Jeju Investment Opportunity

Electric Vehicle

We cordially invite you to Jeju, World Environmental Hub with Prestigious Natural Beauty.

Do your optimal EV business in Jeju, the Northeast Asia Hub.
1 Geographical & Economical Environment of Jeju

Jeju is located in the center of Northeast Asia and 50 major cities with over 1 mil population are suited within 2 hour flight distance. It is a great advantage to being fostered as the hub of tourism and business in Northeast Asia.

- Jeju was designated as a Free International City in April, 2002 by Korean Government: Promotion of Recreation & Business Hub City in Northeast Asia in the 21st Century
- Tax Benefits for Investors from home and abroad, Designation of Leading Projects etc.

Jeju Island is the International Tourism City where over 10 million tourists visit.

<table>
<thead>
<tr>
<th>Year</th>
<th>Korean Visitors</th>
<th>Foreign Visitors</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>6,801,301</td>
<td>777,000</td>
<td>7,578,301</td>
</tr>
<tr>
<td>2011</td>
<td>7,695,339</td>
<td>1,045,637</td>
<td>8,740,976</td>
</tr>
<tr>
<td>2012</td>
<td>8,010,304</td>
<td>1,681,399</td>
<td>9,691,703</td>
</tr>
<tr>
<td>2013</td>
<td>8,517,417</td>
<td>2,333,848</td>
<td>10,851,265</td>
</tr>
<tr>
<td>2014</td>
<td>8,945,601</td>
<td>3,328,316</td>
<td>12,273,917</td>
</tr>
</tbody>
</table>

- It is equipped with world class infrastructure such as airport and harbor
  - Domestic Air Route: 13 Lines including Seoul, Busan, Daegu, Gwangju etc
  - International Air Route: 57 Air Lines with 40 cities including Shanghai, Beijing, Tokyo, Osaka (Regular 20, Non-Regular 7)
  - Promotion of Infrastructure Expansion (New Harbor, New Airport) as National Projects
  - New Harbor: 150,000 ton of two cruise ships capacity (Scheduled to be Completed by Dec. 2015)
  - Visitors by Cruise (2014): 242 times with 590,400 visitors
- International Convention Center Jeju with capacity of 4,300 people
  - Hosted Summit between Korea-U.S.A, Korea-Former Soviet Union, Korea-China-Japan and ASEAN-Republic of Korea Commemorative Summit
2. Jeju, Optimal Place for EV Business

The Safest Area
- Jeju is the safest island from earth quake, tsunami compare to other regions in Asia such as Japan, Taiwan.
- Jeju is apart from Korean Peninsular and it is the safest area from accidental collision and conflict between inter Korea as the Island of World Peace (designated by Korean Government: in 2005) aiming for world peace.

Clean Image
- Jeju is aiming for being World Environmental Hub as gaining the status of UNESCO Triple Titles in Natural Science Area (Biosphere Reserve, World Natural Heritage, Global Geopark).
- The clean image of Jeju meets the demand of IT clean industry.

Stable & Reasonable Cost of Electricity Power & Communication Infrastructure
- Jeju area is available for the stable supply of electricity and communication service because of KEPCO & KT Jeju Branch.
- It is equipped with infrastructure to meet the demand Electricity Power & Communication and the cost is very reasonable compare to other neighborhood nations.
The Policy fostering Jeju as world class EV industry hub by establishing the best & example EV city based on the optimal conditions infrastructure for EV.

**Phase 1 (2016-2017)**
Cover 10% (29,000) of Total Automobile: Rent-a-car and Government Offices

**Phase 2 (2018-2020)**
Cover 30% (94,000) of Total Automobile: Private Sector such as Bus, Rent-a-car

**Phase 3 (2021-2030)**
Cover 100% (371,000) of Total Automobile in the Island

---

**Status of Jeju EV & Charger Infrastructure (as of Dec. 2014)**

<table>
<thead>
<tr>
<th>EV</th>
<th>Total</th>
<th>Public</th>
<th>Test</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>852</td>
<td>160</td>
<td>24</td>
<td>668</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EV charger</th>
<th>Total</th>
<th>Public</th>
<th>Test</th>
<th>Private</th>
<th>Private for Business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,016</td>
<td>222</td>
<td>87</td>
<td>658</td>
<td>69</td>
</tr>
</tbody>
</table>

---

**Status & Plan of Jeju EV Leading City**

- Designation of Gapado Islet as EV Test Village & EV Supply Policy Promotion
- Declaration of Jeju EV Test City: Nov. 11, 2012
- Supply of EV to Private Sector for the first time in Korea (160 EVs)
- The 1st International EV Expo: Mar. 15 - 21, 2014
- Jeju EV Eco Rally: Sep. 26-27, 2014
- The 2nd International EV Expo: Mar. 2015
- Jeju EV Eco Rally: Sep. 2015
- Enact of Ordinance on EV Supply & Usage Promotion: 2015
- Promotion of EV Supply to Private & Public Sectors (2,071 EVs): 2015

---

**Optimal Education Environment for Foreign Residents**

<table>
<thead>
<tr>
<th>Korea International School</th>
<th>KIS high school</th>
<th>NLCS Jeju (North London Collegiate School Jeju)</th>
<th>BHA (Branksome Hall Asia)</th>
</tr>
</thead>
<tbody>
<tr>
<td>web site</td>
<td><a href="http://www.kis.ac">www.kis.ac</a></td>
<td><a href="http://www.kis.ac">www.kis.ac</a></td>
<td><a href="http://www.nlcsjeju.co.kr">www.nlcsjeju.co.kr</a></td>
</tr>
<tr>
<td>Primary-Middle-High School</td>
<td></td>
<td>Kindergarten, Primary-Middle-High School</td>
<td>Kindergarten, Primary-Middle-High School</td>
</tr>
<tr>
<td>Class &amp; Students Quota</td>
<td>21 (Grade 1-8) / 504</td>
<td>20 (Grade 9-12) / 480</td>
<td>73 (Grade 9-13) / 1,508</td>
</tr>
<tr>
<td>Number of Teacher</td>
<td>65 (current)</td>
<td>12 (current)</td>
<td>116 (current)</td>
</tr>
<tr>
<td>Curriculum</td>
<td>AERO (American Education Reaches Out)</td>
<td>NLCS PG, UK</td>
<td>IB Diploma PG</td>
</tr>
<tr>
<td>International Certificate PG</td>
<td>WASC</td>
<td></td>
<td>IB Diploma PG</td>
</tr>
</tbody>
</table>
The 2nd High-Tech & Science Park

Project Overview
- Establishment of High-Tech Industry Cluster in Jeju by promoting of high-technology (IT, BT, CT) Research Institute Business Hub
- General Overview - Designation: National Industry Complex
  - Location/Area: Wolpyeonggong Area, Jeju City / 855,403㎡ (Industrial Area 59.1%, Supporting Facility Area 3.2%, Residential Area 7.2%, Public Facility Area 30.5%)
  - Business Type: IT, BT, CT & Research Institute etc.
  - Period: 2014~2020
  - Project Cost: 138.5 million USD (National Budget 28 mil, JDC 110.5 mil)

Primary Direction
  - Knowledge-Based Industry & R&D Manufacturing, Regional Specialized Industry
- Main Function
  - Jeju Region Industry Structure Improvement & Upgrade through High-Tech Industry as New Growth Engine Industry
  - Virtuous Circle (Research, Development, Production, Employment) of Fusion Industry Establishment
  - Cluster Expansion by Strengthening Technical Commercialization & Globalization with Integrated Effects from the 1st Science Park

Project Plan
- 2015: Industrial Complex Plan & Approval (Ministry of Land, Transport and Maritime Affairs / Supporting Committee of Prime Minister office)
- 2015: Land Compensation Work
- 2016: Completion of Industrial Complex Basic & Working Design, Ground Breaking for Site Renovation
- 2019: Completion of Site Renovation Work & Operating

Jeju Urban High-Tech Industrial Complex

Project Overview
- Location & Area: Donam-dong Area, Jeju City / 163,535㎡
- Period: 2015~2018
- Feature
  - Located near Main Road, Good Residential Environment, Schools are located within 10 minutes by car or on foot
  - Available for virtuous circle system of Industry, Education R&D, Training Workforce, Job Creation because of adjacent Jeju Industry-University Cooperation District
- Development Direction
  - Establishment of Job-Housing Proximity Type Industrial Complex located in urban
- Primary Concept
  - Industrial Land is arranged around Entrance Circulation and Various Administration & Supporting Function are arranged near Entrance.
- Lands
  - Industrial Land(76,254.9㎡), Residential Land(35,715.6㎡), Industry-Education Cooperation Land(5,124.2㎡), Others including Supporting Facilities(46,340.4㎡)

Land Usage Plan

Supporting by Provincial Government
- Supporting Water Reservoir & Entrance Road with Provincial Budget and Establishment of Knowledge-based Industry Center( Parks are supported by National Budget & Venture Companies Supporting Center within the Site.
- Providing or Free Lease of Public Land (4 pieces / 2,030㎡)
- Purchasing the unsold pieces of land as a method of Land Reserve System Policy in case of unsold industrial lands
4 Investment Incentives

Jeju Investment Promotion Zone Policy

- **Amount**: Over 5 mil USD
- **Business Type**: 24 types of Business including Tourism, Culture, Education, Medical, High-Tech Industry, Renewable Energy etc
- **Deadline for Application**: Within 6 months Since Construction Commencement (after permission, approval, report)
- **Authority**: Jeju Governor
- **Incentives**
  - Corporate: Income Tax 100% Exemption for 3 years, 50% Reduction for next 2 years
  - Customs Duty: Tax Exemption on Imported Capital Goods (Difficulties in Supplying within S.Korea) for 3 years
  - Acquisition Tax Exempted
  - Property Tax: Exempted for 10 years since Business Commencement
  - Other Expenses: 50% Reduction of Development, Public Waters, Agricultural, Grass, Mountain Land Preservation Expenses within 50% Reduction of Sewage Facilities
  - Joint Investment between Korean Foreign Investors is Available

Foreign Investment Zone Policy

- **Amount**: Over 30 million USD
- **Business Type**: Manufacturing (Automobile), High-Level Technology Industry
  * High Technology Research Institute: Requires over 5 mil USD Investment with hiring 10 or more people
- **Authority**: Jeju Governor
- **Incentives**
  - Corporate: Income Tax 100% Exemption for 5 years, 50% Reduction for next 2 years
  - Property Tax: 100% Exemption for 15 years
  - Acquisition Tax & Customs Duties on Imported Capital Goods: Exemption

Cash Grant for Foreign Investment

- **Target Business for Support**
  - High-Technology Business (Technologies Not developed in S.Korea or Low-Level of Development)
  - Industry Supports: Service Business (Service with High Value Added & Effectiveness such as Manufacturing Business)
  - Material & Component Industry, Large Scale of Job Creation Industry, Research Development with over 10 Researchers
- **Supports**
  - Plant, Research Facilities: Land Acquisition Cost, Rental Cost, Construction Cost, Purchasing Expenses on Capital Goods.
  - Subsidy for Training & Education, Subsidy for Employment etc
- **Amount Determine**: Decision through Foreign Investment Committee after Pre-Negotiation
- Support up to 30% (Land Acquisition & Construction Cost etc)

Sites for Investment and Moving-in are available

- The 2nd High-Tech Science Park (Moving-in / Establishment of Research Institute)
- Jeju Urban High-Tech Industrial Complex (Moving-in / Establishment of Research Institute)

Special Admission for International Schools within Jeju Global Education City

- Special Admission by Government without reference to entrance quota by international schools in Jeju Global Education City