

Teaser Memorandum

Invest Club Co.,Ltd.

October 2005

Key Investment Highlight

1) Distinguished Web Solution Development Skills

Investment Club Co.,Ltd has developed an online shopping mall that provides an imports/exports medium for the B2B and B2C markets. As the Company developed the first searching engine dedicated for online e-trade, it is recognised as a distinguished leader in the global online trading market. The online shopping mall incorporates video conferences (VOIP), electronic blackboard, 3D visuals, and EBXML services to meet the various needs of customers.

2) Effective Overseas Marketing

As the only online total trading service provider for the Local World Trade Center (WTC), the Investment Club Co.,Ltd. promoted its company globally utilizing the WTC network throughout 120 nations, 330 WTC centers worldwide. The Company also promoted the online trading services through a domestic competition. WTC brings together business government agencies involved in international trade, provides essential trade services and stimulates the economy of the region it serves (Source :WTCA Website). Also, with the strategic partnership with the KISS Product Group, with a global presence in 52 nations with over 3000 agents and 6000 distributor in the US, the Company has secured the home shopping vendor channels.

3) Professional and Specialized Staff

Appointing David Lee, a vice president of World Trade Center Associate (WTCA), as an overseas marketing director, smooth penetration of the overseas markets has been attained. As a vice president of WTCA, David Lee carried out its mission in supporting the establishment and successful operation of individual World Trade Centers as part of a worldwide alliance of World Trade Centers, enhancing stability, peace, world trade and development, leading to economic growth (Source :WTCA Website). Also, with the strong support from Sung-mo Lee, who carried out the establishment of the Investment Club in the US, the company recorded sales figure of US 5 Mill as of March in 2005. The Company forecasts approximately US 11 Mill for the upcoming year of 2005.

I. Company Introduction

Investment Club Co., Ltd. was established in August of 2001 as an online trading service (IM/EX) provider and service vendor for development of electronic solutions for online purchasing. Investment Club Co. is promoting its own brand of BIZNET solution to Mexico, Brazil and other overseas markets and reached a 5 million dollars sales figure. Investment Club Co., LTD. was also established in New York in 2004.

The business plan for the upcoming market is to provide ,a silk road , a strong connection between worldwide e-market places by developing each country specific e-markets and bridging them together.

II. Transaction Summary

Investment Club Co.,LTD. is proposing a KRW 5 Bill investment into the company. As it plans to go public in 2007, it is possible for potential investors to realize investment return.

Proposed Amount	KRW 5 Bill.
Purpose	Establishment of joint venture overseas, and overseas call center. Investments in computer, technology development, and domestic factory construction.
Process	New issuance of shares/selling of shares for equity investment.

III. Market Information

1. Current Market Environment and Forecast

1) Market Overview

Approximately 200~300 new entrants are entering the lucrative E-marketplace every year. With the 340 new entrants in 2005, the average sales volume for the entrants recorded approximately KRW 190~200 Bill.

The global E-Marketplace market size exceeded 400 Bill Dollars in 1999. With the growth in personal computer usage and online customers, the global E-Marketplace has shown an exponential growth rate of 10% since 2000.

2) Market Forecast

With the global E-Marketplace forecast of reaching a market size of 8.5 Trill Dollars in 2007 (Source: Gartner), the domestic E-Marketplace will follow the trend of the global E-Marketplace showing a steady growth. The domestic E-marketplace has a 0.65% of the market share in the global market.

2.Competitive Forces

As one of the global competitors such as China Alibaba and US Global Source, and European Kampass, the competition in the domestic E-Marketplace is as follows.

[Competitor Comparison]

(Unit: KRW MM)

	Sales	EBIT	EBITDA	Net Income
Investment Club Co.	6,139	517	539	159
EC Plaza Network Inc.	3,346	77	343	78
Interpark	777	(36)	(6)	(84)

IV. Business Information

1. Core Operation/Product

Considering the efficient and innovative characteristics of the E-business environment, the Company provides total web solution services including network, hardware, software, trading medium (IM/EX) and consulting services. Also, the Company develops specific solutions catering to the domestic SME for their unique needs, rather than providing a standard solution package, a standard practice of large corporations. Thus, the core operation of the Company is in the IT development/solution providing services.

Core Product	Product Description
1	BizNet Solution
2	(IM/Ex) Consulting Services
3	Contents
4	Marketing/ Membership Services

Core Technology	Product Description
1	One-Stop service for trading (IM/EX) medium
2	Provider of product information and search engine services
3	One-Click solution of bidding for customers for import and export
4	Automated two way online trading (IM/EX) solution
5	As an WTC integrator, total WTC service Usage holder

Intellectual Property	Patent Number
1	Operational process of online bulletin board
2	Operational process of bidding for trading services (IM/EX)
3	Operational trading service process in the online shopping mall
4	Operational process of online shopping mall
5	Commercial transaction process using VoIP Phone
6	Operational process of online shopping mall with trading services (IM/EX)
7	Shipping cost calculation method for online shopping mall with trading services (IM/EX)
8	Product registration process for online shopping mall with trading services (IM/EX)
9	transaction process for online shopping mall with trading services (IM/EX)
10	Method of managing online shopping mall having trade transaction function

2. Sales Volume by Products

(Unit: KRW MM)

Products	2002	2003	2004	
Solution	Web Development	6	7	5,000
	H/W package	0	0	0
	ERP	0	0	0
Global Marketing/Member ship service	WITHBIZNET	0	0	0
	MARTBIZNET	0	0	0
	BIZNET EBXML	0	0	0
IM/EX Trading Medium	80	700	1,000	
Supplementary Services	100	40	138	
Others	0	0	0	
Total	186	747	6,138	

Sales Volume by Region

(Unit: KRW MM)

Region	2002	2003	2004
US- East	0	0	5,000
US- WEST	0	600	900
Asia	80	100	100
South America	0	0	0
Korea	106	47	138
Total	186	747	6,138

Customer:

Most of the sales are from the government/government agencies, securing stable and long term revenue stream.

Core Customers- Purchase Amount (Yearly)

(Unit: KRW MM)

1	WTC (US)	5,980
2	D&K Investment	100
3	Arcade Online	50
4	Biznet California	1,900

V. History & Plan

1. Company History

Year	History
2001.08	Established Investment Club Co.,Ltd.
2002.10	Third Market Recognition(A070900)
2003.03	Initiation of E-Trade
2003.07	Cooperation with the US Credit rating firms such as RMI, PRECIOSA TEXTILE, D&K INVESTMENT
2004.02	Acquisition of sole supplier contract regarding online trading services with WTCBIZNETWORK
2003.08	Established US office contact
2003.12	Opened BEST STORE (3 Stores)
2004.02	Acquisition US Government Supply License (2122-2500)
2004.02	Acquisition of Supply license of 15 countries including England (SY663,10012005)
2004.09	Inducement of foreign investment, US KISS GROUP (USD 400 Thousand), WTC MART Site Development
2004.10	Acquisition of K Mart (Korea Testing Laboratory), eTrust certified (Korea Institute for Electronic Commerce)
2004.12	Certified as Innovative Technology Firm (INNO-BIZ) (Small and Medium Business administration)
2005.03	Contracted WTC for WTC MAIL
2005.03	In Process of online shopping mall division with KISS GROUP, KMC, and DASHANDIVA
2005.08	Acquisition of ISO14001 certificate
2005.09	Awarded prime minister of Daejun innovative technology (IT)

2. Business Plan

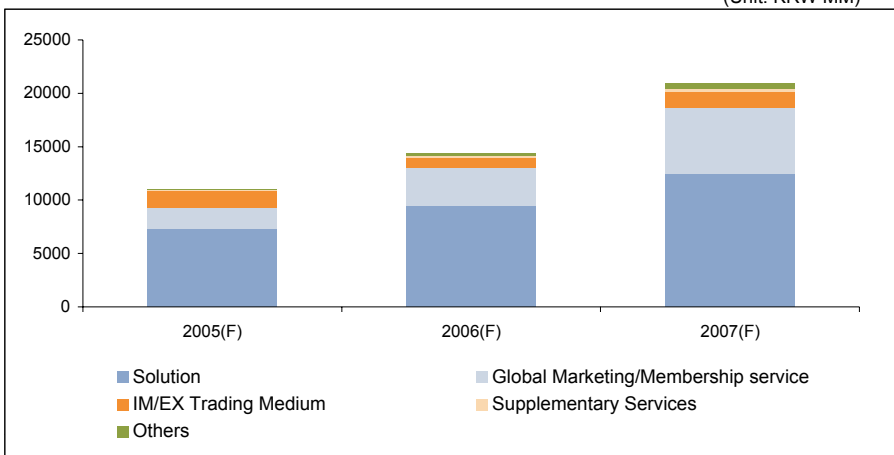
1) Total Sales

[Forecasted Sales Figure] _ Overseas Sales included

(Unit: KRW MM)

Products		2005F	2006F	2007F
Solution	Web Development	6,311	7,935	10,426
	H/W package	1,000	1,500	2,000
	ERP	10	20	30
Sub-Total		7,321	9,455	12,456
Global Marketing/Member ship service	WITHBIZNET	1,000	1,500	2,000
	MARTBIZNET	1,000	2,000	4,000
	BIZNET EBXML	0	100	200
Sub-Total		2,000	3,600	6,200
IM/EX Trading Medium		1,505	890	1,508
Supplementary Services		100	200	300
Others		76	203	506
Total		11,002	14,348	20,970

(Unit: KRW MM)



[Forecasted Sales by Region]

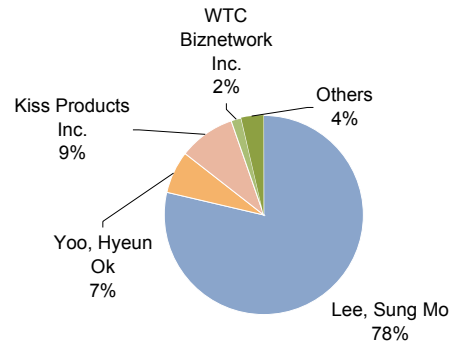
(Unit: KRW MM)

Region	2005F	2006F	2007F
US- East	3,000	4,000	5,000
US- WEST	3,000	3,000	4,000
Asia	1,000	2,000	3,000
South America	3,000	3,000	4,000
Korea	1,002	2,348	4,970
Total	11,002	14,348	20,970

VI. Ownership Structure

1. Major Shareholders

	Number of Shares	% of ownership
Lee, Sung Mo	7,152,892	78.59%
Yoo, Hyeun Ok	645,000	7.09%
Kiss Products Inc.	819,000	9.00%
WTC Biznetwork Inc.	150,000	1.65%
Others	334,108	3.67%
Total	9,101,000	100%



VII. Management

1. Core Workforce

	Name	Career
CEO	Lee, Sung Mo	LG Investment & Securities Senior Manager
Director	Young Oh	SK C&C Senior Manager
Director	Sung-wook Yoon	Samsung Corporation
Director	David Lee	ENSPM Inc. (Billing system division)

VIII. Financial Information

1. Historical F/S

1) Balance Sheets

(Unit: KRW MM)

	2001	2002	2003	2004
Cash and cash equivalents.	72	20	5	72
Accounts receivable	0	91	14	688
Inventories	0	0	16	11
Other Current Assets	3	0	45	411
Current Assets	75	111	80	1,181
Tangible Assets	21	13	30	221
Intangible & Deferred Assets	0	30	30	30
Others	50	5	5	253
Non-current Assets	71	48	65	504
Total Assets	146	160	145	1,685
Accounts payable	0	77	0	211
Short-term loans	119	49	4	264
Other current liabilities	23	9	31	283
Current liabilities	142	135	35	758
Long-term loans	0	0	0	150
Others	0	0	2	7
Non-current liabilities	0	0	2	157
Total Liabilities	142	135	37	916
Paid-in Capital	100	100	100	610
Retained Earnings	(95)	(75)	8	167
Capital Surplus	0	0	0	(7)
Total Stockholder Equity	5	25	108	769

2) Income Statements

(Unit: KRW MM)

	2001	2002	2003	2004
Sales	13	187	748	6,139
% Growth		1338.5%	300.0%	720.7%
Cost of Sales	22	165	623	5,362
Gross Profit	(9)	22	125	777
Gross Margin	n/a	11.8%	16.7%	12.7%
SG&A	86	129	115	260
Operating Income	(95)	(108)	10	517
Operating Income Margin	n/a	n/a	1.3%	8.4%
Other income	0	0	1	43
Other expense	0	2	2	381
Ordinary Income	(95)	(110)	9	180
Net Income	(95)	20	83	159
Net Income Margin	n/a	10.7%	11.1%	2.6%

2. Projected F/S

(Unit: KRW MM)

	2005F	2006F	2007F
Sales	12,200	16,400	21,500
% Growth		34.4%	31.1%
Cost of Sales	9,596	11,928	15,395
Gross Profit	2,604	4,472	6,105
Gross Margin	21.3%	27.3%	28.4%
SG&A	1,033	1,432	1,885
Operating Income	1,571	3,040	4,220
Operating Income Margin	12.9%	18.5%	19.6%
Ordinary Income	1,341	2,810	3,990
Net Income	821	1,770	2,389
Net Income Margin	6.7%	10.8%	11.1%

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