Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Korea SMEs and Startups Agency

KOSME

KOSME

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

"KOSME"
Comprehensive support agency specializing in SMEs in Korea

The Korea SMEs and Startups Agency has been supporting total solutions (Policy Fund, Export and Marketing, Technology Consulting, HRD) to Korean SMEs for the past 43 years as a successful partner in balanced national development through strengthening the competitiveness and sustainable growth of Korean SMEs

CONTENTS

OVERVIEW

President's message 04

MAIN BUSINESSES

KOSME Mission and Vision 08
KOSME Main Businesses 09

01. Policy Fund 12
02. Globalization and Export (Marketing) 16
03. Human Resource Development and Startup 24
04. Innovative Local Businesses 29
05. SMEs' Conversion to New Businesses 30
06. Support for SMEs' Contributing to a Global Paradigm Shift 31

APPENDIX

History 34
Organization 36
KOSME Regional and District Offices (33 in Korea) 37
Criteria of SMEs in Korea 38

Major performance of KOSME

Assets	26 trillion won (As of 2021)
Budget of 2022	9.6 trillion won (As of 2022)
Size of SME finacial support	15.8 trillion won (accumulate)
Corporate Diagnosis for SMEs	45,217 companies (accumulate)
Trained employees of SMEs by KOSME	1.43 million people (accumulate)

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

President's message

KOSME will be at the front line of Korean economy and put its utmost efforts as a reliable partner of SMEs and startups that is always trusted and loved by customers and the public.

The Korea SMEs and Startups Agency has been growing together with SMEs and startups for the past 43 years. When the Korean economy was suffering from the Korean financial crisis in 1997 and the global financial crisis in 2008, KOSME has contributed to laying a foundation for national economic growth by preemptively helping SMEs overcome these challenges.

Recently, the international economic environment has not been favorable, due to trade conflicts between the U.S. and China, Japan's export restrictions, and COVID-19. Therefore, Korean SMEs, the driving force of the national economy, are at a critical juncture for their survival.

In this regard, as a strong partner for SMEs and startups, KOSME aggressively explores policies tailored to future industrial structures in the post COVID-19 era, and focuses on supporting new industries to create jobs. We will play a leading role for them to address challenges actively and achieve innovative growth.

KOSME will be at the front line of Korean economy and put its utmost efforts as a reliable partner of SMEs and startups that is always trusted and loved by customers and the public. Thank you

President, Hakdo Kim
Korea SMEs and Startups Agency (KOSME)

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

OVERVIEW

KOSME Mission and Vision 08
KOSME Main Businesses 09

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

KOSME Mission and Vision

Mission

Making SMEs and Startups lead the national economy by providing a stronger competitive edge and an economic basis for their growth

Vision

A Successful Partnership for an SME and startup-centered economy

Core Value

Innovation	Public interests	Field-friendliness	Trust

Goal

Raising competitiveness through innovative growth	Realizing social values by enhancing public interests	Enhancing customers' satisfaction with field-centered service	Securing public trust with reliable management

KOSME Main Businesses

KOSME Implementation Tasks

Laying a foundation for sustainable growth by reducing economic polarization and making SMEs and startups leaders in transition of economic structure

Policy Fund	Supporting SMEs' expansion and export (marketing) to global markets	Developing human resources and startups	Innovation in local businesses
Providing support targeting promising businesses in innovative growth sectors	Consistent support for stronger exports of SMEs	Creating jobs and matching them with job seekers / Building a basis for workforce supply	Tailored support to growing key local businesses
A safety net role to overcome liquidity crises in post covid era	Assistance to facilitate online export of SMEs	Building competencies of incumbent workers and a basis for their long-term employment	Suppotring startups and their relocation to local areas for building an ecosystem for local innovation
Supporting job creation by SMEs	Supporting international cooperation and global market expansion of SMEs	Developing startups with innovative technologies and offering one-stop package support for all phases in starting a business	Supporting hubs for new local industries' growth to secure a growth engine for local communities

Supporting SMEs' conversion to new businesses	Responding to transition in global paradigm in the SME sector
Building a comprehensive support system to respond to transition in industrial structures	Support for the creation of a carbon-neutral industry ecosystem for SMEs
Support for rechallenge	Support for expansion of ESG management among SMEs

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

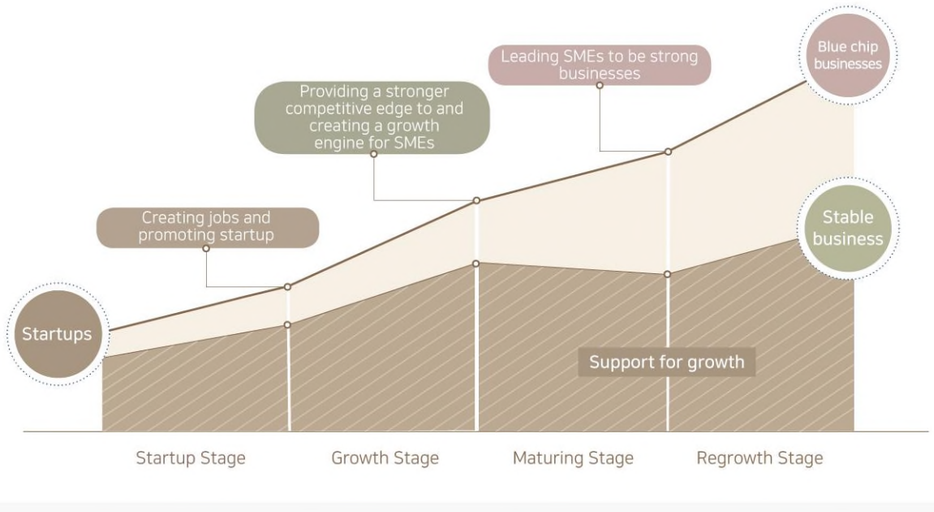
MAIN BUSINESSES

01. Policy Fund 12
02. Globalization and Export (Marketing) 18
03. Human Resource Development and Startup 24
04. Innovative Local Businesses 29
05. SMEs' Conversion to New Businesses 30
06. Support for SMEs' Contributing to a Global Paradigm Shift 31

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

1. Policy Fund



Fund for Innovative Startup

Encourage SMEs and startups that have excellent technology and business feasibility but lack funds to start their own businesses and create jobs.

- **Detailed Item:** Fund of Supporting the Infrastructure for Startup, Promoting Job Creation Fund, Technology Commercialization Fund

Fund for New Market Entry

Foster technology-based exporting SMEs by helping equip production facilities to promote the globalization of technologies and products owned by SMEs creating export infrastructure

- **Detailed Item:** Entering Foreign Markets Fund, Expanding into Global Market Fund

Investment and Loan Hybrid Financial Assistance

Provide hybrid financing combined with the advantages of investment and loan for SMEs and startups with excellent technology and future growth value, and drives the inducement to private investment.

- **Performance Sharing Loan:** Supporting the acceptance of corporate bonds (CB.BW) and Redeemable Convertible Preference Shares (RCPS) issued by SMEs and startups that has excellent future growth value
- **Scale-up Finance:** Support for acceptance of subordinated securities of asset-backed securities issued as assets by SMEs that have excellent technology and growth potential

Fund for Infrastructure for New Growth

Create new growth engines by supporting SMEs and startups that have excellent business performance and technology to improve productivity and strengthen their competitiveness

- **Detailed Item:** Support for Innovative Business Fund, Support for Shaping Smart Manufacturing Fund, Support for Promising Enterprises Committing to Net-Zero Fund

Fund for Business Re-Startup

Provide opportunities for SMEs and startups to restart their businesses, improve their structure, and support business conversion that have failed to advance into the market due to changes in the internal and external business environments

- **Detailed Item:** Business Conversion and Assistance in Trade Adjustment Fund, Financial Structure Improvement Fund, Fund for Business Re-Startup

Emergency Fund for Financial Stability

Provide supports for SMEs and startups to maintain a stable management status that are suffering from urgent difficulties in management due to natural and social disasters.

- **Detailed Item :** Fund for Disaster Loan, Temporary Loans for Financial Difficulties

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

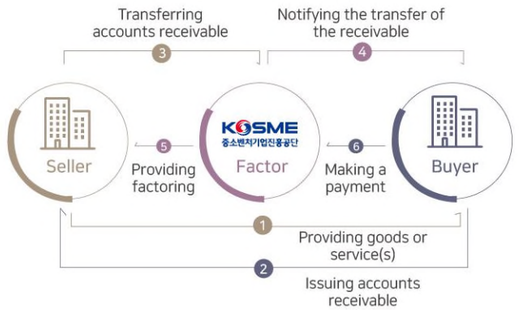
Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Accounts Receivable Factoring

Acquiring accounts receivable of SMEs to provide liquidity in advance and promoting reinvestment of them back into business with an aim of creating a virtuous cycle

Process

How to support	by acquiring and collecting accounts receivable of SMEs
Discount rate	Approx. 6% when a receivable is taken over
Period	From 60 to 90 days
Support limit	Annually 1 billion KRW per business



Expected effects

Providing liquidity to seller companies through policy financial institutions' acquiring accounts receivable owned by them and preventing a series of bankruptcies as a claim of repayment is made only against buyer companies.

Investment and Loan Hybrid Financial Assistance

Hybrid finance that combines advantages of investment and loan.
Tailored support to each stage of business growth and a priming water which leads investment market by promoting follow-up investment in the private sector

Startup and Early Stage of Growth	Scale-Up Stage	Expansion to Capital Market (IPO)
Supporting promising companies at earlier stages of growth that are less likely to have private investment to help thementer markets and overcome the so-called death valley	Fostering middle market enterprises and unicorn companies by supporting promising businesses in future growth sectors that need large-size investment	Value-Up Program Supporting private sector-driven growth through the cooperation of growth sharing companies and leading to stronger values of companies and their IPO through cooperation between public and private sectors

Performance Sharing Loan

Financing through the acquirement of convertible bonds (CB), bonds with warranty (BW), redeemable convertible preference stocks (RCPS) of SMEs with future growth values

Technical feasibility assessment + Arrangement of acquirement (conversion) terms 〉 Acquirement of CB, BW, RCPS (with low and fixed interest rates)

- In the case of IPO → Conversion from bond to stock
- Others → Amortization of principal

<Total finance size>	<Financing Method>	<Target Sectors>	<Target businesses>	<Terms>
60 billion KRW	Stock-lined corporate bonds and preferred stock (CB,BW,RCPS)	Conventional manufacturing and new industries	Businesses with growth potential and probability of IPO	Expiration period: 5 to 7 years Loan limit: up to 6 billion KRW

Support for Innovation in Digital Manufacturing

Facilitating innovative smart manufacturing through supporting businesses that participate in a Smart Factory Supply Project with ICT-based facilities

Application and acceptance
- Application for loan support through regional and district offices
- Targets: businsses that participate in a Smart Factory Supply Program, new growth and technology leading companies, and businesses that introduce ICT infrastructures

Assessment and diagnosis
- (Business assessment) Assessment of credit risk and technical feasibility
- (Comprehensive diagnosis) Improvement Strategies and roadmap and policy program-linked support

Support decision
- Support of facility and financing for commissioning
- Up to 10 bill. KRW (1 bill. KRW in the case of commissioning)

Policy program linked support
- (Technology) Sophistication and post management of smart factories
- (Human resources) Smart Factory Learning Center and training

Support for After-sales Service of Smart factories

Promoting use and enhancing the efficiency of smart factories through supporting businesses that have introduced smart factories with equipment replacement and software upgrades

Application and acceptance
- AS service application by businesses that have participated in a Smart Factory Supply Project
- (AS for emergency recovery) Equipment replacement
- (Performanece sharing AS) Upgrade support
- (AS subscription) Long-term AS for factory use and management

Evaluation for selection
- Evaluation of applicability and usefulness of AS support
- Evaluated by KOSME, ICT experts

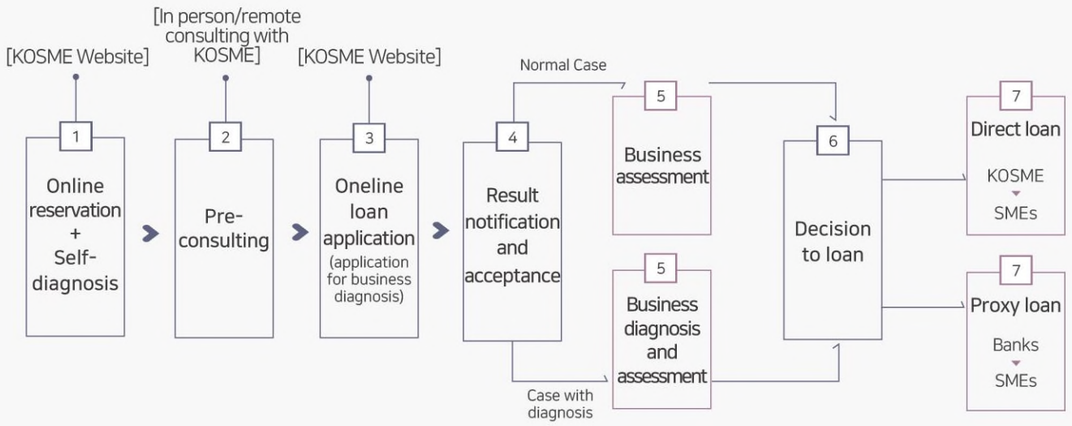
AS implementation
- Implementation of AS by type after support agreement
- Implemented by KOSME, selected companies, AS providers

Completion inspection and result analysis
- Provision of government subsidies and surveys of implementation result and support satisfaction
- Conducted by KOSME, service providers and recipients

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

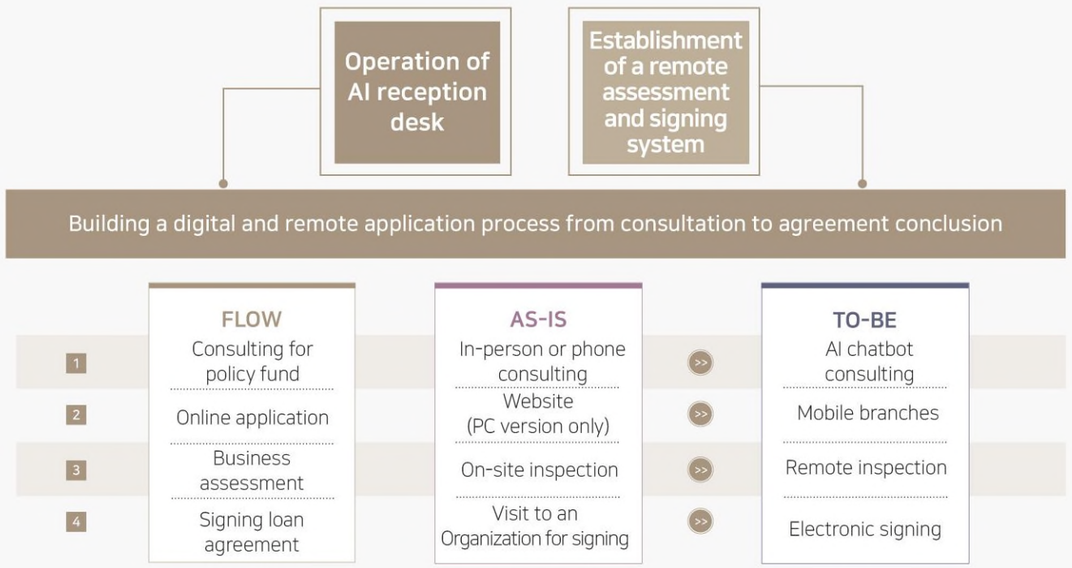
Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

■APPLICATION PROCEDURE FOR POLICY FUND



■TRANSITION TO DIGITAL AND CONTACTLESS PROCESS FOR POLICY FUND

Transition to Digital and Contactless Process for Policy Fund



■BUSINESS DIAGNOSIS (SOLIDIFYING THE EFFECTS OF POLICY FUND)

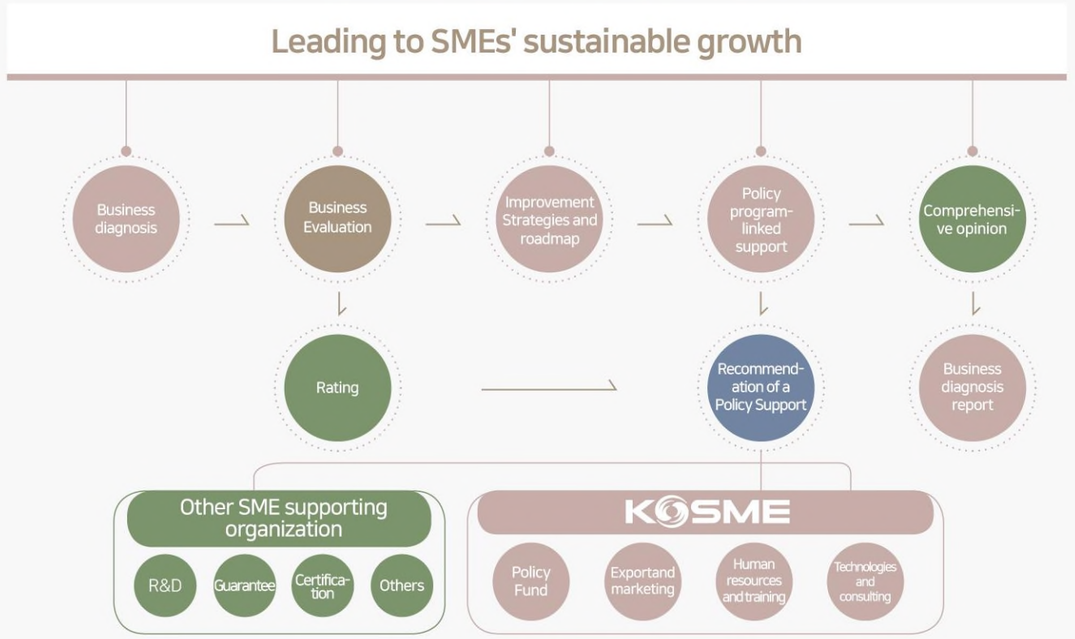
Experts in technologies and management identify problems (business difficulties) through business diagnosis and offer solutions and direction for improvement by linking tailored policy programs.

Diagnosis
- Diagnosis type: standard and comprehensive diagonoses
- Visit to site / on-site inspection

Solutions
- Publication of Recommendation Linked to a Policy Program (The rating of a company that needs Policy Fund is calculated simultaneously with the publication)
- Consultation about a linked support to a policy program
- Notification of diagnosis results (delivery of report and provision of presentation)

Policy program-linked support
- Policy Fund: provision of a loan after review of the amount needed
- A support program other than funds: linked support to a corresponding program
- Other organizations' programs: KOSME provides information.

Post management
- Addressing difficulties in business and conducting an inspection to check the progress of a supported program
- Satisfaction survey about a support program
- Follow-up support



Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

2. Globalization and Export (Marketing)

Support system for globalization and export marketing of SMEs

■ Export Voucher Business

KOSME provides the export vouchers to exporting SMEs in each stage of growth, and the SMEs will be available to use integrated export marketing service by selecting necessary services and agencies from the service platform to implement various export marketing services

Export Voucher Program

Domestic market-oriented enterprises
- Businesses that have recorded less than US 100,000 dollars in direct export in the previous year
- Limit: Up to 30 million KRW

Export enterprises in early stage
- Businesses with no direct export record in the previous year
- Limit: Up to 30 million KRW

Export promising enterprises
- Businesses that have recorded between US 100,000 to 1 million dollars in direct export in the previous year
- Limit: Up to 50 million KRW

Growing export enterprises
- Businesses that have recorded between US 1 to 5 million dollars in direct export in the previous year
- Limit: Up to 80 million KRW

Small but strong export enterprises
- Businesses that have recorded more than 5 million dollars in direct export in the previous year
- Limit: Up to 100 million KRW

Support to provide vouchers so that SMEs can access services in a package necessary for their entry to foreign markets

Developing export competencies
- Creation of promotion materials
- Certification of meeting foreign specifications

Participation in exhibitions
- Participation in international exhibitions and fairs
- Participation in Overseas Market Pioneering Program

Support for localization
- Documentation service for export
- Registration of foreign intellectual properties

Entry strategies to local markets in foreign countries
- Consulting for strategies on entering to foreign markets
- Buyer surveys

Training customized to business
- Trade and customs education
- Consulting about foreign markets

Follow-up marketing
- Support for logistics and customs
- Support for legal affairs, taxation, and accounting

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

■Onilne export platform project (B2B)

Support to grow exports of SMEs **through various services corresponding to digital trade environments**

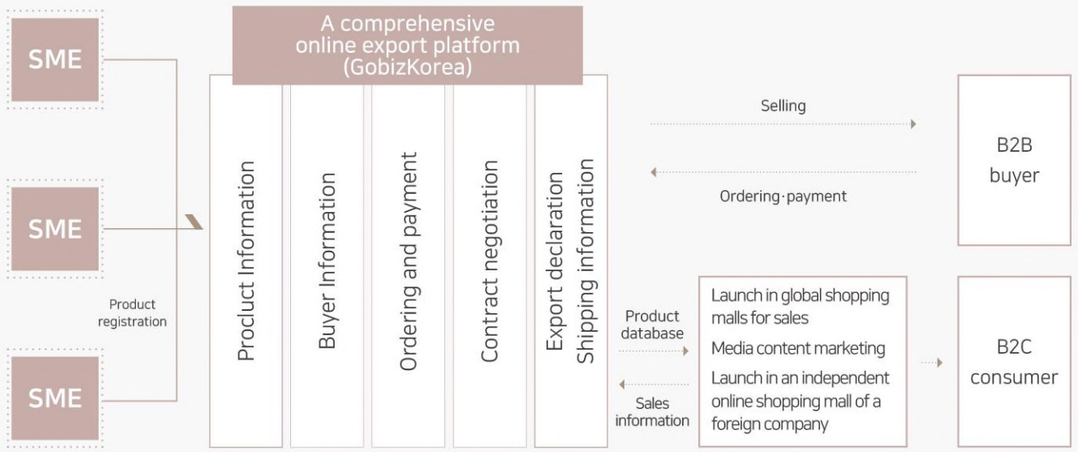
Online Export One-stop Service

- Creation of product pages that reflect up-to-date trends and sub-websites customized to a selling business
- Support of online promotion marketing including search engine marketing that considers export competencies and product characteristics of each company

Transaction arrangement and post-management of online purchase offer

- Support of one-to-one matching of a buyer who clearly intends to buy a domestic product with a strong seller
- Support of verifying inquiries of foreign buyers that access GobizKorea and of trade works including post management

Establishment and operation of a comprehensive platform for online export



■Globalization Support Platform (Global Business Center)

Support to expand exports of SMEs through establishment of Korea Business Development Centers in international trade hubs and local support programs that facilitate local market expansion

NO. of centers: 20 centers with 260 offices in12 countries

1 China (Beijing/Shanghai/Shenzhen/Chongqing/Guan[redacted]hou) Japan(Tokyo) 7 Germany (Frankfurt) 10 Russia (Moscow)
2 The U.S. (NY/LA/Washington/Chicago) 5 Mexico(Mexico City) 8 Chile (Santiago) 11 Thailand (Bangkok)
3 Viet Nam (Ho Chi Minh/Hanoi) 6 India(New Delhi) 9 UAE (Dubai) 12 Kazakhstan (Almaty)

Target	Details
SMEs that intend to expand into global markets	(for local settlement) providing separate office spaces and shared meeting rooms, legal and accounting advice and consultation, administrative support for dispatched personnel to foreign countries (for business specialization) support for localization and securing sales channels, e.g., prototype production and tests by buyers, by using assistance agencies in global markets related to growth-promising industries

■Globalization Support Platform (K-Startup Center)

Support for successful globalization of Korean SMEs and Startups through the establishment of K-Startup Centers in international hubs of innovation and collaboration with AC, VC, and global innovator companies in foreign markrets

Center locations (2019) Seattle, New Delhi (2020) Stockholm, Singapore

NO. of centers: 4 countries

Seattle	New Delhi	Stockholm	Singapore
√ Tech hub, rival to Silicon Valley √ Hub of innovative industries, induding aviation, ICT, AR and VR, and bio science	√ Economic center of India's industries √ Hub of startups and multinational corporations	√ Favorable startup ecosystem √ Can be a hub for global market entry of startups thanks to it having the largest ICT cluster in Europe	√ A business hub in Asia √ Ranked first in Global Fintech Hub Index √ Ranked the 5th in the Global Financial Center's Index
Focus: tech-specialized companies including partners of Boeing, Costco, and Amazon	A role of a platform for supporting SMEs' exchanges between Korea and India	A bridgehead for SMEs' expansion into the European market	Establishment of a large starup cluster in fintech, AI, and environmental sectors

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Support for global cooperation

Building a basis for global collaboration necessary for SMEs' overseas market expansion through networking with foreign governments, including related organizations to SMEs

*MOU agreement with foreign entities (as of Dec 2021) :111 organizations in 46 countries

1. Organizing side events for economic delegations during state visits
2. Hosting seminars and conferences about overseas market entry environments
3. Sharing SME support policies
4. Operating international centers and Korea Desk

APEC SME Innovation Center

Supporting SMEs' expansion into the APEC region and upholding the national image by building networks and cooperation with APEC members

1. Policy and information exchanges among APEC member countries
   - Participation in APEC SME Ministerial Meeting and working level meetings
   - Hosting APEC conferences and workshops
2. Enhancing innovation capabilities of SMEs in the APEC region and pursuing shared growth
   - Implementing joint projects among APEC members
     - Succeeded in winning fund form APEC for 6 consecutive years(From 2016 through 2021)
   - Consulting for innovation in local business using KOSME's business diagnosis methods

Overseas Technology Exchange Program

A cooperation project between the Korean government and emerging countries (government-to-government) to expediate globalization of domestic companies by exporting their technologies to foreign companies

*Export type of technologies: licensing, joint venture, OEM manufacturing, equipment transfer

1. Hosting technology exchange meetings
2. Operating technology exchange center
   - A platform that promotes technology exchanges tailored to countries (Iran, Vietnam, Indonesia, India, Thailand, Kazakhstan, China)
   - A supporting role in searching for demand in foreign markets and matching businesses
3. Providing professional manpower and online platforms to technology exchanges
   - Operation of technology commercialization coordinators that support technology discovery, diagnosis, and business matching
   - G-TEP, an online platform to make technology exchanges more frequent

Overseas Branch Service

Supporting exports and overseas expansion of SMEs that can not afford to open overseas offices with KOSME's acting as their local branches

*Business expansion type: corporation establishment, investment to foreign markets, technology exchanges, targeting strategy by item, entering global value chain

1. Supprting export and localization
   - Diversifying support by phase, including export contracts, joining in local distribution networks in foreign countries, technology exchange and entering global value chains (development case: 150, expansion case: 220, as of 2021)
2. Broadening business choices for project participants
   - Businesses can choose a support service, a target market, and a project implementing organization. Each business can choose up to 10 regions.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

Development cooperation in the form of either a loan or grant offered to developing countries directly or indirectly for their development and welfare

Basic direction

"Contributing to economic development and job creation of developing countries by sharing policy" experience and support know-how in the SME sector with them. Building a basis for the domestic companies' foreign market entry by building cooperative networks for Korean startups and SMEs

Implementation tasks

01 Building a sustainable startup ecosystem in Uganda

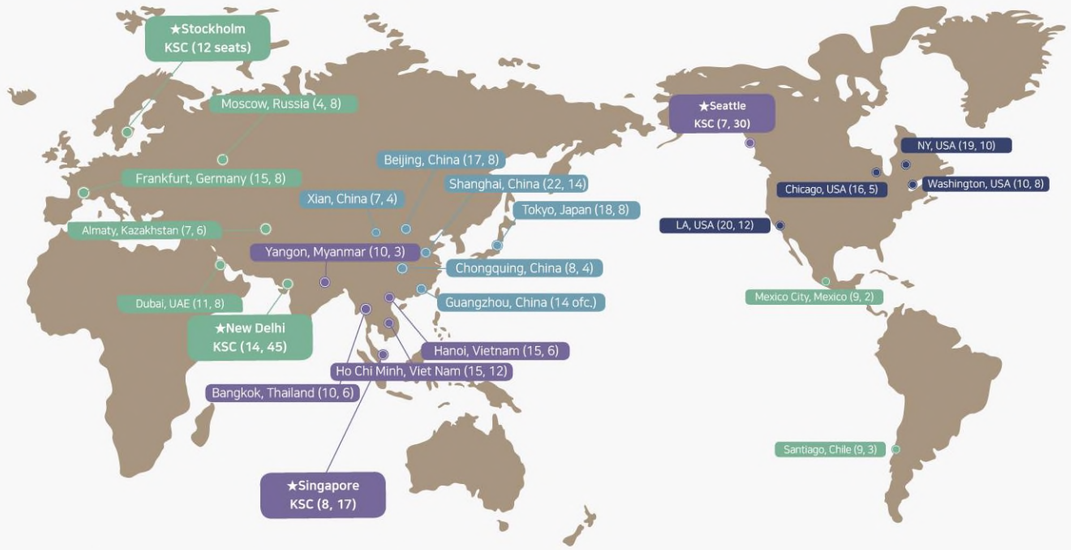
02 Establishing a base for the domestic companies' expansion into the African market

03 Dissemination of a Korean type global cooperation model

Overview of a cooperation project of International Organization

- Name: Foundation and operation of Uganda Youth Startup Academy (YSA) (from 2022 to 2024, 1.97 bill. KRW (5.97 bill. KRW in total))
- Target: Approx. 1000 young entrepreneurs in Uganda
- Support: Launch of YSA and transfer of startup support policies (① Establishment of startup infrastructure ② Launch of business including product development ③ Support for global market entry ④ Consultation on policy creation)
- Expected effects: Job creation and economic development of developing countries through training of young entrepreneurs and promoting young startups → More expansion of Korean SMEs into the African market and providing opportunities of innovative growth to them

KOSME International Center Map

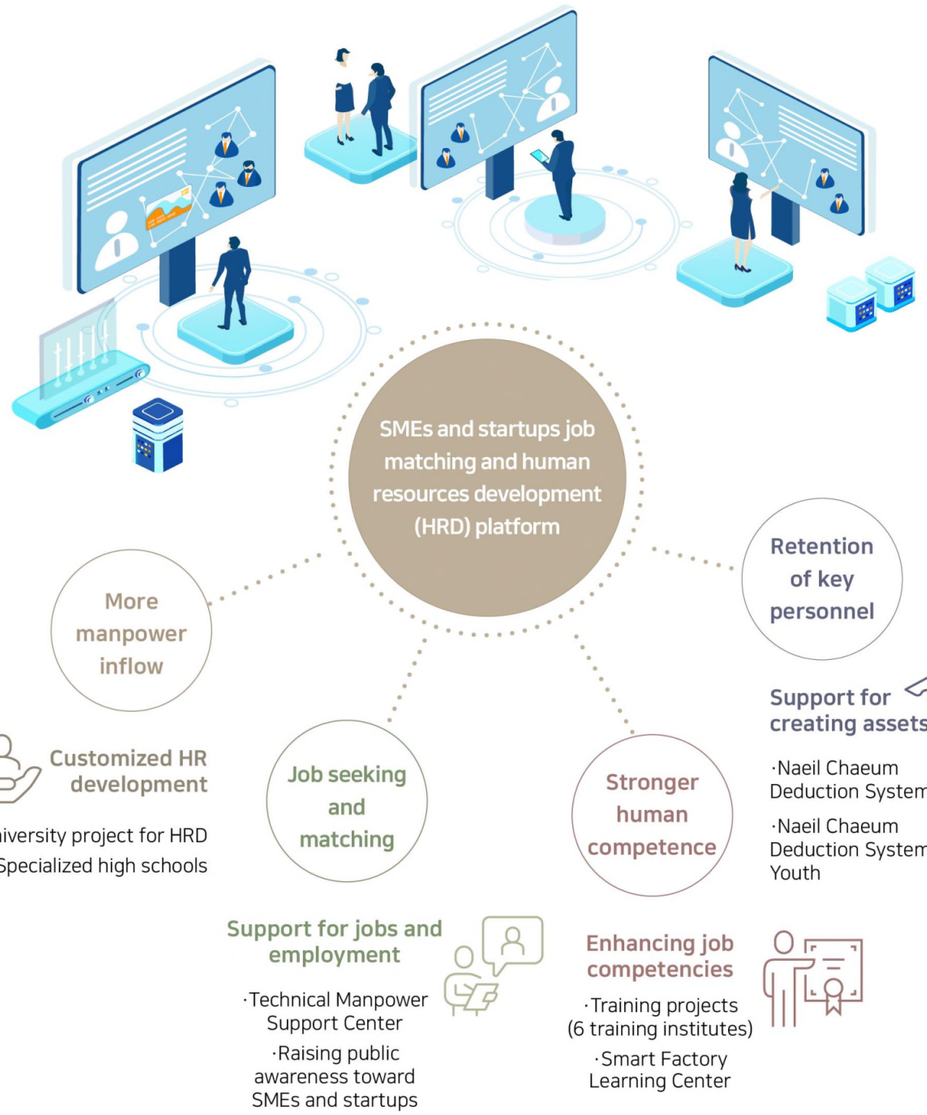


* Number of Korea Business Development Centers (KBDC) and K-Startup Centers (KSC): KBDC-20 centers with 260 offices in 12 countries (135 seats in total), KSC-4 centers with 29 offices in 4 countries (104 seats in total)

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

3. Human Resource Development and Startup



Training for SMEs and Startups

Training

Support to strengthen technologies and a competitive edge of SMEs by enhancing competencies of employees of SMEs.

Focused on technical workforce development and equipped with strong training infrastructure, KOSME provides the function of internal training institute for SMEs.

- Job competency improvement training
- Global competency improvement training
- Tailored training to business
- Public policy training
- CEO training
- e-Learning training

State of Korea SMEs and Startups Training Institute (KOSMETI)

The largest industrial training institute for SMEs that has developed skillful SME workforce of 1.54 million over 40 years since its foundation in 1982.
(Websites : sbti.kosmes.or.kr, cyber.kosmes.or.kr)

KOSMETI (Ansan)

Global Leadership Development Center (Taeback)

KOSMETI-Chungcheon (Cheonan)

KOSMETI Daegu Gyeongbuk (Gyeongsan)

KOSMETI in Honam (Gwangju)

KOSMETI - Busan (Gyeongnam Jinhae)

Smart Factory Learning Center

Driving manufacturing innovation of SMEs by expanding smart factories and developing a skilled workforce

"Support to develop skilled workforce and expand smart factories to be SMEs-driven responding to the 4th industrial revolution"

A virtuous cycle in the 4th industrial revolution

(Business) Stronger competitiveness
- Financing support for smart factory introduction
- Developing and supplying a skilled workforce

→ (Business) Innovative growth
- Increase in sales and export

→ (Workers) Increase in jobs
- Job creation and more employment

Support	Support for smart factory introduction	Developing skilled smart manufacturing workforce
	Fund for Transition to Smart Manufacturing in 2022 (600 bill.KRW)	Developing 60,000 workers for smart manufacturing by 2022
	Support to grow 30,000 manufacturing innovative businesses by 2022 through focused policy fund support in the 4th industrial revolution sectors	Use of Smart Factory Learning Centers Practical smart factory training, training on element technologies including PLC and IC and training on convergence technologies

*Training of 51,656 workers by 2021. (accumulated number)

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

State of Smart Factory Learning Centers

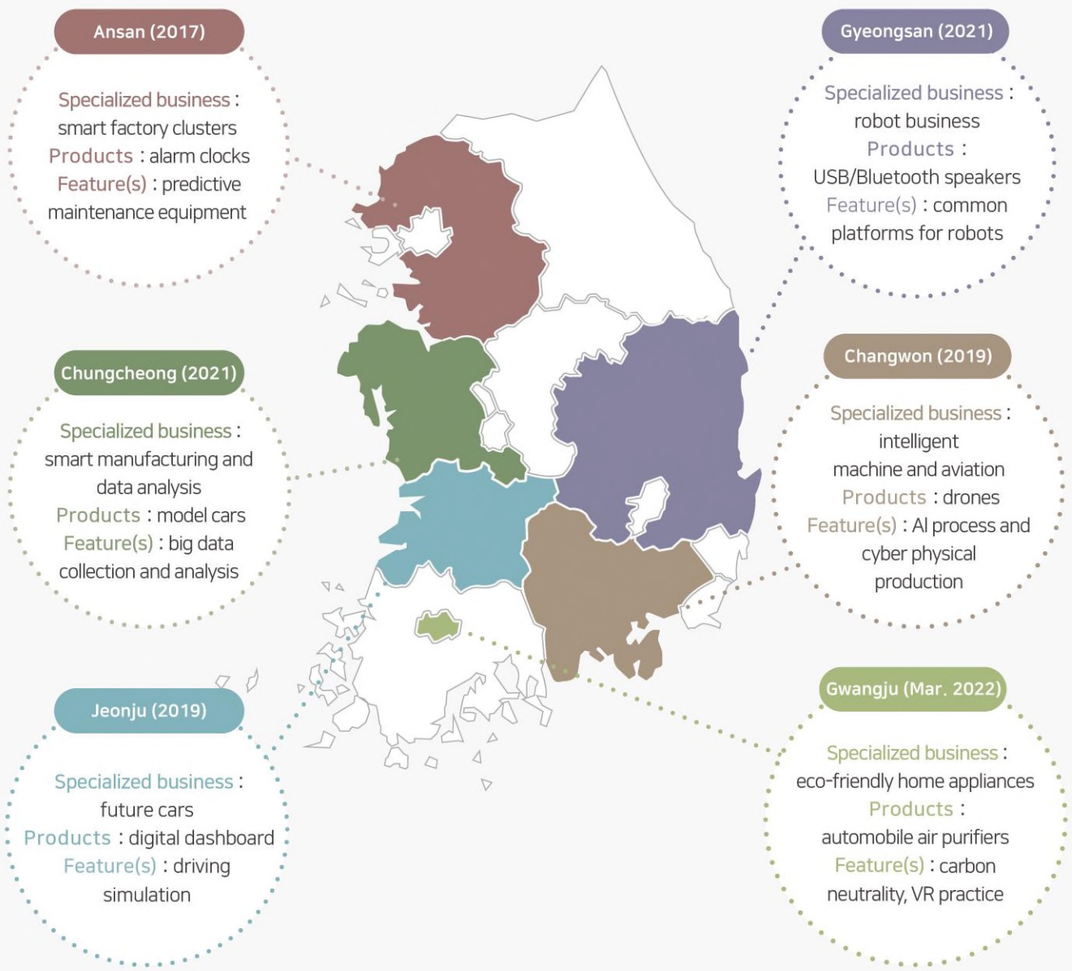
Establishment of Smart Factory Learning Centers in each region that are linked to specialized local businesses for developing workforces in future innovative technologies

Smart Factory Learning Center

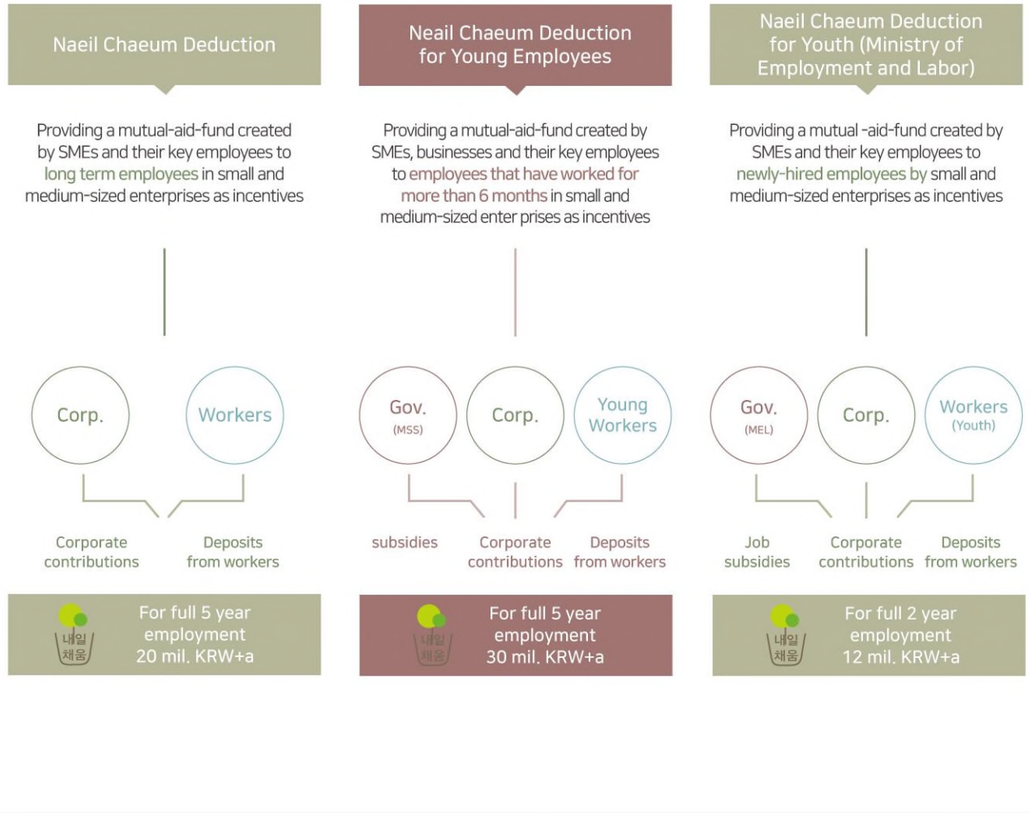
[Overview] A micro smart factory for practicing the smart factory setup and relevant operation technologies including CPS, real-time production information, big data, and advanced sensors

[Effects] Strengthening the effects of training and minimizing errors in smart factory setup through practicing smart factories

*(2017) in Ansan → (2019) in Jeonju and Changwon → (2021) Cheonan and Gyeonsan → (2022) in Gwangju



Naeil Chaeum Deduction System



Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

■Young CEO Academy

Supporting to follow up on growing competencies of young CEOs and their business startup and Providing a comprehensive support package to build startups into unicorn companies

Goal

Youth Startup Academy

Fostering innovative CEOs who lead the national economy

Promotiong innovative technology startups to lead the 4th industrial revolution (Fostering startups in specialized sector of each YSA and startups in a local area's focused business)

Successful cases of YSA

- CEO: Ahn Seong-woo (Completed the 1st year of the program)
  Company name: Jigbang
  Business value: 1.1 trill, KRW
  investment attraction: 226.5 bill. KRW in total
- CEO: Lee Seung-geon (Completed the 2nd year of the program)
  Company name: Viva Republica
  Business value: 8.4 trill. KRW, revenue: 389.8 bill KRW

Target

- A person aged under 39 (international age) and a business leader of a company within 3 years of establishment
- Young CEOs that have a challenging spirit of entrepreneurship and business competence potential

Support

Business commercialization fund	Startup Space	Training and coaching	Linked support
■ Up to 100 mil. KRW per business ■ less than 70% of the total business expenses	■ Office space for trainee startups ■ Networking and open space ■ Design Factory	■ Entrepreneurship and practical training for startup ■ One-to-one coaching by designated lecturers ■ Coaching of specialized lecturers by sector	■ Global acceleration and mentoring ■ Next Unicorn Project ■ Participating in domestic and international exhibitions

■Global Startup Academy

Covering from innovative technologies (in D.N.A.) through preliminary startup state
→ A comprehensive package support for the entire steps of startup

Global Startup Academy

Goal

Key sectors for digitalization: data, network, AI

Promoting startups in D.N.A sectors
(Selecting startups with innovative technologies)

Target

- A (preliminary) startup team within less than 3 years of startup experience as of application announcement date.
- Startups capable of advancing business using D.N.A sectors

Both conditions should be satisfied for application

Support

Specialized training in D.N.A. sectors	Support for business commercialization	International networking program
○ D.N.A-business model (BM) training by experts ○ Project type training (Kaggle) ○ Multinational company training	○ Support for commercialization in D.N.A sectors (Producing BM and beta version) ○ Office spaces	○ Global accelerating (SOSV and U.S, PnP, global accelerators stays in Korea for acceleration) ○ Networking

4. Innovative Local Businesses

Facilitating balanced development of the nation through the development of local business

■Key Local Business Growth Project

Facilitating balanced development of the nation through the development of local business

Overview	● To pursue local economy-driven industrial growth and establishment of an innovative ecosystem using KOSME's local bases and various policies
Participant selection	● Selecting key sectors and businesses befitting to a region through cooperation with relevant organizations including Regional SMEs and Startups Offices and local government ● Special zone businesses, key local businesses (48), the Korea New Deal businesses
Policy-program linked support	● Operating a program customized to a region by choosing among KOSME's key support projects including Policy Fund and export marketing

■The state of ongoing 17 projects in the nation

Seoul/Southeastern/ Northern Seoul (Joint project) Fostering 4 comparatively advantaged industries in Seoul	Gangwon Gangwon Digital Healthcare Growth Project	Jeonbuk/Western Jeonbuk (joint project) Jeonbuk New Deal green mobilty Industry Fostering small but strong MPE businesses	Eastern Jeonnam Building and developing Jeonnam drone business cluster	Chungbuk/Northern Chungbuk (Joint Project) Development of 3 specialized industrie to Chungbuk	Incheon Fostering leaders in the smart logistics sector
Daejeon Sejong Growth of bio business in Daejeon and self-driving business in Sejong	Gwangju Innovative ecosystem for the automobile industry in Gwangju	Ulsan Revitalizing 3 conventional industries of Ulsan	Busan Growing K-New Deal leaders in the green marine-mobility in Busan	Chungnam One Package Support Program for innovation in businesses in Chngnam	Gyeonggi/Eastern Gyeonggi (Joint project) Gyeonggi K-Semiconductor materials parts, and equipment (MPE) business ecosystem
Jeonnam Fostering the new industry of e-Mobility in Jeonnam	Gyeongnam/ Western Geyoungnam Growing green future mobility industry in Gyeongnam through G-belt Platform	Daegu A system to scale up the supply chain in the robotics industry in Daegu	Gyeoungbuk/Eastern and Southern Gyeoungbuk (joint project) Growing future green mobility industry of Gteongbuk	Jeju Innovation leading project of 30 clean bio businesses in Jeju	

■Smart Innovation Zone Building Project

Purpose

Support for building a smart platform for shared use, which an independent business finds difficult to establish, in areas in which ageing SMEs are concentrated, in order to enhance competitiveness of SMEs

Target

"In SMEs concentrated" areas,
areas in which private companies (anchor companies) can invest

The SMEs Promotion Act	Areas in need of Special Support for SMEs in accordance with Article 62-23
The National Land Planning And Utilization Act	Industrial areas in accordance with Article 36(1) 1 (C)

support methods

Public Smart Facilities	Infrastructure for a remote system to respond to the digitalization of infrastructure using IoT and AI and a post-COVID era
Green infrastructure	Building green facility Infrastructure and systems to address climate and environmental crises

■SME Innovation Vouchers

Providing small local manufacturers with a customized voucher type service based on diagnosis of innovation capabilities to support their innovative growth

Support areas ☑ 3 areas including consulting, technological support, and marketing

Areas	Program
Consulting	Management technologies and strategies, smart factory strategies, regulatory response, occupational safety, convergence, carbon, ESG, and IP
Technological support	Prototype production, establishment of systems and facilities, technology transfer and IP acquirement, specifications certifications, product testing, and design
Marketing	Design improvement, brand image improvemnet, marketing support

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

5. SMEs' Conversion to New Businesses

■Support for Innovation in Structure

A comprehensive support for business conversion, digitalization, and labor transition of SMEs to lead them to adapt to economic and business environmental changes and sustain their businesses

Target Businesses that hope for conversion to new businesses, digitalization, and labor transition and that have run for more than 3 years as of the application date and employ 5 full-time workers or more

Scale

Category	Conversion to new businesses	Digitalization	Labor transition	Note
Diagnosis	800 companies			No cost is borne by businesses.
Consulting	400 companies	200 companies	500 companies	

Methods By launching Support Centers for Innovation in Structure in 10 bases in the nation

Items Diagnosis and consulting by experts specialized in innovation areas and government project-linked support

Process

Application for support → Diagnosis on innovation in structure → Consulting (• Conversion to new businesses • Digitalization • Labor transition) → Project-linked support (Financial and tax assistance, job transfer, and changes) → Post management

■Comprehensive Support for Rechallenge (19 Rechallenge Comprehensive Support Centers)

Introduction of a restructuring program tailored to SMEs facing crisis in management for their fast recovery
One-stop customized support for rehabilitation, financing, and mentoring after rechallenge consultation

Application, acceptance, and pre-examination
- KOSME Regional Offices [Consulting/ acceptance Recommendation]
- Partner bank recommendation (Businesses that get a loan from KOSME)

Restructuring diagnosis Revie wing likelihood of management normalization by examining as sets and liabilities of a business

Restructuring and financial aid Management Improvement plan (an accounting fring corporation) ⊕ Comprehensive financial aid

Management improvement plan

Building a normalization plan focused on financial improvement and reviewing a support plan

- Creating a management improvement plan based on financial due diligence of an accounting corporation
- Incurred costs (18 million KRW per business) will be supported.

Comprehensive financial aid

Providing comprehensive financial aid based on a management improvement plan

- A comprehensive approval of new financial assistance, maturity extension, debt adjustment, reduction in interest rates through an approval of management improvement plan
- In the case of joint support with partner banks, a comprehensive approval is given through consultation.

6. Support for SMEs' Contributing to a Global Paradigm Shift

■Carbon Neutrality Level Diagnosis

Support for reduction measures in carbon emission of and customized polices to SME manufacturers by analyzing energy use per process and equipment

※ Focus of diagnosis: measures to reduce energy consumption by enhancing energy efficiencies and production process and linking them to policies

Step1. Understanding and analyzing the status-quo
- (Energy) Understanding the status quo of energy ues of business site and equipment, use pattern, and variables
- (Improvement in process) equipment efficiency and loss during production →Identifying weak processes (KPI)

Step2. Creating an improvement plan
- Suggesting an improvement plan of weak points
  - Enhancing energy efficiency and processes
- Analysis of validity of facility replacement
  - Return on Interest and payback period

Step3. Linked support to policies
- Recommendation of customized policy projects
  - Consulting, facility introduction, and finance
- Support for building a participation plan in policies
- Delivering a presentation on the diagnosis results at site.

■ESG Self-Assessment

Providing a system to help SMEs who lack competencies of and awareness toward ESG management identify the level of their ESG management with a self assessment

Application of remote assessment methods so that SMEs can identify the level of their ESG management without on-site examination.

Providing customized solutions to increase the level of ESG management, such as suggesting a level of each item under self assessment results

01
E (Environment) S (Social) G (Governance)
Creation of 20 basic items in the diagnosis to reduce any negative sentiment toward ESG
Contactless assessment

02
E S G Solution
Customized solutions to chosen checkpoints during self assessment
Suggesting customized solutions

03
With ESG Management Guidelines, QR code can be accessed in a link.
(Solutions in a diagnosis system and the guidelines are provided in the link.)
Enhancing linked functions to the system

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

APPENDIX

History 34
Organization 36
KOSME Regional and District Offices (33 in Korea) 37
Criteria of SMEs in Korea 38

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

History

KOSME at the forefront of policy support for SMES for forty-three years since its foundation in 1979

Modernization of SMEs 1979-1987
- Enacted and proclaimed the SMEs Promotion Act (1978)
- Establishment of KOSME (1979)
- Launch of modernization project of SMEs (1981)
- Opened Korea SMEs and Startups Training Institute (1982)

Promotion of restructuring 1988-1992
- Began SMEs restructuring project (1989)
- Operation of Business Incubation Center (1992)

5-year Economic Development Plan 1993-1997
- Established Small and Medium Business Corporation Registrar and Small and Medium Business Distribution Center (1995)
- Fund for Establishment and Promotion of SMEs and Startups (1996)

*Integration of Fund for SMEs and Startups, Local SMEs Promotion Fund and Fund for Businesses in Agricultural and Industrial Complex

Beyond the IMF Financial Crisis 1998-2002
- Providing direct loans under the IMF Bailout Program (1998)
- Focusing on support for SMEs and Startups (1998)
- Established Korea Venture Investment Corporation (2000)
- Opened Korea SMEs and Startups Training Institute - Honam (2001)

Regional Innovation 2003-2007
- Opened Korea SMEs and Startups Training Institutes
  - Daegu and Gyeongbuk (2003)
  - Busan and Gyeongnam (2004)
- Established Business Conversion Support Center (2007)

Support for new growth 2008-2012
- Opened Youth Startup Academy (2011)
- Developed a business diagnosis and evaluation system and registered its patent (2012)
- Designated as fund-management-type quasi governmental institutions (2012)

An ecosystem of a virtuout cycle 2013-2019
- Completed relocation to 430, Dongjin-ro, Jinju-si, Gyeongsangnam-do (July 2014)
- Launched KOSME's Mutual Aid Fund for Long-term Workers (August 2014)
- Launch of Global Leadership Development Center (2014)
- Launch of Personnel Solution Center (March 2017)

2020-present
Innovation in digital, and local business, social safety net, and eco-friendliness
- Establishment of a remote support system for key business
- In charge of a local SME development project
- Support for SME restructuring and ESG management

Changed name to **Korea SMEs and Startups Agency**
April 2019-

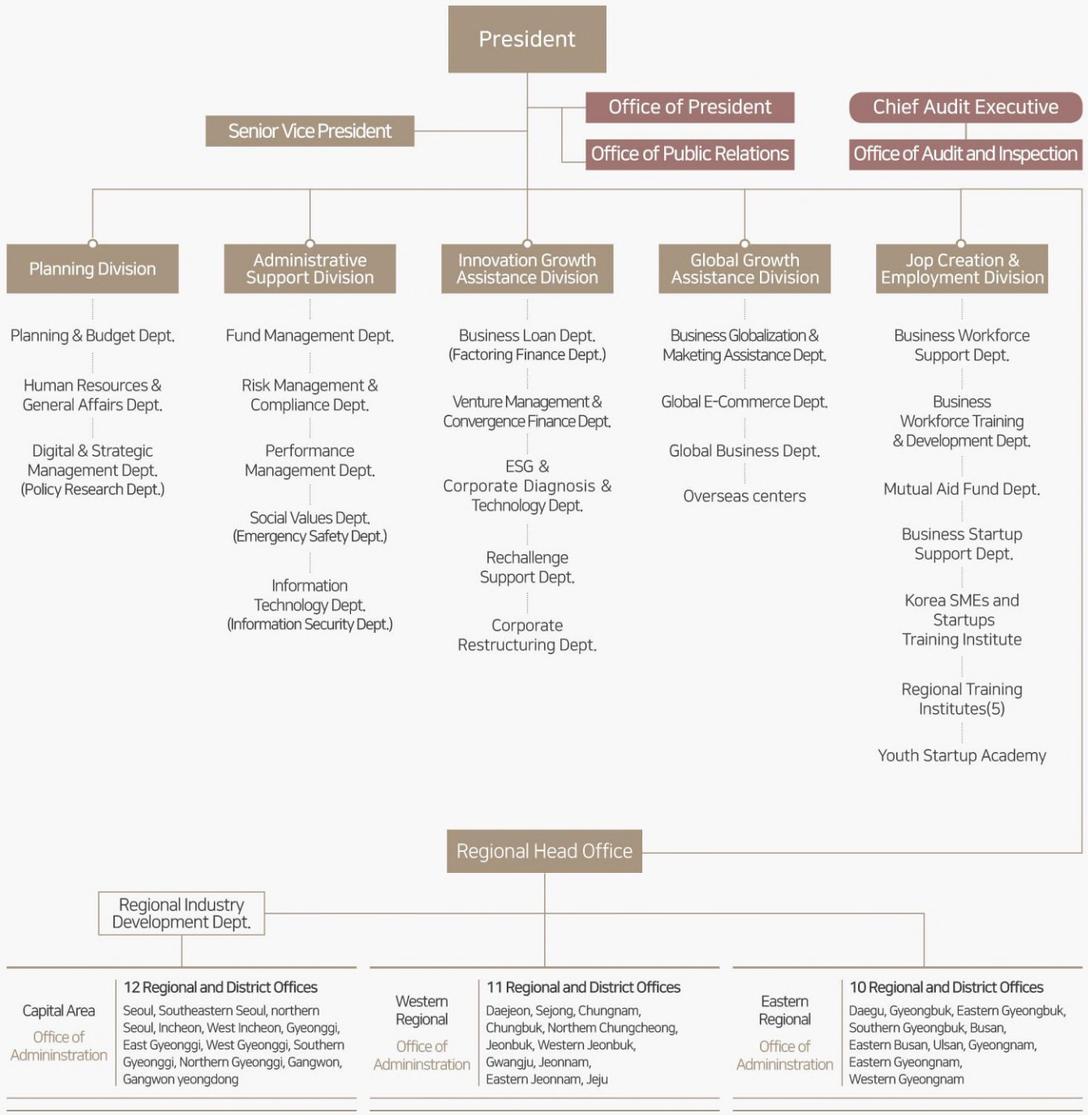
Fostering period | Period of enhancing competitiveness | Period of pursuing co-existence | Foundation period | Present

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Organization

"6 divisions, 11 offices and 16 departments, 33 regional and district offices, 6 centers and institutes, 1 academy, and overseas centers"

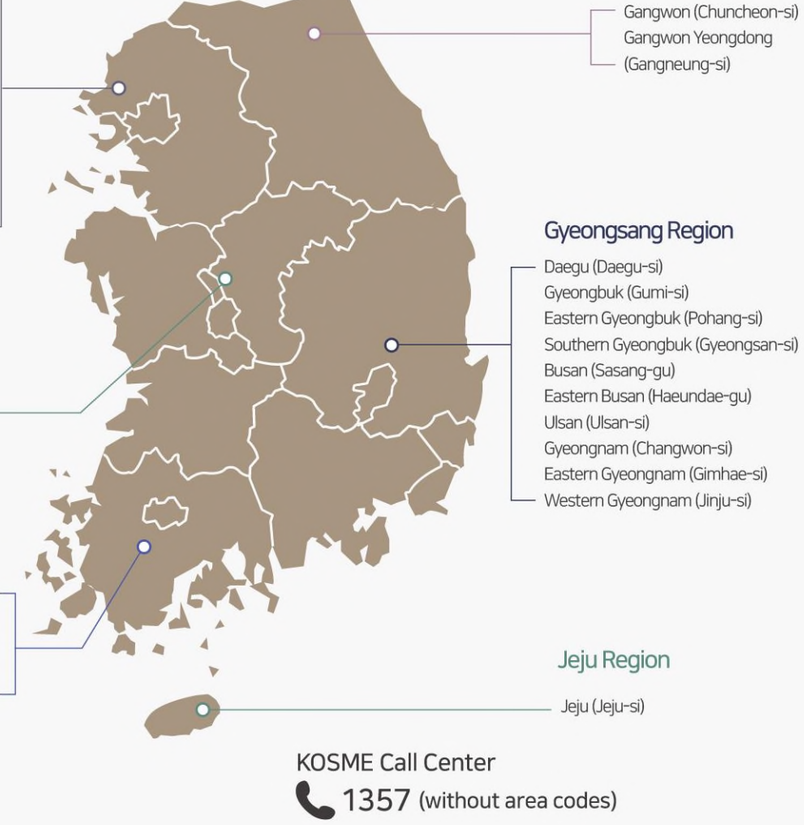


KOSME Regional and District Offices (33 in Korea)

Main businesses

01	02	03	04	05
Policy Fund Investment and loan support	Support for globalization and export	Job creation and matching and growing skilled workforce	Startup support technical consulting	Sharing information, exchanges and cooperation

Location and contact



KOSME Call Center
1357 (without area codes)

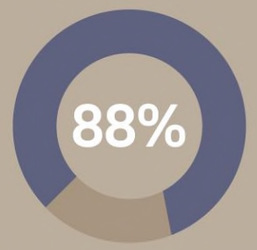
Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

SMEs,

Small in size but big in potential, leading the future and growth of the Korean economy

of all Korean businesses are SMEs



of Korea's workforce is employed by SMEs

of Korea's GDP comes from SMEs

Criteria of SMEs in Korea

Manufacturing (6 sectors):
Electrical equipment, Clothing, Bag/Shoes, Wood pulp/Paper, Primary metal, Furniture

Sales: $150M or less

Manufacturing (12 sectors): Cigarette, Automobile, Chemical, Metal processing, Food, Textile, Lumber, Oil refinery, Rubber/Plastic, Electronic/Computer/Video/Communication, Machine/Equipment, Other transportation equipment

Agriculture/Forestry/Fishing, Wholesale and Retail, Electrical/Gas/ Water works

Mining, Construction

Sales: $100M or less

Manufacturing (6 sectors):
Beverage, Printing machine/ Duplicator, Medicine/Medical products, Nonmetallic mineral, Medical service/Precision, Other product manufacturing

Transportation

Waste water treatment for environmental conservation
Publication/ Information service

Sales: $80M or less

Repair and other personal service

Business support service

Science and technology service

Healthcare/ Social welfare

Arts/ sports service

Sales: $60M or less

Lodging/Restaurant

Finance/Insurance

Education service

Real estate/Lease

Sales: $40M or less

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM

KOSME

Begin your success with KOSME

430, Dongin-ro, Jinju-si, Gyeongsangnam-do, 52851, Republic of Korea
www.kosmes.or.kr
TEL 055-751-9677 **FAX** 055-751-9699

Received by NSD/FARA Registration Unit 09/05/2025 12:18:26 PM