

Invest KOREA

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South Korea's Tourism Industry: From Recovery to Rebound

Where Imagination Becomes Reality: The Beginning of Change, Gangwon State Free Economic Zone
Suncheon General Industrial Complex: Transforming into a Park Space Connecting Industries and Young People
Second Syndrome, a Hyper Space Life Company

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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 remains subdued overall, weighed down by continued weakness in the construction sector and a slowdown in exports under the impact of U.S tariff hikes.

- Construction investment continued to decline, while exports also showed weakening momentum.
 - Weakness in construction investment is constraining the recovery in domestic demand, while overall production growth is slowing, particularly in the construction sector.
 - Exports weakened further, particularly in sectors more directly affected by U.S. tariffs, as reflected in a decline in motor vehicle exports to the U.S.
 - Meanwhile, persistent strength in semiconductor demand has supported continued robust growth in production, exports, and investment in related equipment.

- Meanwhile, while household and business sentiment showed modest improvement amid easing domestic political instability and the U.S. -China trade agreement, external uncertainty remains elevated.
 - Trade-related uncertainty continues to run high, driven by further increases in steel and aluminum tariffs and lingering concerns over a potential resurgence of U.S.-China trade tensions.

*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.

.91

59.36

■ **Economic Activity: Manufacturing production maintained solid growth, led by semiconductors, but export conditions worsened amid continued weakness in the construction sector.**

- In April, all-industry production growth slowed to 0.4% from 0.9% in the previous month, weighed down by continued weakness in construction and a slowdown in services.

- Industrial production (mining and manufacturing) maintained solid growth (4.4% → 4.9%), supported by continued expansion in semiconductors (20.3% → 21.8%) and an improvement in machinery equipment (-2.3% → 2.4%).

- However, construction production remained sharply depressed (-16.3% → -20.5%), while the slowdown in services persisted (0.8% → 0.7%), led by declines in financial and insurance services (1.0% → 0.6%) and professional, scientific, and technical activities (3.5% → -0.2%).

- With manufacturing production sustaining relatively strong growth, the inventory-to-shipment ratio (103.2% → 102.3%) declined and the average capacity utilization rate (74.5% → 73.8%) remained high.

- On a seasonally adjusted month-on-month basis, both shipments for domestic demand (0.5%) and exports (1.2%) increased.

- The recovery of domestic demand remains constrained by sluggish construction investment, while exports have weakened, particularly in items heavily affected by U.S. tariff hikes.

- Exports to the U.S. continued to decline from the previous month, led by motor vehicles facing elevated tariff rates.

- Household and business sentiment improved amid easing domestic political uncertainty and the U.S.-China trade agreements.

- The CCSI, which had remained subdued following a sharp decline late last year, recovered to the baseline level, and the BSI outlook also rebounded.

- However, trade-related uncertainty remains high due to further increases in steel and aluminum tariffs and concerns over a potential resurgence of U.S.-China trade tensions.

■ **Consumption: Consumption remains subdued, although consumer sentiment appears to be recovering.**

- Despite sustained strong growth in passenger vehicle sales, sluggish performance in other retail categories suggests a continued delay in the overall recovery of goods consumption.

- Service consumption continued to post limited gains, led by accommodation and food services.

- Production in major consumption-related service sectors, such as accommodation and food services (-2.5%) and education (-0.9%), continued to show sluggishness.

- However, the May CCSI rose to 101.8, exceeding the baseline level of 100, signaling an easing in the contraction of consumer sentiment that had persisted since December of last year.

- This improvement, coupled with a softening high interest rate stance, could serve as a supportive factor for consumption going forward.

■ **Equipment investment: Equipment investment maintains favorable momentum, supported by strong gains in semiconductor-related and transport equipment investment, while weakness persists in other areas.**

- In April, equipment investment growth remained elevated (14.5% → 8.4%), with semiconductor-related investment, continuing steady growth and transport equipment investment showing improvement.
 - Semiconductor-related investment, including
- By contrast, equipment investment excluding semiconductors and transport equipment remained sluggish.

■ **Construction investment: Construction investment is showing further signs of deterioration, yet improvements in some leading indicators suggest the possibility of a future recovery.**

- In April, the value of construction completed fell by 20.5%, widening from a 16.3% decline in the previous month.
- However, some leading indicators showed modest improvements, signaling that the weakness in construction investment may gradually ease going forward.
 - The recovery in construction orders received and floor area of buildings commenced (floor area commenced) may be reflected in construction investment with a time lag.
 - The business conditions BSI for construction, although still below its long-term average (64), has shown gradual improvement since March.
 - * Construction business conditions outlook (BSI): (Mar.) 43 → (Apr.) 46 → (May) 47 → (Jun.) 51

■ **Prices: While supply-side price pressures have somewhat eased, overall price conditions remain broadly stable.**

- In May, consumer prices rose by 1.9%, slightly down from 2.1% in the previous month.
 - Agricultural product prices declined further (-1.5% → -4.7%) following the temporary expansion of the government's agricultural discount sup-

port program.

- Despite a reduction in fuel tax cuts, petroleum product prices continued to fall (-1.7% → -2.3%) driven by declining international oil prices and exchange rates.

- * Dubai crude oil (\$/barrel): (Mar.) 72.5 → (Apr.) 67.7 → (May.) 63.7
- * USD/KRW exchange rate: (Mar.) 1,457.0 → (Apr.) 1,444.3 → (May) 1,394.5

- Core inflation (2.1% → 2.0%) remained largely unchanged from previous month, as domestic demand stayed subdued.

AWS, SK to build S. Korea's largest AI data center

On June 16, SK Group, a S. Korean chip-to-construction conglomerate, said it plans to build the country's largest artificial intelligence (AI) data center in partnership with Amazon Web Services, Inc. (AWS).

The two companies are expected to launch the project later this month and hold a groundbreaking ceremony in August, ac-

ording to industry sources.

The facility will be located in the Mipo industrial complex in Ulsan, 305 kilometers southeast of Seoul. It will house 60,000 graphics processing units (GPUs) and have a power capacity of 100 megawatts, making it the country's first AI infrastructure of such scale, the sources said.

Xiaomi opens first offline store in S. Korea

Xiaomi Technology Korea LLC, the S. Korean unit of China's tech giant Xiaomi Corp., said on June 25 that it has opened its first offline store in S. Korea as part of its global expansion strategy.

In January, the company established a branch office in Korea and launched an official online mall to sell flagship products, including smartphones and smartwatches, in one of the world's most competitive mobile markets.

"The opening of our first official offline store in Korea marks a key milestone in our ambition to strengthen connections with local consumers. This store brings Xiao-

mi's full ecosystem closer to daily life by offering a seamless journey from purchase to after-sales service," Jony Wu, general manager of Xiaomi Korea, said at a press conference in Seoul.

The new outlet, located in Yeouido, Seoul, offers a range of products, including smartphones, smartwatches, TVs, vacuum cleaners and other home appliances. Xiaomi plans to focus initially on promoting its products through its Seoul store, with plans to expand its retail presence, or "touch-points," across S. Korea, a market dominated by Samsung Electronics Co. and LG Electronics Inc.

S. Korea's pharmaceutical exports hit record high in Q1 on robust demand in Europe: data

S. Korea's exports of pharmaceutical products reached an all-time high in the first quarter thanks to strong demand for Korean medicines in the European market, data showed on June 4.

Outbound shipments of pharmaceuticals came to a quarterly high of USD 2.6 billion in the January-March period, up 17.7 percent from a year earlier, according to data compiled by the Korea Health Industry Development Institute.

In particular, shipments of biopharmaceu-

tical products jumped 30.2 percent on-year, driven by sharp increases in shipments to Germany and Hungary, which jumped 230 percent and 112 percent on-year, respectively.

Vaccine exports also escalated 37.7 percent on high demand in South America and Africa.

Meanwhile, outbound shipments of cosmetic products jumped 12.7 percent on-year to USD 2.6 billion in the first three months of the year, marking the second-highest figure for any quarter, according to the institute.

Industry

S. Korean companies invest record KRW 83.6 tln in R&D in 2024: data

S. Korean companies spent a record amount of KRW 83.6 trillion won (USD 61.1 billion) on research and development (R&D) projects last year as part of efforts to enhance their competitiveness amid an intensifying global technology war, government data showed on June 12.

The latest reading marks a 15.3 percent increase from the KRW 72.5 trillion worth of R&D investments made in 2023, according to the Ministry of Trade, Industry and Energy.

The tally is a combination of investments

made by the top 1,000 companies here in terms of R&D spending. Among the 1,000 companies, 709 increased their spending last year, while 291 reduced their investment.

Tech behemoth Samsung Electronics Co. spent the highest amount of KRW 30.2 trillion in R&D in 2024, followed by its chipmaking rival SK hynix Inc. at KRW 4.5 trillion, leading car manufacturer Hyundai Motor Co. at KRW 4.3 trillion and home appliances maker LG Electronics Inc. at KRW 3.4 trillion.

Foreign tourists to S. Korea expected to top 20 mln this year: report

The number of foreigners who travel to S. Korea is expected to top the 20-million mark this year, boosting domestic demand, a report said on June 26.

According to the report compiled by Hyundai Research Institute, the number of foreigners who visit the country is estimated to top 20 million this year, which would

mark a sharp rise from last year's estimated 16.4 million.

The report also said the country is expected to reap USD 20.2 billion from their spending here.

The estimated income from foreign travelers accounts for 2.5 percent of last year's domestic spending, the report said.

Government & Policy

Gov't to help AI transformation of 10 industrial complexes for improved productivity

The government will select 10 industrial complexes to help support their application of artificial intelligence (AI) technologies to achieve enhanced productivity and find new business opportunities, the industry ministry said on June 17.

The Ministry of Trade, Industry and Energy will provide a combined KRW 140 billion (USD 102.9 million) from the extra

budget to the selected complexes by 2028 to help with their AI transformation, according to ministry officials.

Earlier this year, S. Korea drew up a 13.8 trillion-won supplementary budget, which includes more than KRW 1.8 trillion aimed at boosting the country's competitiveness in the AI sector.

S. Korea pushing to build 2 hydrogen clusters in eastern regions

S. Korea is pushing to build two hydrogen clusters in east coast provinces as part of efforts to foster the growth of hydrogen-related businesses, including hydrogen batteries, the industry ministry said on June 26.

The country will start constructing a special industrial complex for hydrogen storage and transportation across the eastern cities of Donghae and Samcheok in Gangwon Province in March next year, according to the Ministry of Trade, Industry

and Energy.

A hydrogen liquefaction plant is also planned to be built in Samcheok after the government completes an economic feasibility study on the project in July.

The southeastern city of Pohang in South Gyeongsang Province will also begin construction of an industrial complex for manufacturing hydrogen fuel cells later this year to make the city a hub for hydrogen battery exports.

Foreign Investment Zones



Overview

1) Purpose

The zones are created to contribute to the sound development of the national economy by facilitating the inducement of foreign investment through support and convenience provided for foreign investment. Foreign investment zones are designated to attract foreign investors who do not want to purchase factory land.

Incentives are provided for occupant companies in the region.

2) Designation Procedures

The head of a metropolitan/local government applies for the designation of a foreign investment zone, the Foreign Investment Committee deliberates and makes designation (notification).

3) Types of Foreign Investment Zones

Foreign investment zones are classified into complex-type foreign investment zones, individual-type foreign investment zones and service-type foreign investment zones.

The zone refers to an area designated to lease or sell in advance within a national or general regional industrial complex for the purpose of attracting small and medium-sized foreign-capital invested companies. Currently, the zone is only available for lease.

[Reference] Parts and Materials-type Foreign Investment Zones

This type of complex-type foreign investment zone was first designated in 2008 for the purpose of promoting investment by foreign companies with advanced parts and material technologies from Japan, Germany, etc.

Individual-type foreign investment zones refers to an area designated exclusively for a single company's sole plant to attract investment from large investors by reviewing their needs for space, time, and incentives in a comprehensive manner.

Service-type foreign investment zones refers to an area designated for lease or transfer to a foreign-capital invested company operating a service business. Unlike a complex-type foreign investment zone engaged mostly in the manufacturing industry that requires large-scale land, a service-type foreign investment zone accommodates service businesses running research facilities, among others.

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 April 2025, Korea's total industrial production fell for the first time in three months (down 0.8 percent month-on-month and down 0.4 percent year-on-year), as both mining and manufacturing (down 0.9 percent month-on-month and up 4.9 percent year-on-year) and services (down 0.1 percent month-on-month and up 0.7 percent year-on-year) production shrank due to the base effect of two consecutive months of sharp increases.

Monthly Industrial Activity Trends

Subject	All industries	Mining & manufacturing	Service	Retail sales	Capital investment	Construction completed
Monthly Change (%)	△0.8	△0.9	△0.1	△0.9	△0.4	△0.7

In April, mining and manufacturing declined, affected by the impact of US tariffs on automobiles and the base effect of a sharp increase in semiconductor production in the previous month. The service industry saw an increase in production in the wholesale and retail trade and accommodation and food services sectors, but decreased in the finance and insurance, and professional, scientific, and technical services sectors, primarily due to a decline in stock trading and architectural design orders. Retail sales shrank as sales of durable goods (communication devices and computers), semi-durable goods (clothing), and non-durable goods (pharmaceuticals and books) all declined. Capital investment decreased slightly even as more investment was made in transportation equipment such as automobiles and aircraft, due to sluggish investment in machinery such as semiconductor manufacturing machinery. Construction completed fell slightly as civil engineering increased and building construction decreased. Despite a decrease in construction completed, the cyclical change in the coincident index rose, driven by increases in the number of employed persons and mining and manufacturing production. Even as stock prices fell, the cyclical change in the leading index increased thanks to increases in domestic shipments of machinery and cycle inventory.

In April, Korea's industrial activities adjusted from the base effect of seeing sharp increases for two consecutive months, while domestic demand remained sluggish in areas such as consumption and construction. The government will make every effort to respond to trade risks and revitalize domestic demand.

Trends by Industry

Automotive

Domestic Sales Started Growing as Rapid Approval of EV Subsidies Drove the Sales of EVs

Despite increased demand for domestically produced vehicles, particularly hybrids, exports remained flat in March as a slowdown in overseas production of finished vehicles dampened demand for parts. In February, domestic sales increased by 12.9 percent year-on-year as swift approval of EV subsidies pushed the sales of EVs. Production in February grew by 14.6 percent year-on-year as domestic sales and exports all turned to growth.

General machinery

Production Started Falling as Both Domestic and Export Markets Remained Weak

In February, production increased by 4.4 percent year-on-year, driven by strong domestic demand and capital investment. In March, exports fell by 3.5 percent year-on-year as Washington's imposition of tariffs added uncertainty to the global economy. In February, imports increased by 8.6 percent year-on-year as domestic demand recovered and capital investment increased.

Shipbuilding

Production Indices Saw a Big Jump

Production in February fell by 3.7 percent month-on-month, but increased sharply by 44.6 percent year-on-year. Exports in March increased by 51.6 percent year-on-year to approximately USD 3.2 billion as more high-value-added ships such as LNG carriers and large container ships were delivered. February imports increased by 2.2 percent year-on-year due to expanded imports of ship parts and shipbuilding materials. Global ship orders for the first two months of 2025 decreased by 65.4 percent year-on-year across most ship types, including tankers, bulk carriers, and gas carriers, while only the container ship segment saw a 44.2 percent increase.

Steel

Exports Fell Further due to Weak Unit Prices, while Production Continued to Shrink

In February, steel production decreased by 7.2 percent year-on-year even as exports to ASEAN countries increased, affected by sluggish domestic demand and inventory adjustments by steel companies. Even as export volume maintained the same level as a year ago, March exports shrank by 10.6 percent year-on-year due to falling export unit prices. In February, imports decreased by 15.1 percent year-on-year as slow domestic demand weakened demand and anti-dumping lawsuits and rising prices of imported goods slashed import volume.



Oil refining

Exports Plunged by 28.1 percent Year-on-Year as Unit Prices and Volume Decreased Together

February production shrank by 5.8 percent year-on-year due to reduced operating rates and regular maintenance. March exports decreased by approximately USD 1.3 billion year-on-year as unit prices fell and volume continued decreasing due to expanded regular maintenance.

Semiconductor

Strong Exports Continued

In March, exports returned to growth after one month to increase by 11.9 percent year-on-year and reach USD 13.1 billion, continuing the strong performance of semiconductor exports. The semiconductor production index for February maintaining its upward trend and stood at 157.3, an increase of 11.6 percent year-on-year and 0.7 percent month-on-month.

Wireless communication devices

March Exports Increased by 13.8 percent Year-on-Year Driven by an Increase in High-Value-Added Parts and Strong Sales of New Products

March exports grew by 13.8 percent year-on-year, driven by rising global demand for AI smartphones and increased exports of domestically-produced high-value-added smartphone components required for these devices. February production rose by 14.0 percent year-on-year and shipments grew by 12.0 percent as well, leading to a significant 30.5 percent jump in the operating rate, while inventory fell by 6.9 percent. February imports rose slightly by 1.5 percent year-on-year, driven by a big jump in imports of smartphones by 35.8 percent, which was offset by sharp declines in components and wireless transmitters.

Display

The Adoption of AI Tech in Products Enabled the Recovery of Exports Despite Falling OLED Panel Unit Prices

Exports in March increased by 2.9 percent year-on-year as major customers adopted AI in their products. The production index for February was 62.3, up 0.8 percent year-on-year and 9.1 percent month-on-month.

** 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.*

Source: Ministry of Economy and Finance (moef.go.kr), Korea Institute for Industrial Economics and Trade (kiet.re.kr)



South Korea's Tourism Industry: From Recovery to Rebound

Sustainable Growth Strategies Amid Fierce Competition and a Rapidly Changing Environment

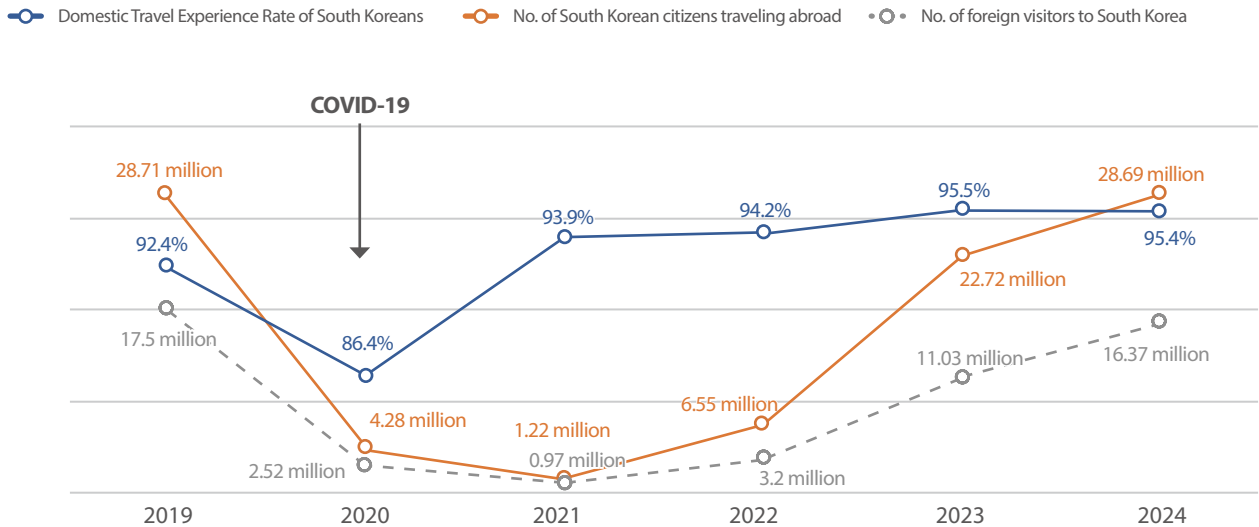
Status of South Korea's Tourism Industry

Having recovered to pre-COVID-19 levels, South Korea's tourism industry is undergoing structural changes focused on digital technology

South Korea's tourism industry was hit hard by the COVID-19 pandemic, but has been showing a rapid recovery since 2022 and is entering a new phase of transition. As of the end of 2024, the number of international tourist arrivals worldwide has recovered to approximately

88% of the 2019 level, and global international tourism receipts has reached 97% of the pre-pandemic level (UN Tourism, 2025). The number of foreign tourists visiting South Korea reached approximately 16.37 million, which is 94% of the pre-pandemic level and a 48% increase from the previous year (Tourism Knowledge Information System of the Korea Culture and Tourism Institute). Additionally, as of 2024, the domestic travel experience rate and the number of outbound travelers among South Korean citizens have reached levels close to or exceeding those of 2019.

Domestic travel experience rate of South Korean citizens, number of South Korean citizens traveling abroad, and number of foreign visitors to South Korea



*Source: Annual National Travel Survey results, Ministry of Culture, Sports and Tourism (2020-2024); Q4 Results of the 2024 National Travel Survey (preliminary figures), Ministry of Culture, Sports and Tourism (March 31, 2025); Tourism Knowledge Information System (<https://know.tour.go.kr/>)

The status of South Korea's tourism industry, when examined focus on tourism businesses, is as follows: As of 2023, the number of tourism businesses registered under the Tourism Promotion Act increased by 10.6% year-on-year to 38,712, with approximately half of these businesses operating in the travel business sector. Approximately 45% of all tourism businesses are located in the Seoul Metropolitan Area (Ministry of Culture, Sports and Tourism, 2024).

In 2023, the total revenue of the tourism industry was KRW 24.4 trillion, an increase of 40.5% from the previous year, which is about 90.9% of the level before the outbreak of COVID-19 in 2019 (Ministry of Culture, Sports and Tourism, 2024). The figures suggest that tourism demand, which had declined sharply during the

pandemic, has entered a full-fledged phase of recovery. Looking at the 2023 revenues by sector, the Tourist accommodation business sector accounted for the largest share at approximately KRW 10.6 trillion, followed by the travel business sector at KRW 3.9 trillion and the casino business at KRW 2.7 trillion (Ministry of Culture, Sports and Tourism, 2024). The trends of annual revenues show that the travel services, casino, and international conference sectors did not see their revenues recover in 2023. In summary, South Korea's tourism businesses are concentrated in the Seoul Metropolitan Area, the tourism industry's revenue structure is dominated by the tourist accommodation business sector, which is showing a trend toward recovery to pre-COVID-19 levels.

Revenues of Tourism Businesses (2019-2023)

(Unit: trillion won, %)

Sector	2019	2020	2021	2022	2023	2023 growth rate: vs. 2019	2023 growth rate: vs. 2022
Total	26.8	8.2	10.5	17.4	24.4	-9.1	40.5
Travel business	8.6	0.4	0.4	1.4	3.9	-54.6	188.4
Tourist accommodation business	8.4	4.0	5.6	8.8	10.6	26.2	20.2
Tourist-use facility business	1.1	0.7	0.8	1.2	1.4	29.0	16.3
International conference business	1.5	0.4	0.6	0.9	1.4	-6.7	59.8
Casino business	2.9	1.0	1.2	1.9	2.7	-6.9	40.7
Amusement facility business	2.1	0.6	0.6	1.6	2.2	3.2	39.5
Tourist convenience facility business	2.1	1.2	1.3	1.6	2.2	0.3	33.8

Source: Tourism Industry Survey, 2019-2023, Ministry of Culture, Sports and Tourism (2020-2024).

From the perspective of demand, tourism demand in South Korea and around the world is shifting from group travel to individual travel, and is transitioning to experience-oriented and regional-level tourism. In addition, with the advancement of digital technology, online travel agencies (OTA) are growing, and the use of artificial intelligence (AI) technology, social media, and media art is rapidly spreading. More specifically, more people are searching for, booking, paying for, and evaluating tour products online, strengthening the global market dominance of OTAs such as Booking Holdings, Inc., Expedia Group, Airbnb, and Trip.com Group (Heeja Ahn and Heejeong Han, 2024). In South Korea, local OTAs, such as Yanolja and GC Company (Yeogi Eottae), are rapidly growing following the market entry of global OTAs.

Market Outlook and Government Policies to Promote the Tourism Industry

Policies Focused on Strengthening Global Competitiveness and Seeking Sustainable Growth

In 2025, the number of international tourist arrivals worldwide is expected to grow by 3–5% compared to 2024 (UN Tourism, 2025), indicating that overall tourism demand is recovering. However, factors such as high inflation, rising accommodation and transportation costs, the worsening of climate change, and a shortage of tourism workers are likely to continue to limit the recovery of tourism demand.

The tourism industry is undergoing changes such as the adoption of new technologies including artificial intelligence, increasing demand for sustainable tourism, growing interest in new tourist destinations, and the spread of consumption trends centered on value-driven spending (UN Tourism, 2025). As a result, tourism products, services, and related companies that respond to these changes are expected to thrive. Furthermore, global OTAs are expected to keep yielding strong influence. They are strengthening their dominance in tourism distribution channels by leveraging their vast user base, data, capital, advanced personalized services, and global networks (Heeja Ahn and Heejeong Han, 2024). This platform-cen-

tered restructuring is intensifying competition between countries and companies. Furthermore, the active market entry of companies from non-tourism industries such as online commerce, finance, and transportation are blurring the boundaries between industries.

The tourism industry operates through organic connections with various suppliers such as accommodation, transportation, tours, and activities, and the consumption of tourists is directly linked to revitalizing regional economies and creating jobs. Therefore, tourism is recognized as an industry playing a crucial role in national and regional economies (Heeja Ahn and Heejeong Han, 2024).

In light of these changes, the South Korean government has established key policy directions, including the promotion of experience-oriented tourism linked to K-content (music, food, culture, etc.), the expansion of AI and big data-based smart tourism, and the upgrade of high-value-added tourism content such as wellness and gastronomy. Additionally, the government is striving to make the tourism industry more sustainable and globally competitive by introducing comprehensive policy measures, including efforts to attract more foreign tourists, support the growth of tourism ventures and regional tourism companies, and digitalize and upgrade tourism infrastructure.

Global Giants Entering the South Korean Tourism Market

Foreign companies are entering the domestic tourism market in various fields, including multi-purpose resorts, global hotels, and theme parks. Notable examples include Jeju Shinhwa, Incheon Inspire, and Legoland. These companies are creating tourism infrastructure through large-scale investments and generating positive effects on the local economy.

In addition to direct entry, global hotel chains such as Marriott, Hilton, and Accor are continuing to expand their businesses through franchising or management contracts in major cities in South Korea. Recently, South Korean tourism companies have been expanding their overseas operations by partnering with global airlines and tech companies, and K-tourism startups are connecting more closely with the global market (Maeil Business Newspaper, October 17, 2023).

On the other hand, some foreign investment projects have been canceled due to issues such as business viability and delays in obtaining permits, highlighting the ongoing need for legal framework improvements and the creation of a stable investment environment.

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



Focus on Gangwon State Free Economic Zone Authority Where Imagination Becomes Reality: The Beginning of Change, Gangwon State Free Economic Zone

In a special one-on-one interview, Invest Korea talks to Gangwon State Free Economic Zone Commissioner Shim Yeong-seob, who elaborates on his vision for the future of growth and innovation in the Gangwon region.

Gangwon State Free Economic Zone (GSFEZ) was launched in 2013 with the grand ambition of developing the relatively underdeveloped eastern coast of Gangwon Province. Currently, the Zone is making increased efforts to revitalize the region, with various projects underway, like the Mangsang, Bukpyeong, and Okgye district projects which aim to attract more tenants. Read on to discover more on these projects and how Commissioner Shim Yeong-seob plans to make the Gangwon region a hub for future growth engines in the vibrant northeastern coast of South Korea.

Why was the institution's name changed from East Coast Free Economic Zone to Gangwon Free Economic Zone?

The Gangwon State Free Economic Zone Authority, which was launched in 2013 as the "East Coast Free Economic Zone," changed its name on January 1, 2024. The name change was a strategic measure to align with the launch of Gangwon Special Self-Governing Province and to strengthen the institution's identity and expandability.

The previous name, "East Coast," encompassed other local governments outside of Gangwon Province, such as Ulsan and Gyeongbuk Province, making it difficult to represent "Gangwon Province." By changing the name to Gangwon Free Economic Zone, the authority has established a unique and differentiated brand image for Gangwon Province and laid the groundwork for expanding the Free Economic Zone industry throughout

Gangwon in the future.

This name change is expected to clearly inform overseas investors that the Gangwon Free Economic Zone is a key investment destination in Gangwon Special Self-Governing Province, while also acting as a positive signal for regional economic growth and investment promotion.

What are the investment strengths of the Gangwon Free Economic Zone for potential investors?

GSFEZ is a special economic zone established to develop the eastern coastal region of Gangwon Special Self-Governing Province into a hub for the Pan-East Sea economic sphere by fostering global tourism and leisure industries, and by creating international logistics/business complexes, and an international city.

Recently, accessibility to the Seoul Metropolitan Area has significantly improved with railway and highway connections between Seoul and Gangneung, as well as Donghae and Busan and Gangneung. The ability to import and export through ports has also allowed Gangwon to emerge as Korea's top tourist destination and a hub for international trade in the Pan-East Sea region. Bukpyeong and Okgye districts are well-positioned for companies to secure favorable locations for northern logistics in preparation for the future Arctic Sea Route and inland railway era.

Mangsang District boasts Korea's most beautiful and pristine natural environment, along with abundant



marine and tourism resources, making it an optimal location for a future-oriented international tourism complex city that offers a balanced mix of leisure, healthcare, education, and residential environments.

Above all, as a Free Economic Zone, legal grounds have been established for various tax benefits, the establishment of foreign educational institutions, and partial support for their setup and initial operating costs, in order to promote the growth of the Pan-East Sea region as an economic and tourism hub and to achieve balanced regional development. This provides the advantage of offering diverse support for foreign-invested companies and foreigners, including the creation of living conditions where people from all over the world can learn and grow together amidst the excellent natural environment of the East Coast.

What are the major foreign investment target projects for potential investors?

Regarding the creation of the Mangsang International Complex Tourism City, the "Mangsang District Tourism and Recreation Facility Investment Immigration System" was officially designated and announced on April 1st of this year. This system aims to promote foreign investment attraction, improve development project conditions, and address regional population decline and attract tourists.

The investment immigration system grants residency or permanent residency to foreigners who invest

KRW 1 billion or more in designated facilities, such as accommodations and housing linked to sports facilities. Moving forward, the authority plans to actively promote this system both domestically and internationally through various media advertisements focused on the investment immigration system and by leveraging overseas investment attraction agencies. Through these efforts, the goal is to achieve an unprecedented level of foreign investment in Mangsang District.

For the Bukpyeong and Okgye districts, the authority is continuously identifying potential companies and conducting concrete discussions for practical investment results by linking with renowned exhibitions and expos, and by strengthening networks with relevant organizations and industries.

Specifically, in Bukpyeong District, the authority will actively attract partner companies for government R&D projects, such as water electrolysis hydrogen production, centered around Korea East-West Power. In Okgye District, the authority plans to diversify the types of industries that can be attracted and will actively consider adding new industries based on future corporate demand.

What legal and institutional policies does the Gangwon Free Economic Zone Authority provide to facilitate smooth project implementation for investors?

Attracting national institutions, such as research



institutes, is becoming increasingly important for supporting corporate activities and fostering new industries within the Free Economic Zone. Currently, the construction of the Ministry of Oceans and Fisheries' Coastal and Port Disaster Prevention Research Center is being promoted in Okgye District to study the severe coastal erosion problems on the East Coast and to vitalize the coastal disaster prevention industry.

As the demand for actively reflecting special provisions for public property in relevant laws grows to ensure its smooth progress, the authority is currently pushing for the 3rd amendment to the 「Gangwon Special Act」, which includes special provisions allowing long-term lease of land owned by Gangwon Special Self-Governing Province to national institutions and permitting the construction of permanent facilities.

Furthermore, in November 2024, Bukpyeong District was designated as an opportunity development special zone, which significantly strengthened customized package support, including tax reductions, financial support, regulatory exemptions, and residential environment package support, further boosting corporate attraction.

Additionally, the diversification of support policies for companies entering industrial complexes is necessary. Many small and medium-sized enterprises in local industrial complexes have unstable revenue structures, making it urgent to introduce additional support measures such as improving residential conditions (housing, education, medical care, etc.) and increasing subsidies for attracting and retaining manpower, rather than focusing solely on tax reductions for large corporations.

Therefore, GSFEZ plans to continue expanding legal and institutional support to ensure that investors and resident companies can smoothly carry out their businesses.

What are the Zone's future priorities and plans?

Mangsang 1 District, a core project of the Gangwon Free Economic Zone Authority, aims to develop a global smart complex city with key facilities including international schools, golf and marine leisure sports facilities, and medical institutions. The authority is currently working on establishing a revised development plan. The revised development plan application is expected to be submitted to the Ministry of Trade, Industry and Energy by July this year, with the deliberation and approval announcement by the Free Economic Zone Committee to be completed before the end of the year.

For Mangsang 2 and 3 districts, the authority plans to complete the ongoing compensation for incorporated land and obstacles and finalize the development plan revision, which includes an increase in the total project cost, including construction costs, before the end of this year.

Okgye District will strive for flexible and active investment attraction that responds to market conditions and corporate demand, allowing for both sales and leases. For Bukpyeong District, the 8th application period for long-term lease complex occupancy was completed in June, and the authority plans to continue attracting excellent companies with the goal of completing leases for all plots within this year.





Second Syndrome, a Hyper Space Life Company

About the Company

Second Syndrome is Korea's No. 1 self-storage company, innovating the concept of space with its AIoT-based smart storage platform. Under the brand name Mini Storage Dalock (meaning attic in Korean), Second Syndrome is operating over 180 locations nationwide, providing safe and comfortable storage spaces accessible to everyone. The company has introduced the innovative concept of "external hard drives for physical storage" to address space shortages in both residential and commercial environments. Second Syndrome is redefining the standards of the self-storage market by offering technology-driven unmanned operation systems and high-quality customer experience. Notably, Second Syndrome has established itself as the only self-storage platform in Korea that provides "non-face-to-face, unmanned, and smart" experience through ICT-based services such as mobile apps, temperature and humidity monitoring, and access control.

Background

The urbanization and high-cost real estate market are driving the need for efficient use of space not only for resi-

dential purposes but also for offices, stores, warehouses, and other diverse spaces. Under the circumstances, the need for "temporary and flexible storage spaces" both for personal and business uses continued growing, but there have been few appropriate services available until now. Second Syndrome developed Mini Storage Dalock, an ICT-based smart shared storage facility, to address the situation. In 2023, the company became the first in the industry to be acknowledged as a special case for demonstration under an ICT regulatory sandbox of the Ministry of Science and ICT and laid the institutional foundation for the self-storage industry. In 2025, the Ministry of Land, Infrastructure, and Transport announced a draft amendment to the Enforcement Decree of the Building Act and added a new category for the self-storage industry, marking a turning point where Second Syndrome's business model became legitimate. The announcement enabled the self-storage industry to be recognized as an independent industry under legitimate regulatory framework.

About the Product

Mini Storage Dalock is not just a simple storage facility but a technology-based smart storage platform. With a single mobile app, customers can use all features non-face-to-face, including storage reservation, payment,

access, storage environment monitoring, and customer services. The temperature and humidity inside the storage units is monitored 24/7. All locations manage access logs and operate surveillance cameras, and are insured for the safety of stored items. Additionally, a variety of space types are available, ranging from small lockers to large pallet warehouses, depending on storage needs. Customers also have the option to request pickup and/or return services. Recently, Second Syndrome started providing storage spaces directly connected to residential spaces within apartment complexes by partnering with construction companies. The B2B-based storage service is being noted as a new business area. With all services powered by AIoT technology, Second Syndrome is making its operations more efficient and improving customer satisfaction by providing real-time alerts for abnormal situations, accumulating environmental data, and analyzing usage patterns.

Competitive Edge and Business Strategy

Second Syndrome's biggest competitive advantage is that it has cutting-edge technologies and infrastructure around the world, and is leading institutional change. As the first in the industry to obtain an ICT regulatory sandbox, the company played a leading role in enabling the revision of the Building Act by the Ministry of Land, Infrastructure, and Transport. The amendment was critical to self-storage being officially recognized as a legitimate building use. Based on the institutional framework, Second Syndrome ensure customer accessibility and scalability by operating over 180 locations nationwide. AIoT-based unmanned operations not only reduce labor costs but also helps standardize service quality. Therefore, the company is highly regarded for its flexible operations and provision of various storage spaces. At first, Second Syndrome focused on individual customers, but the company has recently strengthened its customized B2B services for corporate customers such as TV broadcasters, marketing firms, distribution companies, and startups. It is also strategically expanding its businesses by offering storage spaces for apartment complex residents and pursuing urban regeneration projects with local governments. Second Syndrome is solidifying its posi-

tion not as a simple space rental service provider but as a technology platform that manages and connects spaces.

Future Plans

Second Syndrome aims to develop self-storage as an additional element of urban infrastructure. Moving forward, the company plans to expand public-private partnership models linked to smart cities and urban regeneration, and is currently seeking partnerships with local governments and public institutions to enable shared storage facilities to function as a key element in utilizing vacant urban spaces. Additionally, Second Syndrome is upgrading its business of providing storage for residents of apartment complexes and expanding B2B collaboration models with construction companies and developers. Furthermore, the company plans to seek business opportunities overseas, starting with Japan. While Japan has a large self-storage market, its digital transformation is relatively slow, presenting ample opportunities for Second Syndrome to export Korean-style smart warehouse operation solutions in a SaaS format. Finally, based on vast operational data such as customer usage patterns, storage environment data, and demand fluctuations, the company aims to grow as a platform-centered company by expanding data-driven business models for price automation, insurance subscription, and financial product design. Second Syndrome plans to lead the future of the self-storage industry as a technology-driven company that eliminates spatial constraints.

By Wootae Hong

CEO & Co-founder
Second Syndrome

jinwook@2ndsyndrome.com

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

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



GANGWON-DO

Alpensia Ski Jumping Center

Alpensia Ski Jumping Center, a landmark structure in Alpensia Resort, is a venue for domestic and international Ski Jumping competitions. Ski Jump Lounge, which is located at the top of the Ski Jumping Center, provides a spectacular view of Alpensia Resort and Daegwallyeong area, and can be used as a venue for various events. Large-scale events can also be held in the grass field located right next to Alpensia Ski Jumping Center.



Venue & Rental Information

- Address: 325 Solbong-ro, Daegwallyeong-myeon, Pyeongchang-gun, Gangwon-do, Korea
- Phone Number: +82-33-339-0000
- Homepage: <https://www.alpensia.com/en/accomm/ic/hotel-info.do>
- Inquiries: Ski Jumping Center: +82-33-336-9761~3 / dkkim@gdco.co.kr
- Convention Center: +82-33-339-1029 / decjung@naver.com
- Major Events Held in Recent Years: PyeongChang 2018 Olympic Winter Games (2018) / LINA TMR Festival (2019) / Redbull 400 Korea Challenge (2019)

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

Tax Reduction and Exemption Procedure



Procedure

A foreign-invested company that wishes to receive tax reduction or exemption or alter the reported details of its business subject to tax reduction or exemption shall file an application for tax reduction or exemption with the Minister of Strategy and Finance (with the administrative authority of a free trade zone when the company is in an FTZ).

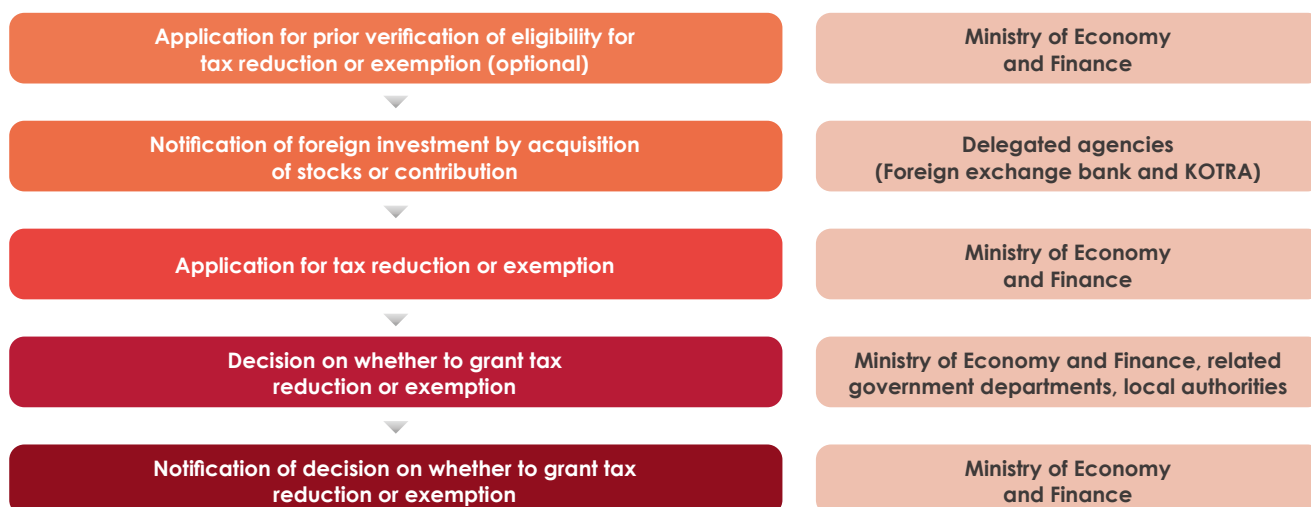
* Related law: Article 121-2 (6) of the Restriction of Special Taxation Act

The International Economic Affairs Bureau of the Ministry of Economy and Finance accepts applications for tax reduction and exemption. A foreign investor who wishes to apply for tax reduction/exemption and file FDI notification at the same time may file the application with an FDI notification at the same time at a foreign exchange bank (delegated agency) or KOTRA.

* Related laws: Article 51-3 of the Enforcement Rules of the Restriction of Special Taxation Act and Public Notice no. 2017-10 of the Ministry of Economy and Finance (April 4, 2017), Article 5 (2) of the Regulations Defining Tax Exemptions for Foreign Investment

In the case of new investment, an application for tax reduction or exemption shall be filed by the end of the taxable year to which the business commencement date belongs. Where the details of the business that is granted tax reduction or exemption are altered, an application for change shall be filed by no later than two years from the date the grounds for the relevant alteration occurred.

Application procedure for tax reduction and exemption



DOCUMENTS

Application for tax reduction/exemption or change of information

- Notification form

(Attached Form 1 of the Enforcement Rules of the Foreign Investment Promotion Act: Notification form of foreign investment by acquisition of stocks or contribution and application for approval, Attached form no. 2-2: Foreign investment through the use of unappropriated retained earnings)

- Application for tax reduction or exemption or application for change of information

(Attached Form 80 of the Enforcement Rules of the Restriction of Special Taxation Act)

- Documents demonstrating or explaining in detail the reasons for filing the application for tax reduction or exemption or the application for change of information.

→ Required documents prescribed by attached Table 2 of the Regulations Defining Tax Exemption for Foreign Investment

- Copy of business registration certificate / Certificate of foreign-invested company registration

* Submit 3 copies of each document.

① Advance verification of eligibility for tax reduction and exemption

A foreign investor may request advance verification of whether a business he/she intends to operate is eligible for tax reduction or exemption before he/she/it notifies FDI. Since the verification confirms simply whether the technology is subject to tax reductions or exemptions and the effect of the decision is invalid, an application for tax reduction or exemption should be filed after notifying FDI.

* Related law: Article 121-2 (7) of the Restriction of Special Taxation Act

② Decision to grant tax reduction or exemption and notice thereof

The Minister of Economy and Finance shall examine whether the relevant application meets the standards for tax reduction or exemption and make a decision on whether to grant the reduction or exemption or whether to approve any revision to the particulars of reduction or exemption within 20 days of receiving the application, following a negotiation with the relevant Minister and the head of the local government. The Minister shall notify the decision to the applicant, the Commissioner of National Tax Service, the Commissioner of Korea Customs Service and the head of the local government. However, an extension of the review period by up to 20 days is allowed in inevitable cases.

③ Preliminary notice of ineligibility for tax reduction or exemption

The Minister of Economy and Finance shall, when intending to determine a business as not eligible for tax reduction or exemption upon receiving an application for tax reduction or exemption, give preliminary notice of such determination within 20 days of the date of application. The applicant may file a request in writing for a review of the appropriateness of the determination thus notified within 20 days of the date on which the notice has been delivered, with supporting materials attached thereto. The Minister shall make a decision on whether to grant the reduction or exemption or whether to approve any revisions to the particulars of reduction or exemption within 20 days of the date on which the request was delivered and notify the applicant of the result thereof.

* Related law: Article 121-2 (8) of the Restriction of Special Taxation Act , Article 116-3 (1) to (6) of the Enforcement Decree of the Act

IN DETAIL

Documents certifying the reasons for filing the application for tax reduction or exemption (for tax reduction or exemption for altered business, or verification of whether a business is eligible for tax reduction or exemption)

* Related law: Public notice no. 2017-10 of the Ministry of Economy and Finance, April 4, 2017 and attached Table 2 of the Regulations Defining Tax Exemptions for Foreign Investment

DOCUMENTS

Advance verification of eligibility for tax reduction and exemption

- Application for advance verification of eligibility for tax reduction or exemption

(Attached Form 81 of the Enforcement Rules of the Restriction of Special Taxation Act)

- Document demonstrating or explaining in detail the reasons for filing the application for tax reduction or exemption or the application for amending the details of tax reduction or exemption

→ Required documents prescribed by attached Table 2 of the Regulations Defining Tax Exemption for Foreign Investment

*Submit 3 copies of each document.

SEOUL FOOD 2025

Bringing Korea and the World to Your Table

The 2025 Seoul International Food Industry Exhibition (Seoul Food 2025), the largest trade show for the food and beverage industry in Korea, was held on June 10 to 13 at the KINTEX Exhibition Center 1 and 2 in Goyang, Gyeonggi Province. The event marked its biggest year yet, attracting over 45,300 food companies, international buyers, industry experts, and government authorities. The food exposition featured a record 1,639 food companies from 47 countries showcasing their products to buyers from around the world. During the event's four-day run, a total of 3,878 consultations between food companies and buyers were held, reaching a scale worth approximately USD 530 million, which was more than double that of last year's figure of USD 240 million.

Following its start in 2009, Seoul Food has been trusted by Korean and overseas food companies for its wide reach and facilitation of global business partnerships. Every year, Seoul Food draws in thousands of visitors who are keen on exploring the latest food industry trends and developments. The international fair positions Korea as a major player in the global food and hospitality industry, showcasing the country's commitment to help foster win-win business relationships in the F&B sector as well as its innovative expertise to respond to ever-changing trends. The annual event is considered to be one of Asia's four top exhibitions of its kind after those in Shanghai, Bangkok and Tokyo.



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 two outstanding companies in Korea's tech industry.

COMPANY
A



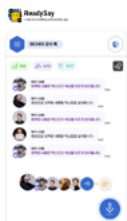
*Automation of seller/supplier logistics and settlement through system linkage
Automated processing function linking the system of suppliers and shopping mall of sellers*



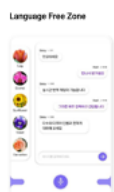
*CS solution
Dramatically reduce CS stages by the supplier directly responding to the customers of seller*

Investment Requirement		Company Profile	
Amount	USD 3 Million	Patents and Certificates	Registered a 3 patents related to Wiredy, an automation solution for group purchasing and distribution
Investment Structure	Equity Investment, M&A	Financial Performance	(Sales in 2024) USD 19.99 million
<p>Investment Highlights</p> <p>The company innovates and solves the inefficiency of social commerce operation by integrating complicated ordering, delivery and CS process between sellers, suppliers and purchasers with AI and automation. It automates the entire processes from product matching, demand forecasting and delivery tracking using accumulated transaction data and algorithms. It is the only company in Korea to hold patent for integrated commerce operation</p> <p>• Features of core technology</p> <ul style="list-style-type: none"> – AI-based social commerce solution: Provides AI based social commerce solution and possess core technologies such as product-seller matching optimization, sales volume prediction and CRM function automation – Fully automates group purchase, settlement, CS and logistics process through its own solutions 			

COMPANY
B



Unlimited simultaneous interpretation voice chat application in 55 languages worldwide



Enable Convenient multilateral real-time interpretation and conversation

Investment Requirement		Company Profile	
Amount	USD 5.2 million	Patents and Certificates	Holds 22 patents related to real-time multilingual multi-translation chat method using automatic translation function
Investment Structure	Equity Investment	Financial Performance	(Sales in 2024) USD 19 million
<p>Investment Highlights</p> <p>The company offers an AI based multilateral real-time interpretation service, which can process 55 languages simultaneously to provide smooth communication in many-to-many multilingual environment, resulting in elimination of language barriers. It has been selected as an innovative product by the Public Procurement Service of Korea and holds many relevant patents including US patents, as well as KOLAS test report related to product quality and GS certification (grade 1).</p> <p>• Key characteristics of core technology</p> <ul style="list-style-type: none"> – MNMT (Multiple Neural Machine Translation): Implements real-time translation and interpretation engine technology through machine neural networks – RTVIT (Real-Time Voice Input Transformer): Ultra-high-speed translation and voice processing through parallel structure – V-TOT (Voice-Time on Target): enables interpretation in second unit in parallel structure, escaping the existing sequential method – AI IDC: Realizes fast computational processing and large-scale data learning by owning its own NVIDIA A100 based super-server 			



Suncheon General Industrial Complex: Transforming into a Park Space Connecting Industries and Young People

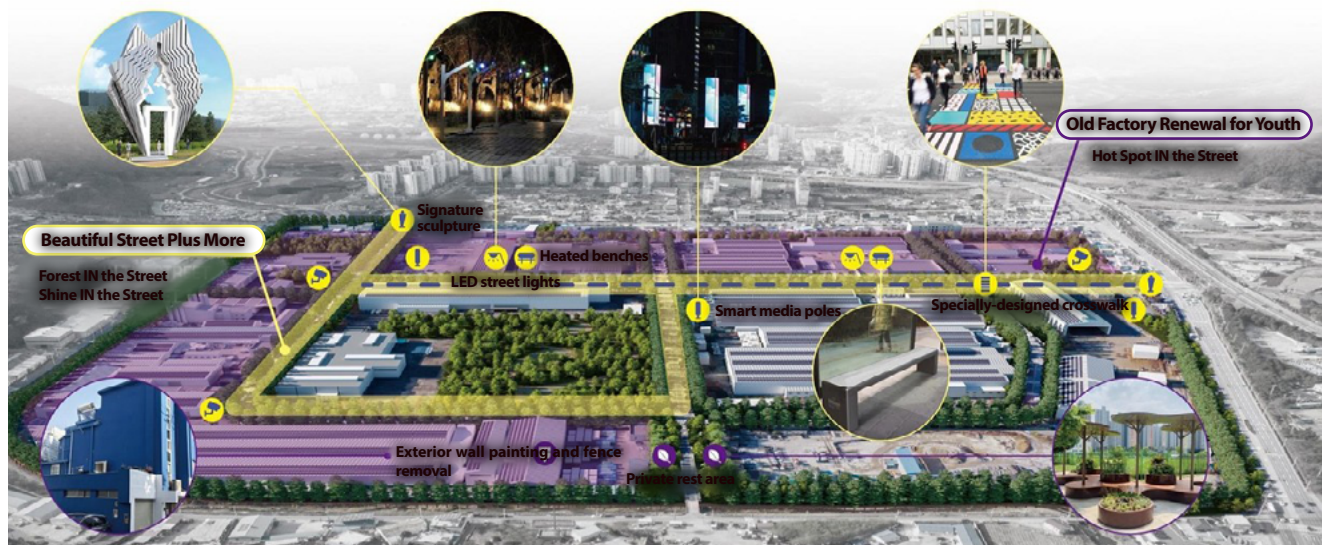
The Suncheon General Industrial Complex was established in 1987 to create a regional industrial base by clustering small and medium-sized manufacturers. In the early 1990s, textile and apparel companies operated in the complex. Later, companies specializing in metal processing, machinery, equipment, and electronic components relocated to the complex to partner with industrial complexes in the nearby Gwangyangman Bay area, enabling the complex to diversify its industrial structure and drive the regional economy.

However, after approximately 40 years since its establishment, the industrial complex started declining due to urban expansion and the aging of infrastructure facilities, and came to be perceived as a deteriorated urban space.

In response, Suncheon City has consistently made various efforts, such as creating beautiful streets and expanding buffer retention facilities, to revitalize the complex by upgrading the infrastructure while preserving its natural beauty.

In 2025, the Suncheon General Industrial Complex was selected as the final winner of the “Industrial Complex Upgrade Project: Integrated Package” solicited by the Korea Industrial Complex Corporation and will be upgraded in full scale. Suncheon City plans to leverage its unique strength and invest a total of KRW 3.5 billion, including KRW 2.4 billion from the central government, to revitalize the industrial complex into a youth-friendly urban industrial complex located inside a park.

“IN the Street” Project Map



Suncheon General Industrial Complex

• Location

- Apgok-ri, Seo-myeon, Suncheon, Jeollanam-do

• Area

(Unit: 1,000 m²)

	Total Area	Industrial Facilities	Supporting Facilities	Public Facilities	Green Area
	576	448	14	100	14

The complex will go through two major changes. First, the “Beautiful Street Plus More” project will create two streets - Shine IN the Street and Forest IN the Street - along the central road in the industrial complex. Shine IN the Street will be bright and lively even at night with flower beds, sidewalk lighting, and media screens. Forest IN the Street will be developed into a pedestrian-friendly walking path suitable for all seasons by gardening trees and expanding green spaces.

Second, the “Old Factory Renewal for Youth Project” aims to make the working environment more comfortable and inviting for young workers in the in-

dustrial complex. Hot Spot IN the Street will be created to provide an open area where young people can relax and interact. The project is focused on improving the environment by taking down old factory walls, repainting building exteriors, and creating private resting areas. As a result, the area will be reborn as an open, multi-purpose community space accessible not only to workers within the complex but also to the general public. These changes are not merely environmental improvements but will provide a valuable opportunity to build on past glory and make Suncheon more competitive.

*Source: (Text) Korea Industrial Complex Corporation, (Photo) Suncheon City

Invest KOREA's Services

Foreign Investment Ombudsman

The Office of Foreign Investment Ombudsman is an organization established in 1999 to provide close aftercare support and grievance resolution services for foreign-invested companies, and is dedicated to resolving any difficulties that foreign-invested companies face while doing business in Korea.

One-Stop Service for Foreign Investors

The Inbound Investment Consulting Department not only assists foreign investors and foreign-invested companies in the investment review and implementation stage, but also offers customized services to help foreign investors and their families get comfortably settled in Korea.

Invest KOREA Market Place (IKMP)

IKMP is a project aimed at discovering promising Korean SMEs seeking to attract foreign investment and matching them with foreign investors who have compatible needs. Projects looking for investment are posted on our website at www.investkorea.org.

Job Fair for Foreign-Invested Companies

IK organizes regular job fairs to help foreign-invested companies discover qualified local talent, and job seekers find employment through job consultations, on-site interviews, and more.



Invest KOREA Plaza (IKP)

Invest KOREA Plaza (IKP) is Korea's first facility dedicate to the incubation and investment of foreign investor. Each year, more than 40 foreign-invested companies rent out offices in the plaza and utilize IK's one-stop service.

IKP also provides serviced offices, business lounges, video conference rooms and a shower and sleeping lounge to maximize convenience for foreign investors.

IKP Offices for Lease

Foreign-invested companies

Companies planning to notify investment: Those who expect to report foreign direct investment of which the arrived amount is over USD 100,000 within 1 year of move-in.

IKP Occupancy Procedure

Counseling in occupancy → Application for occupancy → Screening committee evaluates application → Result notification(result confirmed in 1-2 weeks) → Conclusion of lease contract → Move into IKP



IKP (Invest Korea Plaza) Office for Rent!



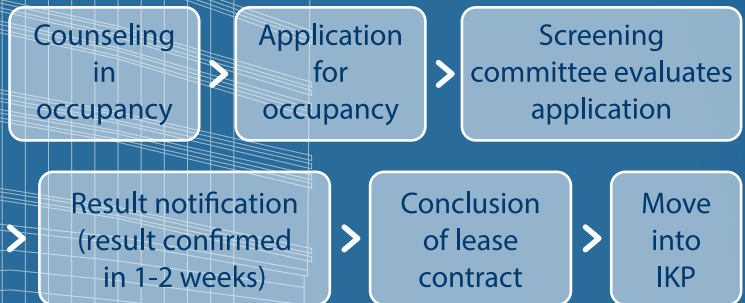
INVEST
KOREA
PLAZA

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IKP also provides serviced offices, business lounges, video conference rooms and a shower and sleeping lounge to maximize convenience for foreign investors.

IKP Occupancy Procedure



KOTRA's Global Network

KOTRA has 129 overseas offices and 10 headquarters worldwide

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Southeast Asia & Oceania

Tel: (84-24)3946-0511
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Abidjan, Accra, Addis Ababa, Dar es Salaam, Johannesburg, Khartoum, Lagos, Maputo, Nairobi

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E-mail: info@kotra.ru

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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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E-mail: ktcdxb@emirates.net.ae

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

Central / South America

Tel: (52-55)5514-3173
E-mail: mexico@kotra.or.kr

Asuncion, Bogota, Buenos Aires, Guatemala, Habana, Lima, Mexico City, Panama, Quito, Santiago, Santo Domingo, Sao Paulo

North America

Tel: (1-212)826-0900
E-mail: kotransy@hotmail.com

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

China

Tel: (86-10)6410-6162
E-mail: pekktc@kotra.or.kr

Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Guangzhou, Hangzhou, Harbin, Hong Kong, Nanjing, Qingdao, Shanghai, Shenyang, Shenzhen, Taipei, Tianjin, Wuhan, Xiamen, Xian, Zhengzhou

KOTRA's Investment Support Offices

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

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

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

Tokyo, Japan
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