and Barbuda Special Economic Zone management committee in advance for due diligence reason. If you have any questions about the agency and investors who are interested in the Antigua and Barbuda Special Economic Zone, please contact us and we will answer you in time.

Contact: | Tel:

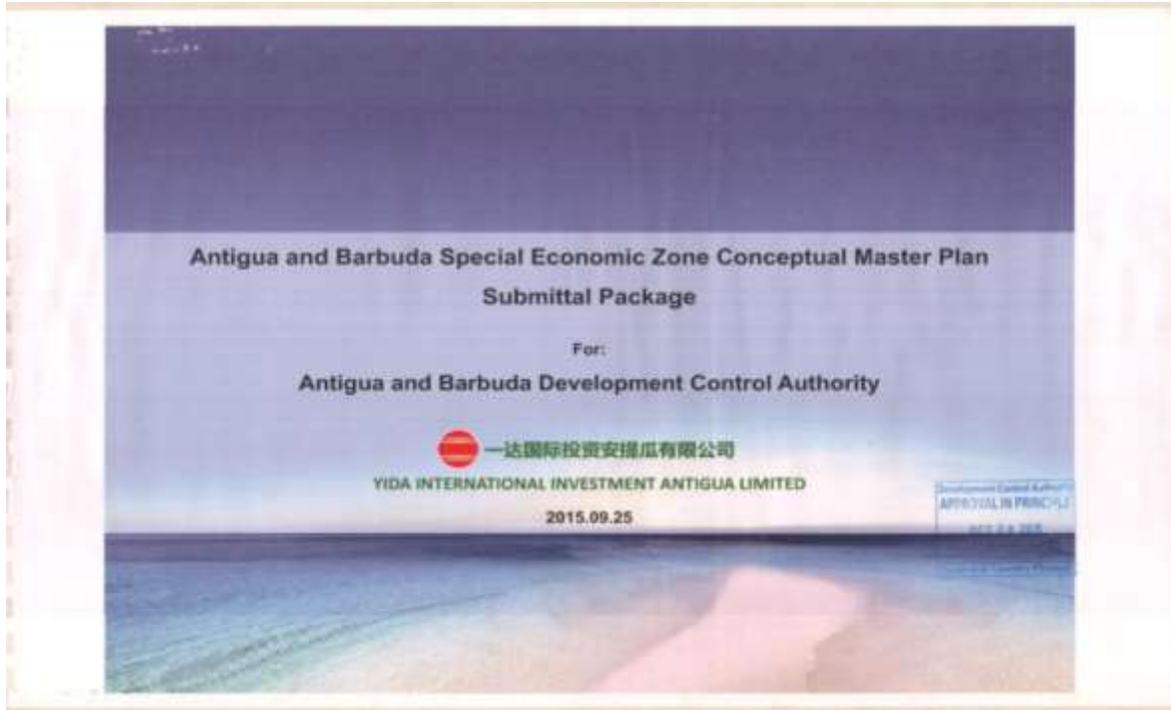
Getting tickets to Investment in Paradise will undoubtedly be the beginning of

our long-term and joyful cooperation!

Sincerely welcome to invest in ABSEZ!

Attachement

Attachment 1: Approval document in 2015





Approved by the Planning Commission
 OCT 28 2015
 Country Planner



Approved by the Planning Commission
 OCT 28 2015
 Country Planner

Attachment 2 : Approval document in 2017



Government of Antigua and Barbuda

Cabinet Secretariat

Office of the Prime Minister

Queen Elizabeth Highway
St. John's, Antigua, West Indies
Telephone: (268) 462-4957 / (268) 562-1860
Facsimile: (268) 462-9309
E-Mail: cabinet@antigua.gov.ag

30th August, 2017

Our Ref: C.S. 4/2

Yida Zhang
Crabbs Peninsular
St. Peter's
Antigua

Dear Sir,

Yida Development Plan and Authorization to Grant Permission to Facilitate Yida Development

During its deliberation on the captioned matter the Cabinet recognized and agreed that all physical development within the national territory of Antigua and Barbuda shall be done in an environmentally sustainable and responsible way.

Cabinet also recognized that in exceptional circumstances, there may be an unavoidable need to modify some aspects of the natural environment to facilitate development.

Cabinet discussed and agreed that all development within the country must be monitored by the responsible agencies of government to ensure that they are executed not only within the confines of the law but in the interest of preserving and enhancing the natural environment.

Cabinet also noted that in considering whether development projects in environmentally sensitive areas should be approved, the environmental impact must be measured against the economic benefits as well as clearly defined mitigation plans and strategies.

Cabinet further noted that the YIDA Group has met the legal requirements for the submission of environmental impact studies in relation to the development of the Crabbs Peninsula.

Following extensive discussions, Cabinet endorsed the resubmitted design and plan for the Yida Group's development of the Crabbs Peninsula and agreed that the Ministers of Health and the Environment and Fisheries should take immediate steps to facilitate the development to take place under the strict supervision of the Environment and Fisheries Divisions and other relevant government authorities to ensure that any adverse impact on the environment is minimized; that the ecosystem is not only preserved but enhanced; and that building codes and other laws of Antigua and Barbuda are observed and enforced.

Cabinet further agreed that YIDA Group's development of the Crabbs Peninsula proceeds, subject to the following conditions:

- The project is monitored by the Environment and Fisheries Division.
- That the YIDA group agrees to preserve and enhance ecosystem of the area (North East Marine Zone, including mangroves to facilitate sustainable development of the area).

- That the YIDA Development must include the use of alternate/green energy sources for the development.
- YIDA Development shall be responsible for the improved water flow and aeration of water sources within the ecosystem (including protection of fish stocks and breeding grounds).
- YIDA shall maintain at least 52 acres as a mangrove preserve and nursery.

Having considered and accepted the recommendations from the Chief Environment Officer, Cabinet agreed to authorize the Minister responsible for the Environment to grant permission (ex post facto) for the YIDA Group to alter wetlands in the Crabbs Peninsula area.

All alterations shall be subject to the supervision of the Environment and Fisheries Divisions.

Cabinet also authorized the Minister responsible for Fisheries to exercise the powers granted under Section 53 (3) of the Fisheries Act Cap 22 of 2006 to grant permission to the YIDA Group to make specific but limited alteration to the marine reserves within the development in the area of the Crabbs Peninsula.

All alterations shall be subject to the supervision of the Environment and Fisheries Divisions.

For your necessary information and appropriate action.

Sincerely,



Secretary to the Cabinet



 Transport Board Headquarters Building
Herbert's Estate
P.O. Box 895
St. John's, ANTIGUA, West Indies

 Tel: (268) 482-2038/4534/6428
Fax: (268) 562-2594

 Website: Dca.gov.ag
Email: DCA@ab.gov.ag

5th March 2019

Mr. Yida Zhang
Owner
YIDA International Investment Antigua Ltd.
Crabs Peninsula
St. Peter's
Antigua

**Re: YIDA International Investment Antigua Ltd.
20 Year Development Plan**

Dear Sir,

The Development Control Authority (DCA) received drawings for your masterplan of the above captioned proposed development on 14th August 2015, and the Application # G14-2015 was ascribed to it. Subsequently, you submitted a Strategic Environmental Impact Assessment Report (SEIA) dated 9th January 2017, which was reviewed by the Department of Environment (DoE) and the Fisheries Division. Both agencies made recommendations regarding your development in their review reports, and so you had your master plan revised to satisfy these recommendations.

The YIDA development revised masterplan was then submitted to Cabinet for discussion, and it was ratified in a Cabinet letter dated 30th August 2017. Consequently, this masterplan was granted Approval in Principle (AIP) by the DCA on 22nd February 2019.

Based on further recommendations made by the DoE and the Fisheries Division, and on research and recommendations in reports produced by beach and mangrove expert consultants, the YIDA Group had proceeded to make changes to the AIP master plan, thereby producing a second revised masterplan. The DCA granted approval to this second revised master plan on 22nd February 2019. The YIDA Group therefore, is free to proceed with development works while they receive monitoring and guidance from the relevant government authorities: Fisheries Division, DoE and DCA.

The DCA acknowledges that the *Antigua and Barbuda Special Economic Zone (YIDA International Investment Antigua Limited) Licence Order* of 2015, gives your company the prerogative to establish a Zone Advisory Board or Zone Committee which can scrutinize and approve all development proposals and environmental assessments within your development compound, henceforth. This is once the Government of Antigua and Barbuda had provided approval of your masterplan and environmental protection related matters (i.e. the SEIA) in a

single instant – which has been done. The Licence Order of 2015 goes on to state that copies of all approvals and permits for construction of projects within the Zone shall be delivered to the DCA and the Environmental Planning Division (i.e. DoE and Fisheries Division) for filing.

The DCA again notes the 30th August 2017 letter of permission from Cabinet, which elucidates as follows: “Cabinet ... agreed that the Ministers of Health and the Environment and Fisheries should take immediate steps to facilitate the development to take place under the strict supervision of the Environment and Fisheries Divisions and other relevant government authorities to ensure that any adverse impacts on the environment is minimized; that the ecosystem is not only preserved but enhanced; and that the building codes and other laws of Antigua and Barbuda are observed and enforced.”

“Cabinet further agreed that YIDA Group’s development ... proceed subject to the project [being] monitored by the Environment and Fisheries Division.”

Please be aware that the DCA has appointed Building Inspector Mr. Owren Smith to liaise with the YIDA Zone Advisory Board/Committee to ensure that development proceeds smoothly and error-free.

Please be guided accordingly.

Sincerely,



Frederick Southwell
Chief Town and Country Planner

CC: Hon. Maria Browne, Minister of Housing, Lands and Urban Renewal.
Hon. Steadroy Benjamin, Attorney General and Minister of Legal Affairs, National Security and Labour.
Hon. Molwyn Joseph, Minister of Health, Wellness and the Environment.
Hon. Dean Jonas, Minister of Agriculture, Fisheries and Barbuda Affairs.
Hon. E. P. Chet Greene, Minister of Foreign Affairs, International Trade, Commerce and Immigration.
Hon. Charles Fernandez, Minister of Tourism and Investment.
Hon. Asot Michael, Parliamentary Representative for the St. Peter’s Constituency.
Mr. Konata Lee, Cabinet Secretary, Cabinet of Antigua and Barbuda.
Mr. Robelto Isaac, Permanent Secretary, Ministry of Housing, Lands and Urban Renewal.
Mr. Colin James, Chairman of the DCA Board.
Amb. Diann Black-Layne, Chief Environmental Officer, Department of Environment.
Chief Fisheries Officer, Fisheries Division.
Mrs. Luann DeCosta-Edwards, Legal Counsel for the DCA.

Attachment 4: Letter from DCA for Maintenance Dredging



Transport Board Headquarters Building
Herbert's Estate
P.O. Box 995
St. John's, ANTIGUA, West Indies

Tel: (268) 462-2038/4534/6428
Fax: (268) 582-2584

Website: Dca.gov.ag
Email: DCA@ab.gov.ag

13th Friday 2019

Mr. Yohan Hesse
Project Manager
YIDA International Investment Antigua Ltd.
Crab's Peninsular
St. Peter's
Antigua

Re: Plan Application # 374-19 – Maintenance Dredging of Crabs Boat Channel

Dear Mr. Hesse,

The Development Control Authority (DCA) received your above captioned plan application on 24th July 2019, and sent a copy to the Fisheries Division and the Department of Environment (DoE) for review. Also, several meetings were convened at the DCA to discuss this project, and these meetings were attended by persons from the DCA, DoE, Fisheries Division and the YIDA Group. Site visits were also conducted.

Please note that the Fisheries Division produced a review report on the project dated 12th September 2019, a copy of which is enclosed. The review report recommends that "permission may be granted to proceed with dredging of the area." The sand that is to be dredged from the marine channel is to be used by the YIDA Group for the development of beaches along sections of the Crab's Peninsula coastline.

The DCA is therefore granting approval for this project. However, all the conditions and recommendations outlined in the Fisheries Division's Review Report must be followed and adhered to. Further, the three monitoring agencies (DCA, Fisheries Division and DoE) must be notified by at least a week, when you decide to conduct physical work on the ground.

Please be guided accordingly.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. Southwell', written over a horizontal line.

Frederick Southwell
Chief Town and Country Planner

C.c: Hon. Gaston Browne, Prime Minister, Minister of Finance, Corporate Governance and Public and Private Partnerships.
Hon. Maria Browne, Minister of Housing, Lands and Urban Renewal.
Hon. Dean Jonas, Minister of Agriculture, Fisheries and Barbuda Affairs.
Hon. Molwyn Joseph, Minister of Health, Wellness and the Environment.
Mr. Roberto Isaac, Permanent Secretary, Ministry of Housing, Lands and Urban Renewal.
Mr. Colin O'Kieffe, Permanent Secretary, Ministry of Agriculture, Fisheries and Barbuda Affairs.
Mr. Colin James, Chairman of the DCA Board.
Mr. Ian Horseford, Chief Fisheries Officer, Fisheries Division.
Amb. Diann Black-Layne, Director, DoE.
Mr. Konata Lee, Cabinet Secretary, Cabinet of Antigua and Barbuda.
Ms. Gail Christian, Legal Counsel for the DCA.