



Business Services



Outsourcing Services



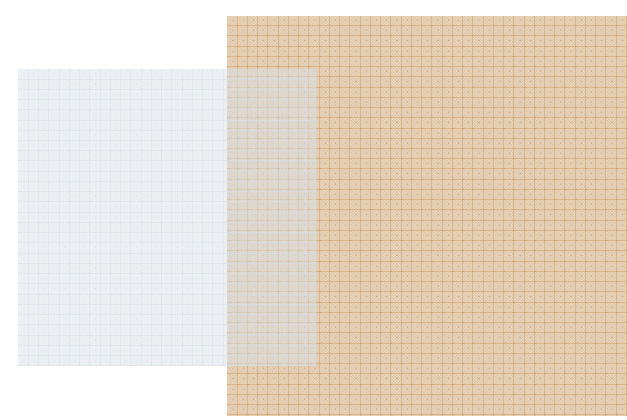
Real Estate Services

Company Presentation

Making your business work –
is what we do!

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Our Services

CERTAIN KEY DIFFERENCES BETWEEN UKRAINIAN AND WESTERN BUSINESS ENVIRONMENTS



Law

- The Ukrainian Market operates rather according to its own specific laws and sublaws, which makes Ukrainian legislation significantly different from the Western legislation regulating the identical processes and procedures.
- Knowledge of the laws, sublaws and local business environment in whole, as well as the ability to work therein are the dominant factors for business success. Having relevant knowledge we are ready to support your business development in Ukraine.



Accounting & taxation

- Significantly higher paper flow
- Form prevails over substance
- Highly formalistic and bureaucratic
- “Act of acceptance” is the key document for Tax Accounting
- Complex payroll
- Accounting & reporting are mainly focused to satisfy the Ukrainian fiscal authorities



Mentality

- People are very relationship-oriented
- Loyalty to the employer
- Different understanding of time
- Different understanding of doing business
- The role of individual representatives or owners
- Different relationship to money and wealth

OUR SERVICES ARE BASED ON 3 COLUMN'S AND MAINLY DEDICATED TO SUPPORT FOREIGN INVESTORS IN UKRAINE



Business Services

Business Services – set up

- Market entry advice
- Company registration
- Legal and business address
- Office space and working places
- Work & Residence permits
- General Director function
- Interim management
- Recruiting professionals & staff

Business Services – ongoing

- Import , export & logistics
- Identification & contact of suppliers, buyers, service provider, business partner and investors
- Participation in negotiations
- Meetings organization, support and participation
- Customs support
- Feasibility studies
- Market analysis & research
- Strategy consulting & restructuring



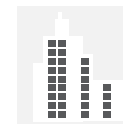
Outsourcing Services

Outsourcing Services – financial

- Accounting & reporting
- Ukrainian accounting
- Payroll accounting
- IFRS & US GAAP
- Individual management reporting
- Taxation
- Company tax reports
- Tax consulting
- Transfer pricing
- Controlling
- Financial and tax due diligence
- Forensic accounting, compliance check & internal audit

Outsourcing Services – other

- Legal services
- Professional and staff recruiting & Outstaffing
- Personnel qualification & training
- IT services



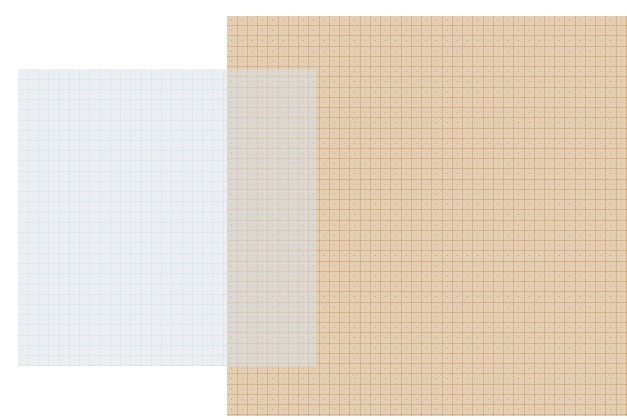
Real Estate Services

Apartment & Office Rental & Renting

- Apartment & house hunting for foreigners & foreign companies & institutions
- All apartments are only in premium residential complexes
- High level of security & in-house service
- Conclusion of lease agreements
- Fully equipped office space

Apartment Management

- Advice for design & apartment features
- Advice for finishing & construction monitoring
- Management in the case of long absence
- Preparation & support of sales



Business Services

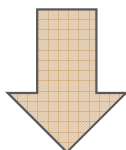
COMPANY FORMATION AND MANAGEMENT

Legal & Business address & office space

For the registration of a Representative Office or a subsidiary (e.g. LLC), a legal address in Ukraine is required. In general, making decision to register a local structure our foreign clients do not have any permanent office in Ukraine, since they prefer to sign relevant lease agreement only after the registration completed.

We can fill this gap and provide you:

- With our legal address service, which in general, includes informing you about all of the incoming correspondence to the Representative Office or LLC registered in our Office
- We offer our efficient infrastructure for your business use - fully equipped office units in Kyiv, which provide you immediately ready to use workplaces.

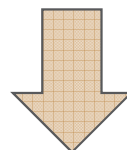


General Director function

According to the local corporate law, any company in Ukraine needs to have a local individual as General Director in order be able to register the local company. Only after the registration completed a foreigner can be invited to this position.

In Ukraine a General Director always has the right to sign alone. This can be a risk and result in a question of trust for your company.

In order to meet the question of legal requirement and/ or trust, we can take over the General Director function. We will sign documents on behalf of your Ukrainian subsidiary after receiving your written permission. Our internal structure ensures full transparency and your involvement in a smooth document and communication flow.

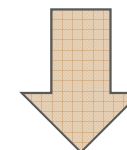


Work & Residence permits

Foreign nationals, who want to work or obtain residence permit in Ukraine must have a **work permit**. This document should be obtained by a Ukrainian legal entity.

Foreign employees should not be under criminal prosecution in their country or residence and may only work for one Ukrainian employer.

In general, foreigners from Western Europe, US and a few other Countries don't need a visa to enter Ukraine. This foreigners are allowed to stay in Ukraine 90 days within 180 days. If foreign employees exceed 90 days within 180 days, they need a **residence permit**. The procedure takes time and will be usually started after the work permit was successful received.



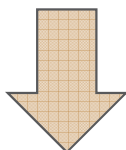
Our services for your business

BUSINESS ADVISORY

Strategy & Operations

External environment is permanently changing which increases uncertainty and complexity around us. To deal with such **“new normal” economic order** and respond to new challenges, companies should review their strategies more frequently. We offer to them our **support in strategy development**. Our help permits to complete it in an impartial and objective way escaping from traditional traps and bases during analysis and decision making stages. As result, companies improve their competitiveness and business sustainability.

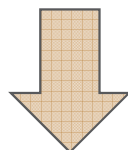
If necessary, we provide services in **strategy execution** which is usually retranslated in various **changes implementation** including **business model transformation**. In this case we work on companies **operational performance**. Benchmarking with industry best practices and competitors is done to define zone and potential for improvement.



Restructuring and Turnaround

Consulting services for **businesses operating in state of crisis** is one of our key pillars. For **distressed companies** that have substantial problems to continue their business as usual, we suggest to think about **restructuring**. Key focus – on reasons of crisis. In those situation we provide a thorough business plan (“survival roadmap”) which normally includes radical costs cutting, recommendation for changes in assets structure including closure/suspension, improvements of working capital position and similar .

For **organizations in decline** we provide consultancy services by doing **turnaround projects**. In such cases we develop the **“answer plan”** with initiatives and measures able to quickly realign organization resources and improve the situation.

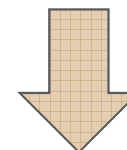


Due Diligence and Investment Support

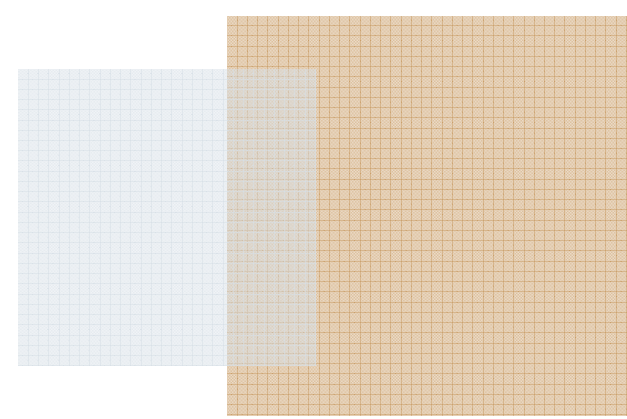
At some points of companies lifecycle **CAPEX projects** and **M&A deals** are intrinsic parts of their strategy. We are ready to facilitate such transactions by conducting **commercial due diligence (CDD)** assignments both from sell and buy sides.

One of our key strength - very **qualified people** who have already an **extensive experience** in this field. Among other **key success factors** we could mention a **strong experts support** that are especially selected from subcontractors bases for specific project needs - based on their **industrial and functional background**.

Right mix of consultants and industry experts permit us to assess investment projects (for example, for plant modernization) from different prospective – **feasibility study** for bank loans etc..



Our advisory services



Outsourcing Services

UKRAINIAN ACCOUNTING, TAX AND AUDIT 1/3

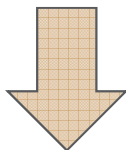
Ukrainian accounting

Accounting in Ukraine is based more on extremely formal, documentation-specific fiscal regulations than on commercial principles. If the correct documents are missing, the finalized business transactions can not be processed.

Due to the above-mentioned factors, accounting in Ukraine involves a significantly higher time and labour investment than in countries with Western reporting regulations.

We specialized in outsourcing of accounting for our clients' subsidiaries in Ukraine. We carefully prepare numerous reports that are required on a monthly, quarterly and/ or yearly basis.

We submit your documentation to the local tax and statistical authorities, and can respond to their further inquiries, if required.

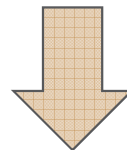


IFRS & US GAAP & management reporting

It is impossible to perform a relevant financial analysis, which would produce an accurate overview of the economic situation of your company in Ukraine based on the reports prepared for the local tax.

In order to satisfy our clients' need we produce additional reports based on the requirements of the Western financial accounting (such as IFRS or US-GAAP). Our financial experts transform Ukrainian accounting data into the Western financial reporting.

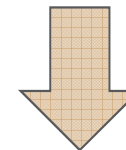
In addition, our financial and tax experts make sure that your financial statements do not contain any irregularities, which could lead to problems in the future. Based on this opportunity you observe the financial situation of your subsidiary in Ukraine and can concentrate on your primary business.



Tax consulting

The significance of tax consequences during the initial stage of the business set up are very often underestimated by foreign companies. Decisions are very difficult to reverse once made. Therefore, comprehensive tax advising prior to company registration in Ukraine is crucial. We offer you our advisory services and consult you on the preparation of tax structures and tax planning in selected areas. Our support includes:

- Tax advice in the context of company foundation
- Elaboration of tax accounting policy
- Tax optimization of daily transactions
- Arrangement of non tax-deductible expenses, which can be seen as salary-substitutes
- Planning of the value-added tax, including the cross-border transactions



Our services for your business

UKRAINIAN ACCOUNTING, TAX AND AUDIT 2/3

Legal service

With regard to legal matters we offer, inter alia the following services:

- Business setup
- Work & Residence permits
- Checking labour agreements from an accounting and tax point of view
- Preparation of agreements for inter-company financing
- Preparation of inter-company service agreements
- Re-registration of legal addresses
- Liquidation of Ukrainian legal entities and representative offices

We would like to note that we are not attorneys at law and cooperate regarding all critical cases with leading local and international Law Firms.

Recruiting

To identify, examine and pre-select suitably qualified and experienced candidates takes time you don't have, knowledge of the current local market and experience in the special field. We support you to employ for positions in the fields of administration, accounting, controlling and finance, such as:

- Secretary - Personal Assistant
- Accountant - Chief Accountant
- Financial Controller - Financial Director - Tax Expert etc.

We select your candidates through 5 Stage Assessment. Our clients receive an objective comprehensive assessment of each candidate's professional competence, theoretical base, practical skills and a detailed assessment of the candidate's personal characteristics.

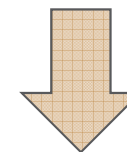
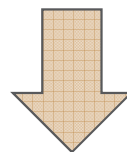
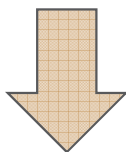
Outstaffing

If a company has already found its first local employees, before the company in Ukraine is registered, they cannot be officially hired.

We can offer to hire the employees to our company. We will take over the responsibility for payroll calculation and payment, deduction of necessary taxes, HR administration in compliance with the local labour legislation. We will charge to the client the related expenses, plus an administrative fee.

After your company or representative office in Ukraine finally registered and active, then you are free to hire the employees.

Outstaffing is as well a popular approach which allows to get control over the staff quantity (address headcount limitations within a company) and to significantly reduce administrative costs and risks level.



Our services for your business

UKRAINIAN ACCOUNTING, TAX AND AUDIT 3/3

Transfer pricing

Starting from September 2013 Ukrainian taxpayers engaged in controlled transactions are required to prepare and file a Report on controlled transactions. On request of the tax authorities, taxpayers are obliged to submit a transfer pricing documentation with regard to specific transactions.

We help companies to manage their transfer pricing risks by such services as:

- Preparing transfer pricing documentation
- Filling a report on controlled transactions
- Elaborating transfer pricing policy

Due diligence

It is usually rather difficult to have a in-depth understanding of the target business and what kind of risk you might face - this counts especially for Ukrainian legal entities.

We conduct due diligence in Ukraine and give you an accurate overview of the actual status. Furthermore we provide practical advice for purchasing a company and for solving the problems that may arise.

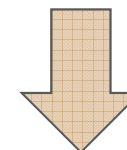
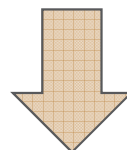
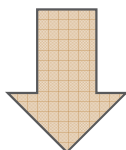
We have the expertise to advise and support you by solving organizational problems, restructuring, tax, accounting and personnel issues after the acquisition made.

Forensic acc., cc, internal audit

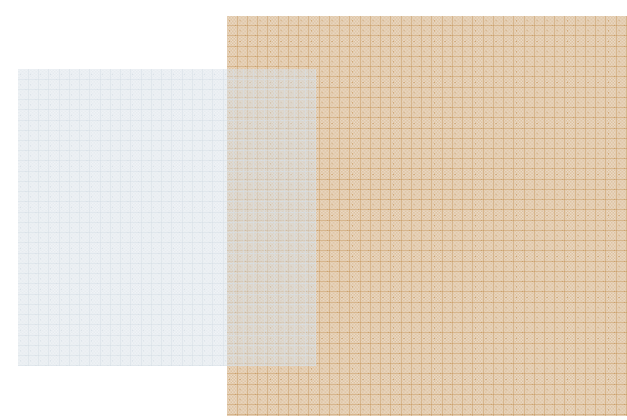
Following international corporate policies, guidelines and legal requirements is for all Western World Companies a must. We help the management of western headquarters to understand if this is as well the case in their subsidiaries in Ukraine.

We analyze, as an independent third party, the plausibility and transparency between your subsidiary and suppliers, customers, employees, state authorities, bank, stock/logistics etc. in order to:

- Reduce possibilities of kick-backs
- Reduce possibilities of legal and tax risks
- Increase Company's economic value
- Make your local business more transparent, effective and profitable
- Bring your accounting in proper shape



Our services for your business



Real Estate Services

ATTRACTIVE WORKING PLACES AND LIVING CONDITIONS

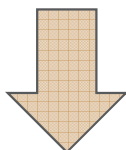
Challenges you will face

Upon your decision regarding market entry or business expansion to Ukraine, you are certainly going to engage in questions linked to Real Estate, e.g

- Where to find suitable office space? How to equip office and workplaces to get them ready for work? How to get legal address?
- How to find Western standard housing for foreign employees?

You may face several challenges:

- Scarcity of moderate-size office space, considerable start-up efforts
- Market for property is complex and lacking transparency
- Search for suitable apartments may be very time-consuming, as local brokers usually not really understand requirements and tastes of foreigners

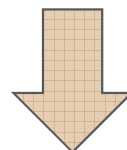


Office space and working places

We offer you fully equipped offices of moderate size in our rooms as the fast solution to start your business.

- 2 – 8 workspaces
- Office infrastructure includes Telecommunication and Internet access
- Conference rooms
- Located in the same building as the outsourcing services we provide – short distance in case of questions

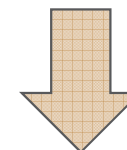
We also gladly assist you when you decide to move on to your own offices by establishing contacts and assisting your search



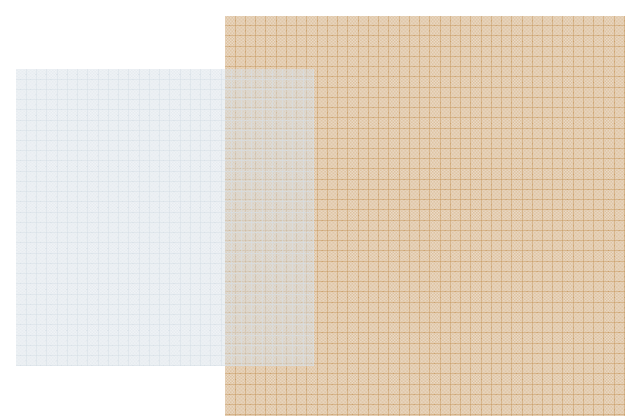
Apartments and Townhouse

We provide the following services acting as intermediary between you and property owners.

- Apartment & house hunting for foreigners & foreign companies & institutions
- All apartments are only in premium residential complexes
- High level of security & in-house service
- Conclusion of lease agreements
- Advice for design & apartment features
- Advice for finishing & construction monitoring
- Management in the case of absence
- Preparation & support of sales



Our Services for your business



Who we are?

FOUNDERS AND MANAGING PARTNERS



Dipl.-Kfm. Sven Henniger
Partner

German

- 9 years experience as CEO in the Ukraine & CIS
- Board member of the German Business Club in Ukraine (DWK)
- Head of working group “Tax and Accounting” at the German Business Delegation in the Ukraine (future AHK, 2012-2015)



Dr. Thomas Winkelmann
Partner

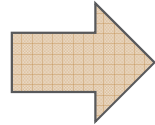
German

- 20 years experience in leading position for different Global Companies in the Ukraine
- Last 15 years in leadership position in the Ukrainian subsidiary of leading global consulting company
- Board member of the German Business Club in the Ukraine (DWK)

OUR CORE TEAM IS SUPPORTED BY EXPERTS

Experts from EU - Countries

- Large network of experts from different business areas and industries
- Senior Top Manager with decades of experience
- Partner companies
- Service providers



Core team

German Management Partners



Dipl.-Kfm. Sven
Henniger



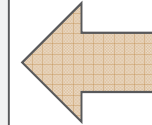
Dr. Thomas
Winkelmann

Experienced Director



Alexander Bespalov

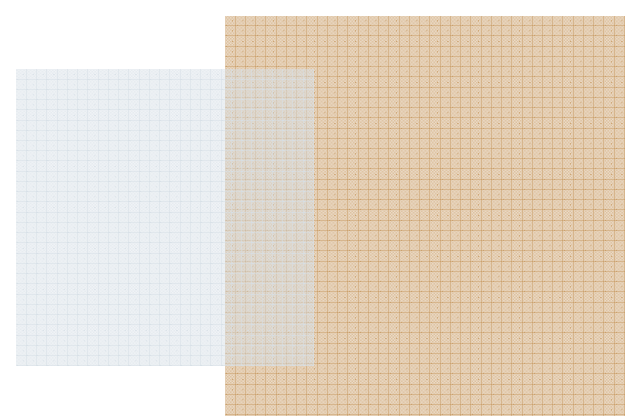
- Team of well trained , experienced and motivated professionals
- Team of experienced consultants, mainly recruited out of the “Big Four” consulting companies



Experts from Ukraine

- Experts for different business areas and industries
- Senior Consultants and Project Manager
- Partner companies
- Service providers





Basic information about Ukraine

TERRITORY



Area: 603 700 km²

- 5,70% of Europe
- 0,44% of the world area
- 7,00% of area - water

Capital: Kyiv (Kiev)

Mega cities:

- Kyiv
- Kharkiv
- L'viv
- Dnipropetrovsk
- Odesa

Location:

Central-Eastern Europe, between

- 44''20' and 52''20' N
- 22''05' and 41''15' E

Time zone:

- GMT+2 (UTC+2)
- Summer (DST) - EEST (UTC+3)

ADDITIONAL

Climate

Moderately continental, except for Southern Crimea, where the climate is subtropical, of the Mediterranean type. The Carpathian climate is also mild, with warm winter and rainy summer

Winter: from -8° to -12°C

In the Southern regions average winter temperature is 0°C

Summer: from +18° to +25°C
although maximum temperature can be more than +35°C

Official

Official language:
Ukrainian,
however Russian is widely spoken especially in southern and eastern Ukraine

Government:
Semi-Presidential unitary state

Electricity:
The standard electric voltage in Ukraine is 220 volts

International phone code:
+380

Currency

Hryvnia (letter code UAH)

Exchange Rates:
(NBU, 30. Juli 2015)

- 1 USD 21,61 UAH
- 1 Euro 23,67 UAH
- 1 Pound 33,77 UAH
- 10 Ruble 3,66 UAH

PUBLIC HOLIDAYS

■ January 1	New Year's Day	Новий Рік
■ January 7	Orthodox Christmas	Різдво
■ March 8	International Women's Day	Міжнародний жіночий день
■ moveable, in 2015 April 12	Orthodox Easter	<i>Великдень</i>
■ moveable Easter + 49 days	Orthodox Pentekoste	<i>Трійця</i>
■ May 1 & 2	International Workers' Day	День праці
■ May 9	Victory Day over Nazism in World War II	День перемоги
■ June 28	Constitution Day	День Конституції
■ August 24	Independence Day	День Незалежності
■ October 14	Defender of Ukraine Day	День захисника України

*If a holiday falls on a weekend, there will be a day off on the following Monday

FEW FACTS ABOUT UKRAINE

Parameter	2010	2011	2012	2013	2014
Population (million)	45,6	45,5	45,4	42,9	42,8
GDP per capita (USD)	2,983	3,586	3,813	4,195	3,016
GDP (USD bn)	136,0	163,0	173,0	180,0	129,0
Economic growth (GDP, annual variation in %)	4,1	5,5	0,2	0,0	-6,8
Consumption (annual variation in %)	7,1	15,7	8,4	69,0	-9,6
Investment (annual variation in %)	3,9	8,5	5,0	-8,4	-23,0
Industrial production (annual variation in %)	11,2	8,0	-0,5	-4,3	-10,1
Retail sales (annual variation in %)	10,1	13,7	13,7	5,6	-9,6
Unemployment rate	8,1	7,9	7,8	7,4	9,3
Fiscal balance (% of GDP)	-6,0	-1,8	-3,6	-4,3	-4,6
Public debt (% of GDP)	40,1	36,4	36,7	39,9	70,3
Inflation rate (CPI, annual variation in %, eop)	9,1	4,6	-0,2	0,5	24,9
Inflation rate (CPI, annual variation in %)	9,4	8,0	0,6	-0,3	12,1
Inflation (PPI, annual variation in %)	20,9	19,0	3,7	-0,1	17,1
Policy interest rate (%)	7,8	7,8	7,5	6,5	14,0
Current account (% of GDP)	-2,2	-6,3	-8,2	-9,2	-4,1
Current account balance (USD bn)	-3,0	-10,2	-14,3	-16,5	-5,3
Trade balance (USD billion)	-9,6	-18,0	-21,9	-22,1	-7,7
Exports (USD billion)	47,3	62,4	64,4	59,1	50,6
Imports (USD billion)	56,9	80,4	86,3	81,2	58,2
Exports (annual variation in %)	27,4	31,9	3,3	-8,3	-14,5
Imports (annual variation in %)	33,9	41,3	7,3	-5,8	-28,4

INTERESTING FIELDS FOR BUSINESS IN UKRAINE

Software & IT-outsourcing

All major software development centers are located in large cities with populations of millions – Kyiv, Kharkiv, L'viv, Dnipropetrovsk, Odesa.

During the last years Ukraine has been the leading provider of software development and IT outsourcing services in the Central and Eastern European region (excluding Russia).

More than 25,000 IT specialists are involved in the software development and IT outsourcing industry in Ukraine, and this figure is likely to increase over the coming years.

By 2011, the volume of the software development and IT outsourcing services provided in Ukraine reached a healthy US\$ 1,1 billion. The software development and IT outsourcing service industry is the most rapidly developing sector in the export oriented economy of Ukraine.

The industry developed until 2014 at a rapid pace of 20 %-25 % growth a year while new companies are opening their R&D offices in Ukraine. Such global vendors as Google, Microsoft, Samsung, and Huawei expressed interest in establishing R&D centers in Ukraine;

Ukraine still boasts the most impressive gap in Europe between GDP per capita in the country and GDP per capita in the software development industry. This could be an important economic incentive for specialists and businessmen to enter the profitable and well-paid market of software development and IT outsourcing services.

Agriculture

Ukraine is one of the largest exporter of agricultural products in the world:

■ No. 1 in Sunflower seed Oil	3.700 MT
■ No. 1 in Sunflower Meal	3.750 MT
■ No. 3 in Rapeseed Oilseed	1.900 MT
■ No. 3 in Corn	18.000 MT
■ No. 4 in Barley	4.200 MT
■ No. 4 in Rye	30 MT
■ No. 6 in Wheat	11.000 MT
■ No. 6 in Milk, Nonfat Dry	30 MT

The agricultural sector in Ukraine is still growing and developing. This generates for foreign companies interesting business opportunities in and around this business sector.

Your business model in the Ukraine?

Not every business fit to Ukraine at the current business environment.

We clarify with pleasure at a first personal meeting your business opportunities in Ukraine!



Let's think



Let's discuss



Let's create success!

DID YOU KNOW?

- **Ukraine is the largest state in Europe**

Ukraine, the largest state situated entirely in Europe, appeared on the map of the world in 1991. It was quickly recognized by the international community. It has an area of 603,628 km², making it the largest contiguous country on the European continent

- **The deepest metro station in the world (105 meters)**

Arsenalnaya Metro Station located in Kyiv is the deepest in the world (105 meters). The station was built in 1960, very close to the House of Parliament.

- **The third most visited McDonald's in the world**

The third most visited McDonald's in the world is located in Kiev, near the train station. This restaurant has always been in the top five most crowded McDonald's in the world

- **Ukraine is a 3th educated nation in the world**

Ukraine is a 3th educated nation in the world: 99.7% of Ukrainians aged 15 and over can read and write. 70% of adult Ukrainians have a secondary or higher education. Ukraine has about 150 colleges and universities, of which the most important are at Kiev, L'viv, and Kharkiv. There are about 70,000 scholars in 80 research institutes.

- **The world's heaviest aircraft**

The world's heaviest aircraft is An-225 Mriya is created by the Kyiv-based Antonov design bureau. The plane was designed to airlift space shuttles and rocket boosters, however is now carrying oversized payloads

Please don't hesitate to contact us, we would be happy to support you!

**Making your business work –
is what we do!**

HWC LLC

Ukraine

Kyiv 04205

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