Bucheon City

# Bucheon Daejang
## Urban High-tech Industrial Complex

# Investor Relations

## Project Description

Bucheon was the home of the first semiconductor company, Hankook(Sold-Off to Samsung) in 1974.

Daejang Urban High-tech Industrial Complex will be established in the Daejang district of Bucheon City.

### Key Rationale

| | |
|---|---|
| **Advantages** | Excellent access to airports, ports and railways<br>Residential area bordering Seoul<br>Plenty of infrastructure in Bucheon<br>Best location for talented workers |
| **Benefit** | Sale of industrial land at cost<br>Tax benefits for industrial complexes |

# Project Summary


## Eligible sectors

Semiconductor R&D Center, Material, Parts, Equipment

## Characteristics

**Work(職)·Living(住)·Fun(樂)**

Convergence Complex
Advanced Industrial Complex

**Public transportation connected to a dense metropolitan transportation network**

Best location for talented workers

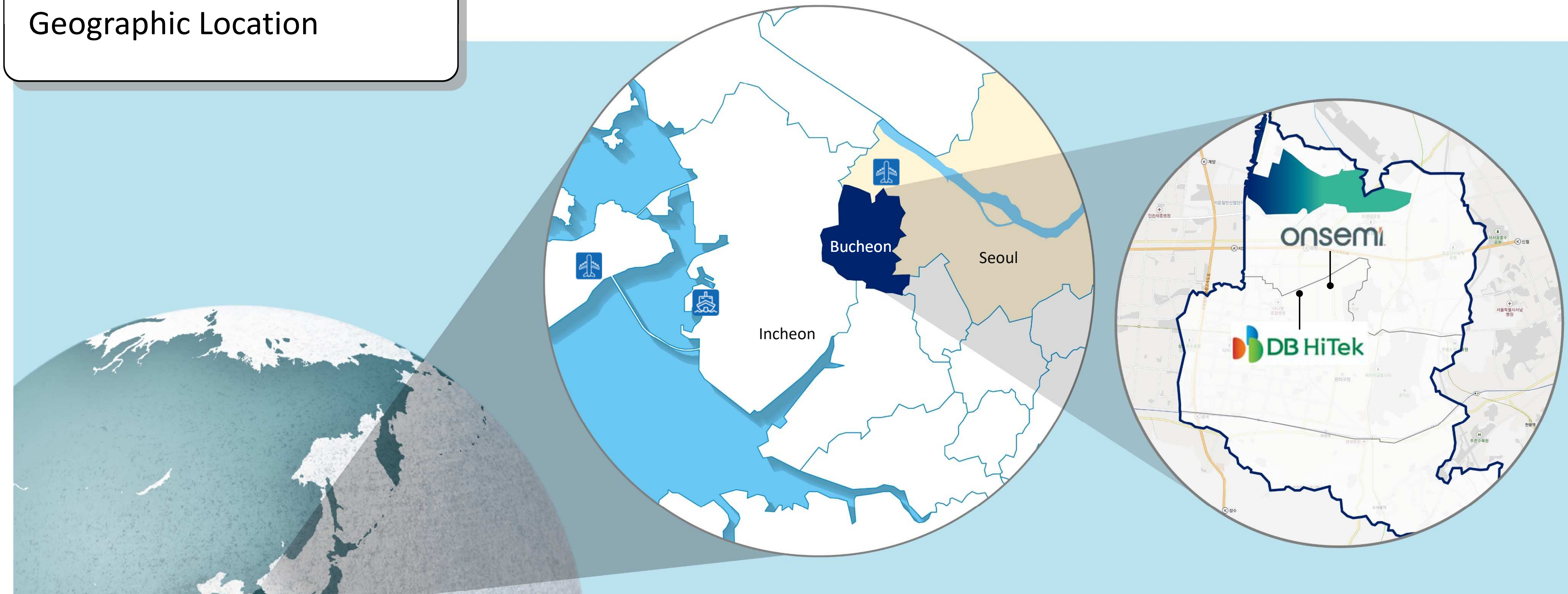
**Resonable land supply**

Sale of industrial land at cost

**Tax benefits for industrial complexes**

Acquisition tax (reduced 75%)
Property tax (reduced 35%)

# Geographic Location




Bucheon is the center of the industrial belt in the southwest Seoul Metropolitan Area

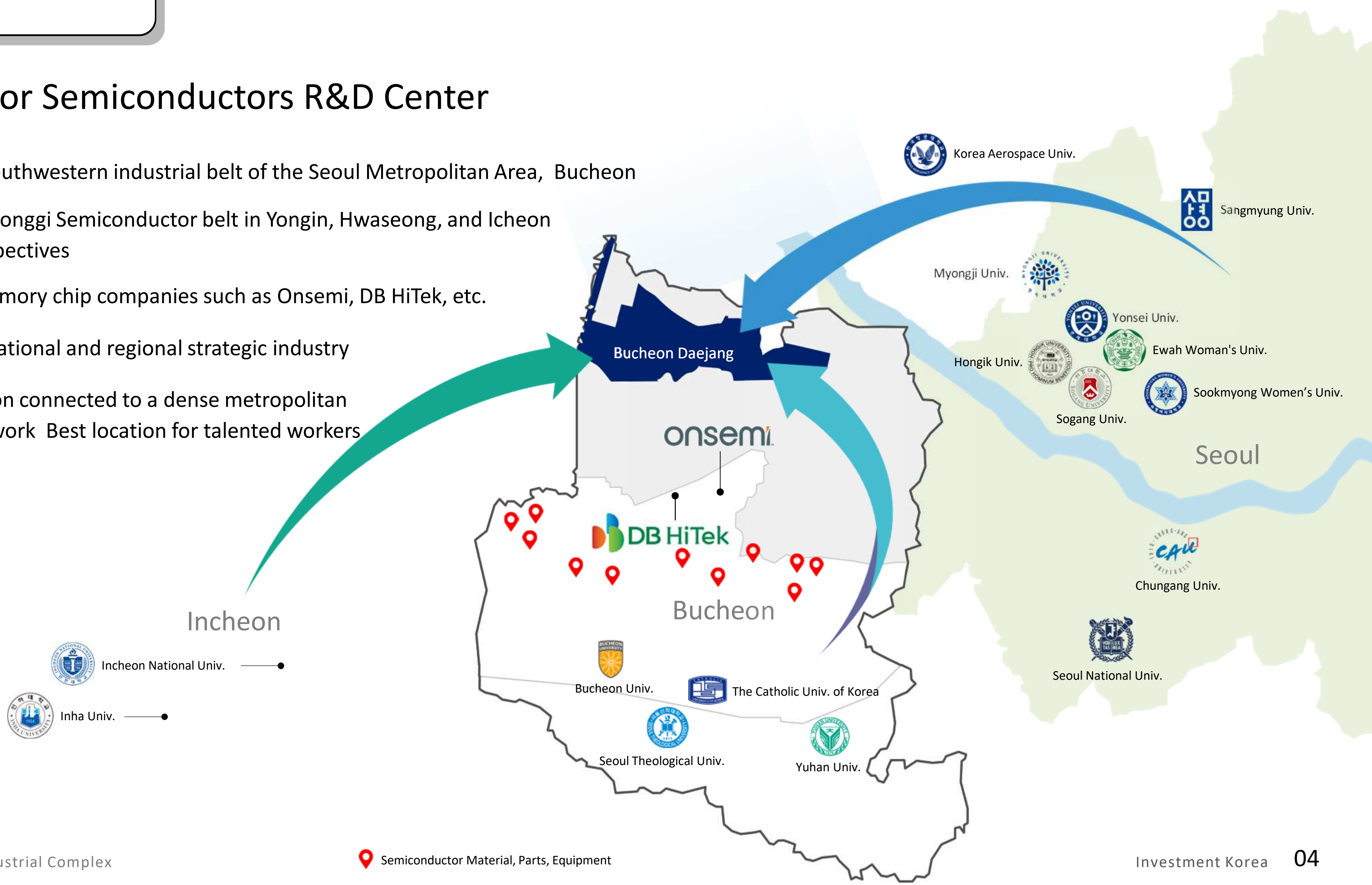
**Home to system semiconductor companies such as ON Semi Conductor and DB HiTek**

| DB Hi-Tech | ON Semi conductor |
|---|---|
| Analog & mixed - signal Foundry | Integrated Device Manufactuer |
| 2,100 employees | 2,200 Employees |
| USD 850 million in sales | USD 810 million in sales |
| 90, Sudo-ro, Wonmi-gu, Bucheon-si | 324 Bucheon-ro, Wonmi-gu, Bucheon-si |

# Geographic Advantage

## Best location for Semiconductors R&D Center

- The center of the southwestern industrial belt of the Seoul Metropolitan Area,  Bucheon
- Adjacent to the Gyeonggi Semiconductor belt in Yongin, Hwaseong, and Icheon
  – supply chain perspectives
- Location of Non memory chip companies such as Onsemi, DB HiTek, etc.
- Policy support for national and regional strategic industry
- Public transportation connected to a dense metropolitan transportation network  Best location for talented workers



# Semiconductor Company & Workforce

(Source: Gyeonggi statistics Jul 10, 2024)

## No. of businesses

| | City | No. of businesses | Share in Gyeonggi-do |
|---|---|---|---|
| 1 | Hwaseong | 715 | 26.6% |
| 2 | Siheung | 273 | 10.2% |
| 3 | Bucheon | 233 | 8.7% |
| 4 | Ansan | 205 | 7.6% |
| 5 | Pyeongtaek | 188 | 7.0% |
| 6 | Suwon | 174 | 6.5% |
| 7 | Seongnam | 152 | 5.7% |
| 8 | Yongin | 148 | 5.5% |
| 9 | Anyang | 93 | 3.5% |
| 10 | Osan | 89 | 3.2% |

## No. of people hired

| | City | No. of people hired | Share in Gyeonggi-do |
|---|---|---|---|
| 1 | Hwaseong | 41,024 | 38.9% |
| 2 | Icheon | 21,579 | 20.5% |
| 3 | Pyeongtaek | 14,286 | 13.6% |
| 4 | Yongin | 11,583 | 11.0% |
| 5 | Bucheon | 4,401 | 3.8% |
| 6 | Ansan | 3,216 | 3.1% |
| 7 | Ansan | 2,444 | 2.3% |
| 8 | Seongnam | 2,228 | 2.1% |
| 9 | Suwon | 1,107 | 1.1% |
| 10 | Siheung | 951 | 0.9% |

# Semiconductor
# Material, Parts, Equipment

# Geographical features


Bucheon Daejang 1st Urban Advanced Industrial Complex

floor area ratio of 350% or less

Construction Area:

334,387㎡

Industrial Facilities : 204,890㎡

Bucheon Daejang 2nd Urban Advanced Industrial Complex

floor area ratio of 350% or less

Construction Area:

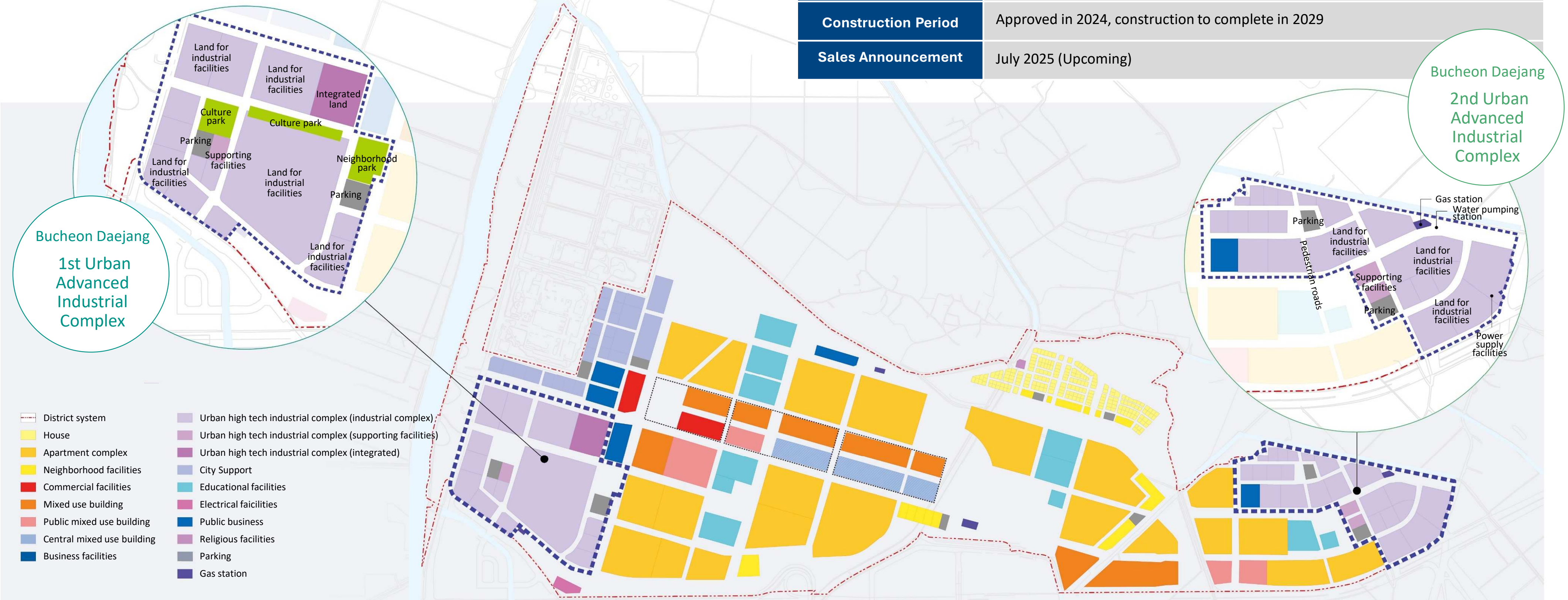
226,167㎡

Industrial Facilities : 204,890㎡

# Key Project Facilities

## Announcement

| Complex Name | Bucheon Daejang Urban Advanced industrial Complex |
|---|---|
| Location | Daejang-dong, Wonjong-dong and Ojeong-dong, Ojeong-gu, Bucheon-si |
| Area | 560,000㎡ (Bucheon Daejang Public Housing Zone duplicate designation within 3,449,243㎡) |
| **Implementer** | Gyeonggi-do, Korea Land and Housing Corporation, Bucheon City Corporation |
| **Construction Period** | Approved in 2024, construction to complete in 2029 |
| **Sales Announcement** | July 2025 (Upcoming) |




The images shown are for illustrative purposes only and may not be an exact representation. It is subject to change depending on modification of development plans and consultations among relevant agencies.

# Local Government Support

Property acquired and owned by foreign-invested companies to operate registered businesses are eligible for acquisition tax and property tax reductions or exemptions.

Subjects of Reductions or Exemptions: Property (Land, Buildings) owned or acquired since the date of business commencement, railways

Related laws: Article 78-3 of the Act on Restriction on Special Cases Concerning Taxation

**Extension of Local Tax Reductions or Exemptions under Ordinances**

If the local government extends the reduction or exemption period or the deduction period up to fifteen years under ordinances, or raises the reduction or exemption or the deduction ratio within the scope of the extended period as prescribed by Article 4 of the Act on Restriction on Special Cases Concerning Taxation, the extended period or raised ratio must be observed, irrespective of what has been prescribed by said Act.

Subjects of Reductions or Exemptions: Property owned or acquired since the date of business commencement: Category, business, tax reduction or exemption period and rate

| Category | Business | **Tax Reduction or Exemption Period and Rate** |
|---|---|---|
| Acquisition tax and property tax (property tax on land) | Business deliberated and decided on by each committee for companies engaged in new growth engine industries or in individual-type foreign investment zones. | 100% exempt from taxes eligible for reductions or exemptions (amount eligible for deductions) for 5 years from the date of business commencement; 50% reduction of taxes for 2 years thereafter (deduction from tax base) |
| | Companies and project entities in complex-type foreign investment zones, free economic zones, Jeju Investment Promotion Zones, enterprise city development zones, Saemangeum project areas, free trade zones, etc. | 100% exemption from the date of business commencement; 50% reduction of taxes for 2 years thereafter |

# Investment Requirement For details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|---|---|
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