



Exhibit

KOREA MARKETING COMMITTEE (KMC) MEETING MINUTES

Tuesday, June 18, 2024 at 3:30 p.m.

GVB Main Conference Room and GoToMeeting

<https://meet.goto.com/GUAMVISITORSBUREAU/kmc-meeting>

**online attendance*

<p>Members Present:</p> <ol style="list-style-type: none"> 1. Baldyga Group - Annie Joo* 2. Crowne Plaza Resort Guam - Alice,* Shwn* 3. Dusit Thani Guam Resort - Gun Park 4. Guam Premier Outlets - Monte Mesa, Estella*, Suzanne Perez*, Nicole Carriaga* 5. Guam Reef Hotel - Yuki Motoda* 6. Hoshino Resorts RISONARE - Eunsan (Albert) Oh* 7. Hotel Nikko Guam - Jenny Cheon* 8. Hyatt Regency Guam - Mio Balajadia* 9. Julian Sablan* 10. Leoplace Guam Resort - Yoshi Otani* 11. Lotte Duty Free - Jaejun Lee 12. Lotte Hotel Guam - Sunny Kim* 13. Micronesia Mall - Anna Tenorio* 14. Pacific Islands Club - Young Min Kim, Sage Han, Leann* 15. Royal Orchid Guam Hotel - Mami* 16. Tommy Hilfiger* 17. The Westin Resort Guam - Jennie* 	<p>Members Absent:</p> <ol style="list-style-type: none"> 1. 7-Day Supermarket 2. Bayview Hotel 3. Fish Eye Marine Park 4. Goodwind Development Corporation 5. GTA 6. Guam Plaza Resort & Spa 7. Hard Rock Cafe 8. Hilton Guam Resort & Spa 9. Hotel Tano 10. International Dining Concepts, LLC 11. Jae Yu 12. Japan Bus Lines 13. Kloppenburg Enterprises 14. Korean Guam Travel Association (KGTA) 15. Lam Lam Tours (T.P. Micronesia, Inc.) 16. Linden Akademia 17. Nissan Rent A Car Guam 18. RIHGA Royal Laguna Guam Resort 19. Sentry Hospitality LLC 20. The Tsubaki Tower 21. United Airlines 22. University of Guam 23. Valley of the Latte
<p>GVB Board/Management/Staff Present:</p> <ol style="list-style-type: none"> 1. GVB Director, KMC Chairman – Ho Eun 2. GVB Vice President – Gerry Perez 3. GVB Senior Marketing Manager, Korea – Margaret Sablan 4. GVB Senior Marketing Manager, Korea – Nicole Benavente 5. GVB Marketing Coordinator – Cierra Sulla 6. GVB Public Information Officer – Lisa Bordallo 7. GVB Web & IT Coordinator Assistant – Brian Cha 8. GVB Korea Office - Jay Park,* GVB Korea team* 	





1. CALL TO ORDER

- KMC Chairman, Director Ho Eun called the meeting to order at 3:31 p.m.

2. REPORT OF COMMITTEE CHAIRMAN

- There was no report from KMC Chairman, Director Ho Eun.

3. REPORT OF MANAGEMENT

- There was no report from management.
- Senior Marketing Manager Ms. Nicole Benavente presented the latest arrival numbers.

MAY 2024 ARRIVALS



May 1-20, 2024

Total: 35,309 (45.6%)

% Market Mix	Origin	2019	2023	2024	% vs 2019
53.5%	Korea	37,809	25,874	18,895	50%
25.7%	Japan	28,142	5,823	9,086	32%
11.7%	US/Hawaii	4,604	3,930	4,142	90%
1.9%	Philippines	1,469	710	677	46%
0.3%	Taiwan	1,463	525	94	6%
0.7%	China	384	105	235	61%
0.1%	Hong Kong	375	19	42	11%

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2024 Daily Arrivals reflect Civilian Air arrivals only

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FISCAL YEAR TO DATE 2024



October 2023 - May 20, 2024

Total: 506,211 (49%)

% Market Mix	Origin	2019	2023	2024	% vs 2019
53.8%	Korea	456,848	264,619	272,266	60%
26.3%	Japan	426,419	47,402	133,131	31%
10.9%	US/Hawaii	60,184	53,623	54,938	91%
1.7%	Philippines	14,228	9,320	8,654	60%
0.4%	Taiwan	16,984	3,036	1,960	11%
0.6%	China	9,071	870	3,004	33%
0.1%	Hong Kong	4,611	435	496	10%

Source: Guam Customs Declaration Forms. Processed by the Guam Visitors Bureau.

Note: May 2024 Daily Arrivals reflect CVR/Sea Air arrivals only.

- Regarding the 60% arrival numbers compared to 2019, Chairman Eun asked what year we had similar arrivals.
- Ms. Benavente said the closest fiscal year was 2015. She shared that in the fiscal year, we had 384,112 visitors from Korea, and in FY2016, there was a noticeable jump to about 519,000. Ms. Benavente said that this fiscal year we're projecting to end around 409,000, which is in the middle. Chairman Eun explained that if he were to calculate the same ratio, we still have about four years to go and catch up.

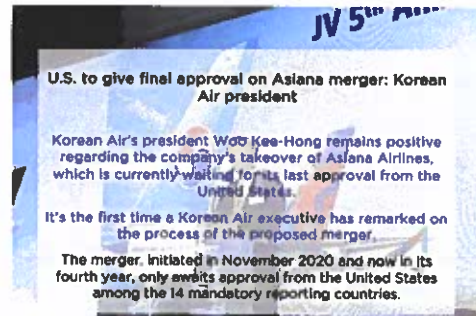
4. MARKET UPDATES

- Ms. Benavente presented Korea market news.

MARKET UPDATES



TRAVEL TRADE UPDATE IN KOREA



MARKET UPDATES



AIRLINE SCHEDULE - JUNE

• Incheon - Guam

**Airline schedule is flexible, subject to change.*

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Korean Air	KE421	DAILY	09:45	15:15	8,160
Jeju Air	7C3102*	DAILY	10:40	16:05	2,268
	7C3106	DAILY	20:20	02:00+1	5,670
Jin Air	LJ913	DAILY	09:40	15:05	5,670
T'way Air	TW303	DAILY	08:45	14:10	5,670
TOTAL					27,438

* 7C3102: Suspended due to aircraft maintenance (June 13 - June 26)

• Busan - Guam

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Jin Air	LJ929	DAILY	21:00	02:00+1	5,670
TOTAL					5,670



TOTAL OUTBOUND SEAT CAPACITY (JUNE):

33,108 SEATS

MARKET UPDATES



AIRLINE SCHEDULE - JULY

• Incheon - Guam

**Airline schedule is flexible, subject to change.*

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Korean Air	KE421	DAILY	09:45	15:15	8,432
Jeju Air	7C3102*	DAILY	10:40	16:05	3,969
	7C3106	DAILY	20:20	02:00+1	5,859
Jin Air	LJ913	DAILY	09:40	15:05	5,859
T'way Air	TW303	DAILY	08:45	14:10	5,859
TOTAL					29,278

* 7C3102: Suspended due to aircraft maintenance (July 1 - July 10)

• Busan - Guam


Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Jin Air	LJ929	DAILY	21:00	02:00+1	5,859
TOTAL					5,859



TOTAL OUTBOUND SEAT CAPACITY (JULY):

35,837 SEATS

MARKET UPDATES



AIRLINE SCHEDULE - AUGUST

• Incheon - Guam **Airline schedule is flexible, subject to change.*

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Korean Air	KE421	DAILY	09:45	15:15	8,432
Jeju Air	7C3102	DAILY	10:40	16:05	5,859
	7C3106	DAILY	20:20	02:00+1	5,859
Jin Air	LJ913	DAILY	09:40	15:05	5,859
T'way Air	TW303	DAILY	08:45	14:10	5,859
TOTAL					31,868

• Busan - Guam

Airlines	Flight No.	Days	DEP Time	ARR Time	Seat Capacity
Jin Air	LJ929	DAILY	21:00	02:00+1	5,859
TOTAL					5,859



**TOTAL OUTBOUND
SEAT CAPACITY
(AUGUST):
37,727 SEATS**

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



Saipan: Specific Issue

- Asiatic Airlines will stop operating its Saipan route starting from June 30 after 32 years of service. The airline will also close its local office in Saipan, halting all aviation activities within the region.
- Its decision is more likely due to increased local airport fees and its merger with Korean Air than to declining passenger demand and poor sales performance.

Airline Operation Status		
ICN - SPN	FREQUENCY	23/W



Hawaii: Specific Issue

- N/A

Airline Operation Status		
ICN - HNL	FREQUENCY	17/W

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



Thailand: Specific Issue

- Thailand has scrapped a plan to implement a 300 baht (US\$820) tourism fee for visitors arriving in the country by air.
- The government abandoned the policy with the rationale that its elimination could encourage higher tourist spending, thereby providing a more substantial boost to the economy.

Airline Operation Status		
ICN	FREQUENCY	154/W
	DESTINATIONS	BKK, HKT, CNX
PUS	FREQUENCY	28/W
	DESTINATIONS	BKK, CNX
TAE	FREQUENCY	7/W
	DESTINATIONS	BKK
CJJ	FREQUENCY	7/W
	DESTINATIONS	BKK
TOTAL FLIGHT OPERATION		196/W

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



Philippines: Specific Issue

- Air Seoul will newly launch its Incheon - Bohol route with 7/w flight schedule starting from July 17.

Airline Operation Status		
ICN	FREQUENCY	190/W
	DESTINATIONS	MNL, CRK, KLO, TAG, CEB
PUS	FREQUENCY	18/W
	DESTINATIONS	MNL, CEB, CRK, TAG
CJJ	FREQUENCY	5/W
	DESTINATIONS	CRK, MNL
TOTAL FLIGHT OPERATION		213/W

- Mr. Monte Mesa, GM of GPO asked if we have an opportunity out of CJJ, which Chairman Eun explained that we do not have yet.
- Mr. Mesa commented that the competitive destination update slide does not indicate which airline is flying out of there. Ms. Benavente clarified that it does not, it is just a summary and does not specify the airlines. She noted that GVB South Korea Country Manager Mr. Jay Park has been in communication with more LCCs that have not flown to Guam before and finding opportunities there, not necessarily from new ports like CJJ, but possibly Busan or Incheon.

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



Vietnam: Specific Issue

- Vietnam served nearly 7.6 million international travelers in the first five months of 2024, up 64.9% year-on-year and 3.9% compared to the same period in 2019 before the COVID-19 pandemic broke out.

Airline Operation Status		
ICN	FREQUENCY	378/W
	DESTINATIONS	DAD, CXR, SGN, HAN, HPH, DLI, PQC
PUS	FREQUENCY	91/W
	DESTINATIONS	DAD, CNX, SGN, HAN, DLI, PQC
TAE	FREQUENCY	11/W
	DESTINATIONS	DAD
MWX	FREQUENCY	3/W
	DESTINATIONS	CXR, DAD
CJJ	FREQUENCY	21/W
	DESTINATIONS	DAD, CXR
TOTAL FLIGHT OPERATION		504/W

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



Japan: Specific Issue

- According to Air Busan, total number of passengers who traveled to and from Japan on Air Busan's Japan route over the four-day holiday period from June 6 to 9 reached 38,000pax.
- This is an increase of 15,000 passengers compared to the same period in 2019 (June 6-9) and 5,000 passengers compared to the same period last year (June 3-6).

Airline Operation Status		
ICN	FREQUENCY	871/W
	DESTINATIONS	NRT, HND, KIX, FUK, NGO, CTS, OKA, KMJ, TAJ, KOJ, OKJ, YGJ, KIJ, ADJ, KMI, KMQ, UBJ, MYJ, FSZ, OIT, KKJ, SDJ, HIJ, HSG, SHI
GMP	FREQUENCY	126/W
	DESTINATIONS	HND, KIX
PUS	FREQUENCY	169/W
	DESTINATIONS	NRT, KIX, FUK, CTS, NGO, MYJ, OKA
TAE	FREQUENCY	28/W
	DESTINATIONS	NRT, KIX, FUK, CTS
MWX	FREQUENCY	0/W
	DESTINATIONS	KKJ
CJU	FREQUENCY	7/W
	DESTINATIONS	KIX
CJ	FREQUENCY	42/W
	DESTINATIONS	KIX, NRT, FUK
TOTAL FLIGHT OPERATION		1,228/W

MARKET UPDATES



COMPETITIVE DESTINATION UPDATE



China: Specific Issue

- China has extended visa-free travel for 11 European countries and Malaysia until the end of 2025, which was initially set to last for one year.
- It aims to encourage more people to visit China for business and tourism and promote exchanges between Chinese citizens and foreign nationals.

Airline Operation Status		
ICN	FREQUENCY	691/W
	DESTINATIONS	PEK, PVG, TSN, CAN, SHE, SZX, DLC, NKG, TAO, MDG, XIY, YNZ, YNJ, CGQ, TFU, CKG, CGO, XMN, HGH, KWL, DYG, YNT, WUX, CSX, HRB, WEH, KMG, YTY, JMU, SJW, SYX, TNA, WUH, HAK, WNZ, TNA, PKX
GMP	FREQUENCY	56/W
	DESTINATIONS	PEK, PXX, SHA
PUS	FREQUENCY	60/W
	DESTINATIONS	PEK, PVG, SHE, TAO, YNJ, DYG, SYX, XIY, TNA
TAE	FREQUENCY	14/W
	DESTINATIONS	DYG, PVG, YNJ
MWX	FREQUENCY	10/W
	DESTINATIONS	DYG, YNJ, LJG
CJJ	FREQUENCY	5/W
	DESTINATIONS	DYG, YNJ
CJU	FREQUENCY	130/W
	DESTINATIONS	PEK, PVG, TSN, CSX, NTG, DLC, NKG, NGB, SHE, HGH, CGO, CGO, HFE, PKX, KHN, XIY
TOTAL FLIGHT OPERATION		996/W

5. OLD BUSINESS

- Senior Marketing Manager Ms. Margaret Sablan presented old business.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: 39TH SEOUL INTERNATIONAL TRAVEL FAIR

- **Period & Time:** May 9 – May 12, 2024 (10:00 – 18:00)
- **Location:** COEX A Hall (1F), Seoul, Korea
- **Host:** Seoul International Travel Fair Organization Committee, The International Tourism Forum
- **Theme:** Color of Guam – ‘Taste of Guam’
- **GVB Booth:** 12 independent booth spaces
- **Booth Participants:** Dusit Thani Guam Resort, Guam Plaza Resort, Hoshino Resort RISONARE Guam, PHR (Pacific Islands Club Guam, The Tsubaki Tower, Hilton Guam Resort and Spa, Hotel Nikko Guam, RIHGA Royal Laguna Guam Resort) Guam Travel and Tourism Association (Valley of the Latta, Tumon Sands Plaza, Guam Premier Outlets, Hertz Car Rental Guam)
- **No. of Visitors (4-day):** In total 42,152 pax (5/9: 13,114pax, 5/10: 11,081pax, 5/11: 10,943pax, 5/12: 7,014pax)
- **Summary:**
 - GVB won the best performance prize at the 2024 SITF with Chamorro performance group showcased at Guam booth and main stage
 - Offered Guam coffee & Chamorro snacks to visitors for free under the theme of ‘Color of Guam – Taste of Guam’
 - Held a survey event offering Guam airline tickets through a raffle, and an SNS follow event providing Guam giveaways such as notepads, pens, eco-bags



< Sketch Video >



- Ms. Sablan thanked the KMC members who participated and gave their support at the 39th Seoul International Travel Fair.
- Mr. Mesa inquired about the results of the survey that was taken during the fair. Ms. Sablan assured him that they would follow up with the Korea team and get back with the results.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: 'COLOR OF GUAM' POP-UP EVENT

- **Period:** May 10 – May 19, 2024 (11:00 – 20:00)
- **Location:** Gallery 'The Bomi', Seongsu-dong, Seoul, Korea
- **Target:** FITs/couples/MZ generation/General consumers, Media/influencers
- **Theme:** 'Color of Guam' - Connected journey to Guam (Ancient Chamorro --> Guam at night --> Bright ocean/beach Guam)
- **Number of Visitors:** Nearly 8,500pax in 10-day
- **Summary & Comments:**
 - Showcased diverse features of Guam in a more immersive and experiential way targeting MZ generations
 - Conducted SNS follow & posting event and Guam quiz event - provided giveaways incl. Guam round trip tickets for 2pax, beach bag/towel, shoes bag, cookies, etc.
 - Invited media and influencers on the first day to generate buzz on social media platforms, extending the impact of the offline event
 - Raised brand awareness by operating the offline event in high-traffic area, drawing attention from general consumers



- Ms. Sablan noted that the Color of Guam Pop-Up Event was the first pop-up event for the Korea Market. She shared that the pop-up had different rooms showcasing ancient Chamorro times, Guam at night time, and the bright ocean beach scenery. Ms. Sablan mentioned that it featured the recent launch of the images and artwork from Duty-Free Guam. She also highlighted the interactive wall which provided a great interactive experience for those who attended. Ms. Sablan added that they were able to utilize the performers they brought to SITF for the first launch day of the pop-up event. She shared that they also invited media and our previous influencers who we've worked with over the years to enjoy the event and post on social media.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: FILA KOREA 'WHITE OPEN SEOUL' OFFLINE TENNIS EVENT

- **Period:** May 11 - May 12, 2024 (10:00 - 19:30)
- **Location:** Olympic Park Peace Square, Songpa-gu, Seoul, Korea
- **Target:** Sports Market/Tennis Players/FITs/General consumers
- **No. of Visitors:** Total of 7,000pax (1st day: 3,000pax & 2nd day: 4,000pax) *5 hours early closure due to rain on the 1st day
- **Summary & Comments:**
 - Enhanced brand visibility by associating with a sporting event hosted by a popular consumer brand
 - Generated media coverage through press releases and social media engagement, leveraging the event as a platform to communicate key messages and initiatives
 - Networked with other sponsors, participants, and stakeholders in the tourism and sports industries
 - Conducted SNS follow & roulette event and distributed sports giveaways including tennis ball, sports towel and tennis racket handgrip tape

FILA



< Sketch Video >

Sketch Photos



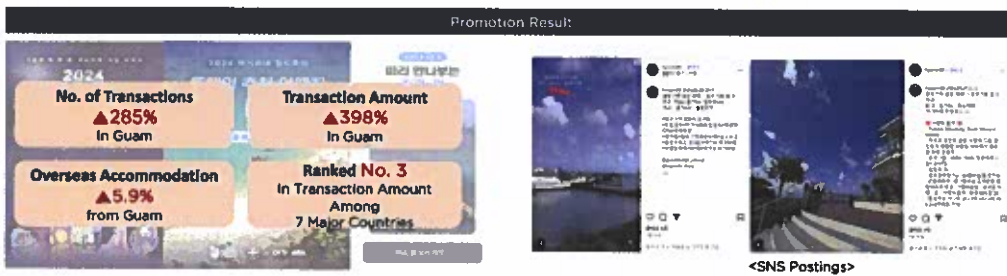
- Ms. Sablan said despite closing the event earlier on the first day due to the unaccommodating weather, there was still a very good turnout at the FILA Korea 'White Open Seoul' Offline Tennis event. She told the committee that they are working on building our sports tourism market, targeting different events from tennis to bringing sports influencers with scuba diving, cycling, and racing, so this event is another attempt to grow that market.
- Ms. Benavente shared with the committee that the SITF and offline event video clips can be found on their Korean YouTube channel, @HafaAdaiGU.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: OTA CO-OP - GOOD CHOICE

- **Period:** May 7 - June 3, 2024
- **Platform:** Good Choice
- **Target:** FITs, general consumers, potential travelers, OTA consumers
- **No. of Sales:** 1,979 pax (Hotel - 1,601 pax, Flight - 350 pax, Airtel - 28 pax)
- **Objective:** - To enhance visitor acquisition and performance, increase Guam's visibility via influential advertising platforms, and boost user engagement on the e-commerce platform by introducing customizable travel planning features for a seamless and affordable booking experience on OTA channels.
- **Scheme:**
 - Provided competitive benefits including instant airfare discounts up to KRW 50,000, discount coupon packs for Guam hotels based on total spending, additional discount coupon packs for overseas accommodations, leisure and activity discounts, and exclusive special offers.
 - Promoted the event through a dedicated promotion page, Guam-related content, and media exposure.



- Ms. Sablan noted that this is the first time they have worked with Good Choice and expressed that they had a good experience and showing regarding the OTA platform, so hopefully they can continue to do more activities such as this moving forward.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: SHINHAN X VISA CO-OP PROJECT - GUAM SHOPPING REWARD PROMOTION

- **Period:** May 2 - May 31, 2024
- **Target:** FITs, general consumers, potential travelers, OTA consumers
- **Scheme:**
 - Click 'Participate' button on Shinhan SOL app's Guam Exclusive promotion page
 - Special rewards to Shinhan customers depending on the expenditure (Shinsegae Department Store voucher)
- **Summary:**
 - GVB KMC Chairman & Shinhan Card CEO had a meeting for partnership
 - Provided benefits to consumers who purchase Guam products via Visa Shinhan Card
 - Diversified target market by utilizing wide customer database of Visa Korea and Shinhan Card
 - Maximized Guam exposure by implementing joint promotion with driving partners
 - Engaged with public by conducting consumer events as well as to provide consumers an opportunity to travel Guam



< Partnership Meeting >



< Guam Exclusive Promotion Page >

Exposed Channel	Result
PC/App Event Hub Page	132,580 page views
Press Release	60 Media
App Push	1.5M Exposure & 30K Click
LMS	4.1K Exposure
App - Main pop-up banner	22,719 page views
App - Event main banner	22,179 page views
Visa Korea SNS Exposure (Instagram)	39,550 Impression & 426 Click
Visa Korea SNS Exposure (Facebook)	415,536 Impression & 1,752 Click
Total Event Participants	531pax

< Result >

- Ms. Sablan expressed hopes for more promotions and collaborations with Visa and Shinhan in the near future.

OLD BUSINESS



FY2024 ACCOMPLISHED PROJECT: Q3 ONLINE PROMOTION

- **Period:** May 9 - May 30, 2024
- **Platform:** GVB Korea online promotion microsite
- **No. of Participants:** 15,692 pax (as of May 30)
- **Objective:**
 - To promote family travel to Guam during May, and increase GVB Korea's social channel followers
 - To highlight key tourism attractions for the upcoming summer holiday season and provide up-to-date Guam travel information
- **Scheme:**
 - Online promotion page with family travel as main theme including 2 consumer events (Guam family travel flight ticket event & Color of Guam Offline event), Good Choice Guam promotion, Hafa Adai support program & GoGo Guam campaign and travel UGCs



6. NEW BUSINESS

- Ms. Sablan presented New Business.

NEW BUSINESS



FY2024 ONGOING/UPCOMING PROJECT: GOGO! GUAM PAY PROMOTION

- **Period:** May 2 - July 31, 2024 *or until budget is exhausted
- **Target:** FITs, general consumers, potential travelers, OTA consumers
- **Schema:**
 - Click 'Participate' button on Shinhan SOL app's Guam promotion page
 - Up to \$30 cash back to consumers who spend more than \$100 at 50 Guam local vendors
- **Objective:**
 - To foster stronger collaborations with local businesses in Guam's tourism sector
 - To support travelers with financial benefits and generate high satisfaction level and travel experiences
 - To develop Korean-specific Go Go! Guam Pay promotion in cooperation with credit card companies



< Promotion Page >



< Vendor Listing: 50 Local Partners >



< Promotion POP Design & Installation Example >

- Ms. Sablan explained that the Korea team's GOGO! Guam Pay Promotion is slightly different from Japan's scheme where they have their app, but this utilizes the Shinhan Visa Card where its card users can receive up to \$30 cash back through Shinhan Bank if they make purchases over \$100. She said there are over 50 local Guam vendors and should have been contacted by a local supplier and promoter to help with the signages. Ms. Sablan hopes the promotion continues to do well for the remaining time until July 31st, or until the budget has been exhausted.

NEW BUSINESS

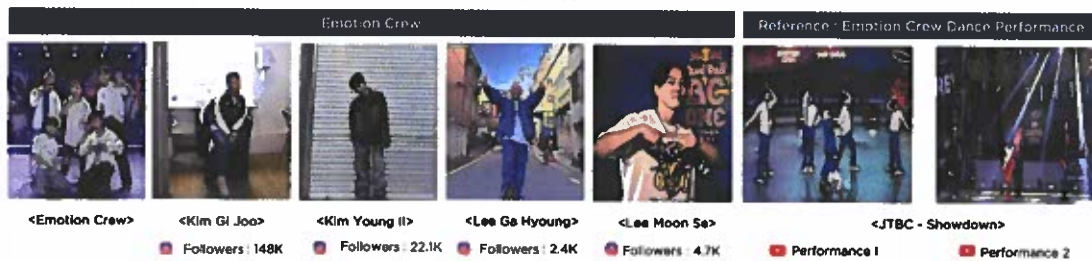


FY2024 ONGOING/UPCOMING PROJECT: GUAM LIBERATION BLOCK PARTY

- Travel Period: July 18 - July 22, 2024
- Liberation Block Party: July 20 - July 21, 2024
- Participants: 6 pax (Emotion Crew 4 pax, Videographer 1 pax, GVB Korea 1 pax)



- Objective:
 - To promote and leverage entertainment aspects of liberation block party in collaboration with Korean B-boy group 'Emotion Crew'
 - To attract wider audience for the event and highlight Guam with global attractions to enjoy
- Scheme:
 - 'Emotion Crew' to perform breakdancing dance performance throughout liberation block party as representatives of the Korean market
 - Create Guam promotional video with breakdancing in diverse Guam travel spots



- Ms. Sablan shared that GVB has been tasked with providing the entertainment for the block party. She said that from the different markets, they plan to bring entertainment from Korea, specifically targeting a b-boy dance group. Ms. Sablan announced that "Emotion Crew" is who they are tentatively working on bringing, but it is still to be determined. She explained that they are currently in negotiations and trying to get everything squared away, but that should be their offering for the block party entertainment on the 20th and 21st of July. Chairman Eun asked about the location of the block party and Ms. Sablan said it would be at Chamorro Village. She also mentioned that the committee of the liberation event recently had a meeting so we should expect them to release more information and details of the festivities in the coming weeks for the big 80th celebration.

NEW BUSINESS



FY2024 ONGOING/UPCOMING PROJECT: GUAM TRAVEL GUIDEBOOK RENEWAL

- **Period:** May - July, 2024
- **Target:** FITs, general consumers, potential travelers, OTA consumers
- **Revision:** Update hotel, shopping/market, activities, golf courses, 2024 GVB Membership updates, front/back page advertisement
- **Objective:**
 - To produce guidebook that highlights attractions, activities, accommodations, etc., providing a comprehensive overview of Guam's offerings
 - To offer useful information that can enhance the travel experience of consumers
 - To keep the content fresh and appealing by updating information & seasonal variations
 - To distribute handy guidebook brochure to general consumers with intensive Guam information



< GVB Korea Guidebook (July 2023) >



< Condensed Guidebook (Reference) >

- Ms. Sablan reiterated that we had put together a Guam travel guidebook and we are now at the renewal stages. She shared that we have both online and hard copies but have completely exhausted our supply of guidebooks. Thus, we are currently working to update the guidebook with new information and material, and they will be reaching out to any of the other businesses that were not featured here but who have recently developed, such as DONKI and other businesses that were not able to be part of this at the time that it went to print.

NEW BUSINESS



FY2024 ONGOING/UPCOMING PROJECT: AIRLINE CO-OP PROMOTION

- **Channel:** Airline official channel, affiliated and paid channels
- **Objective:**
 - To strengthen partnerships with travel trade entities to increase Guam's visibility through diverse market channels
 - To collaborate with airlines to boost sales during peak travel periods
 - To provide special benefits to direct consumers

KOREAN AIR

- Airline: Korean Air
- Period: May 16 - June 26, 2024
- Channel: 15 TA partner channels
- Scheme: An incentive to ticket sale KRW 15,000 per pax, minimum sale 30 pax



JEJUair

- Airline: Jeju Air
- Period: June 4 - June 17, 2024
- Channel: Jeju Air channel
- Scheme: Offer discount coupon, special airfare, and additional discount if payment in Kakao Pay, and discount and benefits on hotel bookings



- Ms. Sablan noted that we continue to carry out our airline co-op promotion every quarter.



- Ms. Sablan presented the FY2024 Budget Summary.

NEW BUSINESS

FY2024 BUDGET SUMMARY

Account Title	Budget	Paid	Committed	Remaining \$	Remaining %
South Korea Country Manager	\$ 90,000.00	\$ 60,000.00	\$ 30,000.00	\$ -	0.00%
Marketing Representative Fees	\$ 396,000.00	\$ 231,000.00	\$ 165,000.00	\$ -	0.00%
Travel Trade Co-Ops	\$ 1,584,000.00	\$ 821,299.36	\$ 377,500.00	\$ 385,200.64	24.32%
Social Media and Digital Media Buys	\$ 720,000.00	\$ 381,110.95	\$ 102,383.55	\$ 236,505.50	32.85%
Public Relations, Advertising, and Media Tie-ins	\$ 820,000.00	\$ 195,500.00	\$ 54,500.00	\$ 570,000.00	69.51%
Familiarization Tours	\$ 160,000.00	\$ 87,073.69	\$ -	\$ 72,926.31	45.58%
Sales Market Development	\$ 1,230,000.00	\$ 228,867.29	\$ 605,994.75	\$ 395,137.96	32.13%
BUDGET GRAND TOTAL	\$5,000,000.00	\$2,004,851.29	\$1,335,378.30	\$ 1,659,770.41	33.20%

- To give a recap of the FY2024 budget summary, Ms. Sablan shared that our budget for this fiscal year is \$5 million. She stated that a little over \$2 million has been paid out, a little over \$1.3 million has been committed, and we have a remainder of about \$1.6 million. She assured the committee that there are still many invoices and bills to be paid out and there are also many big projects coming up, so they will be utilizing the remaining budget for the rest of the fiscal year.
- PIC Director of Korean Sales Mr. Young Min Kim asked Mr. Park if we have any plans to have a charter flight for the Korean Chuseok period. He commented that Saipan will have a charter flight during the summer period for a month, but Guam has not had a charter flight for Chuseok. Mr. Park explained they are communicating with LCCs. To respond to Mr. Kim's comment about the Saipan charter flight, Mr. Park clarified that Saipan approached Korean Air for charter flights, but they were denied and are now dealing with Jeju Air. On our end, he said that we are communicating with Korea Air for the charter flight and he will give an update on what they fixed.
- Ms. Sablan opened the floor to members for any questions or comments.
- Mr. Mesa commended the team for a job well done at the Seoul International Travel Fair. However, he shared that from a local perspective, we're looking to promote the foods of Guam, and his impression of the theme overall was the taste of Guam, so he was expecting we had a little taste of real Chamorro food that stands out and is popular. Mr. Mesa suggested we bring it in from Guam or have it made in Korea. Ms. Benavente confirmed that was their initial idea, however, they quickly realized that bringing certain foods from Guam to Korea was not possible, so the ingredients would





have to be bought in Korea. She explained that they were potentially going to work with Chef Peter to prepare food that is easily consumable, but unfortunately, his schedule did not allow it at that time. Ms. Benavente expressed they have not let go of that concept at all. She shared that they are continuing the taste of Guam theme and tentatively planning a FAM tour with food bloggers and such to come here. Ms. Benavente also mentioned that at our next offline event in Korea, they will still carry on that theme. She stated they understood that local flavor and wanted to recreate it in Korea, but did the best they could with very easily consumable items like coffee and treats.

- Mr. Mesa expressed to the chairman that it was a great idea to do the pop-up event to attract the younger market. He commented on the coffee that was being served and asked if it was being sold and promoted in the stores in Guam. Ms. Sablan confirmed that all of the products offered at SITF or the pop-up are local products found in Guam, such as the ABC stores or Pay-less. Mr. Mesa also wondered if the products were being sold during the 10 days, which Ms. Sablan confirmed that they were not for sale and were only for sampling. She explained that it was for a non-commercial, so they would not be able to sell products in-country. Mr. Mesa asked if it was the second time for the Korea market to do the pop-up, to which Chairman confirmed that it was their first time.
- Mr. Mesa made comments on the promotion with Visa and Shinhan. He asked about the volume of visa cardholders traveling before and after the promotion, and how much was generated by its cardholders. Mr. Park said the number of participants was more than 530 pax, but that number only encompasses sales and transactions. He explained that they were targeting having maximized marketing communications to expose Guam content through Shinhan's marketing channels. He noted they had bigger output and benefits on the marketing side. Mr. Park assured that in this promotion as well as upcoming promotions and consumer events, we are going to work very closely with them and maximize the numbers too. Mr. Mesa said it is great exposure and he encourages this program. He hopes the credit card company sees the value of it and that they are spending on the businesses that accept this product. Ms. Sablan shared that this is just one example and there are a lot of programs through Visa and Shinhan that have been completed. She mentioned the hotels' "buy two get one offer" for the rooms which is also through Visa and Shinhan. Ms. Sablan also mentioned their partnership with Lotte and there are incentives when purchasing using their card. She said that since many things are going on concurrently through Visa and Shinhan, thus it is harder to capture usage. Mr. Park added that their common goal with this promotion was to maximize the spending in Guam instead of increasing the number of visitors through Shinhan transactions. He said for the next promotion with Shinhan, they will work with trade partners to maximize the number of visitors to Guam.
- Mr. Mesa expressed that the entertainment group coming in for the block party will capture additional exposure and hopefully their fans will follow them. He still hopes to work with bigger artists in the future such as BTS.
- Mr. Kim stressed that the hotels, optional tours, and other businesses want to see increased arrivals from the airline seats. He said that although they have been talking about airline



incentives and discussing how to create more airlines for one destination, he thinks that the flights are still reduced more than they expected. Mr. Kim expressed that they understand that the airlines decided to decrease due to several reasons, however, the airline schedule is already set up for October and there's not much they can do. He said moving forward winter season is coming up, so he'd like to hear if there are any plans or discussions of increasing more existing airlines. He shared his worries that if we do not start preparing soon, we will also struggle with the number of arrivals during the winter season. Mr. Park asked the GVB Korea team to comment on that. Lotte Duty Free CEO Mr. Jaejun Lee added that he also asked the same question to GIAA, to which they responded by saying they needed to approach GVB about it. Mr. Lee said hearing from the airline, they say it is because of the high cost for the landing fee which is calculated and made by GIAA. He added that GIAA does not have the budget to lower landing fees. Vice President Mr. Gerry Perez wanted clarification, asking if the complaint Mr. Lee is hearing concerns the high landing fees of the airport, to which Mr. Kim and Mr. Lee agreed. Mr. Lee implied that the landing fees are higher than other destinations such as Japan and Vietnam. Mr. Perez said he understands Vietnam, but not Japan. Mr. Lee said Japan is more demanding. Mr. Kim added that Japan has a strong load factor, being able to fly a maximum of four times daily, so they are making better profit. Mr. Kim suggested that if we can make that profit, we need to think of other ways to support and interest them to fly to Guam. Mr. Perez and Mr. Park said they would look into it and work on it. Mr. Park shared that they continue to implement the airline incentive program and collaborations, however, there are some external factors impacting the whole market. He said that information is reflected in the appendix.

- Mr. Mesa added to the comments regarding the merger between Korean Air and Asiana Airlines. He asked where the merger may be coming from or where they may be relocated. Mr. Mesa shared his hopes of getting Asiana Airlines to fly to Guam from Busan or CJJ to develop new flights out of certain international airports out of Korea, besides Busan and Incheon. Mr. Kim felt that adding a new airport would be very difficult and that we needed to work on the existing airport instead. Mr. Kim said that since we have new challenges, we need to do something different and aggressive to bring airlines to Guam. He expressed that is something that GVB and the committee need to discuss and plan together, and in doing so they may be able to see the results from the winter period. Mr. Mesa added that with the increase of the budget for FY2024, the remaining budget that has not yet been allocated and committed to something should be looked at to support the airline program because the key is to get more flights. Mr. Kim went on to say that one of the advantages that we were able to do before when there were plenty of airlines was to provide discounts to customers to increase the load factor over each flight. He emphasized the importance of bringing more new airlines or having existing airlines increase their seats or routes. Chairman Eun shared that in his last discussion with GIAA, they mentioned that they did not raise the access or parking fee, but it was a discount that they removed. He said at that time, they were willing to reconsider with Korean Air, but he is unsure of the outcome of that and hopes that GVB can have a reconvened meeting with GIAA. Mr.



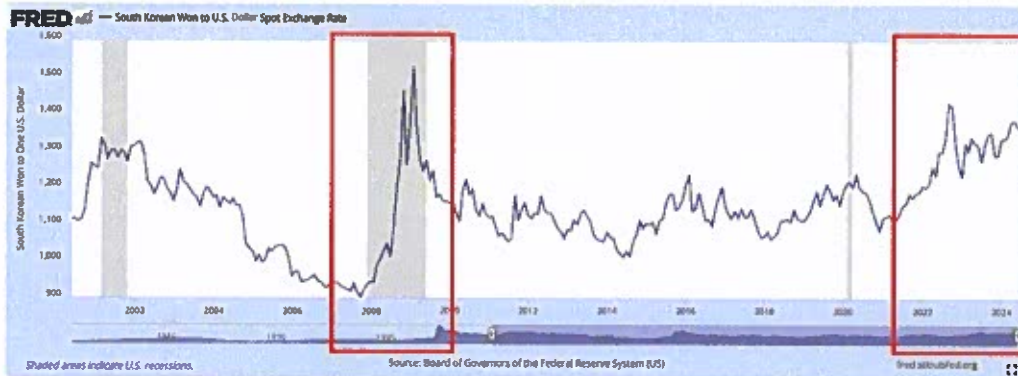
Mesa asked if we still have the airline committee, to which Mr. Perez said it has not been functional since COVID. He shared that he thinks there is an opportunity for GIAA to get some grants or part of the AR money that could be a relief for them so that we could help channel more flights out of Korea. He agreed that the greatest opportunity to increase is looking at the cost of landing fees that were not competitive with the new destinations that have emerged. Chairman Eun said before they started this meeting, they briefly talked about the airline co-op and subsidy and will study more on this. Ms. Benavente added to what Mr. Kim discussed, saying they can restart those conversations with GIAA, but in the meantime what we do have control over is our airline incentive program and as Jay mentioned, tuning our strategy so that it could be effective, even if the results are seen by the time of the winter period. She acknowledged that they take into account the external factors and reassured the committee that they will work with the team to discuss more innovative and aggressive strategies in the meantime, as well as our co-op, which is our program that we adjust on a quarterly basis. Chairman Eun told the GVB Korea team and GVB Korea office to collaborate to maximize our opportunity in the winter season.

- Mr. Kim requested to include the total number of seats for 2019 and 2023 on the report to see the comparison of how they are decreasing or increasing. Additionally, he said in the beginning of the year we did a forecast of the calendar year for airline seats and arrivals, so he requested the same for the middle of the year. Ms. Benavente said she would share the Korea arrivals projections with the committee. She explained that we are looking to end this fiscal year with around 409,000 Korean visitors, which is up about 50,000 compared to last year's fiscal year. Ms. Benavente also shared that the calendar year is projected to end with about 419,835 Korean visitors.

APPENDIX: EXTERNAL ENVIRONMENT CHALLENGES



1. Exchange Currency Rate

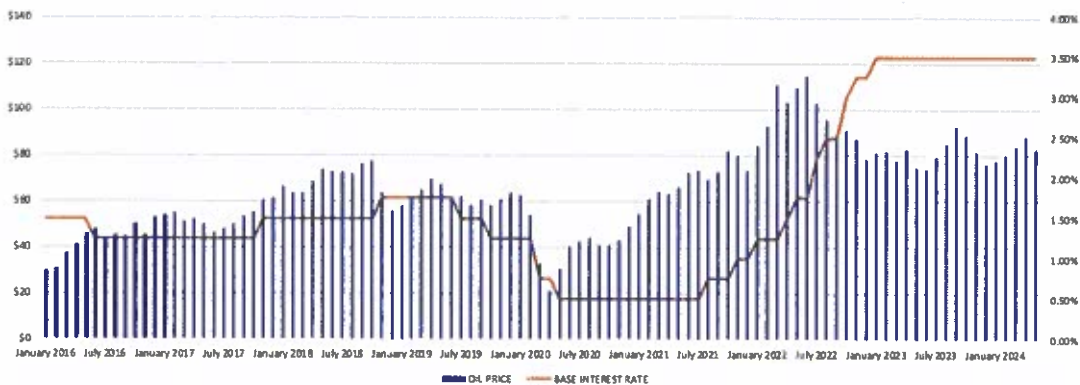


Exceeding the 1375 won mark, the won-dollar exchange rate has not reached such heights since the currency crisis of 1997-1998, the global economic crisis of 2008-2009, and the rapid increase in U.S. benchmark interest rates in 2022. The primary reason behind the won's weakness is attributed to the strengthening of the dollar due to prolonged high-interest rates in the U.S.

APPENDIX: EXTERNAL ENVIRONMENT CHALLENGES



2. Oil Price & Interest Rate



The Bank of Korea tied its benchmark interest rate at the current level (3.5 percent) for 11 consecutive times on the 23rd, as monetary authorities in each country agonized over interest rate policies between price stability and economic recovery. Among 34 developed and emerging markets, Korea had the highest ratio of household debt to GDP last year, at 100.1%. South Korea is the only country in the list to have its GDP exceeded by its household debt.

APPENDIX: BUSAN OUTBOUND TRAVEL TREND CHANGES



1. Total Outbound from Busan Airport & Guam Arrival Comparison

2023 MAY YTD vs 2024 MAY YTD

Destination	NO. FLIGHTS			NO. PASSENGERS		
	2023	2024	Increase	2023	2024	Increase
Total Busan Outbound	6,510	10,174	3,665	1,106,650	1,748,716	642,066
Busan to Guam	228	190	-38	32,079	28,291	-3,788

Reference: Airportal <https://www.airportal.co.kr/knowledge/statsnew/main.jsp>

APPENDIX: BUSAN OUTBOUND TRAVEL TREND CHANGES



2. Top 10 Outbound Destinations from Busan Airport

2023 MAY YTD vs 2024 MAY YTD

Top 10 Destinations from PUS	NO. FLIGHTS			NO. PASSENGERS		
	2023	2024	Increase	2023	2024	Increase
Fukuoka	1,073	1,274	201	196,484	234,730	38,247
Osaka	896	1,166	271	167,607	216,896	49,290
Taipei	541	1,059	518	79,226	169,223	89,997
Tokyo	651	850	199	102,212	142,508	40,296
Da Nang	586	608	23	99,166	108,301	9,135
Nha Trang (Vietnam)	265	486	221	50,455	91,146	40,691
Bangkok	350	493	143	60,535	90,107	29,572
Ho Chi Minh	301	303	2	57,752	62,024	4,273
Hanoi	301	304	3	57,818	61,053	3,235
Cebu	300	304	5	50,213	52,298	2,085

Short-haul destinations and cost-effective travel destinations were major destinations and showed positive growth

Reference: Airportal <https://www.airportal.co.kr/knowledge/statsnew/main.jsp>

APPENDIX: BUSAN OUTBOUND TRAVEL TREND CHANGES



3. New Destinations from Busan Airport in 2024

2023 MAY YTD vs 2024 MAY YTD

New Destinations from PUS in 2024	NO. FLIGHTS			NO. PASSENGERS		
	2023	2024	Increase	2023	2024	Increase
Bohol	0	170	170	0	29,573	29,573
Phu Quoc	0	152	152	0	27,042	27,042
Vientiane	0	152	152	0	26,064	26,064
Nagoya	0	152	152	0	20,212	20,212
Da Lat	0	90	90	0	13,232	13,232
Macao	0	65	65	0	12,091	12,091
Matsuyama	0	64	64	0	10,993	10,993
Okinawa	0	62	62	0	9,500	9,500
Hainan	0	61	61	0	9,469	9,469
Shijiazhuang	0	17	17	0	2,191	2,191

Short-haul destinations
and cost-effective travel
destinations were newly
launched

Reference: Airportal <https://www.airportal.co.kr/knowledge/statsnew/main.jsp>

7. ANNOUNCEMENTS

- The next KMC meeting will be Tuesday, July 16, 2024 (subject to change).

8. ADJOURNMENT

- Chairman Eun adjourned the meeting at 4:17 p.m.

Minutes Prepared By:



Cierra Sulla, Marketing Coordinator – Korea

Minutes Reviewed By:



Nicole Benavente/Margaret Sablan, Senior Marketing Manager – Korea



Minutes Approved By:



Nadine Leon Guerrero, Director of Global Marketing