

# Invest KOREA

November 2023

Korea's Display Industry

## Leading the Global Market and Technology with Next-Generation Display OLEDs

Event Overview: KOTRA Hosts the Korea Biz-Trade Show 2023

Asan Display City, a General Industrial Complex Championing the Future of Korea's Display Industry

Introduction of Virtual Shareholder Meetings and Improvement of Appraisal Rights Regime

# Invest KOREA

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# Economic Trends

*Here's a look at Korea's major economic indicators that provide an overview of the country's recent economic developments.*

## Summary and Assessment\*

- The Korean economy is showing a gradual easing of the slowdown, although external uncertainties linger.
- The contraction in exports is lessening across a majority of items, coupled with a partial rebound in semiconductor production, leading to a milder slump in the manufacturing sector.
  - The manufacturing industry is witnessing a marked deceleration in production decline and an increase in the average capacity utilization rate, indicating emerging signs of moderating sluggishness.
  - Moreover, the value of construction completed continued high growth, led by escalating construction costs and the resumption of halted projects.
- However, external uncertainties persists, evidenced by the consistent monetary tightening stance in the US and growing inflationary pressure driven by rising oil prices.
  - With the growing anticipation of an extended phase of monetary tightening in the US, domestic market interest rates also ascended, imposing a strain on the economy.
  - Influenced by climbing oil prices, headline inflation has intensified, potentially curtailing consumer spending power.

\*All growth figures are on a year-on-year basis unless otherwise noted. This document is an English translation of the original Korean version; the Korean version takes precedence in case of any ambiguities or discrepancies.

■ **Economic Activity:** The downturn in economic activity is easing, centered around semiconductors, although external uncertainties continue to persist.

- In August, the all-industry production grew by 1.5%, reversing the previous month's decline (-1.5%)

- Industrial production (-8.1% → -0.5%) narrowed its decline, as semiconductors (-15.0% → 8.3%) turned to an increase due to heightened demand for high-performance semiconductors, including those used in AI servers. On a MoM basis, there was a 5.5% increase, with semiconductors (13.4%) and automobiles (5.7%) showing significant growth.

- Services production (1.7%) saw faster increases in financial and insurance services (5.7%) and transportation and storage (8.1%) on the back of expanded financial transactions and increasing overseas travel, respectively, and a narrower decline in accommodation and food services (-7.3% → -4.6%) thanks to a rise in foreign tourists.

\*Departure/Arrival (persons in 10,000s): (Jun.) 555 → (Jul.) 632 → (Aug.) 659

- The average capacity utilization rate in the manufacturing industry (70.0% → 73.4%) rose sharply from the previous month, pointing to a moderating slowdown.

- The capacity utilization rate (MoM) saw a significant increase, centered around semiconductors (13.5%) and automobiles (7.9%).

- Semiconductor export volume and production saw significant growth, but business sentiment seems to be contracting due to increasing external uncertainties such as the prolonged tightening of the US monetary policy and escalating oil prices.

- With semiconductor exports maintaining a strong growth trajectory, production also turned to an increase.

\*Semiconductor average daily export volume (%): (Jun.) 16.3 → (Jul.) 4.0 → (Aug.) 22.4

\*Semiconductor production (%): (Jun.) -15.8 → (Jul.) -15.0 → (Aug.) 8.3

- With major countries likely to sustain high-interest rates and the rise in oil prices, the global economy is experiencing increased downward pressures.

\*Dubai oil price (\$/barrel): (Jul.) 80.5 → (Aug.) 86.5 →

(Sept.) 93.3

- The non-manufacturing BSI on future tendency remains at its long-run average of 77, while the manufacturing BSI on future tendency lingers at a lower level.

\*Manufacturing BSI on future tendency (SA): (Jul.) 69 → (Aug.) 71 → (Sept.) 67 → (Oct.) 69

\*Non-manufacturing BSI on future tendency (SA): (Jul.) 78 → (Aug.) 77 → (Sept.) 76 → (Oct.) 77

■ **Consumption:** Despite a modest increase in service consumption, the contraction in goods consumption persists due to ongoing reduction in real income.

- In August, retail sales (-1.7% → -4.8%) saw an expanded decline influenced by high prices and interest rates, continuing the sluggish trend in goods consumption.

- Real income has been on a decline since the first quarter of the previous year, leading to diminished consumer spending capacity.

- With a significantly reduced growth of imported passenger cars (15.7% → 0.9%), communication devices and computers (8.4% → -2.1%) and food and beverages (-2.8% → -8.5%) also performed poorly.

- Reflecting the contraction in goods consumption, production in wholesale and retail trade (-1.9% → -3.5%) intensified its decline.

- Service consumption continued its modest growth, fueled by the growth in financial transactions and heightened travel demand.

- Financial and insurance services (6.9% → 5.7%) and transportation and storage (7.3% → 8.1%) sustained their high growth.

\*Overseas card approval for Residents (%): (Jun.) 27.8 → (Jul.) 34.0 → (Aug.) 21.6

- Services production, seasonally adjusted, sustained a moderate growth of 0.3% MoM, attributed to the eased contraction in accommodation and food services (-1.3% → 3.0%).

■ **Equipment Investment:** The extended period of high-interest rates and growing external uncertainties persistently dampen the investment climate, lea-



ding to continued slump in equipment investment.

- In August, equipment investment (-14.9%) continued a significant decline, trailing the previous month's -11.2%.

- Investor demand was constrained by increasing funding costs due to high-interest rates and weakened external demand.

- By category, machinery (-11.8% → -17.3%) intensified its decline, centered around special industrial machinery (-20.5% → -32.0%) plunging, and transport equipment also continued its descent (-9.3% → -7.3%), due to the persistent contraction in automobiles (-15.0% → -22.7%) following the expiration of an excise tax cut.

- Conversely, some leading indicators that were previously languid have shown a rebound.

- August's manufacturing average capacity utilization rate (70.0% → 73.4%) exhibited a surge, centered around semiconductors.

- In September, machinery imports (17.7%) rose significantly, and the decline in semiconductor manufacturing equipment imports (-32.1% → -2.1%) narrowed.

■ **Construction Investment:** Construction investment indicators exhibit strong growth, but housing-related leading indicators remain sluggish.

- In August, the value of construction completed (constant) saw a 12.3% increase, surpassing the previous month's 10.5%.

- This improvement is attributed to rising construction costs and the resumption of previously deferred projects.

- By type, building construction (13.3% → 14.9%) sustained its recent high growth, and civil engineering (0.3% → 3.8%) rose by a large margin.

- However, the persistent huge decline in three leading indicators, construction orders received and housing permits and starts, could potentially hamper future construction investment growth.

- With a general downturn in most types, the contraction in construction orders received (current, -59.0%) intensified.

- Housing permits (-89.4%) plunged, and housing starts (-69.6%) are also notably sluggish, led by apartments.

■ **Prices:** Headline inflation accelerated, influenced by volatile items, while the trajectory of underlying price inflation remains tepid.

- Headline inflation rose to 3.7% in September, up from the previous month (3.4%), driven by volatile prices of oil and agricultural products.

- The decline in petroleum product prices (-11.0% → -4.9%) narrowed sharply, attributed to soaring oil prices, while the increase in agricultural product prices (5.4% → 7.2%) widened, contributing to an uptick in headline inflation.

- The ongoing steep rise in oil prices through September is expected to reduce the decline in import prices, exerting upward pressures on inflation.

\*Dubai oil price (\$/barrel): (Jul.) 80.5 → (Aug.) 86.5 → (Sept.) 93.3

- However, given that core inflation (excl. food and energy) remained steady at 3.3%, unchanged from the previous month, it can be inferred that underlying price inflation has not expanded.

- The rise in personal services prices continues to decelerate, reflecting weakened demand.

\*Personal service prices (%): (Jul.) 4.7 → (Aug.) 4.3 → (Sept.) 4.2

## Foreign Direct Investment

**FDI pledges to S. Korea hit record high through Q3: data**

Foreign direct investment (FDI) pledges to S. Korea rose 11.3 percent on-year during the first nine months of this year to reach an all-time high on growing investment in chips, batteries and other advanced sectors, the industry ministry said on Oct. 4.

The country received USD 23.95 billion worth of FDI commitments during the January-September period, compared with USD 21.52 billion a year earlier, according to the data by the Ministry of Trade, Industry and Energy.

This year's figure marked the highest amount ever for any nine months of data. The amount of investment that actually arrived in S. Korea also

went up 20.2 percent on-year to a record high of USD 13.92 billion, the data showed.

By industry, FDI pledges in the manufacturing sector grew 15.7 percent on-year to USD 9.02 billion, as foreign investment in the electronics and electric fields surged 27 percent to USD 3.32 billion while that of the chemical engineering field soared 61.1 percent to USD 3.01 billion.

The service sector also saw a 9.0 percent on-year rise in FDI pledges to come to USD 13.8 billion in the January-September period, led by the financial and accommodation fields, according to the ministry.

**Amazon bets big on S. Korea's digital transition with new spending**

Amazon Web Services Inc. (AWS), the world's largest cloud platform provider, said on Oct. 11 that it will nearly triple its investment in S. Korea to USD 5.9 billion through 2027, compared to the past five years, in what would be its second-largest average annual spending in one country after India.

The investment reflects AWS' determination to gain the upper hand in S. Korea's digital transition, far slower than the average of the Organisation for Economic Co-operation and Development (OECD).

Between 2018 and 2022, it poured a total of USD 2.04 billion into S. Korea to build cloud computing infrastructure.

From this year, AWS will spend USD 5.9 billion by 2027 to build its own data centers, secure generative AI chipsets and offer maintenance services.

If AWS's investment is converted to an annual average, it amounts to USD 1.18 billion, compared with its annual spending of USD 1.59 billion in India on average.

## Trade &amp; Commerce

**S. Korea, UAE conclude talks for bilateral trade deal**

S. Korea concluded negotiations with the United Arab Emirates (UAE) for the Comprehensive Economic Partnership Agreement (CEPA). The agreement is expected to strengthen cooperation with the UAE, a key country in the Middle East, while laying the groundwork for energy security and the development of new export markets. This is the first time Korea has signed an FTA with an Arab country.

According to the Ministry of Trade, Industry and Energy on Oct.15, Trade Minister Ahn Duk-geun and UAE Minister of State for Foreign Trade Thani bin Ahmed Al Zeyoudi signed a joint declaration confirming the conclusion of CEPA negotiations between the two countries on a day prior in Seoul. The Korea-UAE CEPA is the 24th FTA that Korea has signed.

Under the agreement, both countries will open 92.8% and 91.2% of their markets to each other in terms of the number of product items over the next 10 years. The UAE will eliminate tariffs on key Korean exports such as automobiles and automobile parts, home appliances, and weapons, while also removing tariffs on promising Korean export items, including medical devices and cosmetics, as well as agricultural, livestock, and fishery products, including beef, chicken, fruit, and ramyeon.

In the services market, the UAE committed to the highest level of openness out of its CEPA agreements to date for video and music content as well as healthcare. Tariffs on crude oil will also be completely phased out over the course of 10 years.

## Industry

**S. Korea ranks 6th in global AI competitiveness**

S. Korea's prowess in the field of artificial intelligence (AI) has been ranked 6th among 62 evaluated countries.

The Federation of Korean Industries (FKI) on Oct. 12 released the results of the "Global AI Index" study conducted by the UK-based data analysis firm Tortoise Intelligence. The study analyzed AI competitiveness across the seven key domains of talent, infrastructure, operational environment, research levels, pat-

ents, and private investment.

Korea ranked 6th out of the 62 countries evaluated, particularly excelling in the patents and policies domains.

The country's AI-related patents were reported to be the third highest globally after the United States and China. Notably, Samsung leads the pack in terms of the number of patents on hyperscale AI, surpassing industry giants including IBM and Google.

**Fitch keeps S. Korea's credit rating at 'AA-', outlook stable**

Global credit appraiser Fitch Ratings has reaffirmed S. Korea's sovereign rating at "AA-" with a stable outlook, the finance ministry said on Oct. 17.

Fitch has maintained the level of AA- for S. Korea, the fourth-highest level on its sovereign ratings table, since September 2012 when it upgraded the rating by one notch

from A+.

"Korea's rating balances robust external finances, resilient macroeconomic performance and a dynamic export sector against geopolitical risks related to North Korea, lagging governance indicators relative to 'AA'-rated peers and structural challenges from an ageing population," the agency said in the report.

## Government &amp; Policy

**S. Korea announces principles for digital standards**

S. Korea has announced a set of basic principles and guidelines laying down digital standards as a proactive measure to take a leading role in the digital age.

This "digital rights charter," released by the Ministry of Science, Technology, and Information Communication, consist of six chapters and 28 articles, and is similar to a declaration outlining the fundamental direction of digital norms at the national level.

With the charter in place, the government will actively participate in discussions on

digital norms initiated by international organizations such as the United Nations and the Organisation for Economic Co-operation and Development (OECD), as well as those led by the United States and the European Union, based on the Digital Rights Charter.

While addressing the document's five guiding principles—freedom, fairness, safety, innovation, and solidarity—Yoon urged every government body to form AI and digital policies aligned with these principles.

**S. Korea to spur startup investments with eased rules**

S. Korea will deploy at least 10% of a state-backed fund of funds (FoF) to venture capital investment dedicated to small startups every year, the government said on Oct. 5.

Run by state-owned Korea Venture Investment Corp. (KVIC), the FoF manages KRW 8.2 trillion won (USD 6.1 billion) in assets as of the end of 2022. It was created in 2005 for a 30-year operation to finance VC firms investing in various sectors including tech,

culture, healthcare, agriculture, environment and transportation.

According to the roadmap to boost VC investments, the Ministry of SMEs and Startups will ease application rules for Rookie League, the investment program for small startups.

The Ministry of SMEs will proactively support the private sector's venture investments, which is the basis of Korea's economic growth, said Minister Lee Young.



# Korea's Display Industry, Leading the Global Market and Technology with Next-Generation Display OLEDs

## Status of the Display Industry

### Display Industry: Expected to Continue Growing based on the Growing Markets for Premium Electronics and Convergence Products

A display panel is an image displaying device (panel) that shows various information on a screen for people to see, and plays the role of the eye of the industry. Korea has maintained the world's top position in the display industry for 17 years since 2004, most notably in the field of OLED which is acknowledged as the next generation display. Korea leads the world with a global market share by maintaining the top place for 16 years (global market share of 81.3% as of 2022) after producing the first OLED in 2007.

Based on continuous R&D, Korea is leading the OLED technology by introducing the world's first rollab-

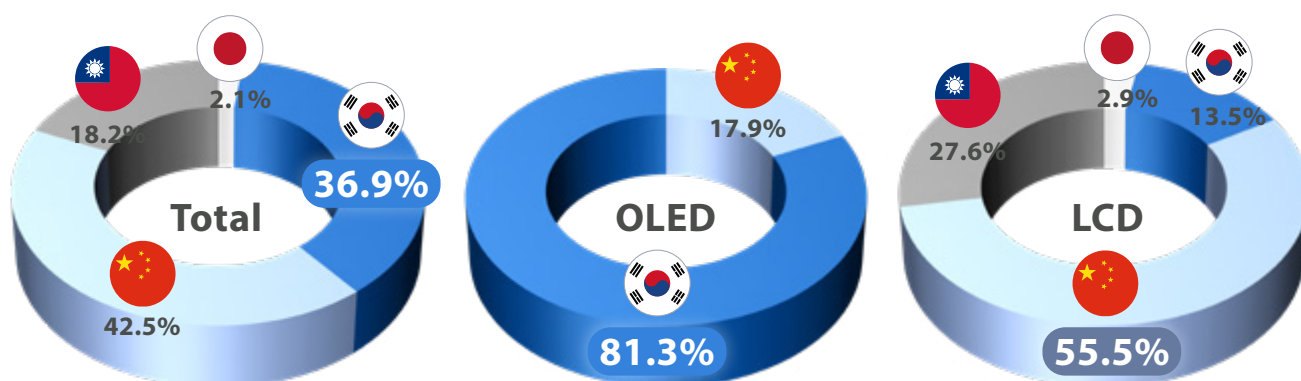
le TV and foldable OLED. Korea's OLED production technology is three to five years ahead of its competitors, and while some small and medium-sized OLEDs are produced by competitors, Korea is the exclusive producer of large OLEDs.

In the 1990s, display panels were mainly produced by four countries in Northeast Asia (Korea, China, Japan, and Taiwan), starting with Japan's investment in LCDs. In recent years, however, Korea and China have emerged as major producers. China started leading the global market share from 2021 based on large-scale investment in LCDs, while Korea strategically reduced LCD production and focused on investing in OLEDs to expand production as panels are rapidly being adopted in major home appliances such as mobile phones, TVs, and other IT products.





World Display Market Share in 2022



Source: KDIA, OMDIA (2022)

Korea is proactively responding to new demand markets such as virtual reality, automotive, aircraft, architecture, medical, and interior by developing not only variable displays with no design restrictions such as foldable, rollable, and stretchable displays, but also transparent OLEDs and 3D displays such as holograms. After successfully mass-producing the world's first quantum dot (QD) display product in 2021, Korea is striving to develop next-generation technologies such as micro LEDs and micro displays for AR and VR while refining OLED technologies.

Korea plans to invest KRW 65 trillion by 2027 (2023-2027) to increase the production of QD-OLED TVs and expand OLED markets for mobile, IT, and automotive applications. Korea is expected to lead the trends of next-generation technology by producing OLEDs for IT products such as laptops and tablets as well as for mobile phones and TVs.

The Korean display industry centers on major panel producers (e.g., Samsung Display and LG Display) and manufacturers of materials, parts (822 companies) and equipment (473 companies) used in the panel manufacturing process. Manufacturing sites of Samsung Display (in Cheonan and Asan) and LG Display (Paju and Gumi) represent a display ecosystem densely concentrated with materials, parts and equipment makers. Notably, the Cheonan and Asan region housing Samsung Display

was designated as a Specialized Industrial Complex for Strategic High-Tech Industries (in July 2023), laying the foundation for fostering the next-generation display market.

Market Outlook and Government Policies to Foster the Display Industry

As the Global Market is Being Reorganized with a Focus on OLEDs, the Government is Strengthening Support to Create a Super-Gap in OLED Technologies and Accelerate the Creation of New Markets

The global display market was valued at USD 118.1 billion in 2023 and is expected to grow to USD 135.6 billion in 2027. In particular, the overall market size continues to grow, driven by increased demand for premium electronics and the expansion of convergence display markets such as automotive and transparent display as more customers want free-form, ultra-high-resolution devices. Currently, the market is largely divided into LCDs (65%) and OLEDs (34%) displays, and other technologies such as Micro LED and OLEDoS make up the market. LCD is the largest market, but its growth is stagnating due to the wider OLED application to IT products such as monitors, while the market is gradually being reorganized<sup>1)</sup> with a focus on OLEDs due to their superior image quality, thickness, and form factor compared to

Display Industry Innovation Strategy: Vision and Strategy

Vision	Reclaiming the World's No. 1 Display by 2027
Five Major Strategies	<div><div>1</div>Fully support private investment</div> <div><div>2</div>Create 3 new markets</div> <div><div>3</div>Secure super-gap technologies</div> <div><div>4</div>Build a solid supply chain</div> <div><div>5</div>Develop human resources</div>

Source: Display Industry Innovation Strategy to Reclaim the World's No. 1 Position by 2027 (Press Release) MOTIE, May 18, 2023

1) Global display market shares (%): LCD (2022) 65% → (2027) 59% / OLED (2023) 34% → (2027) 37.4%



LCDs. OLEDs are expected to lead the market growth by growing at an average annual rate of 3.7% by 2027.

The Korean display industry is driving innovation in the ICT market, but competitors are catching up fast. China continues to support OLEDs at the national level in addition to LCDs, while Taiwan and Japan are increasing their investment in next-generation micro LED technology to overcome their disadvantageous positions in the OLED sector.

In response to the challenges, the government announced the 'Display Industry Innovation Strategy' with a vision to secure super-gap technologies and regain the world's No. 1 position by 2027 through a joint public-private partnership.

The government plans to support private investment in all stages from R&D to production by providing tax benefits, policy financing and infrastructure and improving regulations so that the private sector can invest in a timely manner.

Five core technologies of the display industry have been designated as national strategic technologies under the Act on Restriction on Special Cases Concerning Taxation (implemented in February) to provide companies investing in related facilities with corporate tax deductions of 15% for large and middle market enterprises and 25% for small and medium-sized enterprises and help ease the burden of investing. As companies producing related materials, part and equipment as well as display makers are eligible for the tax deductions, the law can widely benefit SMEs and middle market enterprises. In addition, the government facilitates investment by consulting with relevant ministries and local governments to ease regulations that companies find difficult to comply. As a result, inspections for new facilities handling hazardous chemicals and transportation procedures for large equipment were made more rational.

Moreover, the Korean government introduced a quota tariff system to strengthen industrial competitiveness and facilitate the supply of goods. The quota tariff is a flexible tariff system that can be applied temporarily by reducing the rate within the range of 40%p to the basic tariff rate for price stability and smooth supply. Since

eligible items are selected through semiannual or annual demand surveys, companies planning to import a certain product needs to apply for the quota tariff in advance

## Foreign-Invested Companies Successfully Operating in Korea

The growth of Korean panel companies since 2000 has attracted many foreign companies to enter Korea especially in the fields of parts, materials and equipment. Most parts and materials companies produce glass and films in Korea while equipment companies include those producing in Korea and those installing, repairing and exchanging products. Corning Precision Materials was established in Korea as a joint venture between Samsung and Corning in 1995 and has been supplying glass, a key material for LCD production, to Korean companies. In April 2023, Corning announced an investment plan of USD 1.5 billion (approximately KRW 2 trillion) over five years to build an ultra-thin bendable glass manufacturing base in Asan, Chungnam Province, contributing to the establishment of a supply chain for the Korean display industry.

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*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*

# Invest KOREA Market Place

Invest KOREA Market place (IKMP) is an online business matching platform available on Invest KOREA's website with information on approximately 300 Korean companies seeking to partner with foreign investors. This month, we introduce some outstanding companies in Korea's ICT industry.

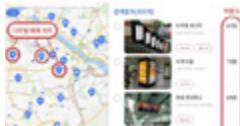
## COMPANY A



Non-identifying data advertising effectiveness measurement solution



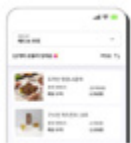
Mobile smart outdoor advertising media (DalgoT)



Smart outdoor media and advertiser brokerage platform  
(Recommendation of the location of the medium, valuation results to advertisers)

Investment Requirement		Company Profile	
Amount	USD 2.5 million	Patents and Certificates	- 2 registered domestic patents such as an advertising system using means of transportation - Applied for 3 domestic patents and 4 overseas patents
Investment Structure	Equity Investment, M&A	Financial Performance	(Sales in 2022) USD 0.1 million
<b>Investment Highlights</b> <ul style="list-style-type: none"> <li>• <b>Outdoor advertising market:</b> The size of the global outdoor advertising market has grown from USD 29.3 billion in 2020 to USD 32.5 billion in 2022 with a CAGR of 4.6%. It is expected to reach USD 433 billion in 2023 and grow at a CAGR of 5.4%, reaching USD 36.1 billion in 2025. The existing CMS technology has a structural limitation that can only select and transmit advertisements according to the rules set in the form of hard coding. Statistics that have been attempted offline to measure advertising effectiveness is difficult to convey the meaning clearly when combined with online metrics.</li> <li>• <b>A business model that is the core of the digital transformation of outdoor advertising:</b> The company's business model consists of 3 parts: an advertising effect measurement solution based on actual data, the operation of smart outdoor advertising media equipped with the solution, and a platform that connects media and advertisers based on the valuation of the media. The effect measurement solution has obtained regulatory sandbox approval from the government because it can be free from privacy issues by using non-identifying data (pose data) rather than images. This is expected to create a technical preemption effect. Media products are expected to be able to reap high profits by equipping additional smart functions, and as the valuation data of the media is accumulated through the collection of actual data of the operating data, it is expected to attract advertisers and lead to media platform business.</li> </ul>			

## COMPANY B



Kemi - Online Shopping Mall



Provision of Single Seller Market Optimized Statistics



Professional Manager Customer Management

Investment Requirement		Company Profile	
Amount	USD 1 million	Patents and Certificates	Patent registrations and applications for an industrial control system using artificial intelligence and its control method, a facility control system and method using deep learning algorithm
Investment Structure	Equity Investment, M&A	Financial Performance	(Sales in 2022) USD 11.3 million
<b>Investment Highlights</b> <ul style="list-style-type: none"> <li>• <b>Single seller market:</b> The single seller market is a relatively new market formed after the maturity of social media (late 2010s), and it is a rapidly growing market at a 123% CAGR and the market size is expected to be about KRW 10 trillion in 2023. E-commerce is rapidly evolving online, especially discovery-type consumption is moving from brick-and-mortar road shops to home shopping and from home shopping to social media. Influence is being dispersed to multiple influencers active on multiple social media. The single seller market works differently from other ecommerce markets in terms of products, sales schedules, and CS, requiring a different approach from existing distribution solutions. Wired Company was founded in 2018, at the beginning of the single seller market, and has been growing steadily until now.</li> <li>• <b>Launched a single seller market distribution solution for social sellers by automating existing distribution services:</b> The company provides a distribution service that sells by matching single seller market social sellers that sell goods through social media and brands. Its solutions provide automatic shopping mall building, product sourcing and matching, sales management, quality control, CRM, etc. The company plans to expand its lineup of PB products, which contributes to profits by 30% on average, to increase profitability and secure a diversified product portfolio. Based on K-influencers, products, and platforms, it plans to expand globally with a focus on the APAC region.</li> </ul>			

For more information please e-mail [ikmp@kotra.or.kr](mailto:ikmp@kotra.or.kr), or visit the Invest KOREA Market Place page on [www.investkorea.org](http://www.investkorea.org).



# Industry Trends

*Invest KOREA provides an overview of Korea's monthly industry trends based on the latest data available from the Ministry of Economy and Finance and the Korea Institute for Industrial Economics and Trade. Figures are subject to change and may be updated for accuracy by the respective organizations.*

## All Industries

In August 2023, Korea's industrial activity recorded the biggest growth since February 2021, with production rising in all sectors, including mining and manufacturing.

### Monthly Industrial Activity Trends

Subject	All industries	Mining & manufacturing	Service	Retail sales	Equipment investment	Construction completed
Monthly Change (%)	2.2	5.5	0.3	Δ0.3	3.6	4.4

Production in mining and manufacturing industries rose by 5.5 percent in August as the outlook for growing demands for high-performance semiconductors boosted production and drove the production of semiconductors and machinery and equipment upward by 13.4 percent and 9.7 percent, respectively. Service industry production increased by 0.3 percent, with leisure up 6.2 percent and food and lodging up 3.0 percent, driven by improved weather conditions that boosted outdoor activities. Retail sales fell by a total of 0.3 percent, as sales of durable and semi-durable goods declined by 1.1 percent and 0.6 percent, respectively, despite a 0.2 percent increase in the sales of nondurable goods. Capital investment increased by 3.6 percent as machinery improved slightly by posting a 0.6 percent growth and transportation equipment jumped by 13.1 percent. Construction investment rose by 4.4 percent as civil engineering projects, which had been sluggish in the previous month due to heavy rains, improved sharply to jump by 13.8 percent, and construction projects also increased by 1.8 percent. The cyclical change in the coincident index fell for three straight months due to declines in retail sales and imports, but the decline narrowed by 0.5 percent from the previous month. Uncertainties remain amidst growing signs of an economic rebound. On the production side, there are positive factors such as the recovery of exports led by semiconductors, expectations over the US economy making a soft landing, and the resumption of China's group tourism. At the same time, higher oil prices, the possibility of prolonged high global interest rates, and continued economic uncertainty in major economies are burdening the economy. As for consumption and investment, favorable employment conditions, accumulated household savings, and continued investment demands mostly in high-tech industries are positive factors, but slow construction orders and household debt burdens are risk factors.

## Trends by Industry

### Automotive

#### Domestic consumption turned upward backed by continued strong exports

In August, domestic consumption increased by 0.7 percent year-on-year and turned upward again in a month as car producers offered more promotions. Brisk sales in major markets in North America and the EU pushed August exports upward by 21.8 percent from a year ago. In July, imports fell by 14.1 percent year-on-year to record the first decline in 2023, affected by the end of the individual consumption tax cut and production cut of some makers. In July, strong global demand pushed production upward by 6.2 percent year-on-year.

### General machinery

#### Slump in domestic consumption worsened, and exports continued growing for five straight months

Despite growing exports, production in July declined both year-on-year (by 14.5 percent) and month-on-month (by 7.1 percent) as the slowdown in domestic consumption worsened. Exports remained strong in most regions except China and increased by 3.2 percent year-on-year to USD 4.132 billion in August. Imports fell by 11.7 percent year-on-year to USD 2.432 billion.

### Shipbuilding

#### Production and exports up, but capacity utilization rate and shipments stagnated

Cumulative global ship orders from January to August 2023 fell by 22.2 percent year-on-year due to deteriorating conditions for buyers, such as interest rate hikes. Orders won by Korean shipbuilders decreased by 41.8 percent as they received orders selectively, but the order backlog rose to 39.86 million CGT in August, which is the highest since 2011. August exports posted a 35.2 percent year-on-year increase as shipbuilders started delivering ships ordered at high prices after August 2021, and container ships were delivered in bulk. In July, imports fell by 35.0 percent from a year ago despite increased production, mainly affected by a 41.5 percent drop in cargo ship imports.

### Steel

#### Production turned downward month-on-month due to summer off-season, and exports fell further

Despite the recovery in automotive, shipbuilding, machinery and other industries, steel production decreased by 5.6 percent year-on-year in July due to sluggish demand for steel in the construction industry. In August, declining exports to major importers including ASEAN, China and the United States and falling unit prices resulted in exports decreasing by 11.2 percent year-on-year. Imports fell by 23.8 percent year-on-year in July, due to slow domestic consumption leading to falling import volume and a sharp cut in import unit prices.





## Oil refining

### Exports continued plummeting as unit prices fell and volumes shrank

In July, production posted a 9.3 percent decline with domestic consumption and export volumes falling together, and inventories fell by 11.5 percent. In August, exports plummeted by 35.3 percent year-on-year to USD 4.29 billion as export volumes and unit prices dropped together.

## Semiconductor

### Semiconductor industry showed unstable performance despite expectations of a recovery

In July, semiconductor production fell by 14.8 percent from a year ago and also declined from the previous months to sustain the unstable situation. In August, exports fell by 20.6 percent year-on-year to USD 8.559 billion to decline for thirteen months in a row after ending a long-term rally. The outlook for the Korea's semiconductor industry remains unclear due to the delayed global economic recovery and China's sluggish economy.

## Wireless communication devices

### August exports fell by 7.8 percent, but rebound expected after Q4 as declines narrowed

Exports are falling as global smartphone demand continues to be sluggish, but a full-fledged rebound is expected after the fourth quarter of 2023 or the first half of 2024 as consumer sentiment gradually lifts after the third quarter. Sales of ICT consumer goods such as smartphones and tablet computers and semiconductors are projected to recover in 2024, but the timing and extent of recovery remain highly uncertain. In July, production dropped by 12.3 percent year-on-year and shipments fell by 10.6 percent as the global smartphone market continued shrinking. The number of Korea's mobile telecommunication subscription lines increased by 3.5 percent year-on-year and by 0.2 percent month-on-month in July. In the same month, the number of subscriber-based devices (tablet computers, wearable devices, etc.) and IoT lines increased by 11.0 percent and 27.3 percent year-on-year, respectively. Imports in July grew by 15.2 percent from a year ago, supported by an increase in imports of smartphone parts.

## Display

### Exports turned upward, driven by the release of new smartphones

Production in July continued declining with fewer users replacing their IT products. In August, the release of new smartphones and the base effect drove panel exports upward by 4.1 percent and ended the decline that lasted for fourteen straight months. Industrial production and exports are expected to continue growing, supported by the base effect and the release of new smartphone that will boost demands.

*\* Please note that the latest data available in Statistics Korea are for the previous month in the case of exports and the month prior to the previous one for production.*





Event Overview:

# KOTRA Hosts the Korea Biz-Trade Show 2023, Attracting 700 International Buyers and 2,000 Korean Companies





*Standing as the largest export promotion event in Korea, the Korea Biz-Trade Show 2023 (Boom Up Korea) was held on October 18-19 at KIN-TEX in Goyang-si, Gyeonggi Province. The event, which serves as a platform for bringing outstanding Korean companies in industries like bio, materials and parts, energy, ICT, and consumer goods, together with international buyers under one roof.*





Against the backdrop of sluggish export performance amid external uncertainties like the slowing global economy, geopolitical tensions and supply chain restructuring, the Korean government has been concerting its efforts towards finding a breakthrough in the country's exports, including large-scale projects, tailored support measures, as well as upgraded follow-up support. Although Korea's trade balance turned around for the first time in 16 months in June with the smallest decrease in exports this year, there are still underlying uncertainties surrounding Korean exporters, mainly stemming from delayed recovery in advanced economies around the world.

In line with government efforts, the Korea Trade-Investment Promotion Agency (KOTRA) is poised to embark on numerous projects in the latter half of 2023 to achieve tangible outcomes that will result in export growth earlier than planned. To this end, the Korea Biz-Trade Show 2023, also dubbed "Boom Up Korea", hosted by the Ministry of Trade, Industry, and Energy and organized by KOTRA, kicked off on October 18 for two days, bringing together thousands of Korean SMEs and overseas buyers in one venue.

The event, held in the massive exhibition halls of KINTEX in Goyang-si, Gyeonggi Province, offered a plat-

form for over 2000 Korean companies to showcase their products to international buyers visiting Korea for this occasion. KOTRA's 129 overseas offices succeeded in attracting approximately 700 buyers from 62 countries around the world interested in Korea's outstanding products and technological prowess. In addition, other sub-events like on-site MOU signing ceremonies between Korean and global companies, industry-specific consultations and 1:1 business meetings were held. The large-scale trade show covered a wide array of industrial sectors like materials, parts and equipment, defense, energy, public procurement, ICT, consumer goods, bio and more.







Notably, a whopping 8,000 one-on-one export consultations were organized at this year's event, paving the way for Korean companies to expand to overseas markets. Among the 700 buyers were "Global Big Buyers" like Apple, Boeing, GM and Schaeffler, who are looking to diversify their supply chains in response to global supply chain restructuring.

Also, mobility manufacturers from the North American, European and ASEAN regions made their way to Korea with the aim to identify ways to cooperate with Korean companies for the production of future cars.

Furthermore, on the back of the Korean food phenomenon spreading across borders, a K-food booth attracted visitors to taste Korean food products for themselves. In particular, a Korean company that recently went viral on TikTok and in Trader Joe's stores throughout the United States for their frozen gimbap showcased its popular product at the K-food booth to show visitors what the craze is all about.

*By Grace Park*

*Executive Consultant, Invest KOREA  
Korea Trade-Investment Promotion Agency*



# Introduction of Virtual Shareholder Meetings and Improvement of Appraisal Rights Regime

## I. Pre-announcement of Virtual Shareholder Meetings and Appraisal Rights Regime

On January 26, 2023, the Ministry of Justice (“MOJ”) presented its annual work plan for 2023 and announced the following amendments of the Korean Commercial Code (“KCC”) aimed to improve the corporate environment and reinforce shareholder protection: (i) introducing a virtual shareholder meeting system; (ii) strengthening shareholder protection in corporate restructuring processes; (iii) easing regulations for small-sized companies to promote establishment and operation of start-ups; and (iv) improving dividend-related procedures and methods to promote in-kind and stock dividends.

As a follow-up measure to items (i) and (ii) above, the MOJ issued an advance notice of proposed amendments to the KCC (the “Proposed Amendment”) on August 24, 2023 that introduce virtual shareholder meetings and aim to improve the appraisal rights regime. If the Proposed Amendment is enacted into law, the introduction of virtual shareholder meetings is expected to fundamentally change how companies respond to minority shareholders and operate general shareholders’ meetings. In addition, the Proposed Amendment addresses a number of practical issues with respect to appraisal rights of dissenting shareholders that are commonly becoming a point of importance for various types of corporate restructuring, such as mergers, spin-offs, spin-off mergers, comprehensive stock exchanges and transfers, and business transfers. Furthermore, appraisal rights of dissenting shareholders will be recognized in the case of vertical spin-offs of unlisted companies.

The MOJ announced that it plans to pass the Proposed Amendment in this year's regular session of the National Assembly so that it can be enforced in 2024.

## II. Introduction of Virtual Shareholder Meetings

### 1. Background

The KCC requires the resolution of the general meeting of shareholders, which is the highest decision-making body, for important matters of a company, such as fundamental reorganization (e.g., merger, spin-off, transfer of important business), matters that directly affect the economic interests of shareholders (e.g., dividends), and matters concerning the organizations of a company (e.g., appointment and dismissal of directors and determination of remuneration). However, due to time



and space constraints, the majority of minority shareholders have been unable to actually attend the general shareholders' meeting and exercise their voting rights despite the importance of such meeting.

In relation to this issue, it has been pointed out that the attendance rate of minority shareholders should be increased through non-face-to-face shareholder meetings, such as virtual shareholder meetings. Furthermore, the OECD Principles of Corporate Governance recommends the introduction of the virtual shareholder meeting system as part of guaranteeing shareholders' rights, and the COVID-19 pandemic has led to widespread discussion on virtual shareholder meetings.

However, since the KCC does not provide for a clear legal basis for convening and operating a virtual shareholders' meeting, the need for legislation regarding the virtual shareholder meeting system has increased, and against this backdrop, the Proposed Amendment introduces the system as a way to relieve the limitations on the exercise of shareholders' rights and the burden of corporate expenses in the decision-making process.

## 2. Key Features of the Virtual Shareholder Meeting System

The Proposed Amendment provides for the digitalization of the general shareholders' meeting, including the notice of convocation, holding of meetings, attendance of shareholders and voting. In addition to the physical shareholders' meeting, the following types of virtual shareholder meetings will be allowed pursuant to a company's articles of incorporation: (i) a fully virtual shareholder meeting where all shareholders are present via electronic means of communication; and (ii) a parallel virtual shareholder meeting for which shareholders may choose between physical attendance at the place of convocation and attendance by electronic means of communication (the Proposed Amendment to Article 364-2). However, it is impossible to exclude the physical shareholders meeting and the parallel virtual shareholders meeting and to allow only the fully virtual shareholders meeting. Therefore, the virtual shareholders meeting is a means to guarantee the exercise of shareholders' rights and promote the general meeting of shareholders, rather than to completely replace physical shareholder meetings.

In relation to the method of obtaining shareholders' consent for sending meeting convocation notices by means of electronic documents, the Proposed Amendment stipulates that shareholders' consent may be obtained by electronic means in accordance with the Enforcement Decree of the KCC (the Proposed Amendment to Article 636(1)).

## III. Improvement of Appraisal Rights Regime

### 1. Background

The KCC does not grant appraisal rights to shareholders opposing a vertical spin-off. However, there have been some concerns about certain listed companies vertically spinning-off and listing their high-growth businesses. As a result, on December 27, 2022, the Enforcement Decree of the Financial Investment Services and Capital Markets Act (the "FSCMA") was amended to grant appraisal rights to shareholders opposing vertical spin-offs of listed companies (Article 165-5 of the FSCMA, Article 176-7 of the Enforcement Decree of the FSCMA). Following the amendment, there have been calls to recognize dissenting shareholders' appraisal rights in the event of a vertical spin-off of not only listed companies, but also unlisted companies, and this has been reflected in the Proposed Amendment.



Also, improvements have been made by reference to foreign legislative examples to address the following issues: (i) double payment of dividends and default interest (owing to the fact that the dissenting shareholders are recognized both as the shareholder and creditor during the ongoing dispute over the purchase price of shares subject to the appraisal rights) and (ii) the issue of substantial default interest at the rate of 6% per annum imposed even on the undisputed portion of the purchase price (owing to the inability for the company to make a partial deposit).

## 2. Key Features of the Appraisal Rights Regime

The Proposed Amendment to Article 530-12(2) provides that, with respect to a vertical spin-off of an unlisted company, appraisal rights must be granted to dissenting shareholders in the event of a vertical spin-off involving assets in excess of 10% of the total assets of the spun-off company. It is our understanding that this is to protect general shareholders from a vertical spin-off that undermines the shareholder value of the existing spun-off company or the trust of general shareholders by spinning-off and listing the core business units.

In addition, the Proposed Amendment has actively reflected the issues of the appraisal right system raised in practice as follows:

- If the purchase price for shares subject to appraisal rights that is calculated and specified by the company is fully paid by the effective date of the corporate restructuring event (such as merger and spin-off), the share purchase will become effective. Thereafter, the status of dissenting shareholders will be converted into creditors. The conversion into the creditor status will be limited to the case where the company has fully paid the specified amount, or the company may deposit an amount not less than the specified amount. In such event the company will be exempt from the delay damages to the extent of the deposited amount. This is to balance the interests of the company and its shareholders by (i) resolving the contradiction that the shareholders exercising the appraisal right receive not only the default interest accrued on the purchase price until receiving it as a creditor and the dividend as a shareholder and (ii) allowing the company to make a deposit and be relieved from excessive delay damages and permitting shareholders to receive at least a portion of the purchase price.

- Furthermore, when giving the notice of convocation of the general meeting of shareholders with respect to structural changes, a company is required to provide shareholders with accurate information, including the purchase price of appraisal rights and the specific grounds for calculation, and guarantee the shareholders' right to review and make copies of relevant records.

*By Ji-Pyoung Kim (Attorney)*

*Chang-hee Shin (Foreign Legal Consultant)*

*Seung-Hwan Cheong (Attorney)*

*Il-Suk Lee (Attorney)*

**Kim & Chang**

*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*

# Asan Display City, a General Industrial Complex Championing the Future of Korea's Display Industry

Established by Samsung Display, a leader of Korea's display industry, Asan Display City grew as Korea's top display industry hub. Based on excellent accessibility, high industrial connectivity, and active exchanges between industry players, universities and research institutes, it is serving as the main base for Korea's display industry and producing high value-added products by developing next-generation display technology.

- **Title:** Asan Display City 1 and 2 General Industrial Complex
- **Location:** Myeongam-ri and Yongdu-ri, Tangjeong-myeon, Asan
- **Area**

(Unit: 1,000m<sup>2</sup>)

Total area	Industrial facilities	Residential facilities	Supporting facilities	Public facilities	Other facilities
4,545	2,268	236	283	1,400	358

As of 2021, Asan Display City has six companies that employ 14,228 workers and produced sales worth KRW 31,849,534 million. The average sales per capita is KRW 2,863 million, and exports amount to KRW 21,127,263 million.

Asan Display City is optimally situated to amass core competencies and enable strategic cooperation as a display production center. In the complex, there are eleven universities training and supplying display experts and a strong channel facilitating the cooperation among related industries including the Korea Institute of Industrial Technology, Techno Parks (TPs) and key agencies supporting technology development such as the Korea Automotive Technology Institute. After the designation in July 2023 as an industrial complex specializing in one of the national strategic high-tech industries (i.e., display), it is expected to emerge as the center of the national display industry belt.

As the complex is highly accessible to the semiconductor industry in terms of technology, it can seek joint growth with the semiconductor industry, which is another national strategic industry, by training and sourcing experts together and cooperating for the transition to micro LED and nano LED. Moreover, Asan Display City is expected to bring a significant ripple effect to the local economy and industry as it is closely linked with the region's main industry (i.e., automotive) and can tap into the growth of the automotive display market.

Source: (Text/photo) Asan City



# MOPIC - Providing Amazing Visual Experiences

## About the Company

Established as an offshoot of Samsung Electronics in 2015, Mopic is a provider of a total solution for Light Field displays that realistically connects you to the world, simply through a display. Mopic's solution is used in various industries that require three-dimensional display, such as 3D endoscopy, simulation systems, automotive displays, microscopes, remote control systems, and meta-verse.

## Background

The world we see with our eyes is always three-dimensional (3D). However, commonly-used 2D displays compress the three-dimensional space into two dimensions, making it difficult for us to accurately sense the depth and distance of images. While 3D displays have been around for quite some time, they had shortcomings such as inferior quality, low usability of having to wear a head-mounted display (HMD) or 3D glasses, and high price.

Mopic's mission is to roll out high-quality Light Field 3D technology for the general public. As a result, its products, while having the appearance of an ordinary display, enable a realistic perception of depth that makes the user feel as if looking right out of a cockpit window, and scenes change along with the user's movements. Users just have to look at the display from anywhere they want, without wearing 3D glasses,

Mopic's technology is readily applied to a client's existing systems. The Light Field 3D display system is enabled just by adding a few components, and no changes in the client's system is required.

## About the Product

Mopic's Light Field 3D display provides a three-dimensional viewing experience without the need for 3D glasses. Mopic also offers software that is compatible with any 3D content, as well as plugins that allow users to convert 3D content by themselves.

For Light Field 3D display to work, you just need to have three things in addition to your existing 2D display system: A camera to track the user's location. 3D optical lenses that act as 3D glasses, and an API that combines all the software elements needed to portray images in 3D.

The result is a stunning viewing experience, one that you have never experienced. The most realistic sense of depth and space is consistently provided regardless of the viewing position. Mopic's rich experiences and technology range from content optimization and 3D image software to overall hardware design.

A case in point is Mopic's ability to apply 3D display



Application of Mopic's Light Field 3D Display Solution to a Digital Microscope





Application of Mopic's Light Field 3D Display Solution to a Virtual Meeting System

lays to virtual meetings, which allows users to talk to each other as if they are in the same room with only a window between them.

Mopic is also creating incredible customer value by applying its 3D solutions to 2D display systems. Our software APIs seamlessly connect to 3D displays and portrays a realistic sense of depth and excellent resolution.

Mopic's 3D technology is also used in endoscopic surgery. An accurate sense of depth is critical for surgeries that require high precision. Currently, surgeons operate by using 3D monitor glasses that display 3D images captured with endoscopic cameras. Currently, surgeons at Seoul National University Medical Centers are training by watching recorded 3D surgeries with Mopic's glasses-free Light Field 3D display devices.

## Competitive Edge and Business Strategy

Mopic's business model aims to provide what customers need. We are working with excellent professional manufacturing partners and have built a very refined high-quality supply chain.

Mopic can supply a wide range of Light Field 3D software and hardware samples of various form factors in a modular way, giving customers the opportunity to try new things without worrying about costs. This is the unique strength and competitive edge of tech startups that use their own technology and have a quick decision-making

process.

Mopic has extensive 3D development experience, including high-tech 3D quality analysis and design tools and highly scalable software libraries. The fact that global leaders such as Google and Samsung have chosen Mopic's technology is a testament to its know-how and infrastructure.

## Future Plans

### In Korea

- Jointly developing a gaming smart display with Samsung Electronics.
- Signed a five-year system supply contract with the Smart Simulation Center of Seoul National University Bundang Medical Center
- The objective is to command a majority share in Korea's hospital simulation systems market.

### Worldwide

- After being selected as Google's strategic tech partner, Mopic is currently supplying its Light Field 3D display module to Google.
- As an official partner of Germany's Solectrix, Mopic is supplying its Light Field 3D display as an ODM.
- Currently working with the world's top three pachinko machine makers to display 3D images on general pachinko machines.

*By Jeessoo Jung*

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*\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.*

# What procedure should a foreigner follow when converting his/her individual business into a corporation?

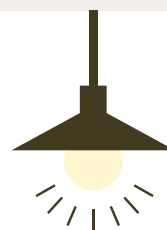
*Every month, Invest KOREA provides answers to some frequently asked questions submitted by foreign-invested companies in Korea and potential investors.*

## Q.

**What procedure should a foreigner follow when converting his/her individual business into a corporation?**

## A.

When a foreigner intends to convert an individual business he/she has invested in under the Foreign Investment Promotion Act into a corporation, the general practice is to liquidate the individual business registered as a foreign-invested company and to establish a new corporation by investing the residual assets (cash in Korean won).



Q&A





- The foreign-invested company can close his/her individual business (by reporting the closure to a regional tax office) and establish a corporation by filing for a cancellation of the registration of a foreign-invested company and notifying foreign investment simultaneously with delegated agencies.
- A foreign-invested company intending to take out a short-term, foreign currency loan that exceeds USD 30 million can do so by notifying the loan only to the head of a foreign exchange bank.
- If the residual assets of the individual business fails to meet the foreign investment requirements under the Foreign Investment Promotion Act (at least KRW 100 million and acquisition of at least 10% of voting stocks), the foreigner can establish a corporation only after bringing in foreign currency funds to fill the amount in short and making a payment for shares to a relevant bank (or submitting a certificate of balance). After a corporation is established and business registration is completed, the corporation should be registered as a foreign-invested company with the submission of all required documents of proof.
- An individual business can be converted into a corporation through investment in kind instead of through the common practice of cash investment after business closure and liquidation. In case of the establishment of a stock company, a corporation can be established under Article 290 (Matters on Irregular Incorporation) of the Commercial Act after an appraisal by a certified appraisal agency and an application for registration of alteration of foreign-invested company can be submitted together with documents certifying the changed details. (The foreign-invested company registration number remains unchanged; a certified copy of corporate registration, a certificate of business registration and a shareholder register should be submitted and the original copy of the certificate of the registration of a foreign-invested company of the individual business should be returned.)

*For further inquiries, please contact the Investment Consulting Center*

call



+82-1600-7119

or visit



[www.investkorea.org](http://www.investkorea.org)

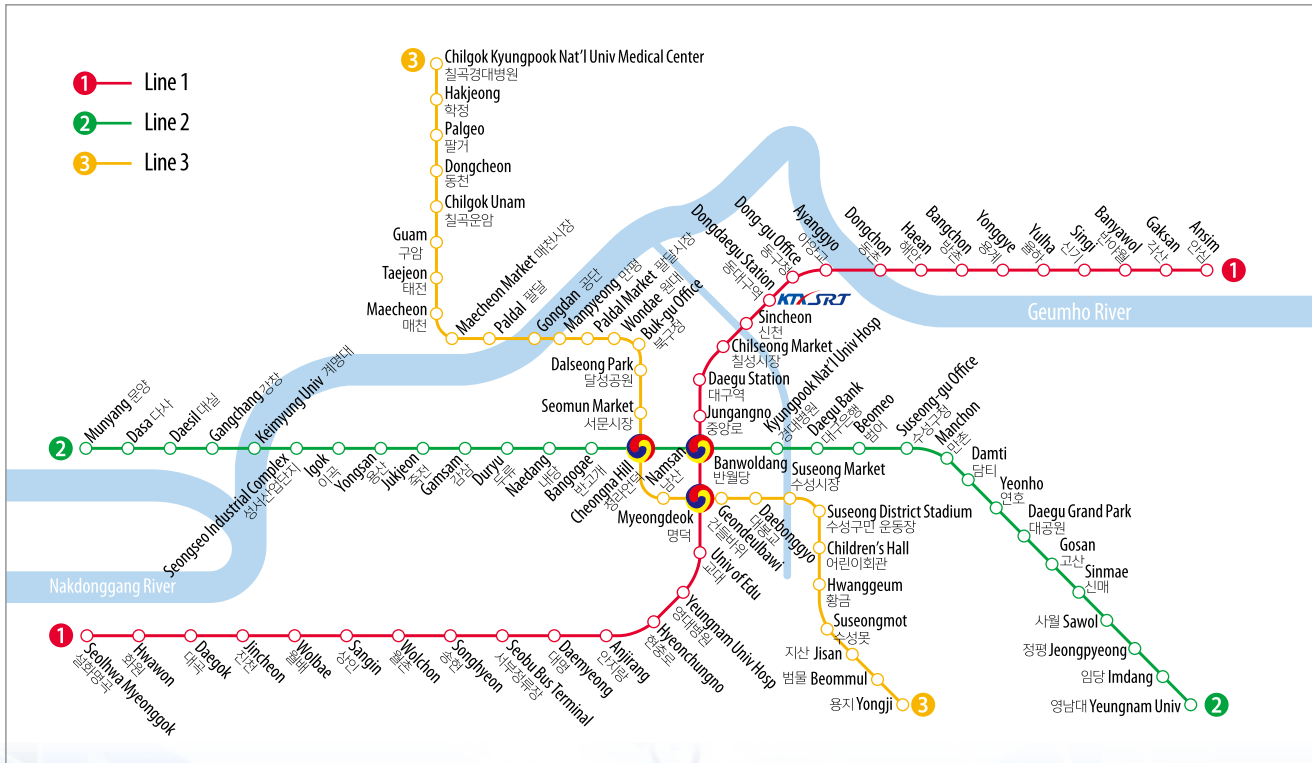
The map illustrates the extensive Busan Metro network. Key features include:

- Line 1 (Orange):** Connects Nopo in the north to Jagalchi in the south.
- Line 2 (Green):** Connects Yangsan in the north to Dadaepo Beach in the south.
- Line 3 (Brown):** Connects Deokjeon in the north to Gwangbok in the south.
- Line 4 (Blue):** Connects Anbyeong in the north to Seomyeon in the south.
- Busan Gimhae LRT (Purple BG):** Serves the area around Gimhae City Hall and Gimhae Int'l Airport.
- Donghae Line (Teal D):** Connects Ilgwang to Songjeong.

Major transfer stations are marked with multi-colored circles, such as Geomjeong, Buseo, and Seomyeon. The map also shows connections to KTX and SRT services at Busan Station and other key hubs.



## 2) Daegu Subway



For further inquiries, please contact the Investment Consulting Center

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or visit



[www.investkorea.org](http://www.investkorea.org)

# KOREA Unique Venue

## Discover the unique beauty of diverse regions throughout Korea

Every month, in cooperation with the Korea Tourism Industry (KTO), Invest KOREA features one unique region in Korea as an ideal venue for corporate meetings, international conventions, and incentive travels. Read on to find out more on the KTO's Korea Unique Venue initiatives and plan your next visit to Korea!

### What is KOREA UNIQUE VENUE?

The MICE industry is celebrated as the "golden industry without limits" of the 4th Industrial Revolution Era. With the growth of this industry, MICE venues are increasing in variety. Nowadays, corporations and institutions, which have preferred large scale convention centers in the past, are increasingly seeking out special places and experiences, or "unique venues" that showcase traditional local cultures and regional characteristics.

The Korea Tourism Organization regularly selects and promotes such unique venues that can be found all throughout the country—places with a distinct Korean charm that captivate its visitors. After various studies and evaluations on the suitability of the purpose, scale, and size of various events and meetings, the KTO has selected 39 of Korea's unique venues to fit your various needs.

These 39 "KOREA Unique Venues," which demonstrate the special characteristics of its respective region, are bound to add color to your events and provide visitors with experiences and memories beyond expectations. Korea's doors are wide open for you to experience the country's culture and beauty to their fullest.

### Incentives for Organizers

#### ❖ Subjects of incentive support for international meetings (event hosting/global PR and event hosting support)

##### Common Conditions:

1. Meetings hosted by international organizations or members of the international organizations, or legal entities & groups which are part of international organizations that fulfill ALL of the following conditions.
  - Foreigners from at least 5 or more countries shall participate in the meetings.
  - Total number of meetings participants shall be at least 300 or more and foreign participants shall be at least 100 or more.
  - The duration of the meetings shall be at least 3 days or longer.
2. Meetings hosted by legal entities & groups which are not a part of international organizations that fulfill ALL of the following conditions.
  - Among the meeting participants, total number of foreign participants shall be at least 150 or more.
  - The duration of the meetings shall be at least 2 days or longer.

#### ❖ Subjects of incentive support for corporate meetings/incentive tours

##### Common Conditions:

1. Visitors should stay in Korea for at least 2 days or longer.
  - \* "NOT" applicable for hobby clubs, fan clubs, religious organizations, government officials' groups, and/or student groups.
2. Among the participants, total number of foreign participants shall be at least 10 or more.

##### ❖ Additional Conditions:

1. Incentive Tour: Incentive Tour Groups (as performance awards), with sponsoring corporations paying for all of tour related expenses for visiting Korea.
2. Corporate meetings: Groups of people who are visiting Korea for meetings hosted by specific corporations for the express purpose of meetings or travels
  - \* Meetings with at least 4 hours or longer shall be included in the official schedule.

For further details, please visit the K-MICE website at <https://k-mice.visitkorea.or.kr>.



K-MICE



KOREA UNIQUE  
VENUE





SEOUL

## Floating Island Convention



Floating Island Convention is a floating convention facility located on Some Sevit, an artificial island. Since it has 7 large ball rooms, various events such as international conventions, business functions and cultural events can be held.



### Venue & Rental Information

- Address: 1 Some, Some sevit, 683 Olympic-daero, Seocho-gu, Seoul, Korea
- Phone Number: +82-2-537-2440
- Homepage: [www.ficonvention.com](http://www.ficonvention.com)
- Inquiries: +82-2-537-2440/ficonvention@gmail.com
- Major Events Held in Recent Years: KIREC SEOUL  
(The 8th International Renewable Energy Conference) 2019 /  
IEEE MEMS (Micro Electro Mechanical Systems) 2019 Banquet (2019)

Source: Korea Tourism Organization, "2022 KOREA Unique Venue"



## KOTRA's Global Network

KOTRA has 129 overseas offices and 10 headquarters worldwide

### Southwest Asia

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E-mail: [ktcdelhi@ktcdelhi.net](mailto:ktcdelhi@ktcdelhi.net)

Ahmedabad, Bengaluru, Chennai, Colombo, Dhaka, Karachi, Kolkata, Mumbai, New Delhi

### Southeast Asia & Oceania

Tel: (84-24)3946-0511  
E-mail: [kotrahanoikbc@gmail.com](mailto:kotrahanoikbc@gmail.com)

Auckland, Bangkok, Danang, Hanoi, Ho Chi Minh, Jakarta, Kuala Lumpur, Manila, Melbourne, Phnom Penh, Singapore, Surabaya, Sydney, Vientiane, Yangon

### Japan

Tel: (81-3)3214-6951  
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Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Guangzhou, Hangzhou, Harbin, Hong Kong, Nanjing, Qingdao, Shanghai, Shenyang, Shenzhen, Taipei, Tianjin, Wuhan, Xiamen, Xian, Zhengzhou

### CIS

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Almaty, Baku, Kiev, Minsk, Moscow, Novosibirsk, Saint Petersburg, Tashkent, Ulaanbaatar, Vladivostok

### Europe

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E-mail: [frankfurt@kotra.or.kr](mailto:frankfurt@kotra.or.kr)

Amsterdam, Athens, Beograd, Bratislava, Brussels, Bucharest, Budapest, Copenhagen, Frankfurt, Hamburg, Helsinki, Lisbon, London, Madrid, Milano, Munich, Paris, Prague, Sofia, Stockholm, Vienna, Warsaw, Zagreb, Zurich

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Alger, Amman, Baghdad, Cairo, Casablanca, Damascus, Doha, Dubai, Istanbul, Kuwait, Muscat, Riyadh, Tehran, Tel Aviv, Tripoli

### Central / South America

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### North America

Tel: (1-212)826-0900  
E-mail: [kotrany@hotmail.com](mailto:kotrany@hotmail.com)

Atlanta, Chicago, Dallas, Detroit, Los Angeles, New York, Silicon Valley, Toronto, Vancouver, Washington, D.C.

### Africa

Tel: (27-11)784-2940  
E-mail: [kotra@kotra.org.za](mailto:kotra@kotra.org.za)

Abidjan, Accra, Addis Ababa, Dar es Salaam, Johannesburg, Khartoum, Lagos, Maputo, Nairobi

## KOTRA's Investment Support Offices

### ASIA & OCEANIA

Beijing, China  
Tel: (86-10) 6410-6162

Fukuoka, Japan  
Tel: (81-92) 473-2005

Guangzhou, China  
Tel: (86-20) 2208-1600

Hong Kong, China  
Tel: (852) 2545-9500

Melbourne, Australia  
Tel: (61-3) 9860-0500

Nagoya, Japan  
Tel: (81-52) 561-3936

Osaka, Japan  
Tel: (81-6) 6262-3831

Qingdao, China  
Tel: (86-532) 8388-7931

Shanghai, China  
Tel: (86-21) 5108-8771/2

Singapore  
Tel: (65) 6426-7200

Sydney, Australia  
Tel: (61-2) 8233-4000

Taipei, Taiwan  
Tel: (886-2) 2725-2324

Tokyo, Japan  
Tel: (81-3) 3214-6951

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Tel: (32-2) 203-2142

Copenhagen, Denmark  
Tel: (45) 3312-6658

Frankfurt, Germany  
Tel: (49-69) 2429-920/9

Hamburg, Germany  
Tel: (49-40) 3405-7411

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