

<b>Contact</b>	Rachel Minjo Chun Spokesperson for Foreign Media	044-204-7104 rachelmchun@korea.kr
----------------	---	--------------------------------------

**The results of a survey conducted in 2023 have shown that operational metrics for female-run enterprises have improved compared to the previous year**

Female-run enterprises have achieved higher profitability with a net profit-to-sales ratio increase of 0.4%, greater stability with a debt ratio decrease of 29.9%, and increased activity with an equity turnover increase of 0.1x compared to 2021.

Compared to other small and medium-sized manufacturing enterprises, female-run enterprises in the same sector have demonstrated better profitability, with 4.3% for women and 4.1% for others, greater stability, with a debt ratio of 106.6% for women and 125.2% for others, and higher activity, with an equity turnover of 2.4 times for women and 2.2 times for others.

**Sejong, March 11, 2024** – The Ministry of SMEs and Startups, led by Minister OH Youngju, has released the results of a survey conducted in 2023 on the performance of female-run enterprises in 2022.

This survey is authorized by the government and is released annually under Article 7 of the Act on Support for Female-owned Businesses. Its purpose is to assess the overall status, financial performance, education, and challenges faced by female-run enterprises. Additionally, it serves as a reference for identifying and establishing policies that can offer support to female-run enterprises.

Ⓐ (Operational Metrics) The female-run enterprises showed an improvement in profitability, stability, and activity compared to the previous year.

Compared to 2021, female-run enterprises have improved their profitability, with a net profit ratio increasing from 4.7% to 5.1%. Additionally, they have also demonstrated stability in terms of debt ratio, which decreased from 165.1% to 135.2%. Furthermore, their activity has increased, with equity turnover improving from 2.1 to 2.2 times. However, the productivity of these businesses has decreased, with average sales per capita dropping from KRW 232 million to KRW 205 million.

It's important to note that small and medium-sized manufacturing enterprises run by women are generally more profitable, with a rate of 4.3% compared to 4.1% for other manufacturing enterprises. They are also more stable, with a stability rate of 106.6% compared to 125.2% for others, and more active, with a rate of 2.4 times compared to 2.2 times for others. However, it is worth noting that these enterprises are less productive than other small and medium-sized manufacturing enterprises.

< Comparison of operational metrics>

Classification	Female-run Enterprises				Small and Medium-sized Manufacturing Enterprises	
	Total		SMEs			
	2021	2022	2021	2022	Women-run	Others*
Profitability (Net profit compared to sales, %)	4.7	5.1	4.8	5.1	4.3	4.1
Stability (Debt ratio, %)	165.1	135.2	149.8	142.2	106.6	125.2
Activity (Equity turnover, times)	2.1	2.2	2.0	2.1	2.4	2.2
Productivity (Average sales per capita, KRW 1 million)	231.9	204.5	207.5	187.6	236.9	304.8

\* Note that comparisons with the general small and medium-sized manufacturing enterprises (SMEs Survey) are for the purpose of better understanding, and may be under- or overstated due to differences in sample size.

㊦ (Growth Indicators) Exports and investment in R&D increased compared to the previous year.

Female-run companies saw a rise in the proportion of exports to sales, which was 2.6%, up by 0.3% from the previous year. Also, the R&D investment experience was 4.3%, up by 1% from the previous year.

It was observed that, in comparison to general small and medium-sized manufacturing enterprises, female-run enterprises have a lower proportion of exports to sales and less R&D investment experience.

<Comparison of Exports and Investment in R&D>

Classification		Female-run Enterprises				Small and Medium-sized Manufacturing Enterprises	
		Total		SMEs		Women-run	Others
		2021	2022	2021	2022		
Exports	Proportion of exports to sales (%)	2.3	2.6	2.0	2.0	4.8	8.2
Investment in R&D	Experience rate (%)	3.3	4.3	3.3	4.3	12.0	33.5

\* Note that comparisons with the general small and medium-sized manufacturing enterprises (SMEs Survey) are for the purpose of better understanding, and may be under- or overstated due to differences in sample size.

© (Strengths and Weaknesses) The survey identified "Meticulousness" as the strength of female-run enterprises and "Spirit of Challenge" as their weakness. Achieving work and family balance is an area where women face disadvantages compared to men.

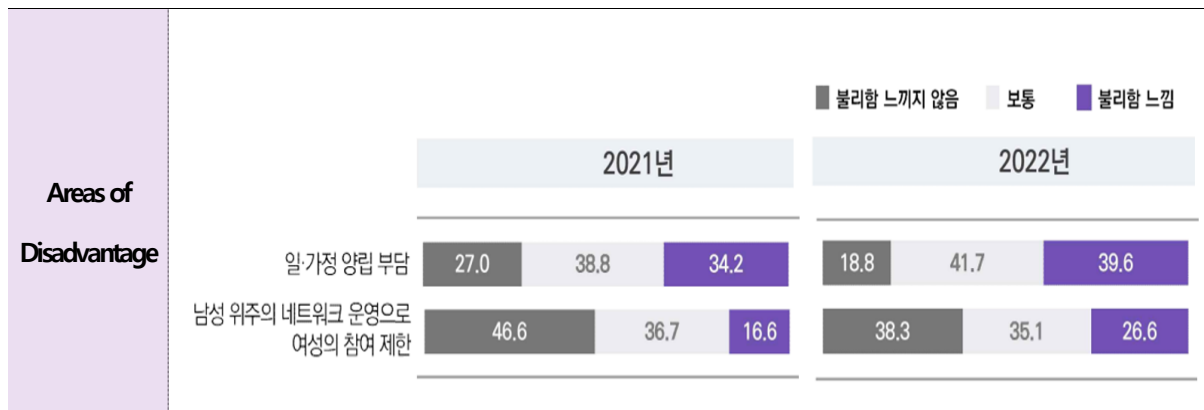
Female entrepreneurs identified "meticulousness" as their top strength. The percentage of respondents who answered "leadership" (7.1%) and "integrity" (9.8%) as their top strength increased from the previous year. On the other hand, the survey showed that the "spirit of challenge" was their top weakness. The percentage of respondents who chose innovation (6.1%) and planning ability (9.6%) as their weaknesses has increased compared to the previous year.

The percentage of female entrepreneurs who perceive "balancing work and family" as a disadvantage has increased compared to last year, according to a recent survey.

In 2022, the percentage of female entrepreneurs who believe that male-dominated networks limit women's participation has increased to 26.6%, up from 16.6% in 2021.

#### <Strengths and Weaknesses of Female-run Enterprises and Areas of Disadvantage Compared to Male Entrepreneurs> (Unit: %)

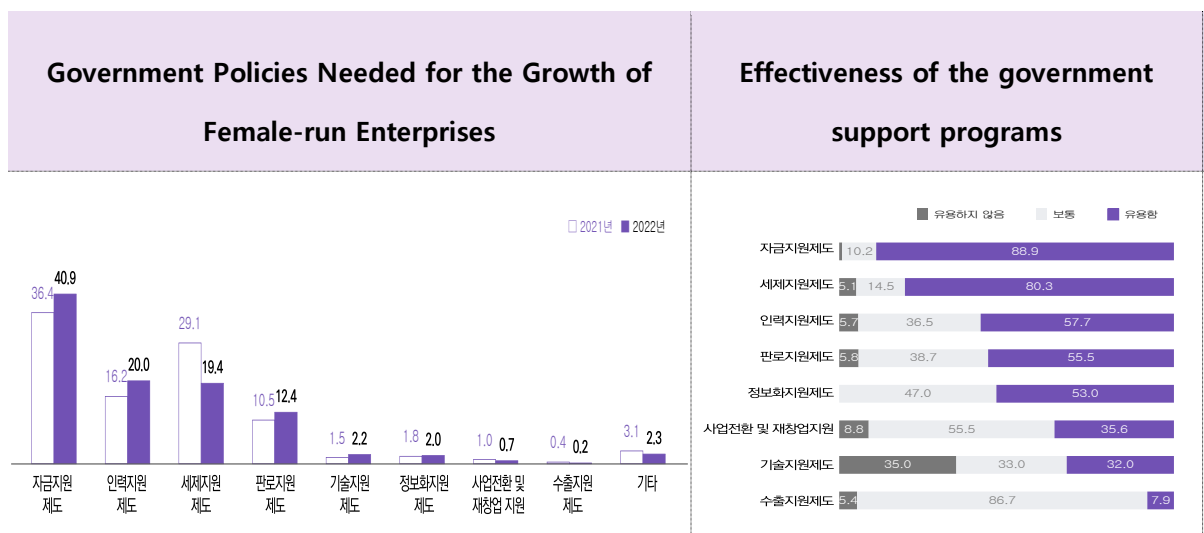
Strengths	<div>  <div> 강점 섬세함 47.1 % </div> </div>				<div>  <div> 약점 도전적 정신 41.5 % </div> </div>			
	순위	강점 항목	2021년 전체	2022년 전체	순위	약점 항목	2021년 전체	2022년 전체
Weaknesses	1	섬세함	59.6	47.1	1	도전적 정신	43.2	41.5
	2	책임감/성실성	29.1	25.7	2	혁신성	25.4	31.5
	3	조직 친화력	23.7	24.3	3	기획력	18.5	28.1
	4	리더십	11.0	18.1	4	외부 네트워킹	29.7	20.8
	5	청렴함	4.1	13.9	5	리더십	16.9	17.6



㉔ (Support Policy) The most essential and impactful form of support for female-run enterprises is funding.

According to a recent survey, female-run enterprises require the most assistance in the following order: funding (40.9%), human resources (20.0%), tax support (19.4%), and market entry (12.4%). The survey found that funding (88.9%) and tax support (80.3%) were the most effective forms of support, indicating that women entrepreneurs are more likely to feel supported by financial assistance.

<Government Policies Needed and Effective to Female-run Enterprises> (Unit: %)



\* The survey only asked those who had experience with government support programs about their effectiveness in each field.

㉕ (Help from Public Procurement) According to the survey, 85.9 % of respondents found mandatory public procurement to be helpful for their businesses.

According to a survey, 8.8% had prior experience supplying goods or services to government organizations through public procurement. It is noteworthy that 85.9% of respondents found

public procurement to be helpful.

<Experience in supplying to government organizations through public procurement and level of helpfulness> (Unit: %)

» 공공구매 납품 경험 비율



» 공공구매 의무화제도의 도움



㉞ (Impact on Business Activities) The decline in demand due to the overall economic downturn decreased compared to 2021.

Compared to 2021, this factor has decreased to 54.6%. However, the cost increase, such as labor and raw materials, has increased from 22.5% to 39.3%, and the competition among companies has risen from 20.3% to 37.7%.

<Major Factors Affecting Business Activities> (Unit: %)



PARK Jong-chan, Director General for SME Policy at MSS, stated, "The role of women entrepreneurs will become increasingly significant in revitalizing our economy." He also mentioned, "We will carefully study the findings of the Female-run Enterprise Survey to develop policies that will establish a favorable environment for women to start and run businesses."