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MSS will collaborate with all the foundries in South Korea to support the fabless manufacturing industry

- MSS hosted the 6th meeting of the Fabless-Foundry Council for Mutual Growth.
- The Council discussed ways to promote mutual growth and cooperation in the system semiconductor industry, including the "Fabless Challenge".
- On the same day of the meeting, MSS announced the "2024 Fabless Challenge Program" for all foundries in South Korea.

Sejong, April 26, 2024 – On Tuesday, April 23, the Ministry of SMEs and Startups (MSS) held the 6th meeting of the Fabless-Foundry Council for Mutual Growth (the Council) at Pangyo Startup Zone. The meeting was chaired by the Director General for Startup Policy and attended by representatives from the Korea Fabless Industry Association (KFIA), four Korean foundries (including Samsung Electronics Foundry), and a professor from SNU System-IC Industry Promotion Center.

The Fabless-Foundry Council is a communication channel for the fabless industry, foundries, and MSS officials to secure the competitiveness of South Korea's fabless industry and system semiconductor sector. It was established in 2022 to address the difficulties facing small and medium-sized fabless companies, specify cooperation plans, and share the results of mutual growth and cooperation.

During the council meeting, Professor Choi Gi-Chang, from the SNU System-IC Industry Promotion Center, presented the latest trends and major issues in the system semiconductor industry. The meeting also discussed the detailed implementation plan of the 2024 Fabless Challenge and the policy directions proposed by the KFIA to foster fabless startups.

On the same day of the meeting, MSS announced the "2024 Fabless Challenge." This challenge is a program that collaborates with Korean foundries to select promising fabless startups and provides them with support for MPW (Multi-Project Wafer) costs and

opportunities to produce new products. The Fabless Challenge has been held every year since 2022, and to date, ten companies have been selected and supported.

*MPW (Multi-Project Wafer) is a product development process that involves placing multiple chip designs of various projects on a single wafer. It is used for prototyping or research.

Previously, only Samsung Electronics Foundry participated in the challenge. However, in 2024, DB HiTek and SK keyfoundry accepted KFIA's request for all Korean foundries to participate in the challenge at the last Council meeting. As a result, the challenge was expanded to include all Korean foundries for the first time since its founding.

Promising fabless startups that have been established within the last ten years and are interested in using the MPW process provided by three Korean foundries are invited to apply as per the announcement. A total of five startups will be chosen based on document evaluations and presentations. The selected companies will have priority access to the foundries' MPW production process and will receive financial support ranging from KRW 100 million to a maximum of KRW 200 million per company to cover their expenses.

CHO Gyeong-won, Director General for Startup Policy, stated, "There is a competition for dominance in the semiconductor industry between the United States and China. Additionally, the industry is facing challenges due to "three highs" - high inflation, high interest rates, and high exchange rates. However, the semiconductor industry has shown signs of recovery since the end of last year. This includes an increase in exports of semiconductors and related products." He added, "MSS is committed to supporting small and medium-sized fabless companies in their growth journey, especially in the current challenging business environment. Additionally, MSS will focus on promoting the global competitiveness of fabless companies by undertaking super gap projects and collaborating with large global companies."

For more information on the "2024 Fabless Challenge" announcement, please visit the K-Startup portal (www.k-startup.go.kr) and the MSS website (www.mss.go.kr).