

SOLASEADO Enterprise City (Sampo District) Development Project

Real Estate

1-1

Project

1 USD = 1,200 KRW

Investment highlights

Project Description

The purpose of this project to cultivate the Sampo district as the best recreational/leisure city and leading local tuning industrial complex in the southwestern coast that is in harmony with leisure facilities such as large golf clubs in the Guseong district (6.34 million pyeong) and the Samho district (2.62 million pyeong) within SolaSeaDo as well as that can be associated with surrounding industrial complexes.

Key Rationale

Excellent natural environment: The mild oceanic climate allows for tourism and leisure activities all year round. The islands, lakes and the clean ocean can be used for diverse development projects.

Possible development associated with surrounding tourism resources: Korea's unique, globally accredited F1 circuit, a kart stadium, and an off-road track are in operation within this district. Along with the viewing of Yeongamho Lake and the west coast, a waterway theme park may also be created

Affordable land value: 96% of the development area consists of public waters and reclaimed land, and 99% of the development area is a flatland. Thus, a large flatland can be developed at once at reasonable costs.

Excellent accessibility: Entry ramp connecting the Seohaean Expressway and the Namhae Expressway is being developed. The Honam high-speed railway and the south coast railway are also under construction. It takes 50 minutes from Muan International Airport and 15 minutes from Mokpo Port International Passenger Terminal to get to this project site.

Project Overview

Geographic Location



Project Summary

| | |
|------------|---|
| Type | Tourist complex development comprising tourist accommodations, leisure and sports facilities, recreational facilities, etc. |
| Investment | USD 1,254 million |
| Location | Sampo-ri, Samho-eup, Yeongam-gun, Jeollanam-do |
| Total Area | 4.29 km ² |
| Developer | KAVO, Jeonnam Development Corporation |



Investment Requirement

| | |
|--------|---|
| Amount | - USD 366 million |
| Type | - SI, FI, CI investment - Real estate investment and development, the creation and operation of a theme park, etc. |
| Region | - U.S., Italy, China, Arab Emirates |

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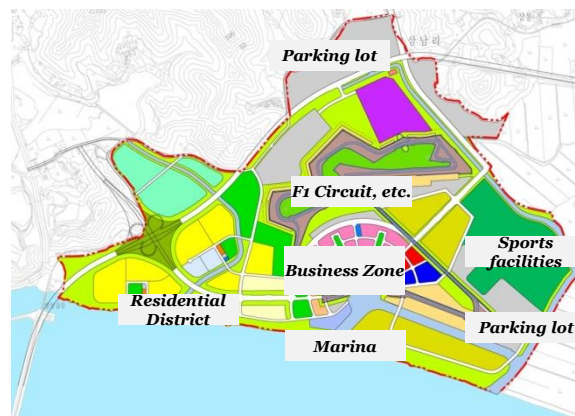
1-2

Project

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Key Project Facilities

| | |
|---|---|
| Residential District | This is for eco-friendly residence and leisure/recreation. |
| Marina | Topnotch marina facilities equipped with wonderful natural conditions |
| Business Zone | Complex business zone ensuring high profitability |
| F1 Circuit, etc. | Korea's unique international F1 circuit and relevant education and research centers |
| Sports And Subsidiary Facilities | Top-grade golf/leisure/recreational complex |
| Parking Lot | Outstanding accessibility and spacious parking lot |



Location Benefits

Accessibility

Optimized site in terms of roads, flight, marine transport, etc.

- Distance: 60 minutes away from Gwangju and 50 minutes away from Bitgaram New Town in Naju
- Road: Entry ramp connecting the Seohaean Expressway and the Namhae Expressway (10.83 km) under construction (expected to be completed in 2020)
- Airplane: 50 minutes away from Muan International Airport
- Marine: 15 minutes away from Mokpo Port International Passenger Terminal

Site Attraction

Salubrious land for life

- Mild oceanic climate (average annual temperature of 14℃), clean air(Oxygen anions: 8 times more than Seoul Capital Area), abundant solar radiation (10% more than the national average) offer for tourism and leisure activities all year round.
- The islands, lakes and the clean ocean can be used for diverse development projects: 2,219 islands (65% of the national islands), 6,743 km long coastline (46% of the national coastlines), 1,037 km long mud flat (42% of the national mud flats)
- Serving as the best place for gourmets that offers a variety of food all year round

Large flatland at reasonable prices

- 96% of the development area consists of public waters and reclaimed land, and 99% of the development area is a flatland. Thus, a large flatland can be developed at once at reasonable costs.
- There are few privately owned spaces within this district (2.7% of development area), so the risk of civil appeals is very low.
- The public waters of the Guseong district and the Samho district have been first converted into land. Thus, the development process is easy, and synergy effects will be created: all authorization and permission processes for both districts have been completed; the land is being developed.

Tourism Resources

Major Tourist Attractions in the Area

- Wolchulsan famous for Cloud Bridge, fantastic rock, Kichan Moetgil, etc.
- Yeongam Gurim Hanok Village with a 2,200 year-long history
- Yeongamho Lake, a wintering site for 100 kinds of 300,000 migratory birds
- Korea's unique F1 circuit

Major Regional Festivals

- Wolchulsan Chrysanthemum Festival (Oct.-Nov.)
- Yeongam Wangin Culture Festival (April)
- Motor & Leisure Sports; AFOS (May)
- Yeongam Fig Festival (September)

Government Support

Tax exemption

- When investing no less than 20 million USD, support is provided based on the rate of foreign investment
- 100% exemption of cooperate tax for 5 years, 50% exemption of cooperate tax for 2 years
 - 100% exemption of acquisition, registration and property tax for 15 years