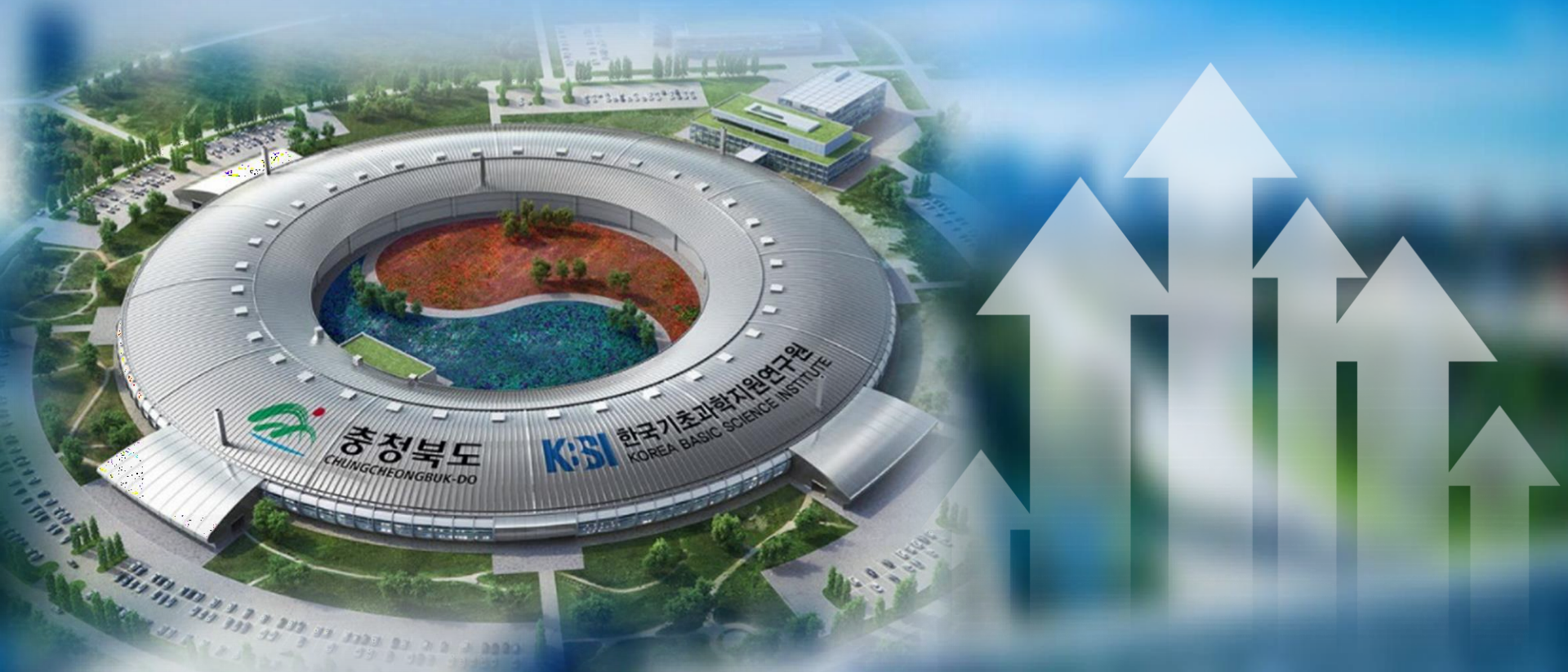


DEFINITELY SUCCESSFUL, A SHORTCUT TO INVESTMENT

KOREA INVESTMENT NO.1-CHUNGCHÉONGBUK-DO

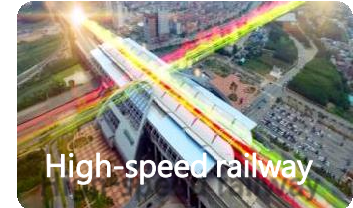


1. Excellent transportation network -

National railway decided to pass Cheongju

KTX high speed Rail Network

- Gyeongbu-Honam high-speed rail X-shaped (the only branch station in the country)
- Jungbu Inland Line(Icheon-Chungju-Mungyeong) under construction
- Gangho Line Connection(Mokpo-Osong-Jecheon-Gangneung)



Highway network

- North and south 4 lines
Gyeongbu, Jungbu, Jungbu Inland, Jungang Expressway
- East and West 3 lines
Pyeongteak-Jecheon, Dangjin-Uljin, Dangjin-Yongdeok



Metropolitan Railway Network

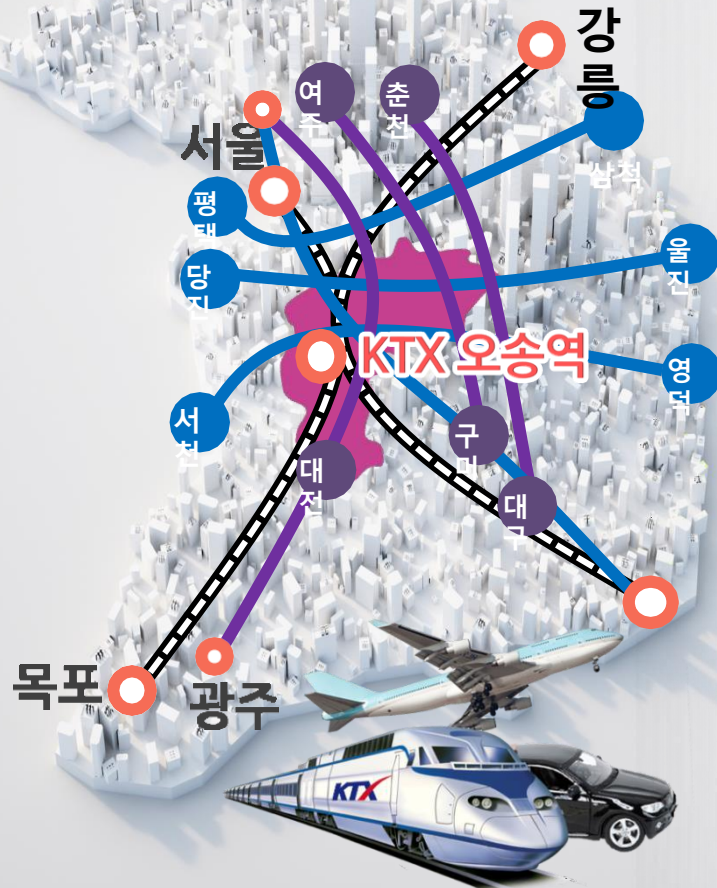
- Construction of the Cheonan-Cheongju Airport double track train(2024)
- Project Details: Establishment of Bukcheongju Station, Gyeongbu Line double track, linear improvement
Main schedule: Start of construction ('21), Completion ('24), Available at Cheongju International Airport in Sejong City and southern Gyeonggi



National Railway Plan

4th National Rail Network Plan

- Icheon ~ Chungju Jungbu Inland Railway Construction (Jungbu Inland Railway Branch Line)
- Dongtan ~ Cheongju Airport and Gamgok ~ Cheongju Airport (Seoul Inland Line)
- Daejeon ~ Sejong ~ Cheongju (Chungcheong Region Inland Railway)



2. Economic situation

1st NW GRDP

Gross regional product (GRDP, 2018): 65.8 trillion won, real growth rate of 6.26% Manufacturing 49.1%, service 40.0%, construction 6.6%, agriculture, forestry and fishery 3.1%, other 1.2%

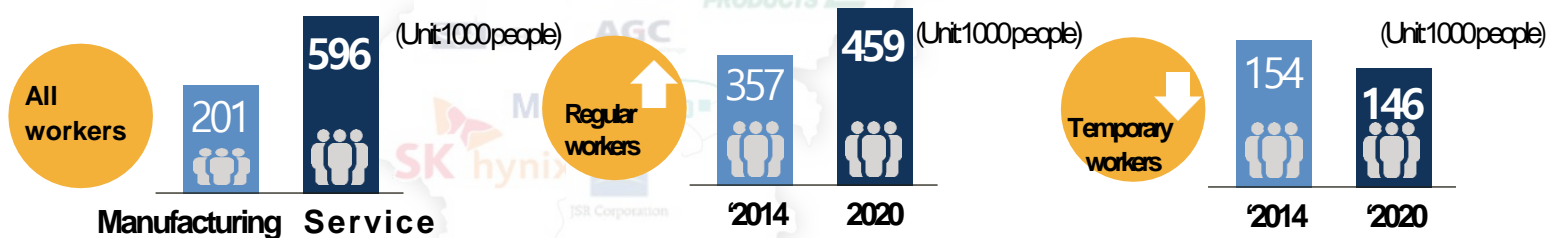


NW-Nationwide

2nd NW



Employment rate ('20): Average annual employment rate 68.4%



2nd NW



Exports (2020)

Annual exports \$24.9 billion
Export growth rate 12.8% ↑



1st NW



Newly designated industrial complex area (2020)-
6,427,000m²

* 128 industrial complexes (as of the end of 2020)

3. Cheongju International Airport, the Center of Air logistics



Central airport base

- Airport Use Status (2019)

Number of users: 3 million

Passenger terminal capacity

International: 1.52 million

※ 14 regular routes

Domestic: 2.89 million

※ Jeju 21 times/day*

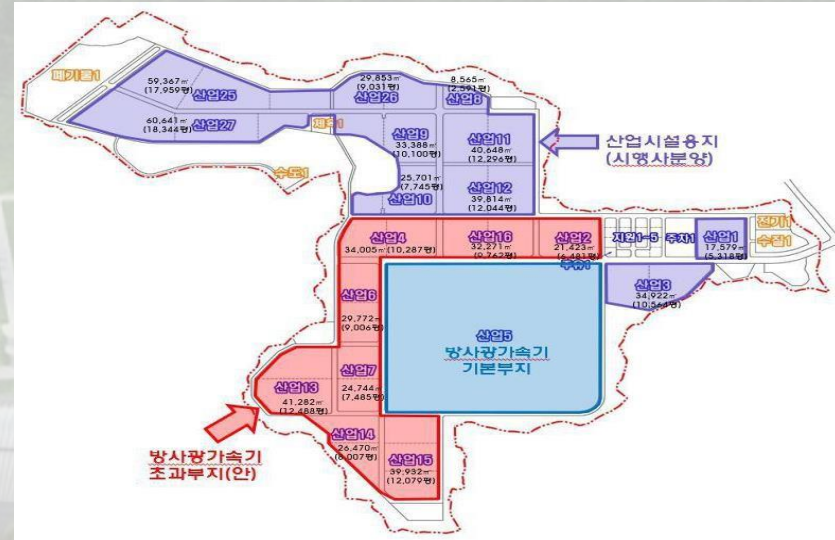
Daehan, Asiana, Jin Air, Eastar, Jeju, etc

Replacement airport for F-class (large) aircraft, etc.

- Operating the base airline 'Aero K'

Expansion of 25 international routes in 6 countries

4. 4th generation radiation accelerator construction



- ❑ Total project cost: KRW 1.45.4 trillion (2022-2026)
- ❑ Construction contents: accelerator and research facility(Storage 800m, beam energy 4GeV, beamlines 60ea)
- ❑ Application fields: semiconductors, new materials, bio, new drug development etc.
- ❑ Application companies: 4,325 high-tech companies(Samsung Electronics, LG Chem, Hyundai Mobis, etc.)
- ❑ Peripheral development business- Establishment of industrial complex (340,000㎡) Establishment of a large-scale knowledge complex (3,837㎡) Creation of Science Academy Village.

4-1. 4th generation radiation accelerator

Applications

Bio and new drug development



secondary battery parts



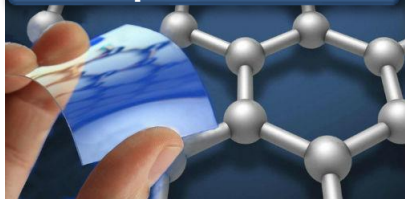
semiconductor parts



functional cosmetics



Future new material development



Corporate incentives

price

0.3million won/m²

Subsidy Support

- 10% or more of the investment amount (location, facility cost, etc.)

Radiation light accelerator fee support

- Up to KRW 100 million in beamline usage fee for resident companies in the province
- Up to 300 million won for basic research by young researchers
- Up to 200 million won per project to commercialize research results

Operation of radiation accelerator support facilities

- Radiation Accelerator Utilization Support Center
- Radiation Accelerator DNA Center

5. Move-in to Chukchum Korea North Korean national base oil car Ilsan Heeup earth manufacturing company

Asian base
rare earth production base
Move in!



Major producers: China, Brazil, etc. 100%

No Asian manufacturing facilities

Moved into Chungbuk-do, an eco-friendly rare earth producer (100% stake in KSM, KSMT, ASM Australia)

Scheduled to produce 5,000 tons (titanium, neodymium, etc.) in 2022

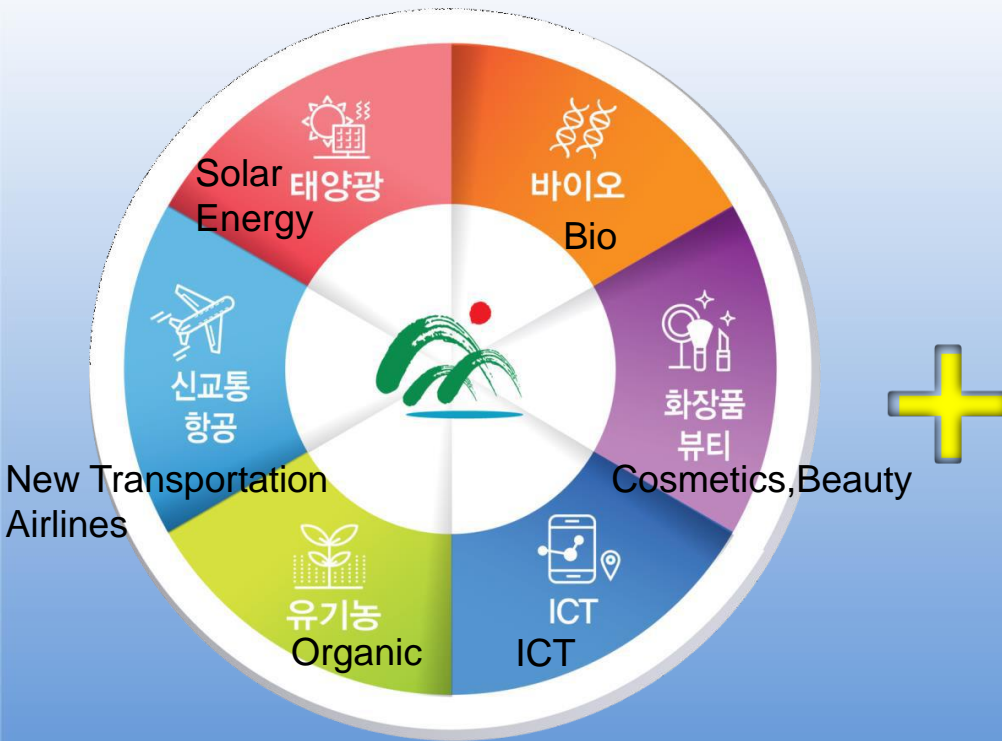
Rare earth application industry sector

Automotive industry, IT industry, catalyst industry,
metal industry, optical industry, nuclear industry

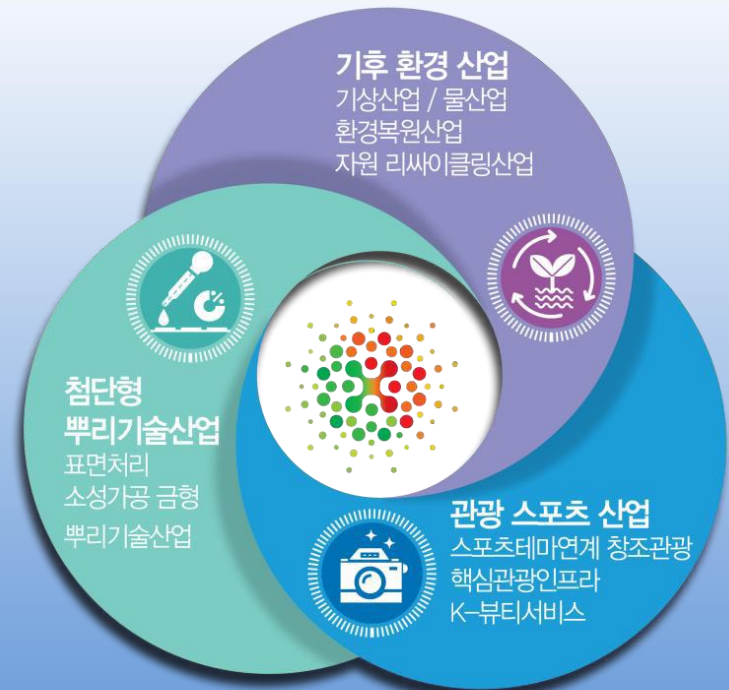


6. Intensive nurturing field

6 New Growth Industries



3 Major future Industries



7. Chungbuk's bio/beauty industry

1. Expansion of Chungbuk Cosmetics Infrastructure – Osong Bio Valley



Osong 1st Life Science Complex

69 bio companies

HK Innoen, Yuhan Corporation, Green Cross, KolonLife Science, LG Chem, Aprogen, etc.

Area: about 1.4 million

Pyeong Health and Medical Administration Town 6 major government agencies including the Ministry of Food and Drug Safety

Advanced medical complex core research support and biomedical Bestian Hospital, Prestige Bio Medytox, etc.

Osong 2nd Life Science Complex

Bio education and industry
Biopharmaceuticals, medical devices and cosmetics companies

Completed sale to 87 companies
(990,000 pyeong)

Cosmetics industrial complex

Area: about 240,000 pyeong

Project cost: about 266.7 billion won

Period: until 2025

Cheongju Exhibition Hall Construction Project

Area: about 620,000 pyeong

Project cost: about 208.8 billion won

Period: ~ until 2023

Scale: 2 stories above ground, 1 floor below ground

(Total floor area 39,725㎡, site 78,880㎡)

Osong 3rd Life Science Complex

Area: about 2.04 million pyeong

Project cost: 3.4 trillion won

Bio-health industrial complex

Development 4th industrial new technology industrial complex such as big data center and AI



Number of companies: 450

- Pharmaceutical/Bio: 90
- Medical devices: 170
- Cosmetics and natural products: 190



Production scale: 10 trillion



Number of employees: 32,000

7-1. Chungbuk's beauty industry

2. Chungbuk Cosmetics Company Status



Cosmetics manufacturing: 212
Packaging companies: 9

Cosmetics Clinical Research Support Center
(completed in Apr. 17)
신소재 개발, 제품 효능평가, 안전성 검증 등

Number of cosmetic GMP*

Certified companies 2nd in the country

National cosmetics GMP certified companies: 93
5.4% of 1,750 companies nationwide
Chungbuk GMP certified 18 companies, 8.4%
* GMP : Good Manufacturing Practice
Excellent cosmetic manufacturing and quality management system

Republic of Korea National designation Promotion of designation of K-beauty Cluster-
Ministry of Health and Welfare confirmed in the second half of 2021



Chungcheongbuk-do International Cosmetics Beauty Expo held every year
Cumulative visitors: 1 million,
cumulative exports: 678.5 billion

8. ICT: secondary battery industry



Chungbuk secondary battery production value 11 trillion won
(48% of the national proportion, 1st in the country)

- ① Plan to build a world-class secondary battery industry specialized complex
- ② Establishment of the nation's only secondary battery material parts test and evaluation center (~23 years)

→ Reinforcement of global competitiveness in the value chain of the secondary battery industry in Chungbuk

Consolidation of 270 companies including
LG Energy Solutions

Strategic industries supported by the Ministry of Trade,
Industry and Energy

(Promising fields: IT equipment, transportation, ESS, etc.)

Ochang Science Industrial Complex, Cheongju, Chungbuk
Designated as a special complex for the National Supervisor
(Secondary Battery)

-Ministry of Commerce, Industry and Energy, February 2021

8-1. ICT: Semiconductor Industry



2nd largest in the country in terms of production and employment

Excluding the metropolitan area
Building the nation's largest cluster
(More than 150 ICT companies moved in)

SK hynix

neijes

KEY FOUNDRY

DB HiTek

System semiconductor post-processing platform

Location: In Chungbuk Innovation City

Business scale: 250 billion won (national budget 2,100, local budget 400)

- Technology development and development of system semiconductor companies
- Support for commercialization, operation of manpower training programs

8-2. ICT: Semiconductor industry- SK hynix status



**Nurturing the world's largest
NAND flash production base**

Currently in Cheongju, North Chungcheong Province

M8, M11, M12, M15 in operation

**※ 250,000 NAND flash production capacity per
month**

**Announced additional investment of
35 trillion won**

- Secured 580, 000m² site
- Smart energy center construction (second half of 2020)
- Expansion of M15 production line facilities

9. Solar and new energy industry



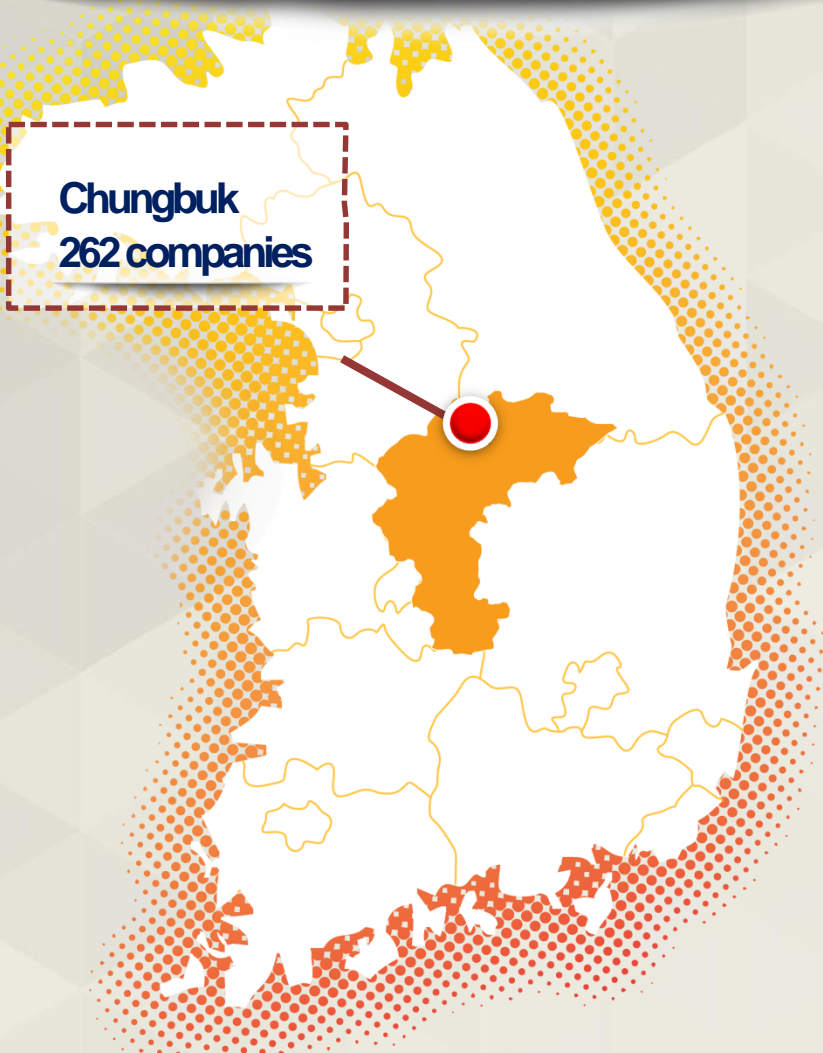
- 100 solar companies are integrated, accounting for 70% of domestic cell Production
- Establishment of 400 hydrogen energy clusters for hydrogen industry-related companies
 ※ Hyundai Mobis Hydrogen Fuel Cell Plant (Chungju)(Production of 40,000 units per year in 2022)
- Woojin Industrial Electric Hydrogen Hybrid Train Development



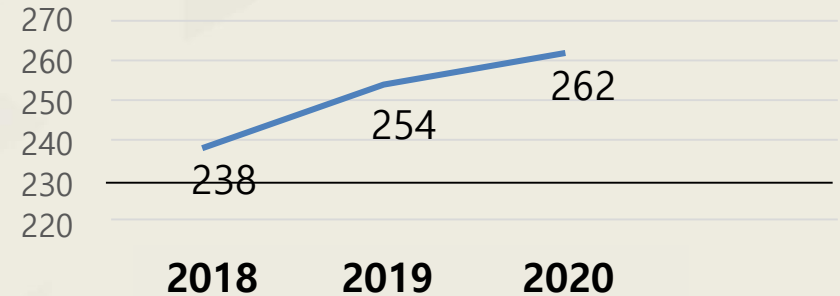
- Promotion of future automobile industry development
- Establishment of self-driving car test bed (Ochang)
- Construction of an electromagnetic wave center for transportation machinery parts (Chungju)
- Establishment of the only hydrogen vehicle parts center in Korea (Eumseong)

10. Current status of foreign-invested companies in Chungcheongbuk-do (2020)

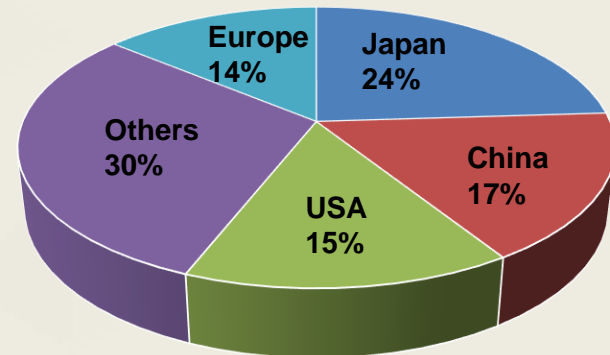
Nationwide 15,015 companies



Increase in No.of Business



Investment Status by Country in Chungcheongbuk-do



- Out of 15,015 foreign-invested companies nationwide, 262 companies in north Chungcheong province(1.8%)
- Integration of high-tech companies such as semiconductors and advanced materials.

10-1. Major foreign companies in Chungbuk



Major foreign-invested companies in Chungcheongbuk-do (262)

- Japan (63 companies) : Shin-Etsu Silicone Korea, JSR Micro Korea, Hodo Gaya etc
- USA (40 companies) : BorgWarner, Air Products, DOW chemical, Henkel , Johnson and Johnson etc
- Europe (36 companies) : Barker Chemical, Hallas Stackpole, Puratos, Enertech , Nexus etc
- Others (123 companies) : EMT, EnerTech International, Power Master Semiconductor etc

11.Chungbuk Industrial Complex Status - Central Region -

Industrial Complex Status

80 total

(60 completed construction
, 20 out of construction)

Price: 40 to 100 million won



• Ochang-eup, Cheongju- 802,954㎡/ 2002

12 companies including Borg Warner.
Available for occupancy: Total 29,000 pyeong (As of July 2021)

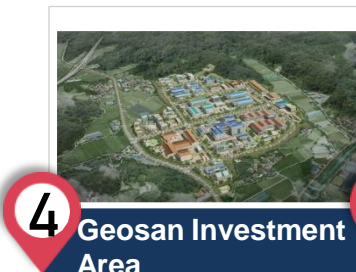


• Jincheon-gun Deoksan-eup- 108,398.3㎡/2014-

Jincheon IC 5 minutes
• Barker Chemicals, Shinhwa, Passwell



• All around Yupo-ri, Geumwang-eup
Pyeongtaek-Jecheon Express way Kkottongnae IC 3km
2 foreign companies planned to move in



• 60 million won, under construction
• 80,000㎡, 10 minutes from Jeungpyeong IC

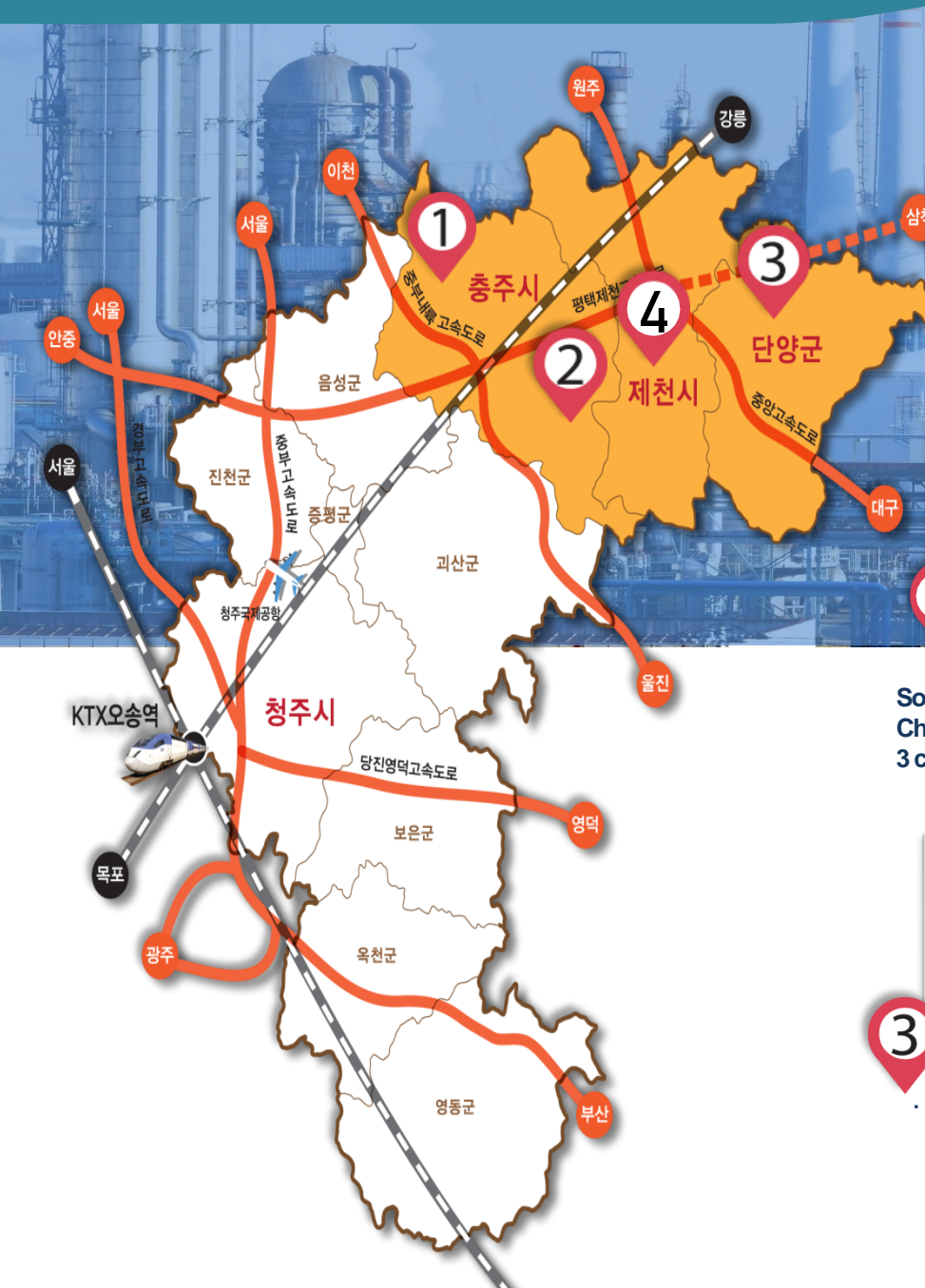


• 850~890 thousand won, ready for sale
• Oksan-Ochang Expressway Seoochang IC 5km



• 720~790 thousand won, on sale
• Jungbu Expressway Daeso IC 13km

11-1. Industrial Complex Status - Northern Region -



Industrial Complex Status

33 total
(27 completed construction, 6 out of construction)
Price: 20 to 60 million won



1 Chungju Investment Area

Sowon-myeon, Chungju-si • Chungju IC 5 minutes
3 companies including Lexel and WCP



2 DongChungju Investment Complex

Yeongdeok-ri, Sancheok-myeon, Chungju-si 600,000 won, on sale
Dongseo Expressway Dongchungju IC 1km



3 Danyang Industrial Complex

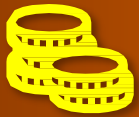
• Area of Udeok-ri, Maepo-eup, Danyang-gun
294 thousand won, on sale
Central Expressway North Danyang IC 1km



4 Jecheon 3rd Industrial complex

• Area of Bongyang-ri, Bongyang-eup, Jecheon-si
450,000won, on sale
Jungang Expressway Jecheon IC 0.3km

12. Reasons to invest in Chungbuk



Cheap Sale Price

- The average selling price of an industrial complex is between 300,000 won and 1 million won per pyeong
- Seoul, Incheon : 4million~10million won
- Gyeonggi : 2million~5million won
- Cheonan, Asan : 1.2million~2million won



Location of a large company in Chungcheongbuk-do

- LG Affiliates : LG chemicals, LG Household and Healthcare, LG Energy solutions
- SK Affiliates : SK Hynix, SK Innovation etc
- Hanwha Affiliates : Hanwha Solutions
- Bio Affiliates : Celltrion, Aprogen, Green Cross, Yuhan Corporation etc



Safe and Disaster free Chungbuk

- National Climate Change Assessment The safest area (floods, typhoons, etc.)
- Nine out of 750 earthquakes nationwide ('16~'18, magnitude 2.0 or greater)
- Selected as an excellent organization for disaster management evaluation for 2 consecutive years



Rich industrial water and power supply

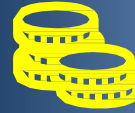
- The nation's largest storage capacity(Chungju Dam 2nd, Daechong dam 3rd)
- Abundant industrial water supply(5,029 million m³)
- Stable industrial power supply(86billion 81million Kwh)
- 2 LNG power plants scheduled to start operation in 2024(Cheongju 600MW, Eumseong 1100MW)

13. Incentives for foreign-invested companies



Temporary support

- Low rental support at 1% level for 50 years
- New growth engine industry: 100% exemption for more than \$1 million
- Individual type Investment area: 100% reduction of 30 million dollars or more
- General manufacturing : 75% reduction over 5 million dollars
- Companies with more than 200 full-time workers and \$2.5 million invested: 100% reduction



Tax Reduction

- Foreign investment zone (individual type, complex type)
 - Acquisition tax and property tax up to 10 years (85% for 7 years, 50% for 3 years)
- Local tax reduction/exemption (local industrial complex)
 - Acquisition tax 75%, property tax 75% (5 years)



Grants and Cash support

- Cash support for foreign companies
- Support within 40% of total FDI amount (building, facilities, etc.)
- Companies relocating to the metropolitan area
 - ※ No support system for the metropolitan area
- Location up to 40%, facility investment up to 24%
Support up to 24% of facility investment for local new/expansion companies



Employment Subsidies

- * Corporate-tailored employment assistance and staff accommodation provision, etc.
- Employment subsidy: 500,000 won (per person/month, 6 months)
Education and training subsidy: 500,000 won (per person/month, 6 months)
- * Up to 1 billion won
- Workers-only housing support (No. 340)
- Dormitory rental support (every 10 people, 12 months, 300,000 won)
- Commuter bus provided, 200,000 won per person when workers move in

We Promise your Success!!

Invest in Chungbuk
Thank you