



The Jinan Innovation Zone - Introduction and Cooperation Possibilities

13th January 2022

Jinan - Main Information



Capital of Shandong Province, famous "City of Springs"

With ca. 100 million inhabitants, Shandong is China's second biggest province according to population and third biggest province according to GDP

Jinan has a total area of 10244km² with a permanent population of 9 million

Center for politics, culture, economy, education, traffic & transportation and science and technology in Shandong

One of the fastest growing Tier-2 Cities in China / in 2020 growth rate of 4,9% inspite of COVID-19 pandemic / Among the 1 trillion GDP City Club

Important traffic and transport hub within China

71 universities and colleges with more than 700.000 students

Germany played a big role in Jinan at the beginning of the 1900s (construction of Jinan train station, railways, cinemas, etc.), with positive influence up to now regarding cooperation between Jinan and Europe Location



Optimal geographical location directly between Beijing and Shanghai; 1.5h to Beijing and 3h to Shanghai; Jinan connects the biggest economic Regions Bohai Economic Rim (Beijing, Tianjin, Dalian) and Yangtze River Delta



Jinan Innovation Zone (JIZ) - Main Information



The JIZ is the High-Tech Zone/Investment Zone/Economic Development Zone in Jinan



One of the first national-

zones

level high-tech development



Over 70,000 companies



Covers an area of 291 km²

According to an official ranking published by the MIIT in 2021, Jinan Innovation Zone ranks 13th of all 169 economic development zones in China, and ranks 1st in Shandong Province.

<u>Info:</u> The first batch of national level High-Tech Zones have been set up by the state council in 1991 to push forward regional economic development. They provide preferential policies for Foreign companies to settle down.

JIZ - Guiding Industries and Industry Parks



ELECTRONIC INFORMATION -QILU SOFTWARE PARK



Over 2,400 electronic information companies with close to 200,000 employees:

Software Big Data New generation of information technology (NGIT) Cloud computing Artificial intelligence(AI) Internet of Things (IoT) Integrated Circuit Design Chip Production

INTELLIGENT EQUIPMENT -AIRPORT ECONOMIC ZONE / INTELLIGENT EQUIPMENT CITY

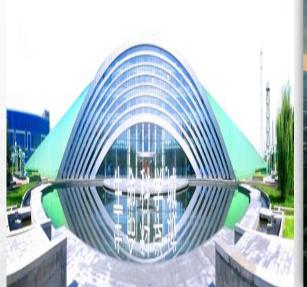
LIFE SCIENCES

MODERN SERVICES -HANY GOLD VALLEY



Over 1,500 companies related to the fields of intelligent equipment manufacturing:

Traffic Equipment / Automotive Industry Equipment for renewable energy Transmission and distribution equipment Engineering machinery Intelligent robots General Aviation New materials Aerospace



More than 3000 life science companies:

Bio-Medicine Medical Equipment Anti-Aging Cosmetic Products Health Care



Over 700 financial companies:

Financial Services Logistics

JIZ - Main Foreign Companies





Global leader in automotive engine cooling systems and automotive air conditioning systems



Swedish WFOE - Leading company for Bearing technology & manufacturing

Hengs

FILTRATION

Automotive Spare Part Supplier

HENDRICKSON

Heavy commercial vehicles suspension systems Supplier



Solution Provider for commercial vehicle control systems



Service Provider in different automotive subdivision markets manufacturer of key spare parts



Tools, service and technical solutions for the mining and construction industries

GLP

Global investment manager and business builder in logistics, real estate, infrastructure,



finance and related technologies



Leading company in industrial automation built biggest factory on the globe in the JIZ



Turbocharger Manufacturer



Automotive Manufacturer



Steering system technology solution provider



Spice mixtures and seasoning blends for the food industry



Automotive key spare part

manufacturer

Leading manufacturer of independent automation software for engineering control systems.

OMEXELL

Heat transfer technology and fluid technology

JIZ - Representive companies



ELECTRONIC INFORMATION

QILU SOFTWARE PARK



Inspur is China's leading cloud computing and big data service provider, China's biggest company forserver manufacturing



Lithium Niobate thin films manufacturer for wafers



Robotics and Face Recognition

INTELLIGENT EQUIPMENT

CITY



China's biggest heavy duty truck manufacturer





Chinas third biggest car maufacturer

oodor lase

Laser Machine Manufacturer

LIFE SCIENCES

LIFE SCIENCE CITY



Biggest Biomedicine company in Shandong



Famous biomedicine company



Medical Equipment



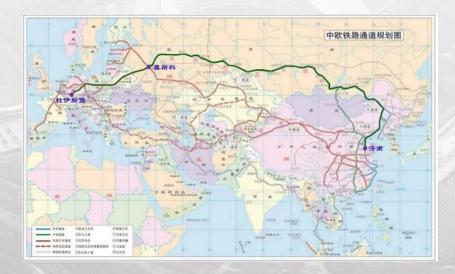


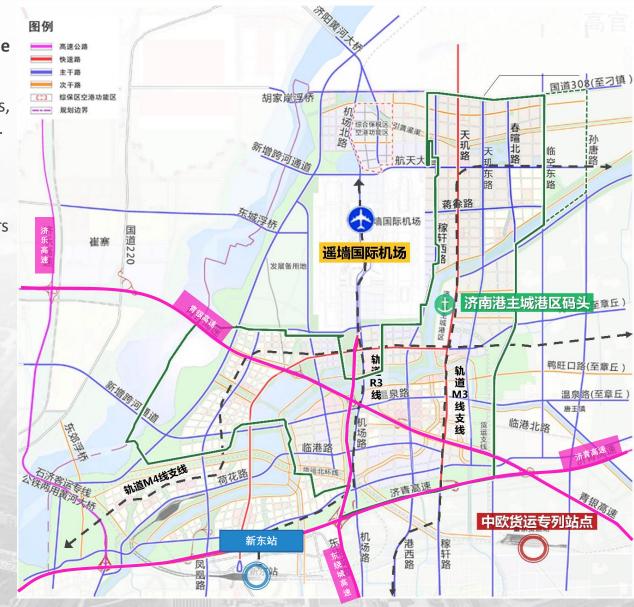






- <u>Located in the Airport Economic Zone</u> (one of the main industry parks of the JIZ), very close to the Jinan Yaoqiang International Airport
- Ideal logistik and traffic conditions, with airfreight, Sino-Europe Freight Trains, Interchange of national high-ways and close connection to Jinan East Station.
- Most Foreign companies of the JIZ are located in the Airport Economic Zone (BOSCH, CONTINENTAL, VOSS, BMTS, HENGST, etc.)
- National strategic overlay area: 1.) Pioneer area for the shift of growth drivers from old to new; 2.) Ecological conservation and high-quality development of the Yellow River Basin
- 12 Fortune Global 500 companies, 18 Top 500 Chinese Enterprises







Industry Benchmark - Internationalized Manufacturing Basis

Most of the companies that settled down are leading enterprises from following industries (combining office space, R&D &, Manufacturing):

- Electronic Information
- High-End Equipment
- Biomedicine
- Smart Production Industry

Electronic Information



Biomedicine

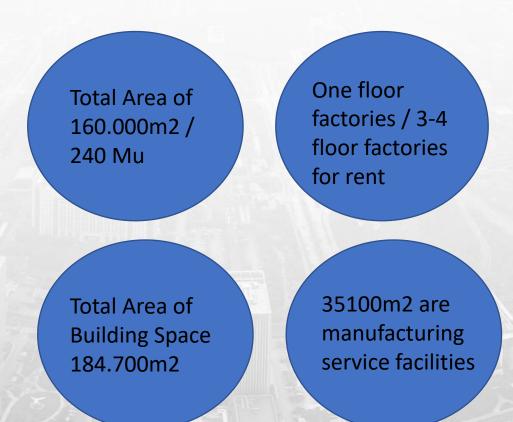


High-End Equipment



Smart Manufacturing







Standard Factory buildings to support enterprises development

One floor factories (all fully rented at the moment; new factories under construction and ready mid of next year)

Area size	Height and load-bearing	Property rights	Quality Standarts
Ca. 6000m2	Height ca. 12.9m; floor bearing load. ca. 100KN/m2 (ca. 10200 KG/m2)	50 years for manufacturing	German Style artistic design

3-4 floor factories

Area size	Height	Load-bearing	Property rights
Ca. 1450m2 - 8200m2	Ground floor 6 - 7.2m; 2 - 4 floor ca. 4.5m	Ground floor 100KN/m2 (ca. 10200 KG/m2); 2 - 4 floor 5KN/m2 (ca. 510KG/m2)	50 years for manufacturing



Related Costs:

Renting:

1.) For 3-4 floor factories, the 1-2 floor have to be rented together

1st floor	2nd floor	3rd floor	4th floor
1.05 Yuan / Day / m2 (together with 2nd floor)	1.05 Yuan / Day / m2 (together with 1rst floor)	0.8 Yuan / Day / m2	0.7 Yuan / Day / m2

Buying:

1.) For 3-4 floor factories, the 1-2 floor have to be bought together

1st floor	2nd floor	3rd floor	4th floor
5000 Yuan / m2 (together with 2nd floor)	4500 Yuan / m2 (together with 1rst floor)	4300 Yuan / m2	4000 Yuan/ m2



Procedure:

Renting:

- **1.)** Register a company in the Airport Economic Zone
- 2.) Sign a renting contract between COMPANY and JINAN HI-TECH HOLDING Group
- 3.) Pay 3 months rent in advance and the first rent payment
 - (usually for 6 months; due every 6 months)
- 4.) Factory is successfully rented and manufacturing equipment can be moved in

Buying:

- 1.) Register a company in the Airport Economic Zone
- 2.) When signing the purchasing contract, 40% of total value needs to be paid (inlcuding advanced payment)
- 3.) Handle bank loan formalities for remaining value
- 5.) When bank loan formalities are handled, the factory purchase is done

... Building Taxes & Urban land use tax will still be due every year



IMPRESSIONS

JINAN HI-TECH AIRPORT ECONOMICZONE | 济南临空产业集群



中欧制造国际企业港实景图





LIVING FACILITIES: SUPERMARKETS, RESTAURANTS, GYM, APPARTMENTS, etc.



JIZ 20 Preferential Policies for High-Quality Development







Investment Attraction

Investment Reward for Land Acquisition Projects

Investment Reward for Equipment Investments Subsidies for manufacturing facilities (renting or buying)

Subsidies for Company Operations

Awards for industrial basis operations Foreign Investment Award for manufacturing projects





Emerging Industries Development

Subsidies for IC industry companies

Subsidies for setting up public platforms

Subsidies for R&D



Biomedicine Companies Development

Award for registering pharmaceuticals and medical equipment Award for brining new pharmaceuticals and medical equipment on the market



Headquarters Economy

Award for registering a headquarter of a company Award for new settled **down** banks, securities companies, insurances, etc Subsidies for Headquarter companies for renting or buying offices Award for Headquarter companies with high economic contribution Award for new settled down financial institutions, trade companies, retailers, logistics, etc. with high economic contribution





Increase the level of open-up

Award for projects with foreign investment registered capital

Award for import/export companies Award for foreign education institutions, travel bureaus, etc.



Summary:

- There are additional preferential policies in addition to the mentioned ones (mainly Talent policies, that provide tax-benefits to company leaders)
- There is no preferential policy that is directly related to the amount of tax contribution and a tax-free period
- All the policies contribute to a "tax free period", but are realized through other policies as mentioned (for example the headquarters economy preferential policies have a policy of tax refund related to tax contribution)

DETAILED CONTENT OF THE POLICIES CAN BE SENT TO THE PARTICIPANTS AFTERWARS

Appartments for Professionals / Experts in the JIZ



- Located directly in the Center of the JIZ
- 62 Appartments altogether
- Around 31 m2 / appartment
- Appartments have furnitures, kitchen, TV, washing machine, etc.
- Appartments are free of rent (but there might be some fees for the property management company)

Application Process:

- 1.) Company in the JIZ can apply for for these appartments directly at the JIZ related department (Party Working Group)
2.) After approval of the industry park and related departments, appartment can be selected



THANK YOU!

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