

# Invest KOREA

August 2025

## South Korea's Display Industry, Taking a Leap into IT OLED

Focus on Gwangju Free Economic Zone: Gwangju's Strategic Shift Toward Becoming a Leading AI City  
Chungnam Display Specialized Complex, Aspiring to Take Flight and Build the Future of the Display Industry  
P2SG Global, IP68 Bezel-less Transparent Display

# Invest KOREA

## August 2025 Issue

### Economic Trends

03-05

### Experience Korea

20-21

### Business News

06-07

### Business in Korea

22-23

FDI Promotion Policy in Korea

### Industry Focus

08-10

South Korea's Display Industry, Taking a Leap into IT OLED

### Industrial Sites

24-25

Free Economic Zones (FEZ)

### Industry Trends

11-13

### Location Report

26-27

Chungnam Display Specialized Complex, Aspiring to Take Flight and Build the Future of the Display Industry

### Feature Story

14-17

Focus on Gwangju Free Economic Zone: Gwangju's Strategic Shift Toward Becoming a Leading AI City

### Special Contribution

28-29

Key Takeaways of Strengthened Regulations Requiring Publicly Listed Companies to Make Prior Disclosure of Privately Placed Convertible Instruments

### Future Unicorns

18-19

P2SG Global, IP68 Bezel-less Transparent Display

### Invest KOREA Market Place

30

# Economic Trends

*Here's a look at Korea's major economic indicators that provide an overview of the country's recent economic developments.*

## Summary and Assessment\*

- The Korean economy remains at a similarly subdued level as in the previous month, due to continued weakness in the construction sector and worsening external conditions.
- Construction remains depressed, while manufacturing is experiencing a downturn, dampening production growth.
  - Semiconductor exports and production continued to underpin favorable trend, while investment in related equipment sustained high growth.
  - However, exports to the U.S. weakened, particularly in categories such as motor vehicles affected by steep tariff hikes, resulting in slower growth in manufacturing production.
  - All industry production turned to a decrease as construction output contracted and services posted only modest growth.
- While consumer sentiment is on the mend, pointing to a possible improvement in domestic demand conditions, trade-related uncertainty remains elevated with the expiry of the mutual tariff suspension approaching.

\*All growth figures are on a year-on-year basis unless otherwise noted. This document is an English translation of the original Korean version; the Korean version takes precedence in case of any ambiguities or discrepancies.

.91

59.36

■ **Economic Activity: With construction stalling and U.S. tariff pressures consistently weighing on the economy, production growth has broadly decelerated, leaving overall economic activity subdued.**

- All industry production declined 0.8% in May, as amid continued weakness in construction, industrial (mining and manufacturing) production adjusted from its previous gains.

- Construction production (-21.1% → -20.8%) remained in deep contraction
- Industrial production (5.1% → 0.2%) saw its growth narrow, as declines in motor vehicles (-3.2%), metal processing (-4.9%), and pharmaceuticals (-10.7%) offset robust gains in semiconductors (18.1%).
- Services production (0.9% → 1.0%) recorded only modest growth, as increases in financial and insurance services (3.6%) and human health and social work activities (7.1%) were offset by declines in retail and wholesale (-1.6%) and business facility management (-3.0%).

- The inventory-to-shipment ratio in the manufacturing sector rose (102.4% → 104.4%), while the average capacity utilization rate declined (73.8% → 71.7%).

- Shipments declined by 1.6% on a seasonally adjusted month-on-month basis led by a 4.0% contraction in domestic demand.

- Domestic demand weakened mainly in sluggish construction investment, while exports registered only modest growth amid continued pressure from U.S. tariff hikes, with trade uncertainty remaining elevated.

- Exports to the U.S. underperformed, particularly in motor vehicles affected by steep tariffs.
- Trade uncertainty remained elevated as nego-

tiations stalled ahead of the expiration of the mutual tariff suspension, weighing on exporter sentiment as a result.

- Nevertheless, some positive signals are evident, as reflected in the continued resilience of semiconductor exports and the recovery of consumer sentiment.

■ **Consumption: Consumption remained subdued, while consumer sentiment showed signs of a swift recovery.**

- Retail sales (-0.2%) continued to edge down, despite strong growth in passenger car sales, reflecting weakness in other categories.

- In May, passenger car sales maintained strong growth (13.4%), supported by excise tax cuts, and are expected to sustain favorable growth as the tax reduction has been extended through the end of the year.

- In contrast, retail sales excluding passenger cars remained weak (-1.6%), led by declines in furniture (-10.8%), cosmetics (-8.5%), and household electrical appliances (-6.1%).

- Service consumption also registered only moderate growth, led by accommodation and food services.

- Production in major consumption-related service industries continued to decline, including accommodation and food services (-1.0%) and educational services (-0.9%).

- By contrast, the Composite Consumer Sentiment Index (108.7) for June rose sharply from the previous month (101.8), indicating a recovery in consumer sentiment.

- As high interest rates gradually ease and the second supplementary budget has been finalized, these factors are expected to support the recovery of consumption going forward.

**■ Equipment investment: Equipment investment continued to post strong growth, supported by steady momentum in semiconductors and a sharp expansion in volatile transport equipment, while other sectors remained weak.**

- In May, equipment investment (8.4% → 7.5%) maintained solid growth, supported by semiconductor-related and transport equipment investment.

- Semiconductor-related investment remained firm, with gains in semiconductor manufacturing equipment (15.9% → 12.9%) and precision instruments (14.5% → 9.0%)

- Transport equipment investment (19.1% → 26.1%) saw sustained high growth in motor vehicles (16.9% → 13.9%) alongside a sharp rise in the more volatile other transport equipment (18.8% → 49.8%).

- Machinery imports increased in June (13.6% → 8.4%), driven by growth in semiconductor manufacturing equipment (26.1% → 38.8%), suggesting that robust momentum in semiconductor investment may be sustained.

- However, machinery investment outside semiconductors remained weak amid elevated external uncertainty.

- Overall machinery investment (0.6%) recorded only modest growth, reflecting declines in general industrial machinery (-5.9% → -3.3%) and other equipment (-4.0% → -13.8%).

- Given the heightened trade uncertainty and deteriorating business sentiment, the sluggishness in machinery investment excluding semiconductors is likely to persist for the time being.

**■ Construction investment: Construction investment remained sluggish for a prolonged period, although improvements in leading indicators persisted.**

- The value of construction completed in May (-20.8%) remained significantly down, following the sharp decline seen in the previous month (-21.1%).

- The contraction in construction investment is expected to ease gradually with a time lag, as reflected in sustained improvement in a number of leading indicators.

**■ Prices: Inflation remained stable as domestic demand stayed weak.**

- In June, consumer prices rose by 2.2%, up from 1.9% in the previous month, mainly reflecting base effects.

- Consumer price inflation edged up slightly, largely due to base effects from the stability of agricultural and petroleum product prices in June last year, which resulted in a smaller decline in agricultural product prices (-4.7% → -1.8%) and a modest increase in petroleum product prices (-2.3% → 0.3%).

- However, core inflation held steady at 2.0%, unchanged from the previous month, indicating that overall inflationary pressures remained contained.

## Foreign Direct Investment

---

### IFEZ achieved USD 490 mn in FDI in 1H 2025

On June 26, the Incheon Free Economic Zone Authority (IFEZA) announced that S. Korea's foreign direct investment (FDI) reported in the first half of this year reached USD 493.7 million.

This represents 82.3% of the year's target of USD 600 million.

In the first quarter, FDI reports continued in the bio and advanced materials manufacturing sectors, with USD 250 million from Sartorius Korea Operations and USD 24.5 million from

TOK Advanced Materials.

In the second quarter, offshore wind power company Ørsted reported USD 119.6 million, and retail company Costco Korea (Cheongna branch) reported USD 61.4 million.

Yoon Won-seok, Commissioner of IFEZA, stated, "We will further promote foreign investments through continuous investment attraction activities and the expansion of the designation of free economic zones."

### Biz forum opens in Gyeongju to support upcoming APEC summit

A major S. Korean business lobby kicked off its annual forum in the southeastern city of Gyeongju on July 16 with a focus on supporting the successful hosting of the upcoming Asia-Pacific Economic Cooperation (APEC) summit, set to take place from Oct. 31 to Nov. 1.

With some 100 days to go before the summit, the Korea Chamber of Commerce and Industry (KCCI) launched the four-day forum to review preparations for relevant events and rally public support, according to the organization.

Around 500 participants, including KCCI Chairman Chey Tae-won and representatives from large and small businesses nationwide, attended the event, it added. Chey also serves as chairman of SK Group.

The CEO summit will bring together leaders from 21 member economies, representing 60 percent of global gross domestic product, along with 1,700 global CEOs, making it the largest business event in the Asia-Pacific region, Chey said.

## Industry

---

### S. Korea launches task force to create RE100 industrial complex

S. Korea on July 16 launched a task force to establish the so-called RE100 industrial complexes entirely powered by renewable energy sources, in a move aimed at addressing regional energy imbalances and accelerating the country's energy transition, the industry ministry said.

In its inaugural meeting, the task force discussed necessary measures for creating RE100 industrial zones, including the development of

renewable energy infrastructure, strategies to attract corporate investment and the creation of incentive packages, such as improved living conditions and electricity bill discounts.

RE100, short for Renewable Energy 100 percent, refers to a global initiative that encourages companies to source 100 percent of their electricity from renewable sources as part of efforts to achieve carbon neutrality.

### Samsung maintains top spot in global smartphone market: data

Samsung Electronics Co. maintained its lead in the global smartphone market in the second quarter, supported by sales of its competitively priced Galaxy A models, industry data showed on July 15.

According to the data from market tracker Canalys, Samsung accounted for 19 percent of the global smartphone market in terms of ship-

ments.

iPhone maker Apple Inc. ranked second with 16 percent, followed by China's Xiaomi Corp. taking up 15 percent.

Samsung was the only smartphone maker that posted an on-year growth of 3 percent, while Apple declined by 2 percent and Xiaomi remained unchanged.

## Trade &amp; Commerce

**S. Korea's exports of food, agro products hit all-time high in H1**

S. Korea's exports of agricultural and food products climbed to a record high in the first half on the growing popularity of Korean culture, the agriculture ministry said on July 3.

The combined outbound shipments of agricultural and food items amounted to USD 6.67 billion in the January-June period, up 7.1 percent from USD 6.22 billion tallied a year earlier, according to the Ministry of Agriculture, Food

and Rural Affairs.

It marked the highest first-half figure on record, the ministry added.

By item, exports of instant noodles, or ramyeon in Korean, surged 24 percent on-year to USD 731.7 million over the cited period and shipments of sauce products climbed 18.4 percent to USD 228.4 million, while ice cream exports rose 23.1 percent to USD 65.5 million.

**Auto exports grow over 2 pct in June despite U.S. tariffs: data**

S. Korea's automobile exports rose from a year earlier in June as a sharp rise in shipments to Europe and Asia more than offset a decline in shipments to the United States caused by U.S. tariffs, data showed on July 17.

The value of outbound shipments of automobiles grew 2.3 percent on-year to USD 6.3 bil-

lion in June, marking the highest monthly figure in history for any June, according to data from the Ministry of Trade, Industry and Energy.

"Notable growth was seen particularly in Germany and the Netherlands, where exports nearly doubled," the ministry said.

**S. Korea's ICT exports rise 5.8 pct in H1 on global chip demand**

S. Korea's exports of information and communication technology (ICT) products rose 5.8 percent in the first half from a year earlier, driven by robust semiconductor sales amid growing demand for data centers, government data showed July 14.

Outbound shipments of ICT products reached

USD 115.2 billion in the January-June period, up from USD 108.8 billion a year earlier, the Ministry of Science and ICT said in a press release.

ICT imports rose 5 percent on-year to USD 70.9 billion in the first six months, resulting in a trade surplus of \$44.2 billion in the sector.

## Government &amp; Policy

**S. Korea to spend 484 bln won on developing next-gen iLED display tech**

The government will invest a combined KRW 484 billion (USD 350 million) by 2032 to develop inorganic light-emitting diode (iLED) display technologies, with an aim to find new growth engines for the local display sector, the industry ministry said on July 15.

The investment will be funneled into developing iLED technologies, including micro LED,

quantum dot and nano LED, and cultivating the local industrial ecosystem, according to the Ministry of Trade, Industry and Energy.

Considered a next-generation display technology, iLED offers enhanced lifespan, brightness and power efficiency compared with current organic light-emitting diode (OLED) displays.

**S. Korea to host UNESCO World Heritage meeting for 1st time in 2026**

S. Korea will host the 48th annual session of UNESCO's World Heritage Committee next year in the southeastern port city of Busan, the committee has said.

The decision was made during the committee's ongoing meeting at UNESCO headquarters in Paris on July 16, marking the first time that S. Korea will serve as host of the annual gathering, which determines new additions to the World Heritage list.

The 2026 session is scheduled to take place in Busan, located about 320 kilometers southeast of Seoul, next July. The upcoming session in Busan will mark the first time S. Korea hosts the meeting 38 years after it joined the World Heritage Convention. About 3,000 participants are expected to attend, including representatives from 196 member states, UNESCO Director General Audrey Azoulay, academic experts and delegates from nongovernmental organizations.



# South Korea's Display Industry, Taking a Leap into IT OLED

## Status of South Korea's Display Industry

### Overcoming External Crises by Transitioning to an OLED Ecosystem

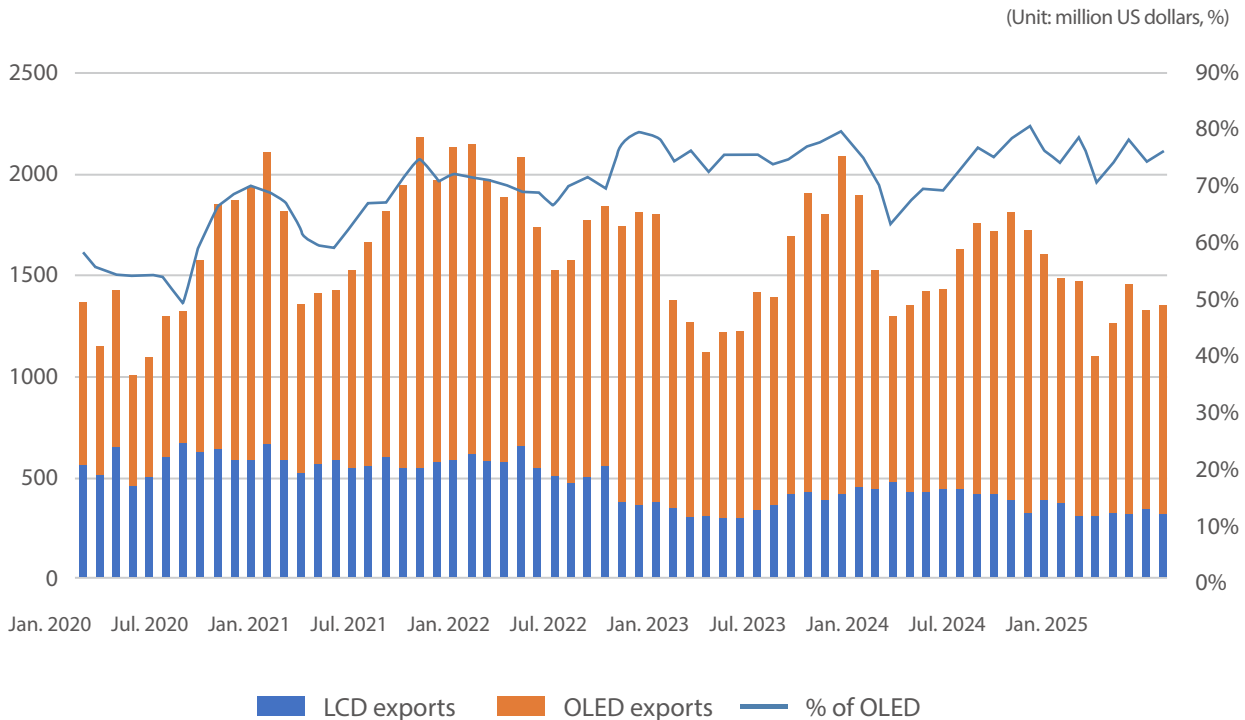
South Korea's display industry is one of the country's key industries, leading the global market with its cutting-edge technology. South Korea has long enjoyed the world's No. 1 market share, but China's rapid pursuit has reversed the market share and widened the gap. China began to lead the market after making large-scale investments and gaining price competitiveness in the LCD market. As a result, China's global market share rose from just 14.1% in 2015 to over 50% in 2024.

South Korea has successfully transitioned its industrial structure to OLED and is dominating the global display industry with China. Unlike South Korea, which leads in OLED, the country's previous major rivals—Taiwan and Japan—are gradually losing their importance in the display market.

China's large-scale investment has intensified the game of chicken in the LCD market, and South Korea is responding by shifting its industrial ecosystem to OLED. Samsung Display has discontinued LCD production, and LG Display has also quickly moved to scale back production by selling its LCD plant in Guangzhou, China. These changes are clearly reflected in the shift in South Korea's export product structure. The share of OLED products in South Korea's display exports, which remained at around 50% until 2020, has now risen to 74.7%. Considering that the demand for display panels is very low in the South Korean market, the increase indicates that the country's display ecosystem has successfully transitioned to OLED.

The transition to OLED is not limited to changes in the product lineup of panel manufacturers but is leading to broader changes across the entire ecosystem. Makers of materials, components, and equipment are also shifting their businesses from LCD to OLED, actively working to enter the Chinese market and sell off their LCD divisions. South Korea's leading display material

## Exports of Display Products and their Shares



\*Source: KITA

manufacturer LG Chem has closed its main LCD material businesses, including polarizers, photosensitive materials, and glass substrates, in line with the reduction in LCD production by its sister company LG Display.

Across the overall display industry, there is a noticeable reduction in production value, the number of companies, and the number of employees. However, a closer look at the OLED segment shows that the industry continues to grow by refining products.

### Market Outlook and Government Policies Supporting the Display Industry

#### Bigger Panels Boosting the OLED Market

COVID-19 had a negative impact on most industries, but the IT product market grew significantly along with the active transition to the non-face-to-face economy. In particular, the number of IT products owned per household increased, mainly tablets and laptops, as

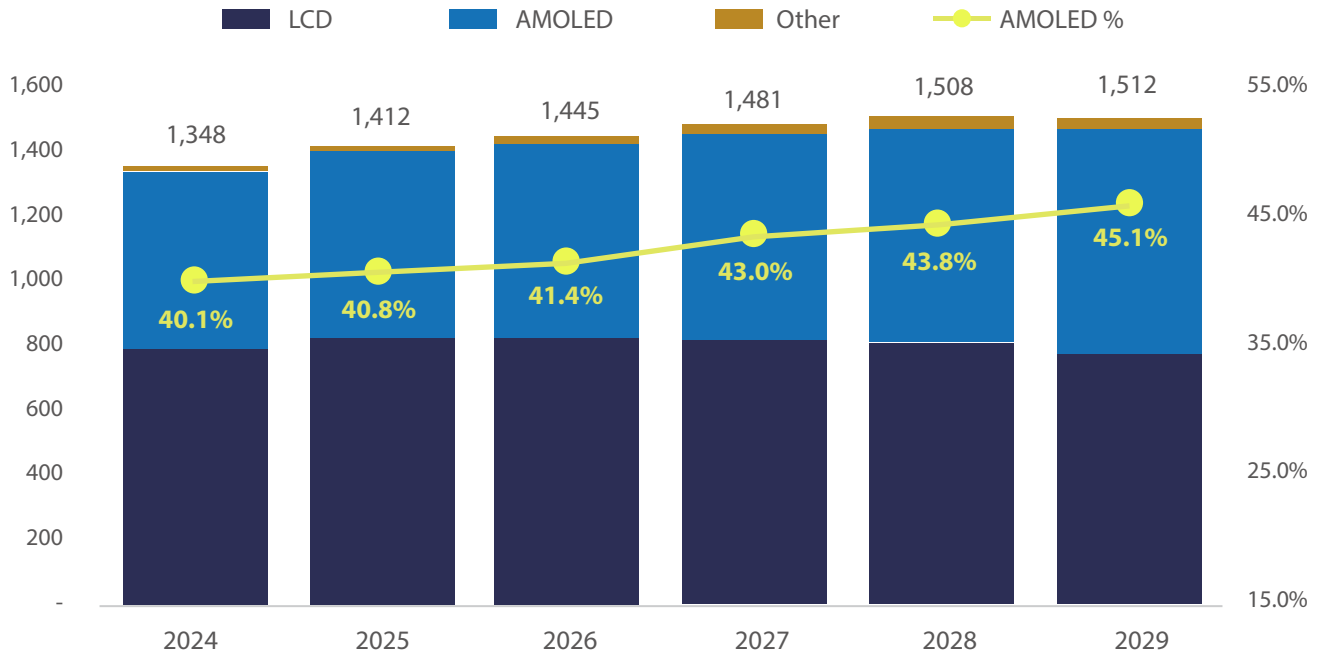
more people worked from home and took remote classes. These changes led to the growth of the display market, but the market also contracted significantly after the pandemic.

The global display market turned to growth after 2024, led by the arrival of the replacement cycle of products purchased during the COVID-19 pandemic, and reached USD 134.8 billion. Going forward, the market is expected to continue growing steadily, centered on OLED. The expansion of the user base for tablets and laptops has led to higher-value-added products, which is reflected in the increasing penetration rate of OLED products. In 2024, Apple launched iPads fitted with OLED panels and is preparing to apply OLED panels to its MacBook models. The IT giant's move is expected to stimulate the market by encouraging other competitors to adopt OLED.

Panel companies are also investing in 8.6-generation RGB-OLED production to meet the growing demand for OLED panels in IT products. Thus, their competitiveness

## Outlook of the Global Display Market

(Unit: 100 million US dollars, %GWh)



\*Sources: OMDIA, KDIA

will depend mostly on the ability to secure mass production capacity. Samsung Display is set to complete the construction of its 8.6-generation RGB-OLED production line this year, with full-scale operations expected to begin in 2026, offering an opportunity for the company to regain its market leadership.

The South Korean government is also responding to these market changes by continuously introducing various policy measures to help companies stay competitive. Through its Display Innovation Strategy, the government has outlined a roadmap for industrial development and established an incentive structure by designating high-tech industrial complexes to offer tax benefits and build specialized clusters. In R&D, the government is building and operating a public testbed by launching a project aimed at building a platform for innovating the display production process. It is also committed to securing competitiveness in next-generation displays such as micro-LED by pursuing an inorganic light-emitting display project.

### Case Study: Foreign Companies Entering South Korea

South Korea's display industry is growing more competitive by closely working with foreign companies. Foreign investors play an important role as key agents in the industrial ecosystem, and the transition to the OLED ecosystem further highlighted their importance. Many companies that play a central role in the display ecosystem, such as Dongwoo Fine-chem, Merck, Corning, and Ulvac, have entered the market and are championing industrial development.

**By Nam Sang Uk**

Research Fellow, Office of Digital Ecosystem and Industrial AI Research  
Korea Institute for Industrial Economics & Trade (KIET)  
sanguknam@kiet.re.kr

\* The opinions expressed in this article are the author's own and do not reflect the views of KOTRA.

# Industry Trends

*Invest KOREA provides an overview of Korea's monthly industry trends based on the latest data available from the Ministry of Economy and Finance and the Korea Institute for Industrial Economics and Trade. Figures are subject to change and may be updated for accuracy by the respective organizations.*

## All Industries

In May 2025, Korea's total industrial production decreased for the second consecutive month (down 1.1 percent month-on-month and up 0.8 percent year-on-year) due to declines in mining and production (down 2.9 percent month-on-month and up 0.2 percent year-on-year) and services (down 0.1 percent month-on-month and up 1.0 percent year-on-year).

### Monthly Industrial Activity Trends

Subject	All industries	Mining & manufacturing	Service	Retail sales	Capital investment	Construction completed
Monthly Change (%)	<b>△1.1</b>	<b>△2.9</b>	<b>△0.1</b>	<b>0.0</b>	<b>△4.7</b>	<b>△3.9</b>

In May, the mining and manufacturing industry saw a significant decline despite increases in metal and petroleum refining, due to a decrease in domestic shipments and adjustments in pharmaceuticals and semiconductors, which had seen a sharp increase in March. The service industry also fell, with increases in finance and insurance offset by decreases in wholesale and retail trade, accommodation, and food services. Retail sales remained flat despite increases in durable goods (communication equipment and computers) and semi-durable goods (clothing), as sales of non-durable goods (cosmetics) declined. Despite increases in transportation equipment such as aircraft and ships, capital investment decreased as machinery, including semiconductor manufacturing machinery, declined. Construction completed shrank due to month-on-month declines in both construction and civil engineering. Despite an increase in the number of employed persons, the cyclical change in the coincident index turned downward, affected by decreases in construction completed and domestic shipments. The sentiment index improved, but the cyclical change in the leading index turned downward as well, due to sliding construction orders and machinery shipments.

In May, Korea's industrial production weakened due to decreases in the manufacturing, service, and construction industries. On the spending side, domestic demand continued to struggle, with declines in capital and construction investment. It is necessary to make an all-out effort to revitalize domestic demand and manage trade risks.

## Trends by Industry

### Automotive

#### April Production Continued Growing amid Brisk Hybrid Car Exports and Expanded Domestic Sales

April exports decreased by 2.1 percent year-on-year with exports of finished vehicles falling due to the impact of U.S. tariff on cars and the base effect from the previous year. Domestic sales in March increased by 4.9 percent year-on-year, driven by the government's proactive policies to boost consumption. Production in March continued its growth trend, supported by expanded domestic sales and increased exports of hybrid cars.

### General machinery

#### March Production Continued Declining as Domestic Demand and Exports Remained Weak

March production decreased by 4.3 percent year-on-year as domestic shipments declines. April exports decreased by 6.3 percent year-on-year, affected by weak global investment sentiment. March imports increased by 2.3 percent year-on-year, backed by the recovery of domestic demand and an increase in capital investment.

### Shipbuilding

#### March Production Continues to Surge and Expand

March production showed a big jump of 45.1 percent year-on-year. April exports increased by 17.3 percent year-on-year due to the delivery of ships ordered at high prices after 2022. March imports grew by 8.1 percent year-on-year, driven by an increase in the inflow of ships and ship parts. As for global new ship orders, orders of bulk carriers, gas carriers, and tankers up to March plummeted by as much as 78 to 90 percent year-on-year as freight rates weakened and policy uncertainty from the United States heightened (review of port fees for Chinese-owned or operated vessels by the US Trade Representative).

### Steel

#### April Exports Turn to Growth, Driven by Strong Demand from Emerging Countries

March production decreased by 5.8 percent year-on-year as a decline in exports of major steel products and weak domestic demand dampened sales. Despite weaker unit prices, April exports increased by 5.4 percent year-on-year, with strong demand from emerging markets such as ASEAN, India, and Latin America pushed export volumes. March imports fell by 12.0 percent year-on-year due to reduced import volumes from Southeast Asian countries and from countries subject to anti-dumping investigations, such as Japan, and weak domestic demand.



## Oil refining

### April Exports Fell as Unit Prices and Volume Shrank Together

March production fell by 9.6 percent year-on-year, affected by regular maintenance and a decline in operating rates. April exports decreased by USD 620 million year-on-year as export unit prices fell and volume shrank due to downward adjustments in operating rates.

## Semiconductor

### Export Continued Growing

April exports increased by 17.2 percent to USD 11.7 billion, breaking the record for the month of April and continuing the export boom. The March semiconductor production index rose by 26.8 percent year-on-year to 201.5 and by 13.3 percent month-on-month, indicating a significant increase in production.

## Wireless communication devices

### April Exports Surged, Up 26.5 Percent Year-on-Year

April exports rose by 26.5 percent year-on-year, marking the third consecutive month of growth, driven by the preemptive shipment of inventory in anticipation of Trump's tariff imposition. March production increased by 13.3 percent year-on-year due to higher demand in the first quarter, with shipments rising by 23.7 percent, leading to a 28.5 percent increase in the operating rate and a 21.6 percent decrease in inventory. March imports decreased slightly by 2.5 percent year-on-year, with increases in smartphones and parts offset by a significant decline in wireless transmitters.

## Display

### April Exports Fell as Uncertainty in the Premium OLED Market Expanded

April exports decreased by 7.6 percent year-on-year due to growing uncertainty in major markets. The production index for March was 75.1, up by 8.5 percent year-on-year and by 7.8 percent month-on-month

\* Please note that the latest data available in Statistics Korea are for the previous month in the case of exports and the month prior to the previous one for production.

Source: Ministry of Economy and Finance (moef.go.kr), Korea Institute for Industrial Economics and Trade (kiet.re.kr)



D.CENTER

Focus on Gwangju Free Economic Zone:

# Gwangju's Strategic Shift Toward Becoming a Leading AI City

## GJFEZ, An Emerging Hub for Future-Oriented AI Convergence Industries

Gwangju is rapidly emerging as a hub for next-generation AI convergence industries, and Gwangju Metropolitan City is accelerating its efforts to take a leap forward as an ‘AI Convergence and Integration New Industry Hub’.

With the Gwangju Free Economic Zone as its foundation, the region is focusing on the AI convergence and integration industry, future automobile industry, and smart energy industry as its three major strategic axes, spurring the creation of a new industrial ecosystem based on AI.

This is in line with the history of Gwangju, which has steadily changed its industrial strategy in line with the changing times. In the 1960s, the city established an industrial base centered on the automobile industry, and in the 2000s, it grew into a cutting-edge industrial city by leading the photonic industry. Since 2018, Gwangju has been preparing for the era of the 4th industrial revolution by selecting AI as a future strategic industry.

## Current Status of AI Convergence and Integration

The first phase of Gwangju's AI project, which began in 2020, focused on building a ‘National AI Data Center’. The center officially launched its service on November 15, 2023, and has a total of 88.5 petaflops (PF) of operational resources and 107 petabytes (PB) of storage capacity, including 20PF of High-Performance Computing (HPC) based on NVIDIA H100 GPUs and 68.5PF of GPU cloud. In 2024, HPC services for developing large-scale AI models were also put into full operation. Through this, it provides infrastructure that enables learning, analysis, and utilization of massive data.

The ‘National AI Data Center’ is being utilized as a practical AI research infrastructure for AI companies, positioning Gwangju as an attractive destination for AI-related companies. The number of enterprises that have signed business agreements to create an AI ecosystem, including global companies such as ‘FURIOSA AI’, has

increased to 299, with 158 of them opening offices and research centers in Gwangju.

Gwangju City aims to cluster more than 1,000 AI-related companies by 2029 and is steadily pushing forward to become a robust ecosystem for future growth engines.

## Addressing the AI Talent shortage through a Comprehensive Development Policy

Efforts to secure AI experts are also being systematically carried out. Last July, Gwangju City began full-scale discussions on implementing the ‘2030 Talent Development Strategy’ in addition to the existing talent development policy such as the ‘AI Academy’.

This policy is a roadmap that aims to foster a total of 810,000 industrial technology talents who will lead the growth of regional strategic industries such as AI, digital, semiconductors, and cultural content by 2030, with the participation of 87 organizations including education, industry, and public institutions. It will help build a robust talent pipeline for the AI ecosystem.

Recently, in the semiconductor industry, ‘AsicLand’ and ‘AimFuture’ announced plans to hire talents from Gwangju, and ‘ESTsoft’ is also promoting AI and digital talent development with Gwangju City.

## A Bigger Leap, Gwangju, a Demonstration City Platform

Gwangju has attracted a 3.3km<sup>2</sup> ‘Future Vehicle National Industrial Complex’ in addition to the ‘Future Automotive Industry Complex’ in the existing Bitgreen National Industrial Complex designated as the Free Economic Zone.

This is aimed at building a specialized cluster for materials, parts, and equipment (so-called ‘SoBuJang’) for future vehicles, and when the nearby ‘Jingok Industrial Complex’ is built as an autonomous car parts development and production complex and the ‘Bitgreen National Industrial Complex’ is built as an autonomous car parts certification demonstration complex—forming a

vast ‘Future Vehicle Triangle Belt’ spanning 7.3 km<sup>2</sup>.

As various mobility and urban technologies such as autonomous watercraft, smart bus systems, and water quality robots are being verified, Gwangju is solidifying its status as a ‘leading city for future mobility.’

As the entire city was built into a demonstration-based industrial ecosystem, technologies were demonstrated and data analyzed on-site according to corporate needs. The fact that the demonstration space has expanded to 36 locations in 2023 and 45 locations in 2024 proves that Gwangju is swiftly adapting its infrastructure to meet corporate demands.

In the future, we will pay attention to Gwangju's unique differentiation through demonstration strategies such as expansion of demonstration spaces, post-distribution commercialization performance, and sustainability of investment attraction.

## Strategy for New Energy-Related Industries

The Gwangju Free Economic Zone Smart Energy Industry Complex I and II are attracting attention as core districts representing new energy convergence industries such as energy ICT convergence-based smart grids and industrial convergence clusters.

The district is home to key R&D institutions, including the Korea Electrotechnology Research Institute (KERI) and the Korea Basic Science Institute (KBSI). With core infrastructure such as the Energy Industry Convergence Complex Support Center, it is evolving into

an ideal hub for energy convergence—linking R&D with industry and advancing test bed-based commercialization of new technologies.

In the future, we will go beyond simple industrial clusters and build a next-generation energy management system that combines AI and distributed power technology. Through the Local Production and Local Consumption Strategy, we will realize a local energy circulation structure and link it with the national strategy to become a leading model city for realizing the RE100 era.

## Aiming to Become Korea's AI Silicon Valley

Gwangju supports startups at every stage of their journey with the goal of making Gwangju a 'dream city where AI business is possible with just a backpack'.



We started the 'Gwangju AI Startup Camp' in 2020 and have been producing new talents every year, and we have established a solid startup ecosystem by establishing the 'Gwangju AI Investment Fund' worth USD 80 million. From education and mentoring in the pre-startup stage to consulting in the early stages of startups, we provide stable support through verification, product sophistication, as well as domestic and international marketing support.

Gwangju is fully equipped to serve as a reliable partner for investment in the growing stage of companies. Our commitment is to help new business ventures flourish and thrive in the Gwangju Free Economic Zone, the heart of Korea's next-generation AI convergence industry.

Source: Gwangju Free Economic Zone















# A Venue for opportunities and new possibilities, Gwangju Free Economic Zone

<h2 style="text-align: center;">AI Convergence</h2> <p style="text-align: center;">District</p> 	<h2 style="text-align: center;">Future Automotive</h2> <p style="text-align: center;">Industry District</p> 	<h2 style="text-align: center;">Smart Energy</h2> <p style="text-align: center;">Industry District</p> 
---	---	--

## Investment Environment

- Population of 1.5 billion, a huge market made up of the world's top 3 trade blocs, a central city in the Northeast Asian market, Gwangju Metropolitan City

- 61 cities including Beijing, Shanghai, and Tokyo with a population over one million within a 1,500 km radius

 <b>501.02 km<sup>2</sup></b> Area	 <b>1,399,082</b> Population	 <b>26,696</b> Foreigners	 <b>807,000</b> Working age population (15-64)	 <b>KRW 51 Trillion</b> Gross Regional Domestic Product (GRDP)	 <b>54</b> Foreign Companies
 <b>14</b> Industrial Complexes	 <b>163</b> Medium-Sized & Large Enterprises	 <b>3 major Industries</b> Automotive, Energy, AI Convergence	 <b>18</b> Universities (1 foreign school)	 <b>24</b> General Hospitals	 <b>14.8°C</b> Average Temperature (Highest : 37.8°C, Lowest : -5.9°C)



Scan QR Code and  
Check out status of each district  
and tenant companies in details



[www.gjfez.go.kr](http://www.gjfez.go.kr)  
+82-62-613-6053



# P2SG Global, IP68 Bezel-less Transparent Display

## About the Company

P2SG Global was established in May 2018 in Seoul to develop New Media Glass, a new type of display that is more durable than existing products, by partnering with Germany's Peter Platz Spezialglas GMBH, which developed the world's first transparent display glass in 1998. P2SG Global's founder has more than twenty years of experience and expertise in the transparent display industry, having managed Peter Platz Spezialglas's operations in Asia. Currently, the company operates two manufacturing facilities—one in Gimpo, Gyeonggi-do, South Korea, and another in Cologne, Germany—where it is contributing to the spread of transparent display technology and the global growth of the industry by developing and producing products.

## Background

Existing transparent display products, including glass-type, film-type, and mesh-type, all require a driver PCB, are hidden inside a specially-designed frame that opens and closes, and are connected through the LED panel and FPCB. Therefo-

re, the connection points are susceptible to corrosion and heat dissipation, and the frequent failures of PCB parts make it difficult to guarantee durability. To address these issues, P2SG Global developed bezel-less media that does not use driver PCBs or FPCBs. The new product is free from bezel frames and can be used for a long time and applied in various industries, just like glass.

## About the Product

New Media Glass—the world's only IP 68-certified bezel-less media glass.

New Media Glass is a bezel-less smart display with a perfect glass structure made by inserting transparent electrodes with smart pixels (LEDs equipped with ICs and electronic components) and laminating them with a glass cover using a semi-permanent transparent resin that remains colorless.

Rather than simply lighting the space, it helps create diverse artistic video content, achieving a perfect harmony between the smart technology-based display media and the laminated glass that is used as an architectural finishing material.

### Competitive Edge and Business Strategy

The company’s smart pixels are the core components of New Media Glass and enable its bezel-less structure by maintaining the vacuum state inside the laminated glass and protecting it from shocks, external air, and water immersion.

Based on the world’s only IP68-certified display product, P2SG Global aims to establish itself as a technology leader by providing customers with innovative bezel-less LED glass so that they no longer have to worry about frequent malfunctions and other inconveniences.

### Future Plans

P2SG Global’s technology is not limited by size, shape, or application, and its scalability has been maximized for use in various environments, including large buildings, complex structures, and flood-prone facilities.

As a result, it is opening up new horizons in the media glass industry and transforming the paradigm of

smart city building solutions.

Currently, P2SG GLOBAL, as the major shareholder of its German affiliate, plans to integrate South Korea's technological rights and marketing capabilities with Germany's production know-how into a single package. The company is fully committed to expanding global production hubs through technology transfer, with the ultimate goal of listing on the Korea Exchange (KRX) and NASDAQ.

**By Do Hee, Cho**

CEO & Co-founder  
P2SG Global  
hs3879@nate.com

*\* The opinions expressed in this article are the author’s own and do not reflect the views of KOTRA.*



# KOREA Unique Venue



## Discover the unique beauty of diverse regions throughout Korea

Every month, in cooperation with the Korea Tourism Industry (KTO), Invest KOREA features one unique region in Korea as an ideal venue for corporate meetings, international conventions, and incentive travels. Read on to find out more on the KTO's Korea Unique Venue initiatives and plan your next visit to Korea!

## What is KOREA UNIQUE VENUE?

The MICE industry is celebrated as the “golden industry without limits” of the 4th Industrial Revolution Era. With the growth of this industry, MICE venues are increasing in variety. Nowadays, corporations and institutions, which have preferred large scale convention centers in the past, are increasingly seeking out special places and experiences, or “unique venues” that showcase traditional local cultures and regional characteristics.

The Korea Tourism Organization regularly selects and promotes such unique venues that can be found all throughout the country—places with a distinct Korean charm that captivate its visitors. After various studies and evaluations on the suitability of the purpose, scale, and size of various events and meetings, the KTO has selected 39 of Korea’s unique venues to fit your various needs.

These 39 “KOREA Unique Venues,” which demonstrate the special characteristics of its respective region, are bound to add color to your events and provide visitors with experiences and memories beyond expectations. Korea’s doors are wide open for you to experience the country’s culture and beauty to their fullest.

## Incentives for Organizers

### ❖ Subjects of incentive support for international meetings (event hosting/global PR and event hosting support)

#### Common Conditions:

- Meetings hosted by international organizations or members of the international organizations, or legal entities & groups which are part of international organizations that fulfill ALL of the following conditions.
  - Foreigners from at least 5 or more countries shall participate in the meetings.
  - Total number of meetings participants shall be at least 300 or more and foreign participants shall be at least 100 or more.
  - The duration of the meetings shall be at least 3 days or longer.
- Meetings hosted by legal entities & groups which are not a part of international organizations that fulfill ALL of the following conditions.
  - Among the meeting participants, total number of foreign participants shall be at least 150 or more.
  - The duration of the meetings shall be at least 2 days or longer.

### ❖ Subjects of incentive support for corporate meetings/incentive tours

#### Common Conditions:

- Visitors should stay in Korea for at least 2 days or longer.
  - \* “NOT” applicable for hobby clubs, fan clubs, religious organizations, government officials’ groups, and/or student groups.
- Among the participants, total number of foreign participants shall be at least 10 or more.

#### ❖ Additional Conditions:

- Incentive Tour: Incentive Tour Groups (as performance awards), with sponsoring corporations paying for all of tour related expenses for visiting Korea.
- Corporate meetings: Groups of people who are visiting Korea for meetings hosted by specific corporations for the express purpose of meetings or travels
  - \* Meetings with at least 4 hours or longer shall be included in the official schedule.

For further details, please visit the K-MICE website at <https://k-mice.visitkorea.or.kr>.



K-MICE



KOREA UNIQUE  
VENUE



GANGWON-DO

## Wonju Hanji Theme Park

WONJU HANJI THEME PARK is a complex cultural space, where visitors can enjoy Hanji (Traditional Korean Paper) exhibitions, Hanji classes and hands-on Hanji making experiences. Spacious indoor venue is equipped with materials suitable for holding various events and visitors can enjoy the hands-on experience programs. Outdoor venue such as performance hall and the park can be utilized as venues for various events.



### Venue & Rental Information

- Address: 151 Hanjigongwon-gil, Wonju-si, Gangwon-do, Korea
- Phone Number: +82-33-734-4739
- Homepage: <https://www.hanjipark.com/eng/main.php>
- Inquiries: +82-33-734-4739 (At homepage: go to Facilities Information tab and select Rental facilities / Rental applications can be done by internet or phone calls)
- Major Events Held in Recent Years: The 21st Wonju Hanji Festival (2019) / Hanji Hands-on Experience Wonju-si FAM Tour for Chinese Students' School Tour (2019) / Cultural Olympic Event for PyeongChang 2018 Olympic Winter Games (2018)

Source: Korea Tourism Organization, "2022 KOREA Unique Venue"

# FDI Promotion Policy in Korea

*Except as prescribed by other Acts, foreign investors are guaranteed a legitimate right to manage their business operations in Korea freely. To this end, the Korean government has prepared a system to protect foreign investors.*

*Korea's foreign investment policy is in accordance with global standards based on the recommendations and agreements of international organizations such as the OECD, UNCTAD, and WTO. It provides various incentives to foreign investors that create high-quality jobs or encourage domestic economic growth.*

*As such, the Korean government constantly strives to create a business-friendly investment.*

## Liberalization of FDI

The Republic of Korea is a country which welcomes foreign direct investment and has a foreign investment promotion policy focusing on investor support. Foreign investors and foreign-invested companies can conduct business in Korea without restraint, except as otherwise prescribed by law.

Rate of Liberalization of FDI ▶



### Restricted Business Categories

Out of a total of 1,196 business categories listed under the Korean Standard Industrial Classification (KSIC), FDI in Korea is permitted in 1,135 categories. Foreign investment is prohibited in 61 business categories including legislation, public administration, diplomacy, and national defense. Among the permitted business categories, restrictions on shareholding ratio, etc. apply in 29 categories and there are three prohibited business categories - nuclear power generation, radio broadcasting, and terrestrial tv broadcasting.

\* Businesses Prohibited from Foreign Investment (Appendix1\_ p.196 ), Businesses Restricted from Foreign Investment and Criteria for Permission (Appendix2\_p.198 )

\* Related law: Regulations on Foreign Investment (Public Notice no. 2021-106 of the Ministry of Trade, Industry and Energy)

---

# Foreign Investor Protection

## 01. Guarantee of Remittance to Foreign Countries

Remittance of proceeds accruing from the stocks, etc., acquired by a foreign investor, proceeds from the sale of stocks, and the principal, interest, and service charges paid under a loan contract shall be guaranteed in accordance with the details of the report or permission of the foreign investment at the time of remittance.

## 02. National Treatment

Except as otherwise prescribed by law, foreign investors and foreign-invested companies shall be treated in the same manner as nationals of the Republic of Korea and Korean corporations in respect to their business operations.

## 03. Exceptions to the Safeguard Clause on Foreign Exchange Transactions

For foreign exchange and overseas transactions of foreign exchange, the Foreign Exchange Transaction Act is applied unless otherwise prescribed by the Foreign Investment Promotion Act. Foreign exchange transactions may be temporarily suspended or restricted under the Foreign Exchange Transaction Act if such measures are deemed inevitable due to natural calamities, war, armed conflict, grave and sudden changes in domestic and foreign economic conditions, or other situations equivalent thereto. However, such measures shall not apply to foreign investment.

\* Related law: Article 6 (4) of the Foreign Exchange Transactions Act

## 04. Equal Application of Tax Abatement Regulations, etc.

Unless otherwise prescribed by the laws of the Republic of Korea, the provisions concerning the abatement of taxes applied to nationals of the Republic of Korea or Korean corporations shall also apply to foreign investors and foreign-invested corporations.

\* Related law: Article 3 (3) of the Foreign Investment Promotion Act



# Free Economic Zones (FEZ)



## A. Overview

The purpose of a free economic zone is to facilitate foreign investment and seek balanced development among regions by improving the business environment for foreign-invested companies and companies reshoring to Korea and living conditions for foreigners.

The area is developed considering multiple aspects such as industrial, commercial, living and education environments, which differentiates it from other zones and areas focusing on supply of industrial sites. The first FEZ was created in Incheon in 2003, and there are currently nine FEZs in operation including the Gwangyang Bay Area, Daegu-Gyeongbuk, Chungbuk, East Coast Area, Gwangju and Ulsan. Currently, the zone is only available for lease.

## B. Incentives and Support Programs

### 1) Tax Reduction or Exemption

Category		Reduction/Exemption	Remarks
National Tax	Customs duty	100% exemption for 5 years	Limited to imported capital goods
	Acquisition Tax	100% exemption possible for up to 15 years by local government ordinance	-
Local Tax	Property Tax	Reduction/exemption possible for up to 15 years by local government ordinance	-

## 2) Deregulation Measures

Category	Benefits
<b>Relaxation of Labor Regulations</b>	<ul style="list-style-type: none"> <li>• Exempt from the obligation to prioritize employment protection for persons of national merit, the disabled, and the elderly.</li> <li>• Permission of unpaid holidays for workers</li> <li>• Work expansion subject to worker dispatch and extension of dispatch periods.</li> </ul>
<b>Exclusion from the application of the Seoul Metropolitan Area Readjustment Planning Act</b>	<ul style="list-style-type: none"> <li>• Application exemption for foreign-invested enterprises of Article 7 (Restriction on Acts within Overconcentration Control Region), Articles 8 (Restriction on Acts within Growth Management Region), Article 12 (Imposition and Collection of Overconcentration Charges), Article 18 (Total Quantity Regulation) and Article 19 (Regulation on Largescale Development Projects) of the Seoul Metropolitan Area Readjustment Planning Act.</li> </ul>
<b>Freedom of Forex Trading</b>	<ul style="list-style-type: none"> <li>• Exempt from the obligation to prioritize employment protection for persons of national merit, the disabled, and the elderly.</li> <li>• Permission of unpaid holidays for workers</li> <li>• Work expansion subject to worker dispatch and extension of dispatch periods.</li> </ul>

## 3) Financial Support, Site Support, Others

Classification	Benefits	Conditions
<b>Cash grant</b>	<ul style="list-style-type: none"> <li>• Support for foreign-invested companies with a foreign investment ratio of 30% or more through negotiations</li> <li>- Support for installation of factory facilities and research facilities, employment subsidies, education, and training subsidies, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign-invested enterprises with a foreign investment ratio of 30% or more</li> <li>- Determined after reviewing the involvement of advanced technology, technology transfer effects, job creation scale, etc.</li> </ul>
<b>Infrastructure Support</b>	<ul style="list-style-type: none"> <li>• Infrastructure support for roads, railroads, airports, port facilities, water and sewage, waste treatment facilities, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• 50% support for national expenditure and full support subject to approval by the Free Economic Zone Committee</li> </ul>
<b>Support for foreign education and research institutes</b>	<ul style="list-style-type: none"> <li>• Support for establishment preparation, initial operating expenses, construction expenses, etc. of foreign education and research institutes</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of contribution to national development, institutes' reputation, etc.</li> </ul>
<b>Rent Support</b>	<ul style="list-style-type: none"> <li>• 50-year lease possible for national and public land</li> <li>- Rent in the range of about 1% of the land price</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign-invested enterprises</li> </ul>
<b>Rent Reduction/Exemption</b>	<ul style="list-style-type: none"> <li>• 50-100% exemption according to local government ordinance</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign-invested enterprises</li> </ul>
<b>One-Stop service</b>	<ul style="list-style-type: none"> <li>• A project manager is designated and consulting on business, law, accounting, tax and also administrative support are provided</li> </ul>	
<b>Improvement of Living Conditions</b>	<b>Education</b>	<ul style="list-style-type: none"> <li>• Establishment and operation of foreign educational institutes (primary to high school, colleges) permitted</li> <li>• Support for establishment preparation, initial operating expenses, construction expenses, etc. of foreign education and research institutes</li> </ul>
	<b>Medical Service</b>	<ul style="list-style-type: none"> <li>• Foreign medical institutes or foreigner-only pharmacies can be established and operated</li> <li>• Exceptions apply for auxiliary facilities (spa for recuperation, etc.) of medical institutes</li> </ul>
	<b>Others</b>	<ul style="list-style-type: none"> <li>• Foreigner-only casino (USD 500 mil. or more) can be operated</li> <li>• Wider variety of foreign TV channels</li> </ul>



## Chungnam Display Specialized Complex, Aspiring to Take Flight and Build the Future of the Display Industry

*In July 2023, parts of Cheonan City and Asan City in Chungcheongnam-do (Chungnam) Province were designated as a display specialized complex in line with the government's national strategic high-tech project.*

*Expected to be the center of South Korea's display industry, the Chungnam Display Specialized Complex was created as part of a strategic effort to develop technologies amidst fierce global competition, make the country's materials, parts, and equipment sectors self-reliant, and establish a technology super gap.*

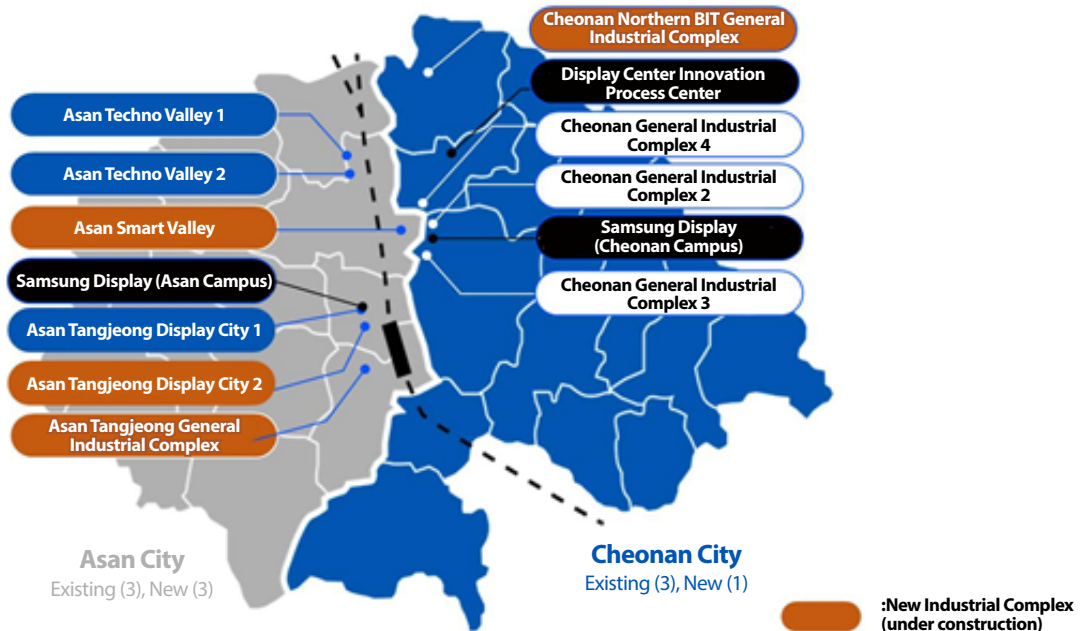
*The specialized complex encompasses ten industrial complexes in Cheonan and Asan (approximately 14.1 million<sup>2</sup>). Cheonan was first selected as a specialized zone for materials, parts, and equipment in 2021 (with approximately 90 companies operating in the complex). With the designation of additional industrial complexes, the specialized complex is earning a reputation for excellence.*

*Major players in the display industry such as Samsung Display, Dow Chemical, Advanced Glass, Edwards Korea, and Samsung Corning are operating in the specialized complex. Notable small and medium-sized venture companies include DTC, QC Laser, and Nanoace.*

### Chungnam Display Specialized Complex

- **Industrial complexes:** Asan Techno Valleys 1 and 2, Asan Smart Valley, Asan Tangjeong Display Cities 1 and 2, Asan Tangjeong General Industrial Complex, Cheonan Northern BIT General Industrial Complex, Cheonan General Industrial Complexes 2, 3, and 4
- **Institutions/companies:** Samsung Display (Asan Campus and Cheonan Campus), Display Innovation Process Center
- **Location:** Cheonan City and Asan City in Chungnam Province

## 91.9% of Construction Completed, Promising Cluster of Strategic High-Tech Industries with a Total Area of 14,199,914m<sup>2</sup>



Benefits for residents include priority allocation of government R&D budgets, testbed construction and financial support, increased floor area ratio, and investment incentives. As a national project, the Display Innovation Process Center (scheduled for completion in April 2025) has been established, and a project was launched to build the Inorganic Light-Emitting Display Smart Modular Center by 2032. The plan is to invest approximately KRW 325.8 billion by 2027.

Following the designation of the specialized zone for materials, parts, and equipment, the country's self-sufficiency rate for parts and materials increased from 65% in 2019 to approximately 71.5% in 2023. Based on these achievements, the government plans to strengthen its leadership in next-generation display technologies such as OLED and microLED.

The Chungnam Display Specialized Zone connects the Cheonan and Asan regions as a single large display R&D and production hub, playing a pivotal role in linking national strategies and corporate demand.

The government's administrative and financial support, test and infrastructure development by Chungnam TP, a value chain centered on large corporations, and synergies with the cluster of numerous specialized SMEs will serve as the core driving force for achieving a "technology super gap" in the global market.

At a time when global competition is intensifying daily, the Chungnam Display Specialized Complex is expected to play a key role in widening the technological gap with China and Taiwan, thereby solidifying the country's position as a display powerhouse.

\*Source: (Text) Korea Industrial Complex Corporation, (Photo) Chungcheongnam-do Office, Chungnam Techno Park

# Key Takeaways of Strengthened Regulations Requiring Publicly Listed Companies to Make Prior Disclosure of Privately Placed Convertible Instruments



>Lorem ipsum dolor sit amet, consectetur adipiscing elit. Mauris ut erat vitae nulla elementum pretium. Aenean  
nisi ullamcorper libero semper accumsan sit amet at eros. Praesent rhoncus diam libero, sed feugiat nisi adipiscing  
elit. Vivamus dignissim nunc id faucibus hendrerit  
Donec tristique  
varius ligu

## I. Background of Amendments to the Financial Investment Services and Capital Markets Act (the “FSCMA”) and the Regulation on the Issuance and Disclosure of Securities (the “Securities Regulation”)

Financial Services Commission (“FSC”) has been working on improving the soundness of the convertible bonds market and addressing the issues underlying the existing regulations on convertible bonds and related instruments. In this connection, on May 28, 2024, the FSC issued a legislative notice of a proposed amendment to the Regulation on the Issuance and Disclosure of Securities (the “Securities Regulation”). Subsequently, on November 13, 2024, the Securities Regulation was amended to (i) strengthen regulations on disclosures regarding the issuance and circulation of convertible bonds, bonds with warrants and (redeemable) convertible preferred shares, (ii) strengthen the conversion price adjustment (i.e., refixing) mechanism of such securities, and (iii) clarify on the appropriate base date for calculation of conversion prices.

Relatedly, the Financial Investment Services and Capital Markets Act (the “FSCMA”) was amended on January 21, 2025 and took effect on July 22, 2025. Such amendment aims to strengthen the disclosure obligation of publicly listed companies, whereby (i) ensuring fairness in the issuance of privately placed convertible instruments, bonds with warrants and exchangeable bonds (collectively, “Privately Placed Convertible Instruments”) and (ii) enhancing provision of information to investors. The Enforcement Decree of the FSCMA (amended on April 22, 2025) and the Securities Regulation (announced on May 22, 2025 to be further amended), each subordinate to the FSCMA, (together with the FSCMA, the “Amended Regulations”), took effect on July 22, 2025. Key provisions of the Amended Regulations are summarized as follows:

## II. Accelerated Disclosure Time Frame for Issuance of Privately Placed Convertible Instruments

Previously, listed companies and other entities required to submit business reports were obligated to disclose a report on material matters by the following day if the board of directors resolved to issue Privately Placed Convertible Instruments. As a result, the disclosure often came just before the payment due date. This timing made it difficult for shareholders to apply for an order to suspend the issuance under the Korean Commercial Code, even where the issuance violated applicable laws and regulations, due to lack of advance notice.

Indeed, among the Privately Placed Convertible Instruments issued in 2023, 13.6% had disclosure of material information made on the payment due date, or one day prior to the payment due date, while 53.8% had disclosure of material information made within six days prior to the payment due date.

In order to address the ineffectiveness of the disclosure practice and strengthen the protection of general shareholders in connection with the issuance of Privately Placed Convertible Instruments, the Amended Regulations require that listed companies and other entities required to submit business reports which decide to issue Privately Placed Convertible Instruments on or after July 22, 2025 disclose such material information by the earlier of (i) the day following the date of decision of the issuance of Privately Placed Convertible Instruments and (ii) one week prior to the payment due date.

### III. Introduction of a New Obligation for Initial Business Report Filing Entities to Disclose the Most Recent Quarterly or Semi-Annual Report

Prior to the Amended Regulations, companies submitting business reports for the first time, such as newly listed companies, had to submit their reports for the immediately preceding fiscal year, within five days of the submission obligation arising (or by the regular submission deadline if such obligation arises during a regular business report submission period).

However, because such companies were not required to disclose quarterly or semi-annual reports for the immediately preceding quarter or half-year period, investors lacked sufficient information on such companies' business or financial status immediately prior to the public listing or issuance of securities. Thus, under the previous regulations, investors may suffer losses if it is revealed several months after the listing of a company that the performance of the newly listed company (in the quarter immediately preceding the listing) falls significantly below its projections presented during the listing process.

In order to strengthen the protection of investors investing in newly listed companies, the Amended Regulations require that companies obligated to submit their business reports for the first time on or after July 22, 2025 disclose quarterly or semi-annual reports for the immediately preceding quarter or half-year period, within five days of the submission obligation arising (or by the regular submission deadline if such obligation arises during a regular submission period to submit a quarterly or semi-annual report), in addition to their business report for the immediately preceding year.



*By Ji-Pyoung Kim (Attorney)*  
*Chang-hee Shin (Foreign Legal Consultant)*  
*Seung-Hwan Cheong (Attorney)*  
*Eun-Bee Kim (Attorney)*

**KIM & CHANG**

# Invest KOREA Market Place

Invest KOREA Market place (IKMP) is an online business matching platform available on Invest KOREA's website with information on approximately 300 Korean companies seeking to partner with foreign investors. This month, we introduce some outstanding companies in Korea's advanced tech industries.

COMPANY

A



Ministry of Defense of Boundary Light

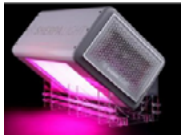


High-power LED lighting

Investment Requirement		Company Profile	
<b>Amount</b>	USD 10 Million	<b>Patents and Certificates</b>	- Registered 44 domestic and foreign patents such as interphase current and leakage current limiters for flooded electrical facilities - 3 patents pending
<b>Investment Structure</b>	Equity Investment, Joint Venture, M&A	<b>Financial Performance</b>	(Sales in 2024) USD 2.9 million
<p><b>Investment Highlights</b></p> <ul style="list-style-type: none"> <li>• <b>Current leakage restriction technology can be applied wherever electricity is used</b> <ul style="list-style-type: none"> <li>- The company's technology can prevent danger and secondary accidents from electricity in environment such as flooding, humidity, and leakage, and can be applied to many fields such as weapons systems of the Ministry of Defense, medical devices, and electric vehicles. LED luminaires and terminal blocks with the company's technology have already received thorough verification from national agencies, leading to sales through the Public Procurement Service.</li> </ul> </li> <li>• <b>Key characteristics of core technology</b> <ul style="list-style-type: none"> <li>- As electricity flows normally in the water in the event of immersion, it is possible to prevent personal injury and secondary accidents due to electric shock as well as the smooth operation of electrical devices. It is a technology that allows electricity to flow normally even when electricity and water exist together.</li> </ul> </li> </ul>			

COMPANY

B



The world's only illuminator capable of controlling the emission spectrum and supplying the full wavelength range



Modular illuminator for plant factory and vertical cultivation



Modular illuminator for facility horticulture

Investment Requirement		Company Profile	
<b>Amount</b>	USD 4.1 million	<b>Patents and Certificates</b>	Total 12 domestic patents and 6 international patents registered including a plant growth lighting device with tunable wavelength utilizing quantum dots
<b>Investment Structure</b>	Equity Investment	<b>Financial Performance</b>	(Sales in 2024) USD 0.43 million
<p><b>Investment Highlights</b></p> <ul style="list-style-type: none"> <li>• <b>Customized precision control solutions for growth stages by crop variety</b> <ul style="list-style-type: none"> <li>- The company's smart solution integrates ICT technologies such as AI modeling, IoT systems, digital twins, and big data analysis with optical material technologies like quantum dots, aiming to present a vision for the future of agriculture and achieve sustainable zero-energy farming.</li> </ul> </li> <li>• <b>Key characteristics of core technology</b> <ul style="list-style-type: none"> <li>- Ensures cost-effectiveness, reliability, and improves quality by optimizing the growth environment through the implementation of various spectra tailored to each growth stage of plants</li> <li>- Competitor products provide fixed, uniform light sources that cannot be adjusted for different growth stages due to their reliance on single-wavelength LED combinations</li> <li>- Enables the supply of multiple tunable spectra and dynamic control using light editing technology with wavelength-converting variable film materials</li> </ul> </li> </ul>			

# Invest KOREA's Services

## Foreign Investment Ombudsman

The Office of Foreign Investment Ombudsman is an organization established in 1999 to provide close aftercare support and grievance resolution services for foreign-invested companies, and is dedicated to resolving any difficulties that foreign-invested companies face while doing business in Korea.

## One-Stop Service for Foreign Investors

The Inbound Investment Consulting Department not only assists foreign investors and foreign-invested companies in the investment review and implementation stage, but also offers customized services to help foreign investors and their families get comfortably settled in Korea.

## Invest KOREA Market Place (IKMP)

IKMP is a project aimed at discovering promising Korean SMEs seeking to attract foreign investment and matching them with foreign investors who have compatible needs. Projects looking for investment are posted on our website at [www.investkorea.org](http://www.investkorea.org).

## Job Fair for Foreign-Invested Companies

IK organizes regular job fairs to help foreign-invested companies discover qualified local talent, and job seekers find employment through job consultations, on-site interviews, and more.



## Invest KOREA Plaza (IKP)

Invest KOREA Plaza (IKP) is Korea's first facility dedicate to the incubation and investment of foreign investor. Each year, more than 40 foreign-invested companies rent out offices in the plaza and utilize IK's one-stop service.

IKP also provides serviced offices, business lounges, video conference rooms and a shower and sleeping lounge to maximize convenience for foreign investors.

### IKP Offices for Lease

#### Foreign-invested companies

Companies planning to notify investment: Those who expect to report foreign direct investment of which the arrived amount is over USD 100,000 within 1 year of move-in.

### IKP Occupancy Procedure

Counseling in occupancy → Application for occupancy → Screening committee evaluates application → Result notification(result confirmed in 1-2 weeks) → Conclusion of lease contract → Move into IKP



## KOTRA's Global Network

KOTRA has 129 overseas offices and 10 headquarters worldwide

### Southwest Asia

Tel: (91-11)4230-6300  
E-mail: [ktcdelhi@ktcdelhi.net](mailto:ktcdelhi@ktcdelhi.net)

Ahmedabad, Bengaluru, Chennai, Colombo, Dhaka, Karachi, Kolkata, Mumbai, New Delhi

### Southeast Asia & Oceania

Tel: (84-24)3946-0511  
E-mail: [kotrahanoikbc@gmail.com](mailto:kotrahanoikbc@gmail.com)

Auckland, Bangkok, Danang, Hanoi, Ho Chi Minh, Jakarta, Kuala Lumpur, Manila, Melbourne, Phnom Penh, Singapore, Surabaya, Sydney, Vientiane, Yangon

### Japan

Tel: (81-3)3214-6951  
E-mail: [kotratky@kotra.or.jp](mailto:kotratky@kotra.or.jp)  
Fukuoka, Nagoya, Osaka, Tokyo

### Africa

Tel: (27-11)784-2940  
E-mail: [kotra@kotra.org.za](mailto:kotra@kotra.org.za)  
Abidjan, Accra, Addis Ababa, Dar es Salaam, Johannesburg, Khartoum, Lagos, Maputo, Nairobi

### CIS

Tel: (7-495)258-1627  
E-mail: [info@kotra.ru](mailto:info@kotra.ru)

Almaty, Baku, Kiev, Minsk, Moscow, Novosibirsk, Saint Petersburg, Tashkent, Ulaanbaatar, Vladivostok

### Europe

Tel: (49-69)2429-920/9  
E-mail: [frankfurt@kotra.or.kr](mailto:frankfurt@kotra.or.kr)

Amsterdam, Athens, Beograd, Bratislava, Brussels, Bucharest, Budapest, Copenhagen, Frankfurt, Hamburg, Helsinki, Lisbon, London, Madrid, Milano, Munich, Paris, Prague, Sofia, Stockholm, Vienna, Warsaw, Zagreb, Zurich

### Middle East

Tel: (971-4)450-4360  
E-mail: [ktcdxb@emirates.net.ae](mailto:ktcdxb@emirates.net.ae)

Alger, Amman, Baghdad, Cairo, Casablanca, Damascus, Doha, Dubai, Istanbul, Kuwait, Muscat, Riyadh, Tehran, Tel Aviv, Tripoli

### Central / South America

Tel: (52-55)5514-3173  
E-mail: [mexico@kotra.or.kr](mailto:mexico@kotra.or.kr)

Asuncion, Bogota, Buenos Aires, Guatemala, Habana, Lima, Mexico City, Panama, Quito, Santiago, Santo Domingo, Sao Paulo

### North America

Tel: (1-212)826-0900  
E-mail: [kotransy@hotmail.com](mailto:kotransy@hotmail.com)

Atlanta, Chicago, Dallas, Detroit, Los Angeles, New York, Silicon Valley, Toronto, Vancouver, Washington, D.C.

### China

Tel: (86-10)6410-6162  
E-mail: [pekktc@kotra.or.kr](mailto:pekktc@kotra.or.kr)

Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Guangzhou, Hangzhou, Harbin, Hong Kong, Nanjing, Qingdao, Shanghai, Shenyang, Shenzhen, Taipei, Tianjin, Wuhan, Xiamen, Xian, Zhengzhou

## KOTRA's Investment Support Offices

### ASIA & OCEANIA

Beijing, China  
Tel: (86-10) 6410-6162

Fukuoka, Japan  
Tel: (81-92) 473-2005

Guangzhou, China  
Tel: (86-20) 2208-1600

Hong Kong, China  
Tel: (852) 2545-9500

Nagoya, Japan  
Tel: (81-52) 561-3936

Osaka, Japan  
Tel: (81-6) 6262-3831

Qingdao, China  
Tel: (86-532) 8388-7931

Shanghai, China  
Tel: (86-21) 5108-8771/2

Singapore  
Tel: (65) 6426-7200

Sydney, Australia  
Tel: (61-2) 8233-4000

Taipei, Taiwan  
Tel: (886-2) 2725-2324

Tokyo, Japan  
Tel: (81-3) 3214-6951

### EUROPE

Amsterdam, Netherlands  
Tel: (31-20) 673-0555

Brussels, Belgium  
Tel: (32-2) 203-2142

Copenhagen, Denmark  
Tel: (45) 3312-6658

Frankfurt, Germany  
Tel: (49-69) 2429-920/9

Hamburg, Germany  
Tel: (49-40) 3405-7411

London, UK  
Tel: (44-20) 7520-5300

Madrid, Spain  
Tel: (34-91) 556-6241

Milan, Italy  
Tel: (39-02) 79-5813

Munich, Germany  
Tel: (49-89) 2424-2630

Paris, France  
Tel: (33-1) 5535-8888

Stockholm, Sweden  
Tel: (46-8) 308-090

Vienna, Austria  
Tel: (43-1) 586-3876

Zurich, Switzerland  
Tel: (41-44) 503-5300

### MIDDLE EAST

Dubai, United Arab Emirates  
Tel: (971-4) 450-4360

Riyadh, Saudi Arabia  
Tel: (966-11) 513-8475

### NORTH AMERICA

Atlanta, USA  
Tel: (1-470) 682-3952

Chicago, USA  
Tel: (1-312) 644-4323

Dallas, USA  
Tel: (1-972) 243-9300

Detroit, USA  
Tel: (1-248) 619-1601

Los Angeles, USA  
Tel: (1-323) 954-9500

New York, USA  
Tel: (1-212) 826-0900

Silicon Valley, USA  
Tel: (1-408) 432-5000

Toronto, Canada  
Tel: (1-416) 368-3399

Vancouver, Canada  
Tel: (1-604) 683-1820



**Head Office.** 13, Heolleungno, Seocho-gu, Seoul, Republic of Korea  
**Tel.** (82-2) 3460-7849 | **Fax.** (82-2) 3460-7920 | **E-mail.** [ikonline@kotra.or.kr](mailto:ikonline@kotra.or.kr)  
**Publisher.** Kang Kyung Sung | **Director General.** Lee Junghoon | **Director.** Nam Hwanwoo  
**Editor-in-chief.** Grace Park | **Designer.** Yoojin Jang

**kotra**



To subscribe to Invest Korea, e-mail [ikonline@kotra.or.kr](mailto:ikonline@kotra.or.kr)