

The Latest on Korea's Investment Environment



Kakao Games attracts USD 129mn in investment

Kakao Games Corp., the game developing unit of Korea's leading mobile messenger operator Kakao Corp., secured KRW 140 billion (USD 129.2 million) from outside investors including Korea's top game publisher Netmarble Games Corp. to strengthen its gaming business. Other Korean game developers Actoz Soft Co. and Bluehole Inc. added KRW 20 billion and KRW 10 billion, respectively. Chinese tech giant Tencent also injected KRW 50 billion and Premier Growth M&A private equity fund KRW 10 billion.

The proceeds would be used to bolster its game lineup, improve developing capabilities as well as expand global operations and finance future investments for growth, the company said.

The investors are mostly those that have been in a long strategic partnership with Kakao Games. Netmarble Games, a longtime client and partner of Kakao Games, has published all of its blockbuster hits, including Marble of Everything and Seven Knights, through the Kakao platform. Nam Goong-hoon, chief executive of Kakao Games, reportedly pitched the rights offering plan to Netmarble Chairman Bang Junhyuk at the G-star trade show in November.

Tencent and Bluehole have been partners of Kakao Games' online game PlayerUnknown's Battlegrounds. With Actoz Soft, Kakao published Dragon Nest, with the mobile version Dragon

Nest M to be jointly launched in the first half of this year.

The recapitalization is expected to add weight to Kakao Games' plans to go public in the latter half. Observers estimate its market value to be between KRW 1 trillion and 1.5 trillion (USD 938 million).

Finnish drilling tool maker Robit completes new plant in Korea

Robit Plc, a Finnish drilling consumables manufacturer with global operations, has taken a big stride forward in the Asian market by completing a regional production hub in Korea.

The company said it began operations of its new Hwaseong plant in Gyeonggi Province after a ribbon-cutting event held on Feb. 8.

The plant has a floor space of 21,250 square meters and comprises a production site and a research building. Robit will develop and produce high quality button bits for rock drilling and casing systems for ground drilling for Korean and other Asian markets.

"The new plant is fully automated with solutions provided by Swiss engineering giant ABB, a leading factory automation company," said a company official. Products will be rolled out in a stable and consistent manner with the latest automation systems such as button insertion by a robot and automatic painting lines.

Robit's Korean operation reported KRW 26 billion (USD 23.8 million) in sales last year and expects the new plant to create 94 new jobs and increase rev-

enue by about 20 percent.

In September of last year, Robit signed an MoU with the Gyeonggi provincial government to invest a total of USD 10 million in Korea.

U.K. defense contractor Babcock to set up local entity in Korea

Babcock International Group PLC, the U.K. defense contracting giant, is setting up its first South Korean outpost in the country's southeastern port city of Busan.

Babcock Korea, which will be launched in May, will initially operate under British staff before hiring Korean engineers. The Korean operation will offer comprehensive defense support, design and build marine and naval vessels submarines as well as provide maintenance and repair services.

The 127-year-old company is expected to help upgrade Korea's defense industry by imparting its technical knowhow and experience in naval defense.

Babcock is currently involved in Korea's Jangbogo-III submarine project. The Korean navy had worked with Germany's Howaldtswerke-Deutsche Werft (HDW) for the previous two projects but turned to Babcock as it had more experience in making large submarines of over 7,000 tons. The 3,000-ton Jangbogo-III under construction is Korea's largest attack submarine class.

Founded in 1891, Babcock is a global engineering services organization that generates GBP 5.2 billion (USD 7.19 billion) in annual sales. It offers engineering support services for a range of sectors including defense, marine and aviation. It is one of Britain's top three defense contractors along with Rolls-Royce and BAE Systems.

What's Trending

S. Korea to create 800,000 jobs for seniors by 2022

South Korea plans to create 800,000 jobs for its senior citizens by 2022 in an effort to deal with a fast aging population that may undermine the country's growth.

According to the blueprint announced by the Ministry of Health and Welfare, the government aims to increase new positions for people aged 65 or older from the current 467,000.

The move comes as the country is fast

becoming an aged society, with the senior population surpassing that of very young people for the first time last year.

The number of people over 65 years reached 7.07 million in 2017, accounting for a record 13.8 percent of all citizens, according to data released by Statistics Korea.

"It has become increasingly important for senior people who have the ability and will to work to become actively involved in society," said Lim In-taek, a ministry

official, expressing the hope that the plan will serve as an opportunity to provide quality jobs.

The government will help each senior citizen find a decent position through a customized service.

A recent study showed that seniors complain the most about the difficulties in getting access to relevant information and about the limited options for education and training in order for them to land a job or establish their own business.