Life Sciences and Advanced Manufacturing exports from Costa Rica have tripled since 2007, and in 2021, the Medical Devices had a total export value of US\$4.8 billion, consisting 34.1% of Costa Rica's outgoing trade. The country is first in Medical Devices exports per capita, and only second to Mexico as a medical device exporter in Latin America.

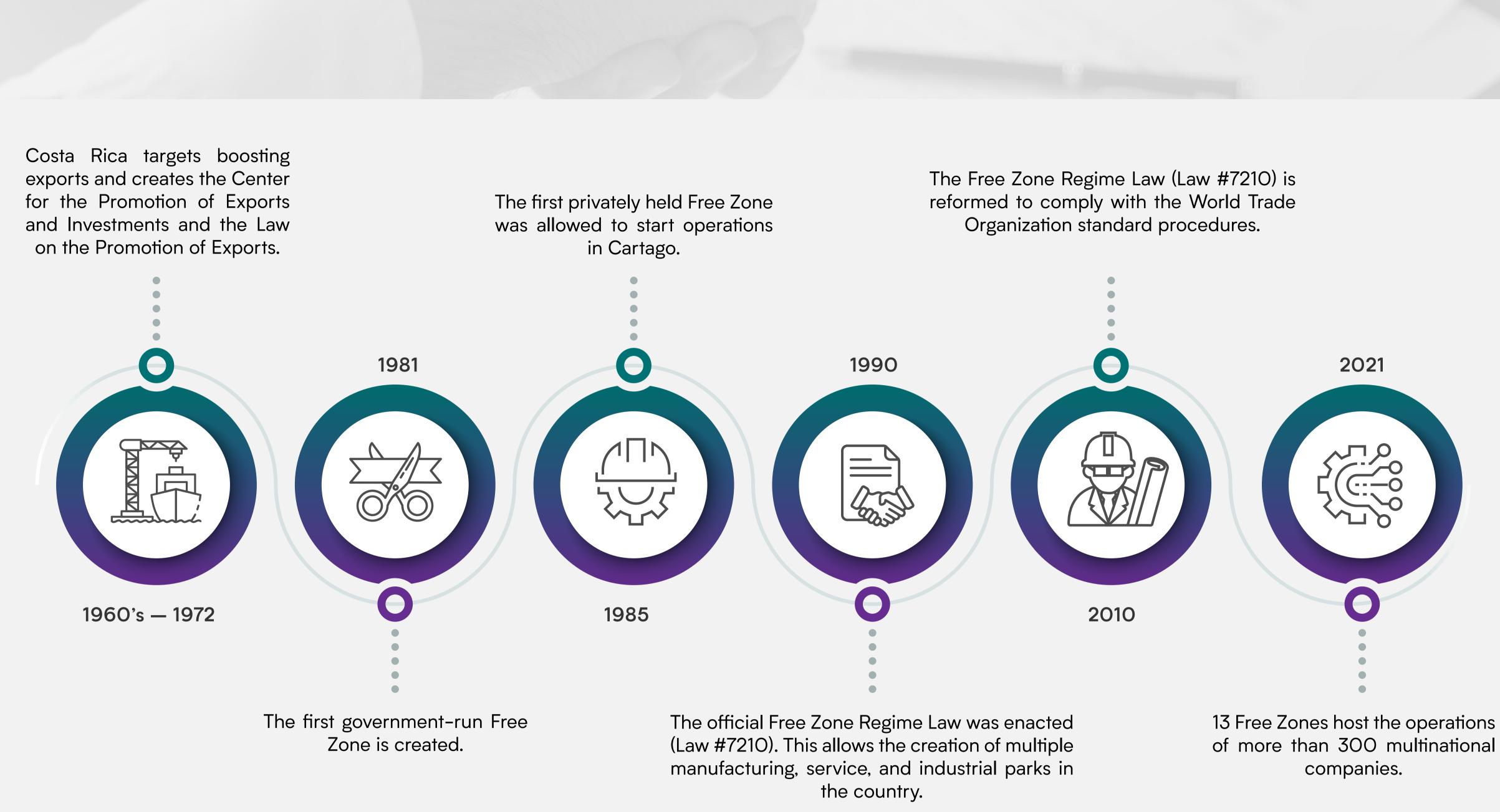
Companies conduct business under the country's law-granted Free Trade Zone Regime — a regime granted by law and the region's leading, a region-leading fiscal incentive in which firms are permitted allowed to operate tax-free for several years following established according to expected investment and recruitment level numbers. This and provides a margin for companies looking to set-up operations.

HISTORY

The Costa Rican Free Trade Zone Regime has been created to promote Foreign Direct Investments trade exchange and to generate quality employment for the country.

The country's Government offers this Free Trade Zone Regime to domestic and foreign companies that wish to set up desiring to install and develop their operations and creating value chains.

The companies established in Free Trade Zones have managed to grow in number and in the variety of exported goods. The core business of companies established within the Free Trade Zone Regime has evolved from textile and makeup manufacturing in the late 1980s and early 1990s, to more complex and quality-driven operations, such as R&+D, data analytics and Engineering processes for global solutions are being done in the Costa Rica of today.

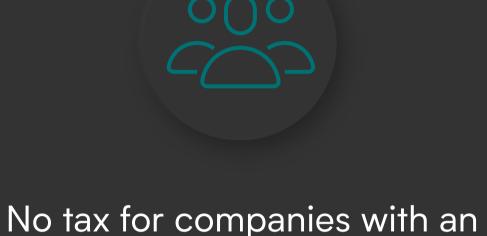


COSTA RICA'S FREE ZONE INCENTIVES

EXEMPTION ON CORPORATE INCOME TAX



tax for 8 years and 50% for 4 years



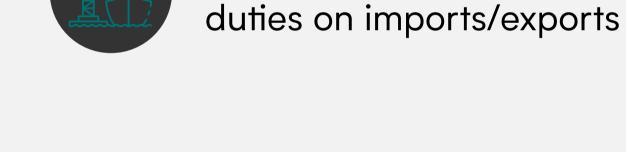
investment of US\$10MM and 100 employees, or 6% tax for companies with an investment of US\$150,000, and 15% for 4 years



100% exemption for 10 years on Property Transfer Taxes



INCENTIVES WITH NO EXPIRATION PERIOD



100% exemption on custom



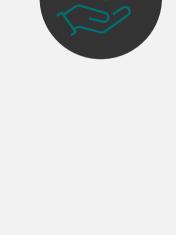
income (statutory tax is 8%)

100% exemption on interest



100% exemption on stamp

duty (statutory tax is 1%)



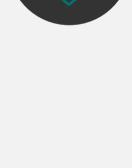
trade partners

of worldwide GDP

tax up to 25%)

100% exemption on withholding

tax on royalties, fees (statutory



Agreements

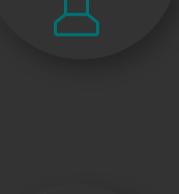
on local purchases of goods/service

100% exemption on sales tax

(statutory tax is 13%)

93.9% of exports of goods covered by

WORLDWIDE ACCESS



Market access: 2.5 billion people and 2/3

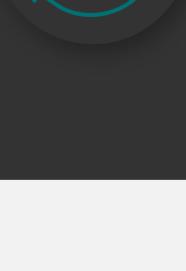
signed FTAs which provide access to 57

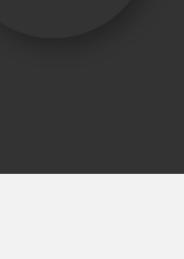


countries in the Enabling Trade Index

Costa Rica ranks 4th among Latin American

14 Investment Promotion and Protection





Export manufacturing companies Export trade companies (not producers) When a firm is looking to apply for the benefits of the Free

CONDITIONS AND REQUIREMENTS OF THE FREE ZONE REGIME

Minimum Employment Level

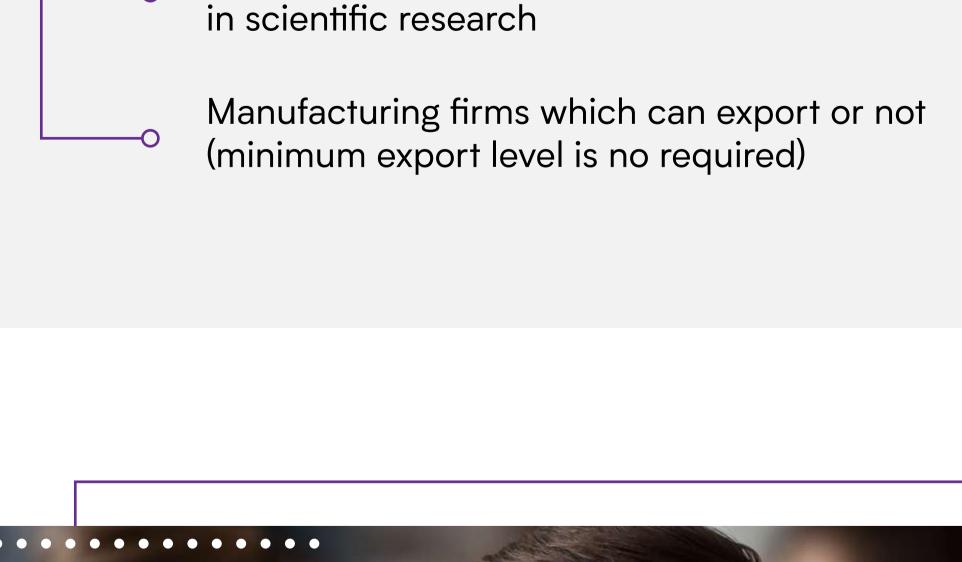
Trade Zone Regime benefits, it should make a minimum initial

investment in fixed new assets subject to depreciation and real

estate in a maximum period of three years from the moment of

the presentation of the regime admission application

and meeting the established conditions.



Companies or organizations engaged

Export service companies

regime and acquired as of the date of presentation of the

regime admission application is presented.

which commits itself to maintain this level while enjoying the benefits of the Regime. Minimum Investment Level Assets should be the property of the party applying for the

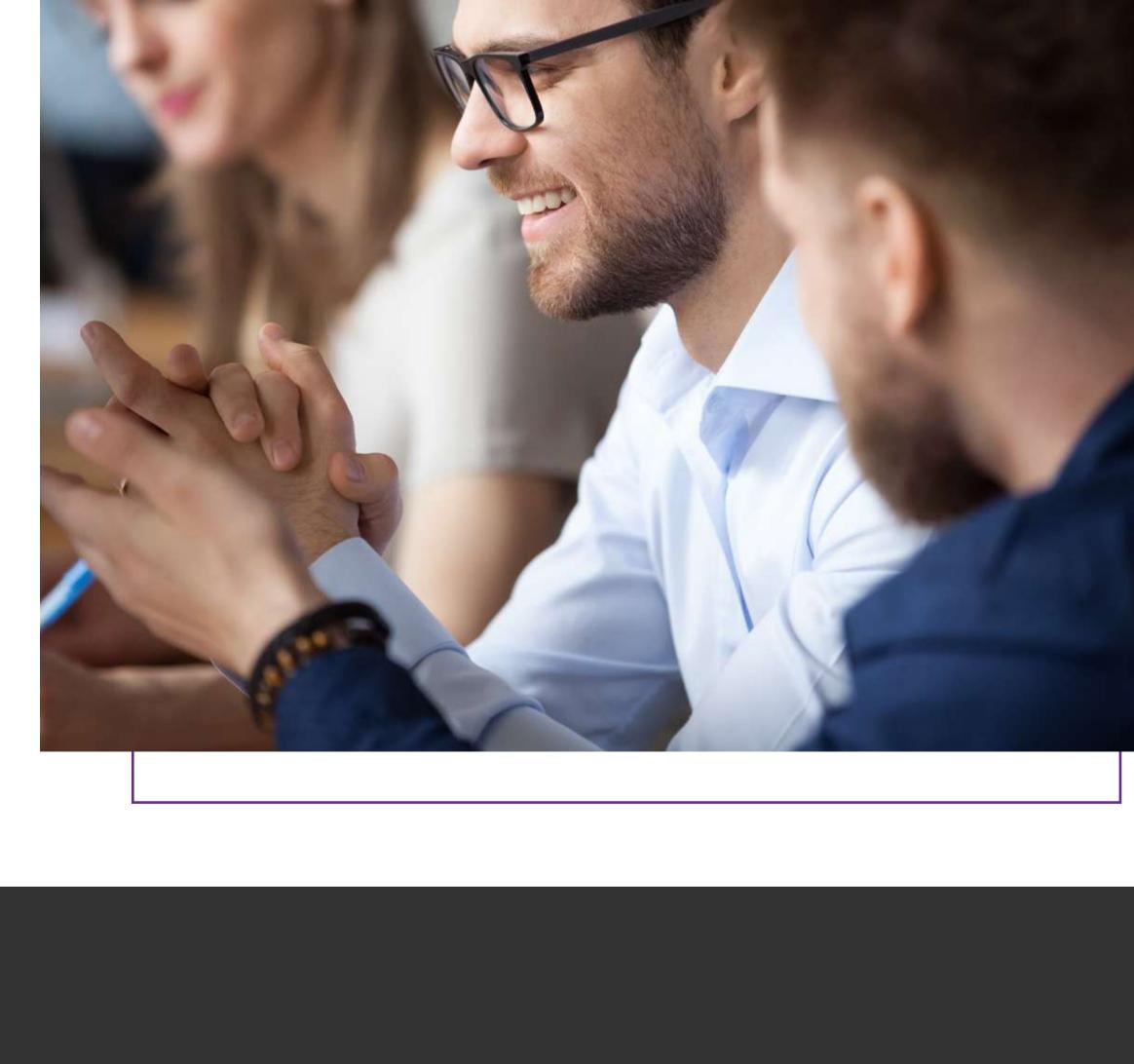
This level shall be established by the company itself, which will

In the case of moveable fixed assets, these should be new or used assets from abroad, or new assets acquired domestically.

Fixed assets are subjected to guarantee trusteeship whose

Improvements to the property owned or leased.

trustee and/or settlor should be a beneficiary of the regime if these are found in the accounting records of the beneficiary. Companies opting for this incentive and benefits regime must comply with the requirements and obligations established in the





law, its amendments, and regulations.

outstanding human talent converge, in a sustainable manner. With an extension of 124 hectares of land, this state-of-the-art Industrial Park offers the possibility of a long-term plan to ensure future growth for companies in a privileged and stimulating environment.

ABOUT EVOLUTION FREE ZONE

Evolution Free Zone is a Business and Industrial Park where

technology, world-class infrastructure, global ideas, and

msanchez@code-developer.net