



Invest in the Czech Republic

**Facts and Stories
for Korean Investors**



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Why the Czech Republic



Best investment risk ratings in CEE region

AA- (S&P), Aa3 (Moody's)



Educated and skilled workforce

21% of graduates in technical and ICT fields at universities



FDI attractiveness

Highest FDI stock per capita in the CEE region



Industrial heritage

High production and export capacity



Strategic location

In the centre of Europe



Strong R&D

1.8% of GDP invested in R&D



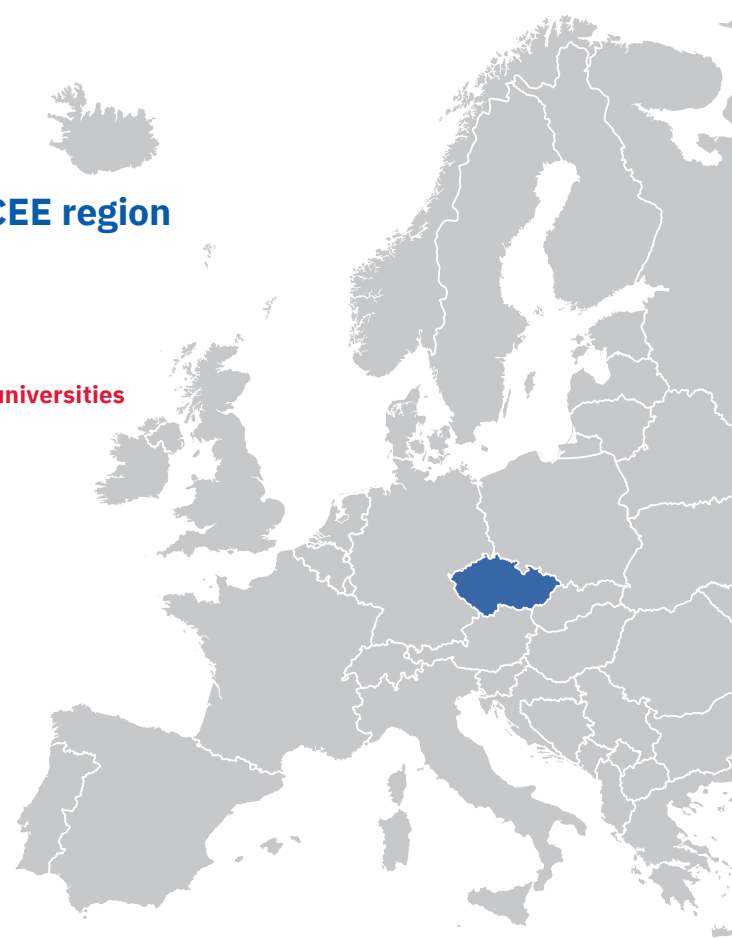
Diversity

Over 1 million foreigners (about 10 % of population)



One of the safest countries in the world

11th in Global Peace Index Institute of Economics and Peace



Investment Essentials

A Solid Foundation



10.9 million
people



5.5 million
workforce

Connected to Europe

Access to

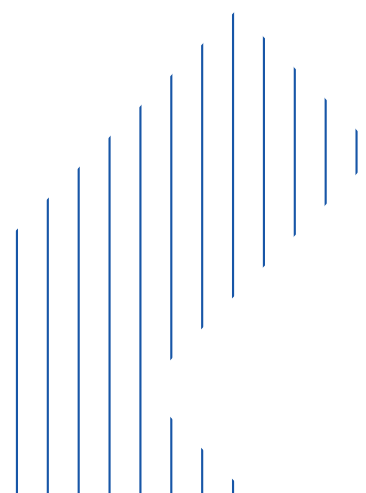
450 million
EU customers

Part of the

**EU, OECD,
and NATO**

Built on Industry

- ▶ One of the most industrialised economies in the EU
- ▶ Innovation leader in the region
- ▶ Strong industrial and technological base
- ▶ Diversified economy across sectors
- ▶ Exports account for 70–80% of GDP



Designed for Investment

► **Competitive and predictable tax system**

(21% CIT, 15% PIT, 21/12/0% VAT)

► **Low-risk environment**

AA– (S&P) | Aa3 (Moody's)

Location That Works in Practice

The Czech Republic is not just “in the middle of Europe”.

It sits within reach of key customers.

From a single location, companies can efficiently serve Germany, France, Italy, the Netherlands and other major European markets without the cost base of Western Europe and without fragmenting operations.

That is why the Czech Republic is not just a manufacturing location.

It is a true base of operations.

For the majority of investors, **the country serves as an entry point to the broader European market** not in theory, but in day-to-day operations.



Costs That Make Sense

The Czech Republic is not the lowest-cost destination in the region.
And that is precisely its strength.

It offers a combination that works in practice:

a balanced combination of cost, quality, and performance.

- ▶ Highly efficient for manufacturing
- ▶ Advanced for technology
- ▶ Stable for long-term operations
- ▶ This is not a compromise
- ▶ It is a functional model

Talent That Can Be Developed

Across Europe, the challenge is the same: people.
The difference is not where you find them, but how you work with them.

The Czech Republic offers a strong technological foundation, universities, research centres and engineering talent.

But the same principle applies here as elsewhere:

- ▶ companies that succeed do not wait for ready-made talent
- ▶ they build their own teams and capabilities

This approach has proven to be effective here over the long term.

Stability as an Investment Factor

Today, investors do not see stability as a bonus.
They see it as a baseline requirement.

The Czech Republic also offers:

- ▶ a predictable business environment and political stability
- ▶ a high level of safety and security
- ▶ openness to foreign investment

These are not givens in other countries.

And without them, it is impossible to build a business over the long term.

An Ecosystem That Grows with Investors

The role of foreign companies in the Czech economy is not marginal. It is fundamental.

Foreign investors account for a significant share of industry, exports, and R&D in the Czech Republic.

In R&D and innovation alone, they account for nearly half of total investment. This leads to a simple conclusion: companies don't just come here – they stay, grow, and help shape the environment.

Sectors for Czech-Korean Synergy



Semiconductors



Robotics



**Batteries
and Electric Mobility**



**Advanced
Manufacturing**



Modern Energy Solutions



Nuclear Energy



Hydrogen



Research and Development



Healthcare



**High-Speed Rail
Technologies**



Air, Space and Defence



Smart Technologies

A Partnership for Long-Term Value Creation

The Czech Republic is a stable, competitive and technologically advanced partner economy offering far more than investment opportunities alone. It provides a foundation for long-term value creation built on innovation, shared expertise and industrial strength. Together, the Czech Republic and the Republic of Korea are shaping a partnership defined by resilience, technological progress and a shared ambition to lead in the industries of the future.

Korean Investments in the Czech Republic

A Strategic Partnership for the Future

In recent decades, the Czech Republic has become one of the most attractive European destinations for investments from the Republic of Korea, serving as a strategic gateway to the broader European market. Built on a shared industrial tradition and mutual emphasis on precision, engineering and innovation, the relationship between the two countries has evolved into a strategic and forward-looking partnership. Today, the Republic of Korea stands as one of the largest investors in the Czech Republic. CzechInvest has played a key role in facilitating this development.

CzechInvest's Role

- Since 2005, CzechInvest has mediated more than 40 Korean investment projects with a combined value USD 3.8 billion and contributing to the creation of over 13,500 jobs.
- CzechInvest's Seoul office provides support to Korean companies and bridges business practices from the earliest stages of investment.
- CzechInvest helps investors by providing tailored support including market intelligence, regulatory guidance and partnership facilitation.

Advantages of Investing in the Czech Republic

- transparent business environment
- highly skilled workforce
- advanced industrial and social infrastructure
- central geographic location
- direct flights between Seoul and Prague



A Foundation Built on Industrial Excellence

The roots of Korean investment in the Czech Republic date back to the early 2000s. Today, approximately **one hundred Korean companies*** are integrated into the local economy. The trajectory of Korean investment initially centred on the Moravian-Silesian region, when **Sungwoo Hitech** established a major car body production facility in Ostrava.

A major turning point was the establishment of **Hyundai Motor Manufacturing Czech** in Nošovice in 2007, the largest greenfield investment in the country's history. With that investment, Hyundai fundamentally transformed the regional economy and reinforced the development of a comprehensive automotive supply chain. This included the arrival of key partners such as Hyundai Mobis, Hyundai Steel and Hyundai Transys, alongside a wide network of specialised suppliers like Plakor, Pyeonghwa Automotive (PHA), Sejong Industrial (SJG), and Dongee.

Other Major Korean Investors

Nexen Tire, whose production plant in Žatec became the company's flagship facility in Europe.

Doosan Škoda Power successfully preserved and modernised over a century of Czech turbine engineering expertise in Pilsen while supplying global markets.

Doosan Bobcat EMEA established a major presence in Dobříš, combining manufacturing with advanced research and development activities.

Hanon Systems in Kladno leverages Czech technical expertise to develop advanced thermal management systems essential for electric vehicles, as Korean investment is playing a key role in the transformation of the automotive sector.

* Source: D&B Hoovers, 2026

A New Chapter in Energy Security

The strategic alignment between the Czech Republic and the Republic of Korea reached a new milestone with the selection of **Korea Hydro & Nuclear Power** as the preferred bidder for the expansion of the Dukovany Nuclear Power Plant. As the largest infrastructure project in the country's modern history, it represents not only a critical step forward in strengthening energy security, but also a catalyst for broader industrial cooperation and investment across the energy sector.



Expanding Horizons: Innovation and Future Industries

Initially concentrated in traditional manufacturing sectors such as automotive, machinery and chemical production, Korean investment has been gradually evolving toward higher value-added activities, including research and development, battery technologies and advanced manufacturing processes. This shift reflects broader global trends and aligns with emerging industries such as electromobility, sustainable energy and digital innovation. As a result, the Czech Republic is increasingly seen not only as a production base, but also as a partner in technological development.

The partnership is strengthened by strong industrial complementarity. Korean companies contribute advanced technologies and global expertise, while the Czech Republic provides engineering excellence and highly skilled talent capable of transforming innovation into production.

Hyundai Motor Manufacturing Czech (HMMC)

The most prominent success story is **Hyundai Motor Manufacturing Czech** in Nošovice, which represents the largest greenfield investment in the country's history. CzechInvest initiated talks with Hyundai regarding the investment in 2003. The representatives of the Czech Republic signed the investment agreement with Hyundai in 2006 and the government pledged to provide an investment incentive in the value of CZK 4.9 billion (approximately USD 215 million). Since launching production in 2008, the plant has evolved into one of the most technologically advanced automotive facilities in the world, recently surpassing the milestone of five million vehicles produced.

"When deciding which European country to choose as the company's location, both the attractiveness of the investment incentive and the investor support system provided by Czech Republic through CzechInvest played an important role. I can mention, for example, the assistance with visa programmes for employees," says Petr Michník, head of the HMMC administrative division.



- Unique position as **the only Hyundai manufacturing plant within the European Union.**
- Production **capacity of up to 1,400 vehicles daily** and 350,000 vehicles annually.
- Exporting over 95% of total production.
- In 2020, Hyundai became the **first mass-producer of electric vehicles in the Czech Republic** with the Kona Electric.
- Models with **electric or hybrid powertrains** now account for more than half of the plant's total output.
- The plant has created around **2,800 direct jobs**, with more than 95% of the workforce drawn from the local population.
- The company has regularly been awarded the title of **Employer of the Year since 2013.**



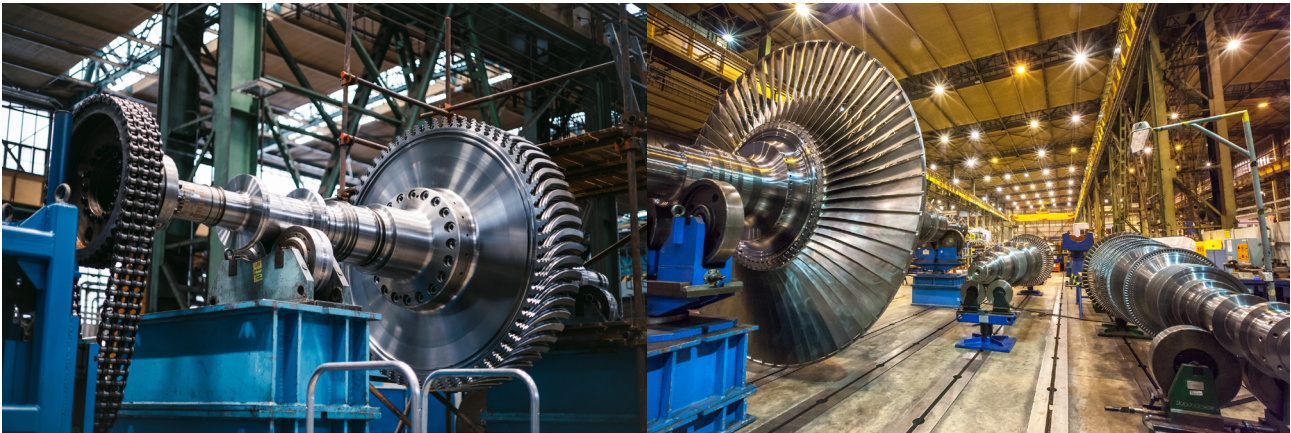
Source: hyundai-motor.cz

Engineering Transformation: The Doosan Group

The integration of the traditional Czech engineering brand Škoda Power into the **Doosan Group** demonstrates how Korean investment can successfully revitalize historic European industries and elevate them to the global stage. Following its acquisition by Doosan in 2009, the Plzeň-based company was transformed into Doosan Škoda Power and designated as a global research and development centre for steam turbines, serving markets worldwide.

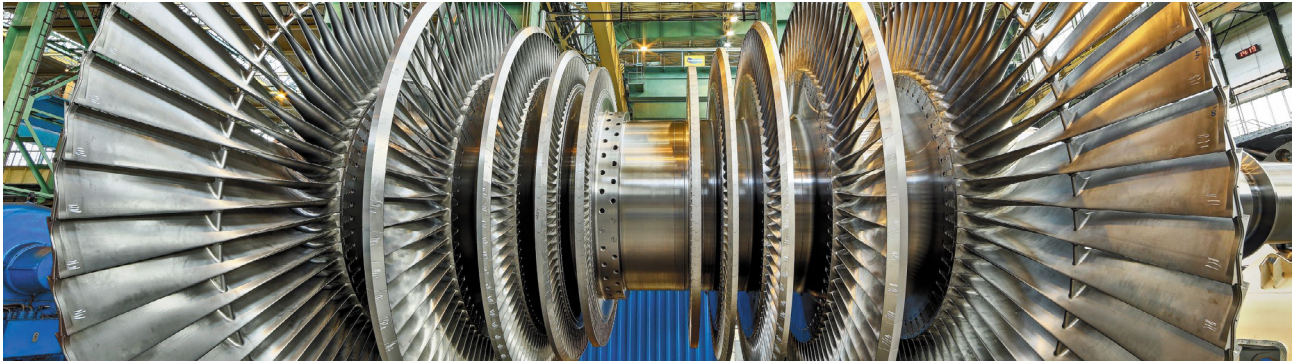
DOOSAN

Today, Doosan Škoda Power ranks among the global leaders in power plant equipment, delivering steam turbine solutions ranging from 5 to 1,300 MW. Its technological expertise spans a broad energy mix, including nuclear, combined-cycle, biomass, waste-to-energy and industrial applications. With approximately 80 % of its projects delivered internationally across more than 60 countries, the company represents a strong example of how Korean investment in the Czech Republic can generate high-value manufacturing, advanced R&D capabilities and global export success, supported by a highly skilled local workforce.



- In February 2026, Doosan Škoda Power further strengthened its position by signing a landmark contract worth approximately CZK 5 billion (approximately USD 207 million) for turbine supplies to the Dukovany Nuclear Power Plant.

- Beyond its industrial activities, Doosan Škoda Power has demonstrated a long-term commitment to the local community. For almost 20 years, the company has been a proud sponsor of FC Viktoria Plzeň, one of the Czech Republic's most successful football clubs, a partnership reflecting Doosan's emphasis on stability, local engagement and sustainable presence in the region.



Source: doosanskodapower.com

The success of **Doosan Bobcat EMEA** highlights the Czech Republic's growing role as a hub not only for manufacturing, but also for advanced research and development. By centralising its regional headquarters, manufacturing plant, and Global Innovation Centre in Dobříš, the company has created a fully integrated ecosystem where equipment is designed, tested, and manufactured in a single location.



- The Innovation Centre in Dobříš serves as a key pillar of Bobcat's global R&D activities. Equipped with cutting-edge facilities, including climate and noise testing chambers, it enables engineers to develop the next generation of environmentally friendly and electric compact machinery.
- The Dobříš campus produces around 25,000 machines annually, exported worldwide.

Scaling Excellence: Nexen Tire Europe

The investment of Nexen Tire represents another compelling example of how Korean companies combine advanced manufacturing with long-term strategic development. Since entering the country in 2014, Nexen has established a major European production base in Žatec, located in the northwest of the Czech Republic near the German border, with total investment of CZK 24 billion (approximately USD 1.15 billion), making it the third-largest investment mediated by CzechInvest.



- The Žatec plant operates as a **highly automated, smart manufacturing facility** producing primarily premium passenger car tires, including SUV tires
- The Czech Republic has become a **central hub for Nexen Tire's European operations**, thanks to its strong industrial base, skilled workforce, and strategic location
- In 2024, Nexen completed the second phase of the Žatec plant, a CZK 9.5 billion investment that nearly **doubled production capacity** from 5.5 million to up to 11 million tires annually
- Through this second-phase expansion and its strong profitability, the Žatec plant has been playing a key role in driving Nexen Tire's market expansion across Europe while serving as a model of modern industrial production where automation, innovation and sustainability converge.

Czech-Korean R&D Cooperation

Alongside its strong track record in industrial investment, the Czech Republic offers Korean companies a compelling opportunity to engage directly in research, development and innovation-driven cooperation. For investors entering Europe, R&D activities represent an effective pathway to establish a presence, build strategic partnerships and develop technologies with global market potential.

The Czech Republic combines highly skilled engineering talent, specialized research infrastructure, and strong links to European industry, creating an environment that is well suited for innovation-led investment. Companies can establish dedicated R&D centres, collaborate with Czech partners on joint development projects, or build innovation hubs supporting their European and global operations. Institutions such as the Czech Technical University in Prague already cooperate with Korean partners in areas such as robotics, artificial intelligence, advanced materials, and energy systems. Brno Technical University has established cooperation with Korean partners in the fields of nuclear energy, battery technologies, semiconductors, advanced materials, etc.

Other Key Areas of Ongoing Collaboration Include:

- **Nuclear and Hydrogen Energy:** Specialized cooperation is already active through memoranda between Nuclear Research Institute Řež and the Korea Atomic Energy Research Institute (KAERI). The development of hydrogen mobility and infrastructure is being spearheaded by the Czech platform HYTEP and the Korean agency H2Korea, aligning with global decarbonization trends.
- **Optics, Lasers and Nanotechnology:** the Czech Republic offers unique technological solutions in precision optics and nanotech. Korean firms increasingly view Czech research centers as essential partners for patenting new products and maintaining a competitive edge.
- **Artificial Intelligence and Cybersecurity:** the Czech Republic is a recognized hub for AI excellence. There is rising Korean interest in Czech solutions for machine learning, text and speech recognition, and sophisticated cybersecurity protocols, intended for both commercial applications and the public sector.
- **Possible areas for expanding cooperation:** biotechnology, digital technologies and quantum research—fields with strong commercial potential and global relevance.

Support and Funding for Innovation

Bilateral cooperation in applied research between Czech and Korean partners is supported by the SIGMA programme managed by the Technology Agency of the Czech Republic in cooperation with Korean partners such as KIAT and KETEP. The programme focuses on joint applied research projects in areas including optics, ICT, mobility and nuclear energy, helping to reduce investment risk and support long-term technological collaboration.

Beyond SIGMA, a broader range of funding and support instruments is available through the Technology Agency of the Czech Republic, the Ministry of Industry and Trade, and other relevant ministries. These programmes support activities such as the establishment of R&D centers, joint research projects, cooperation with universities, participation in international initiatives and technology transfer. Many of these schemes provide public funding or co-financing, thus significantly improving the financial feasibility of innovation projects.



To help companies navigate these opportunities, **the CzechInvest office in Seoul**, in close cooperation with the Embassy of the Czech Republic in the Republic of Korea, provides guidance from the earliest stages of engagement. This includes identifying suitable programmes, recommending relevant partners and advising on the most effective pathway for structuring R&D cooperation in the Czech Republic.

Centres of Excellence

48 R&D facilities including eight Centres of Excellence

Network of 54 research-oriented institutes of the Czech Academy of Sciences

- ▶ AI CENTER, Czech Technical University in Prague
- ▶ BIOCEV – biomedicine and biotechnology
- ▶ CEITEC – life science and material sciences
- ▶ Czech Institute of Informatics, Robotics and Cybernetics (CIIRC), Czech Technical University in Prague
- ▶ ELI Beamlines – international super laser research centre
- ▶ HiLase – high-tech laser research centre
- ▶ Institute of Organic Chemistry and Biochemistry of the Czech Academy of Sciences
- ▶ IT4INNOVATIONS – National Supercomputing Centre, Technical University of Ostrava



Research and Innovation in the Czech Republic



30 public universities + **40** private universities



54 institutes of the Czech Academy of Sciences



17 public research institutes



19 research/specialised hospitals



48 new research centres



2,800+ companies reporting R&D activities



112,000+ employees in research



50 business/innovation incubators



20 science and technology parks

Key Role of Czech Automotive Industry



34% of industrial production
24% of national exports



30%
of all industrial R&D investments



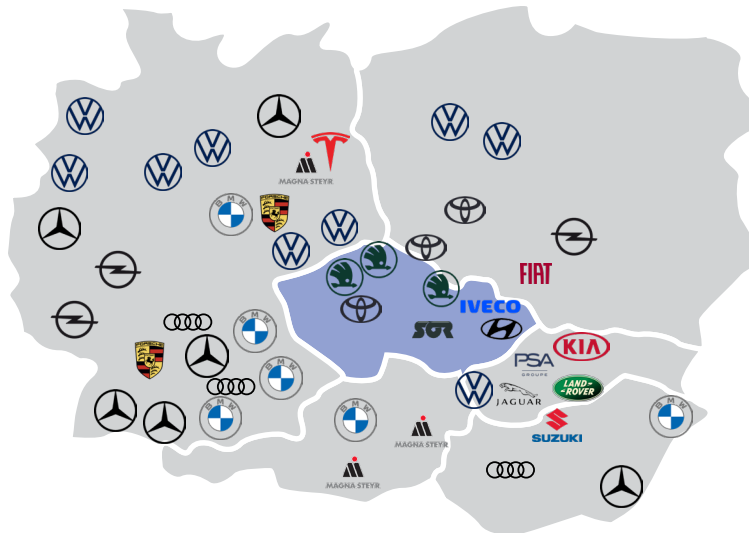
10%
of Czech GDP



180 000
direct employees



500 000
total employees incl. indirect



Source: AutoSAP, 2024

Examples of Other Business and Investment Opportunities

The Czech Republic provides companies with many business and investment opportunities. For decades the country has been a growing market for companies in the automotive, electrical engineering, machinery, plastics and construction materials sectors, and these will certainly continue to attract further investors. However, there are also very good business opportunities in new, or previously less prominent, sectors.

Batteries: the Czech Republic is the third largest producer of cars in Europe. Two of its major car production facilities already produce electrified vehicles and the third, Toyota, announced in 2025 that it will convert its Czech plant to its first European facility for the production of EVs. Investors are also investing in stationary battery storage facilities following an amendment to legislation which allows their connection to the grid. In 2023, the Czech Republic was the 5th largest market for battery storage facilities in Europe.

Industrial and agricultural robots: the European Union is the second largest market for industrial robots. As one of the most industrialised countries in Europe, Czech Republic has emerged as a leading hub for industrial robots. The farming sector also presents very good opportunities for robotics companies, as the Czech Republic has the largest average size of farms in the EU, making it an ideal site for the testing and introduction of agricultural robots.

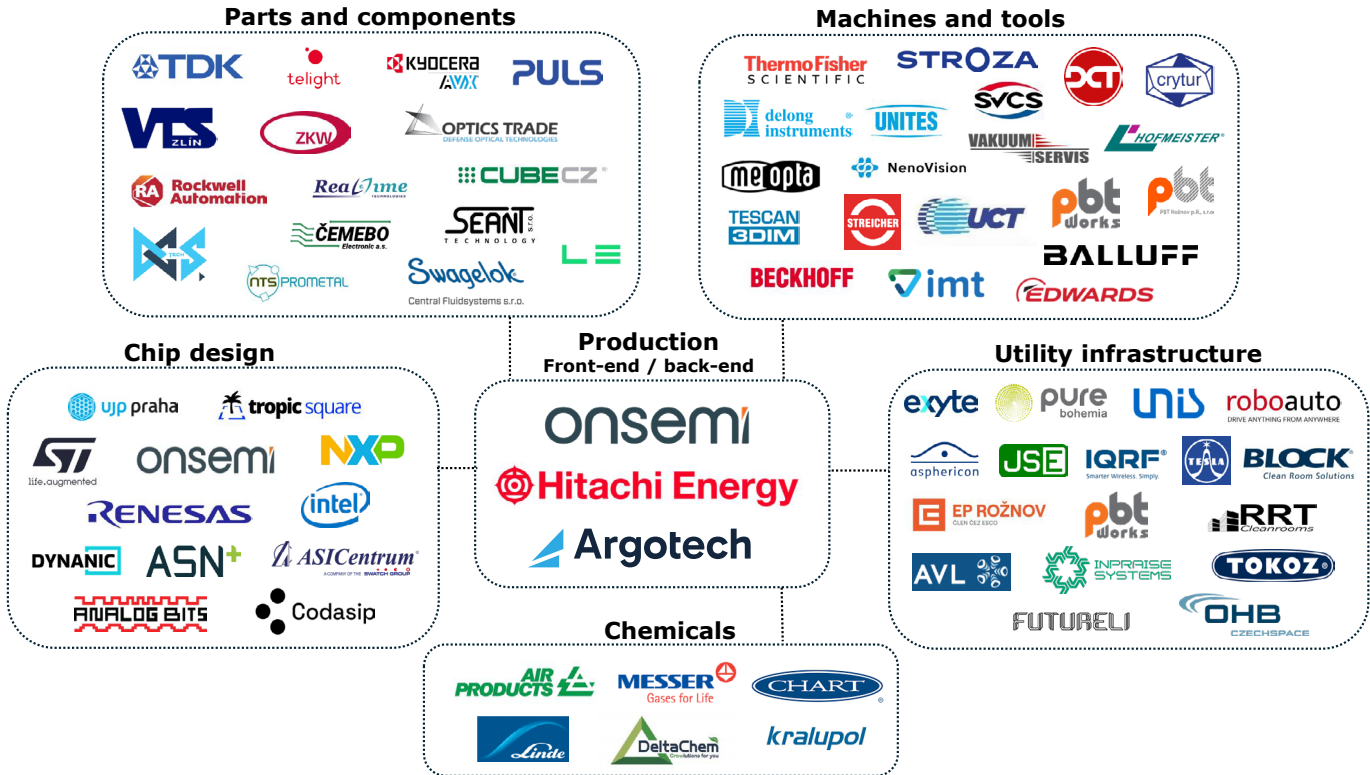
Defence and dual-use technologies: the Czech Republic has a long history of arms manufacturing, being known globally since the late 19th and early 20th centuries for reliable guns of all sizes as well as for ammunition. For decades, arms comprised up to 10% of exports. Today, the Czech Republic ranks among major producers of defence technologies; a Czech company even owns the famous gun manufacturer Colt!

Cybersecurity and IT Services: the Czech Republic has become a significant cybersecurity hub in Europe. The most visible event occurred in 2021 when Avast Software, founded in 1988 by two Czechs in Prague, merged with US-based NortonLifeLock to form the tenth-largest cybersecurity firm in the world, co-headquartered in Prague and Tempe, Arizona. Development or support centres have also been set up here by smaller international cybersecurity firms such as HICO (Austria), NTT Data (Japan) and Spaceknow (USA). In general, ICT multinationals such as IBM, Kyndryl, Microsoft, Red Hat, SAP and TietoEvy, employ thousands of people in the Czech Republic.

Business Support Services: thanks to the Czech Republic's ability to attract skilled workers from other countries, many of the companies in the BSS/BPO sector are multilingual, with some having employees from as many as 60 countries and speaking as many as 80 languages. This is very important for support of companies in Europe, where there are some 30 official languages. As of late 2025, there are more than 400 BSS/BPO centres in the Czech Republic employing nearly 200,000 people. Companies supplying technologies to shared services centres, IT service centres, call centres or datacentres will find many potential customers here.

Semiconductors: Thanks to their flexibility, innovation and long tradition in this sector, Czech semiconductor companies have the potential to play a key role in the development of the European semiconductor ecosystem. Today, Czech research and development in this area is world-class and contributes to innovation in many industrial sectors. The Czech Republic possesses the rare ability to cover practically the entire semiconductor value chain—from the production of complex manufacturing equipment and integrated circuit design to advanced testing and measurement. Czech industry is particularly strong in the supply of machinery and equipment for semiconductor production, especially in areas such as electron microscopy, optical components and heavy machinery.

Companies in the Semiconductors Value Chain in the Czech Republic



About CzechInvest

**Entering a new market — quickly, clearly, and with unnecessary complexity.
This is where CzechInvest comes in.**

For many companies, the hardest part is not the decision to invest. It is understanding how to make it happen — where to go, who to speak to, how to move forward without losing time. CzechInvest, a government agency, serves as a single point of contact throughout the entire process.

From the initial evaluation phase to the launch of operations, it helps connect investors with the right partners, navigate business environment, and keep things moving forward.

We are a partner who understands both the local environment and the expectations of international companies — and can significantly simplify the entire process.

We are an agency of the Ministry of Industry and Trade.

Established in 1992, the agency contributes to attracting foreign investment and developing domestic companies through its services and development programmes.



Our Mission:

- **to support** foreign direct investment
- **to develop** local companies including SMEs and startups
- **to implement** business-development programmes
- **to help improve** the business environment

Our Services for Potential Investors



**Business analysis
and regulatory navigation**



**Advisory on financial support
schemes including investment
incentives**



**Talent attraction and
visa assistance support**



**Site selection for greenfield
and brownfield investments,
manufacturing facilities,
and office locations**



**Bespoke investment
and business visits
to the Czech Republic**



**Facilitation of engagement with
government bodies, regional
authorities and key stakeholders**

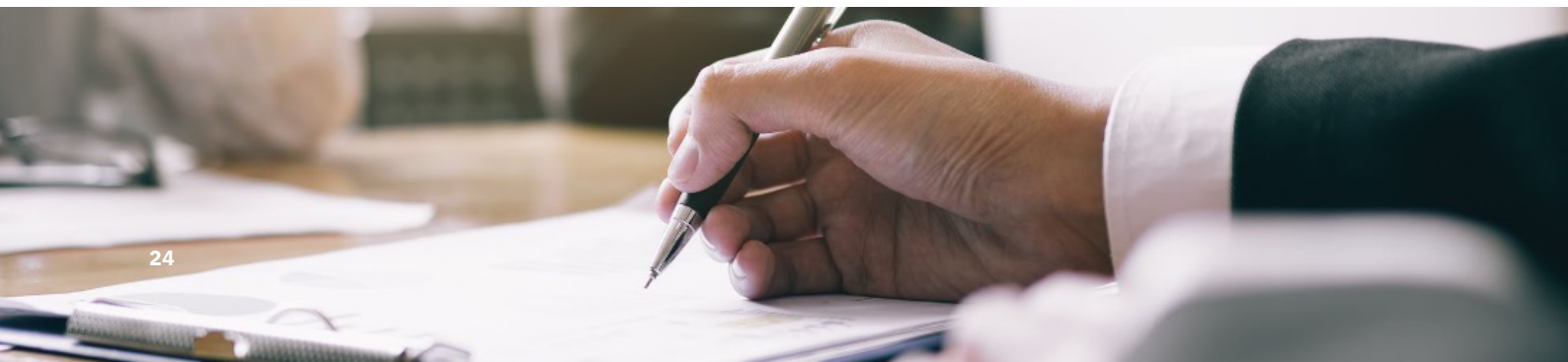


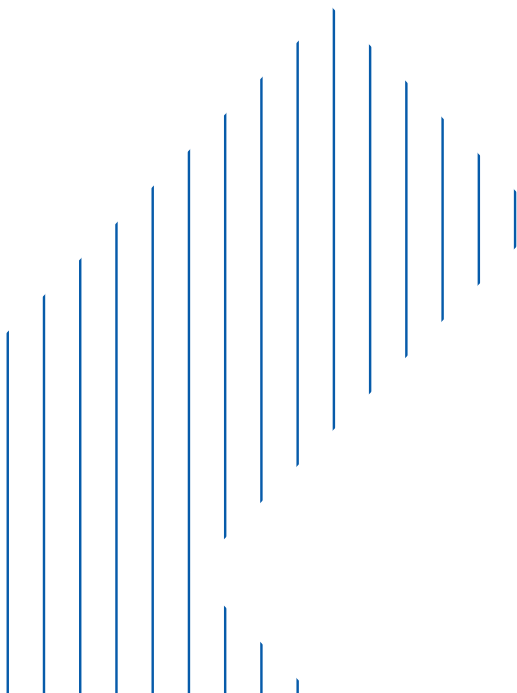
**Identification and sourcing
of trusted supply chain
partners**



**Coordination of meetings
with leading consulting
and advisory firms**

**All CzechInvest's services are free of charge as part
of the Czech government's business support measures.**





CzechInvest Helping Korean Companies



CzechInvest has many tools to help Korean companies in these and other sectors considering the Czech Republic as their new expansion destination. Our team of skilled project managers is ready to support the whole process, from providing initial information and data about the Czech investment environment, to organizing tailored visits to the Czech Republic. This way, the investor is able to directly visit suitable business sites and meet with local stakeholders and universities. For more information, you can reach out to us by e-mail address at fdi@czechinvest.gov.cz



CzechInvest Seoul Office

17, Gyeonghuigung 1-gil, Jongno-gu,
03176 Seoul, South Korea
+82 (0) 10 2987 5632
seoul@czechinvest.gov.cz



Business and Investment Development Agency CzechInvest

Stepanska 15, 120 00 Prague 2,
Czech Republic
+420 727 850 330
info@czechinvest.gov.cz