

Invest in Guam





Guam: An ideal investment location.

Guam is open and ready for you. As the westernmost territory of the United States, Guam presents a unique opportunity for investment in a truly transpacific location.

The foundation of Guam's economy has historically been based on our tourism industry and United States Federal spending. While these two sources of revenue will continue to be the primary drivers of Guam's economy, the government of Guam is placing an increased emphasis on spurring economic diversification through the development and expansion of new and existing industries in Guam.

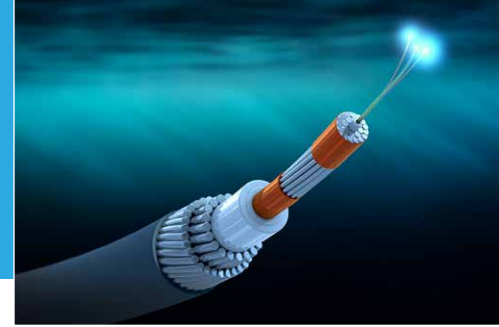
Guam is on the cusp of one of our most prolific eras of economic expansion, and the government of Guam is undertaking bold action to reposition the island for a robust economic future. Through the efforts of the Guam Economic Development Authority, an aggressive and extensive plan has been launched to reinvigorate Guam's economy. This plan focuses on the restoration of existing industries while simultaneously promoting the establishment of new and emerging industries.

Guam is seeking investments in the following:

- Major tourist attractions & hotel development;
- Innovative Agriculture, aquaculture & fisheries investments;
- Pharmaceutical production;
- High-tech manufacturing & services;
- Data center & colocation services;
- Healthcare services;
- Recycling & circular economy activities; and
- Captive insurance & Guam-based trusts.

The following provides some information on Guam's economic strengths.

Guam is open for business, and we invite you to learn more about how Guam is an ideal investment location.



Economic Resilience

Prior to the onset of the COVID-19 pandemic, many of Guam's key economic indicators were either remaining steady or trending upward. Like the rest of the world, however, COVID-19 presented obstacles to Guam's economy, chief among them the near total pause of the island's tourism industry. Nevertheless, Guam's economy has remained resilient and strong, even in light of COVID-19. As one of the largest economies in Northern Oceania, Guam has been able to emerge from the COVID-19 pandemic with a renewed focus on the continuation of Guam's future economic growth. While the challenges posed by COVID-19 presents a critical time with regards to the economic prosperity of Guam and its people, there is confidence from investors that Guam's economy is poised for an unprecedented level of growth.

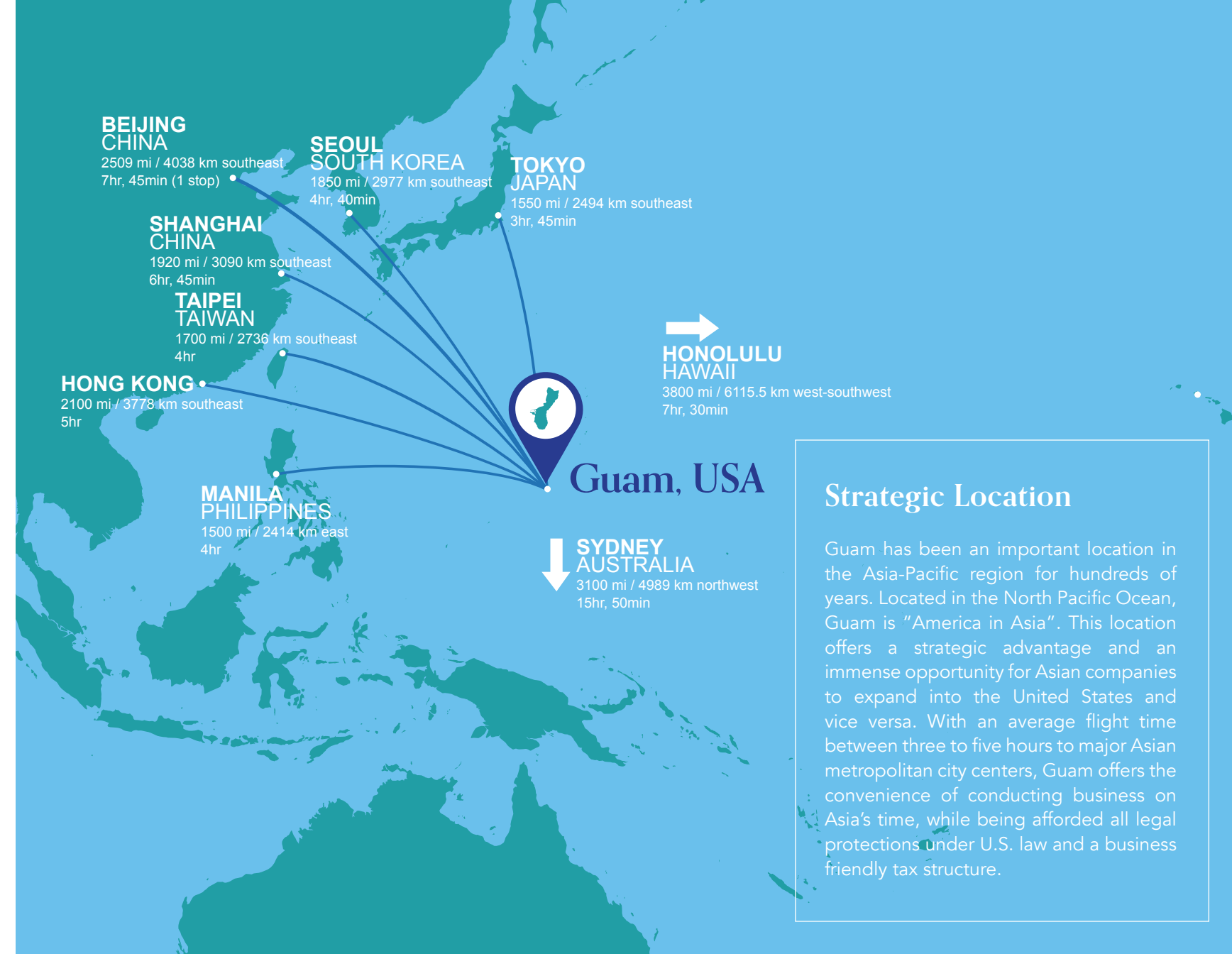
Over the last 20 years, Guam's economy grew steadily by an average of 1.33% annually. The most recent report from the U.S. Bureau of Economic Analysis showed a growth in GDP of 1.1% in 2021. Current projections indicate that this trend will continue in the upcoming fiscal year.

Guam's top economic contributors are US federal spending and tourism. As a territory of the United States, federal spending has seen exponential growth over the recent years and it is expected to continue until the end of the decade. In fiscal year 2022, there was \$1.8 billion in federal contracts awarded for Guam projects.

Tourism is Guam's largest industry, accounting for the largest portion of Guam's employment and revenue base. Visitor arrivals has increased year over year with 2016, 2017, 2018 each reaching

over 1.5 million arrivals. Visitor arrivals for 2019 hit a record high of over 1.6 million arrivals. Although tourism arrivals significantly decreased in 2020 and 2021, Guam saw a marked increase in arrivals 2022 and year to date 2023. Additionally, the Guam Visitors Bureau is projecting a robust 1.1 million visitor arrivals in the upcoming fiscal year 2024. It is clear that Guam's tourism industry is on the road to recovery.

Guam is making investments into diversifying its economic portfolio, by leveraging our strategic location and relationships with both the United States and the Asia-Pacific region. In addition, Guam has placed an emphasis on attracting companies in Asia looking to expand into the United States. With infrastructure upgrades, a resilient economy and a positive future outlook, the time to invest in Guam is now.



Strategic Location

Guam has been an important location in the Asia-Pacific region for hundreds of years. Located in the North Pacific Ocean, Guam is "America in Asia". This location offers a strategic advantage and an immense opportunity for Asian companies to expand into the United States and vice versa. With an average flight time between three to five hours to major Asian metropolitan city centers, Guam offers the convenience of conducting business on Asia's time, while being afforded all legal protections under U.S. law and a business friendly tax structure.



Globally Connected

Businesses in Guam enjoy the same advanced communications technology and high speed internet access found in major metropolitan cities throughout Asia and the United States. As a hub for 12 undersea fiber optic cables and several data centers, Guam hosts some of the world's largest communications providers, which has made the island a key communications gateway between Asia and America. Guam's geographic location and U.S. legal protections makes the island an ideal conduit for submarine cables that span the Pacific Ocean.

As a result of this, Guam possesses high-speed broadband internet access capable of transferring large amounts of data anywhere in the world instantaneously. With the addition of 4G and the recent growth of 5G broadband cellular network technologies, Guam has the necessary telecommunications services to meet any business need.

Workforce & Education

As the most populous island in Micronesia, Guam retains a relatively large workforce. The workforce is trained in many different professions and trades, and the island's public education system is rooted in development of productive citizens. Guam's educational institutions are dedicated to providing quality education by offering training and education services to local residents as well as residents within the region. Guam also has numerous apprenticeship training programs that combine on-the-job training provided by employers with trade-related classroom instruction.





Quality of Life

Steeped in history that goes back for thousands of years, Guam has a rich cultural heritage that permeates all aspects of life in Guam. Guam is a tropical paradise featuring gleaming white sand beaches, a plethora of outdoor recreational activities, historical and cultural landmarks, world class shopping, international dining and active nightlife. Today, Guam is a truly international community with a unique cultural blend of native CHamoru, American, Filipino, Japanese, Korean, Chinese, Micronesian and many other residents that all contribute to our vibrant community.

However, Guam is more than an idyllic tourist destination. It is also a wonderful place to start a business and raise a family. With a comprehensive American education system, modern healthcare services, the stability of United States and a dynamic blend of pacific, Asian and American cultures, Guam has a great deal to offer potential investors and their families.



Incentive Programs

Qualifying Certificate (QC)

Qualifying Certificates are tax incentives based on eligible investment commitment, the creation of new employment and expanding the base of the island's economy through business activities deemed to be of value to Guam.

Tax incentives vary based on specific business activities, of which a QC beneficiary may be eligible for one or more of the following:

- Income tax rebate;
- Business privilege tax abatement;
- Income tax rebate on dividends;
- Real Property Tax Abatement; and/or
- Use Tax exemption

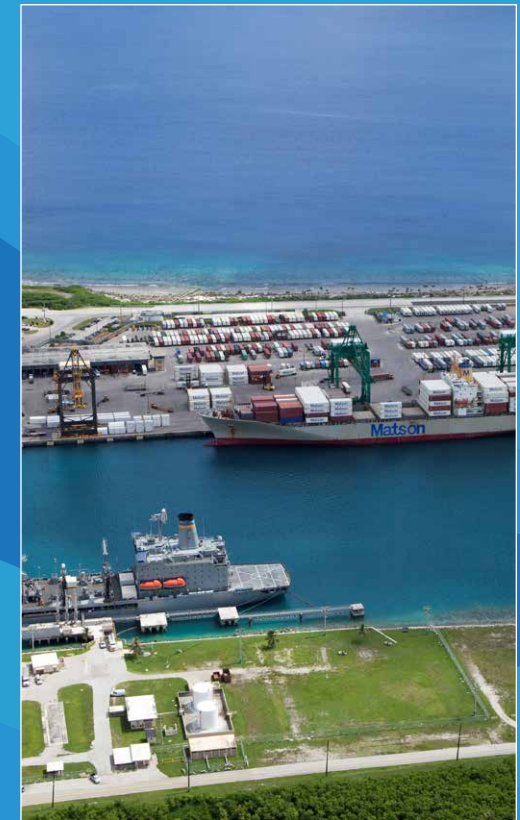
Foreign Assistance

Guam participates in several U.S. federal government initiated economic incentives, such as the EB-5 Reform and Integrity Act of 2022.

The EB-5 Investor Visa Program allows

qualified foreign nationals to obtain lawful Permanent Resident Status (Green Cards) through investment in a U.S. enterprise. Ten thousand (10,000) Immigrant Visas are available each year to foreign investors establishing a

“new commercial enterprise” or are in the process of investing in an existing enterprise on Guam. Investors must meet a minimum investment and employment requirements.



L-R: Yoon Ho Jang, Vice Consul, Consulate of the Republic of Korea in Hagåtña, Kyoung-chan Joo, Consul, Consulate of the Republic of Korea in Hagåtña, Edward Camacho, Business & Economic Development Manager, Guam Economic Development Authority, Carlos Bordallo, Deputy Administrator, Guam Economic Development Authority.

Investor Concierge

The Guam Economic Development Authority (GEDA) serves as the general concierge between potential investors, the government of Guam and other private sector partners. Through its services and programs, GEDA aims to assist potential investors in the successful establishment of their business on Guam. GEDA manages tax incentive, finance and other programs that cater to a variety of industries and activities.

GEDA is committed to providing potential investors with the necessary services to aid in the due diligence needed to consider an investment in Guam.

**GUAM
ECONOMIC
DEVELOPMENT
AUTHORITY**

America in Asia



Aturidãd Inadilãnton Ikunumihan Guahan



Guam Economic Development Authority

590 S. Marine Corps Dr.,
ITC Building, Suite 511,
Tamuning, GU 96913

T: 671.647.4332

F: 671.649.4146

www.investguam.com