

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 t 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

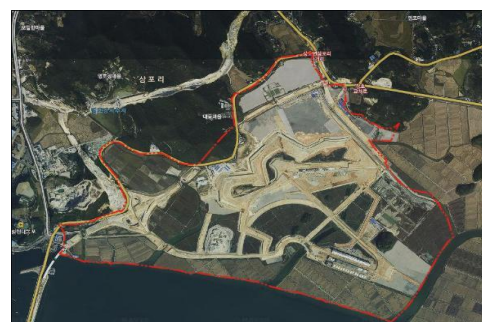


Geographic Location



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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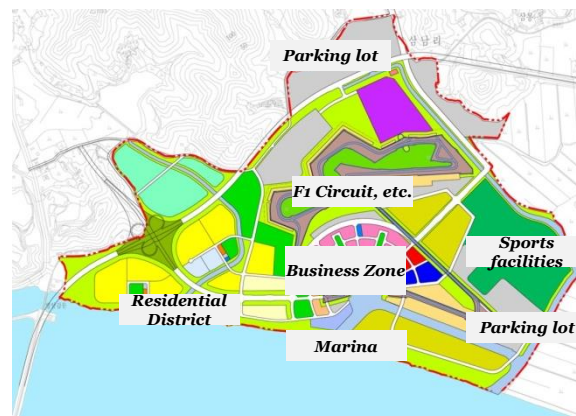
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Project

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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	<p>Optimized site in terms of roads, flight, marine transport, etc.</p> <ul style="list-style-type: none"> Distance: 60 minutes away from Gwangju and 50 minutes away from Bitgaram New Town in Naju Road: Entry ramp connecting the Sohaean 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
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Site Attraction	<p>Salubrious land for life</p> <ul style="list-style-type: none"> Mild oceanic climate (average annual temperature of 14°C), clean air(Oxygen anions: 8 times more than Seoul Capital Area), abundant solar radiation (10% more than the national average) allow 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 	<p>Large flatland at reasonable prices</p> <ul style="list-style-type: none"> 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.
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Tourism Resources	<p>Major Tourist Attractions in the Area</p> <ul style="list-style-type: none"> 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 	<p>Major Regional Festivals</p> <ul style="list-style-type: none"> Wolchulsan Chrysanthemum Festival (Oct.-Nov.) Yeongam Wangin Culture Festival (April) Motor & Leisure Sports; AFOS (May) Yeongam Fig Festival (September)
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Government Support	<p>Tax exemption</p> <p>When investing no less than 20 million USD, support is provided based on the rate of foreign investment</p> <ul style="list-style-type: none"> 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
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