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## **921 million (KRW1.2T) dollars' worth of investment in SMG**

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- Consortium of SK-On, EcoPro Materials, and Global Enterprise GEM (China)
- Construction of secondary battery precursor plant in June, employing 1,100

- Largest manufacturing investment in the history of SDIA
- Customized negotiations, preemptive resolution of difficulties
- Excellent support, possible business expansion, & vast land
- Global secondary battery companies compete for land in SMG

A Korea–China joint global investment (KRW1.21T, \$921M) to construct a secondary battery material production plant is stepping forward, as Saemangeum National Industrial Complex is rapidly emerging as a hot place for the secondary battery material industry.

SK–On (Global battery company), EcoPro Materials (Korea's number one precursor company), and GEM (precursor manufacturing global leader from China) co–founded GEM Korea New Energy Materials Co. Ltd. to respond to the rapidly rising global battery market in Saemangeum.

The investment is the largest amount ever in the manufacturing sector since SDIA established, exceeding last year's total amount of investments (21 investments of total KRW 1.185 trillion).



KRW592.9B (\$455.4M) of total investment is foreign direct investment and is the largest overseas investment in SMG.

SDIA (Administrator Kim Gyu-Hyeon) and GEM Korea New Energy Materials Co., Ltd. signed an investment agreement to construct a secondary battery precursor\* production plant(site: 330,000m<sup>2</sup>) in SMG National Industrial Complex on March 24.

\* Core of secondary battery cathode - a compound of nickel, cobalt, manganese, etc.

GEM Korea New Energy Materials Co., Ltd. will produce 100,000 ton precursor materials per year at SMG National Industrial Complex in June this year. Plant I will be operated in 2025, Plant II in 2027 and 1,100 personnel will be employed.

Most of the products produced at the plant will be exported to the plants which produce anode materials in North America.

SDIA has strove to attract this investment considering the development of the national industry, which would lower import rate of precursor materials, improve competence in secondary battery industry through advanced supply chain, improve export and inflow of foreign direct investment (FDI) in Korea.

The investment was made after persistent customized investment negotiations. SDIA preemptively resolved the investor's difficulties – road construction, water supply and land plan adjustment.

GEM Korea New Energy Materials Co., Ltd. highly valued Saemangeum's excellent support policy, subsidy benefits, vast land, and possible business expansion, before they decided to invest in Saemangeum.

Logistics infrastructure – railway, airport, and seaport, proceeding rapidly under government support, played an important role in determining their investment.

The global consortium of GEM, EcoPro Materials, and SK-On would become a blue chip company in the global competitive secondary battery market as a leading entrepreneur.

The consortium is expected to improve the national and local economy, creating high-quality jobs & great volumes of import and export as well as cooperating with local entrepreneurs.

Jiang Miao, CEO of GEM Korea New Energy Material Co., Ltd., requested that SDIA and related organizations should cooperate for their investment project and plant construction. He also said that they would like to become a leading secondary battery entrepreneur in Saemangeum, collaborating with the national government, SDIA, and Jeonbuk-do.

Administrator Kim Gyu-Hyeon responded, “Saemangeum National Industrial Complex is an attractive investment destination in terms of available land size, logistics, and infrastructure. Currently, foreign direct investment is flowing into SMG, and promising domestic and foreign secondary battery leaders are competing to secure land in Saemangeum.”

He emphasized, “SDIA will spare no support for investing entrepreneurs to achieve their goals in Saemangeum.”