

Applicant Briefing

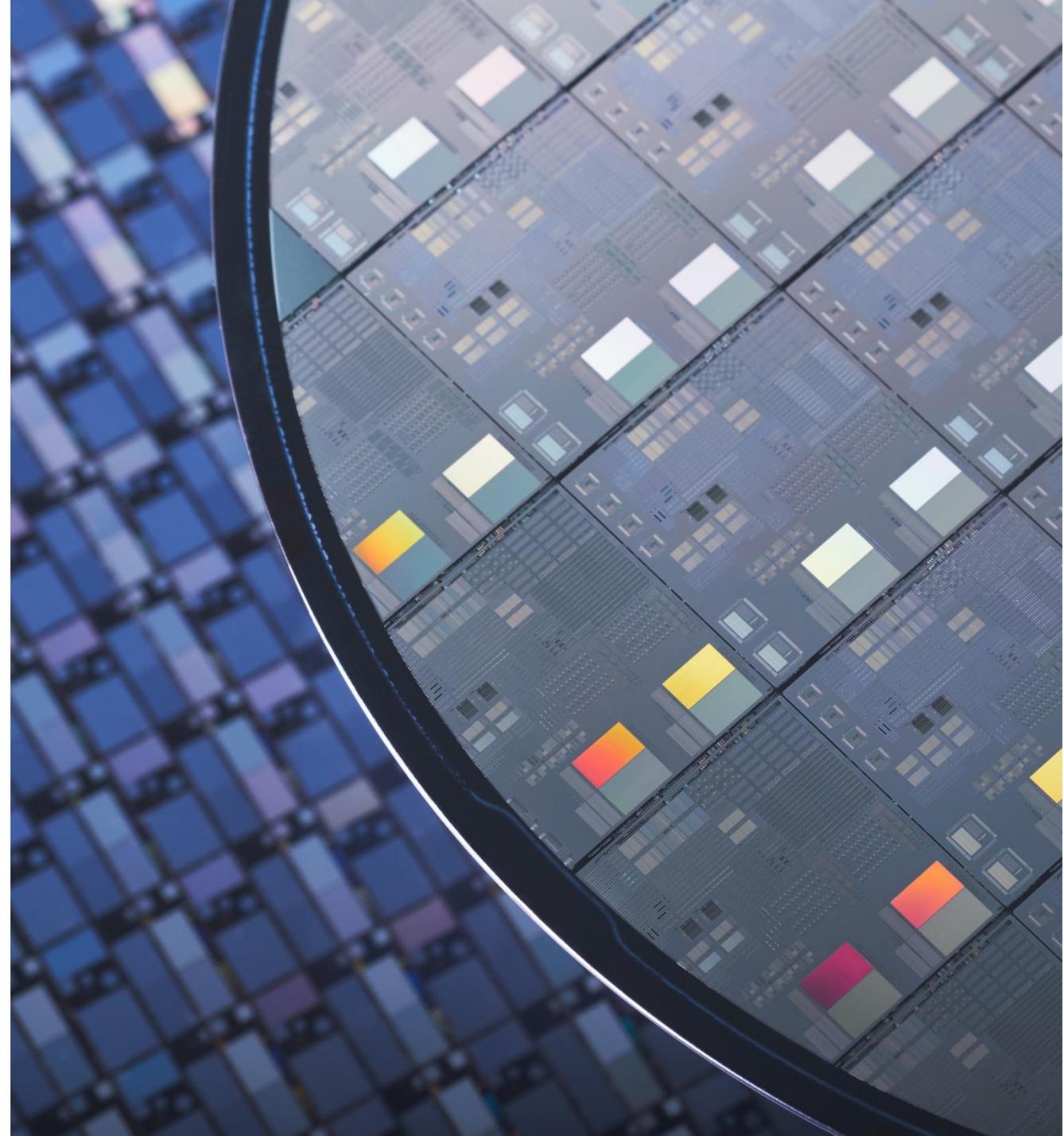
CSconnected Supply Chain Development Programme

Call 4

11 March 2026

Hazel Hung

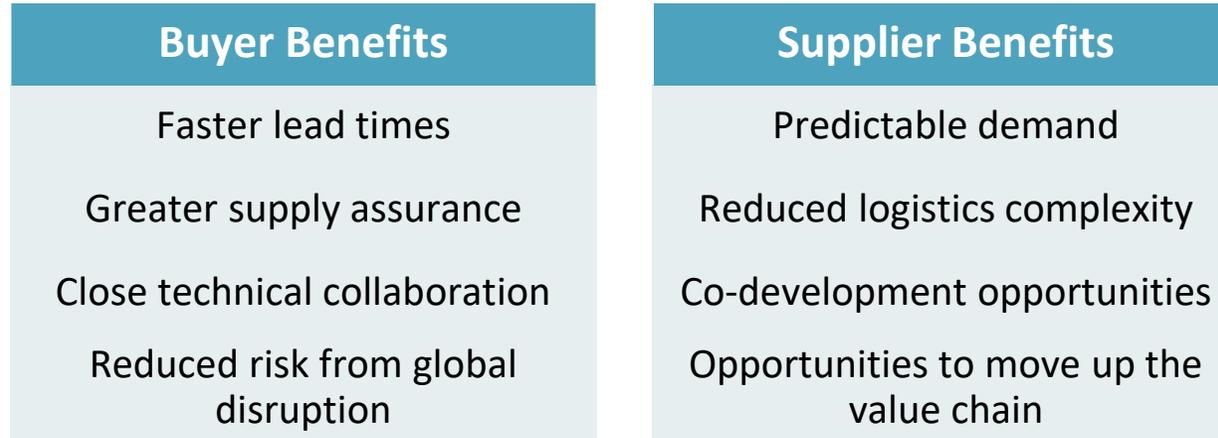
CSconnected, Business Development Manager



CScnnected Supply Chain Development Programme

Localising the CS supply chain

Core Cluster Spending 2023*:
£560m total sales
£300m total purchasing
Highly varied sourcing from
Wales, UK and overseas.



Increased local spending



Retains IP and know-how locally



Creates high-value jobs and skills



Increased value capture



Attracts capital investment



Builds Industrial Resilience



Call 4 - At a glance

To strengthen the **semiconductor supply chain** in South Wales building resilience through the development of supplier relationships **across the region and the wider UK.**

- ➔ Increase linkages to the PCOs
- ➔ Create jobs in South Wales
- ➔ Increase spending in South Wales/UK
- ➔ Increase sales including in South Wales/UK

 **Cardiff Capital Region** **£1M** Total Grant[†]



Grant value per project

Companies of any size: Up to £100k at 50% match

Micro companies: Up to £30k at 70% grant rate*

**Micro companies may use a hybrid approach of 70% for the first £30k and 50% up to a max. £100k grant value.*



Closing Date

Fri 17 Apr 2026 at 4pm



PCO

Primary Cluster Organisations



MICROCHIP



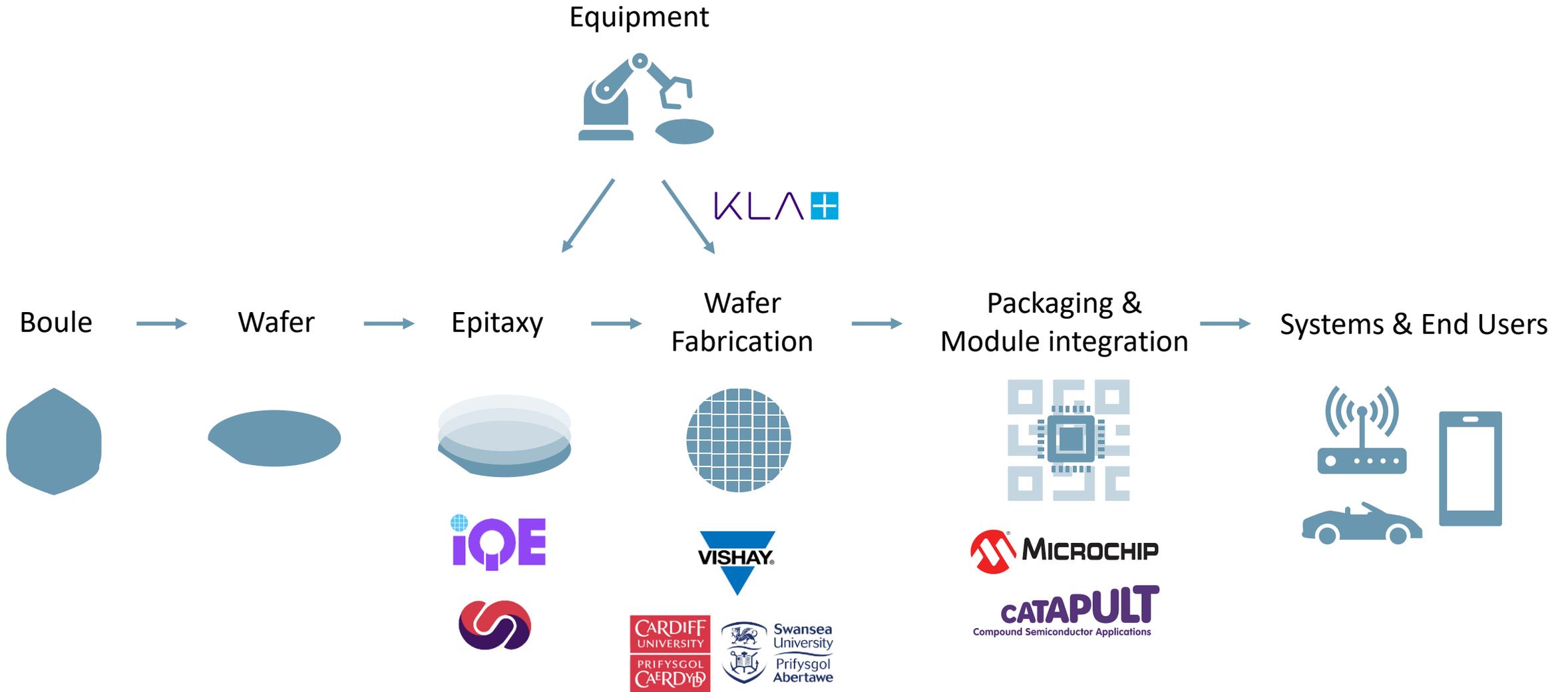
KLA+



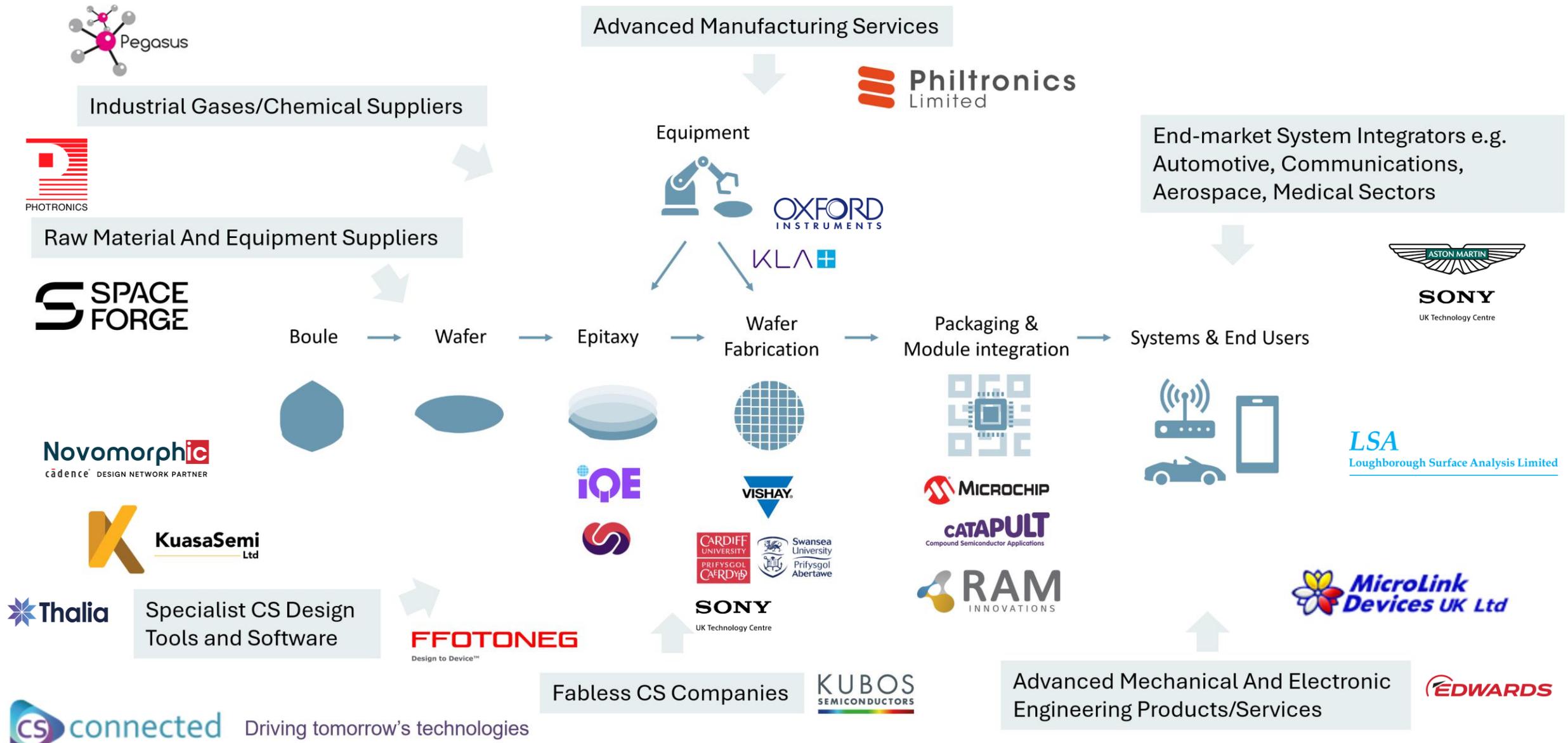
Swansea University
Prifysgol Abertawe

CATAPULT
Compound Semiconductor Applications

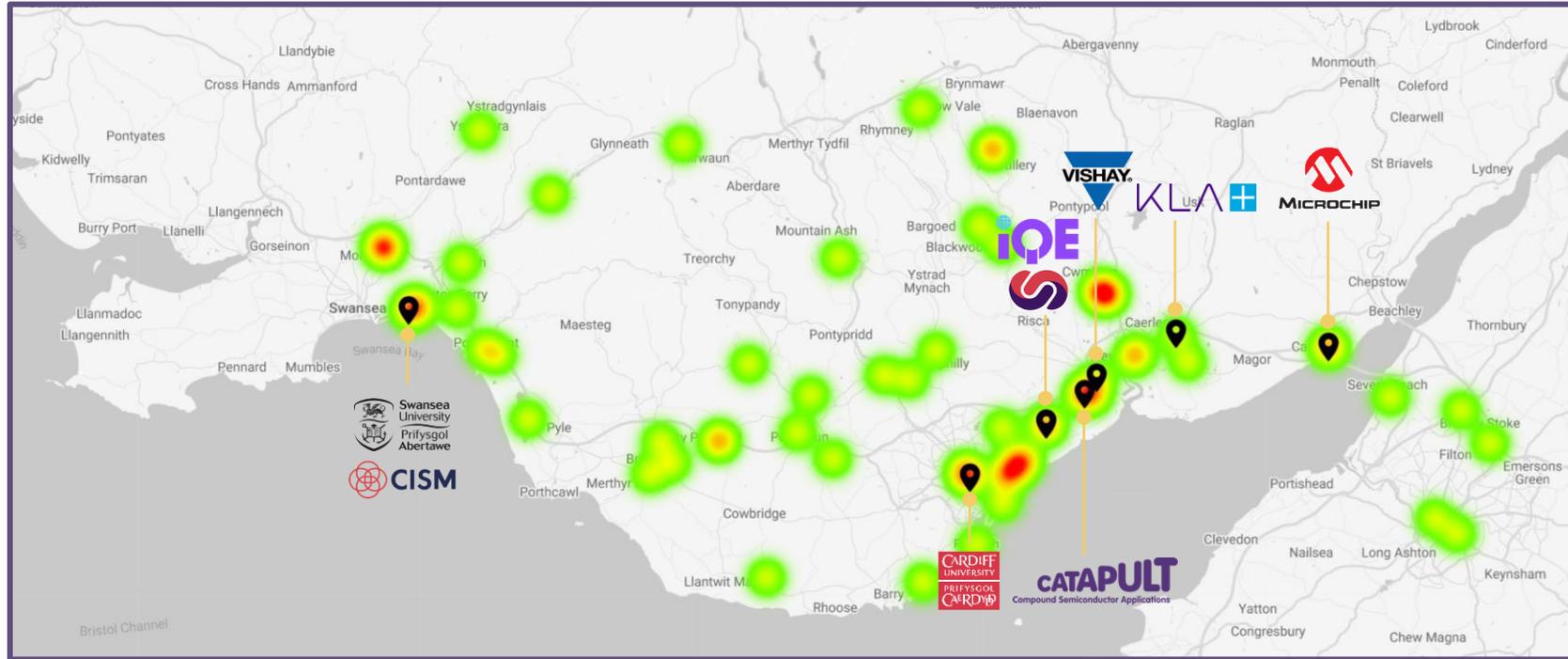
Compound Semiconductor Supply Chain



Compound Semiconductor Supply Chain



Cluster supply chain potential



- ❖ Strengthen existing partnerships
- ❖ Establish new partnerships





Supply Chain Event: Driving the UK's Future Industries

Bringing together industry leaders, innovators, policymakers,
and investors for a day of insight and opportunity.

What to expect:

- Industry insights
- Supply chain opportunities
- Technology showcases
- Networking with cluster partners



19 March 2026, 10am - 15.30pm
IMPERIAL PARK, NEWPORT

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Priorities of the Investment

PRIORITY A: Upstream

Existing or Potential **Suppliers** into the PCOs

- Increase productivity and competitiveness in the regional upstream supply chain.
- Increase capacity inline with the planned growth of the primary Cluster organisations.
- Fill gaps in the upstream regional supply chain.



Grants will be awarded as Minimum Financial Assistance (MFA) subsidies of the Subsidy Control Act 2022.

- Projects must be led by a UK registered limited company
- Projects cannot be led by a Primary Cluster Organisation



PRIORITY B: Downstream

Existing or Potential **Customers** of the PCOs

- Increase downstream activity in the region
- Develop and embed linkages with primary Cluster organisations.

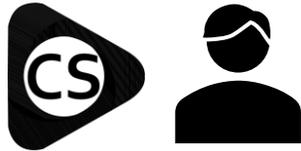
What a Project Team looks like



Recipient

The sole beneficiary of direct funding from the grant

The lead organization must be located in the UK



Supporting PCO

PCO(s) provide support for proposal

Letter of Support to outline reason for support and level of commitment such as in-kind contributions.



Subcontractor (OPTIONAL)

An organisation that is directly involved in specific tasks against the deliverables or milestones on the project.

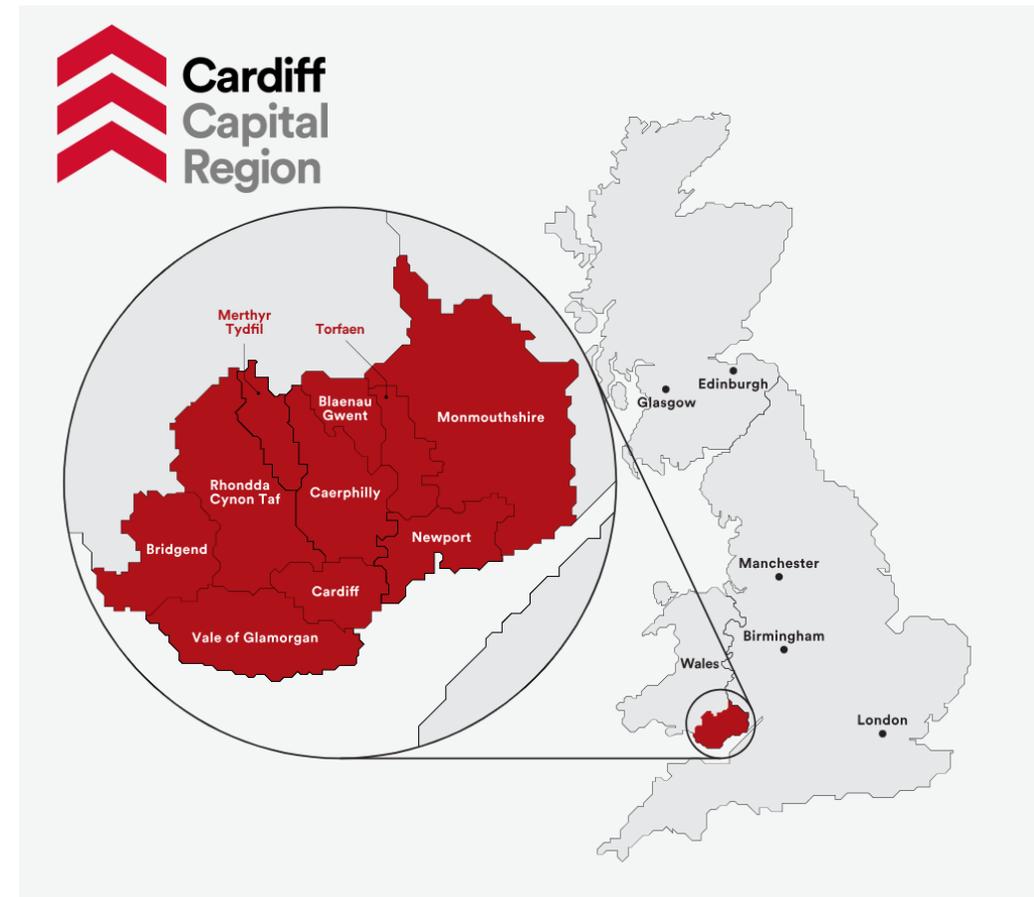
PCOs as subcontractors: value should not exceed 10% of the total grant value. See Guidance for exceptions.

Other Partner(s) providing contributions via in-kind support, or otherwise, may also be included.

Eligibility Criteria

1. Aim to support the expansion of the semiconductor supply chain by **enhancing or creating linkages to the PCOs**.
2. Clearly outline how the project will **address Priority A or Priority B** of the investment.
3. Address **a specific need or opportunity** with a PCO.
4. Proposals require a **letter of support** from at least one of the PCOs detailing level of commitment.
5. Deliver economic impacts that **wholly/substantially benefit the ten local authorities of the CCR region**.
6. Demonstrate how the intervention will lead to economic growth such as, **new employment and productivity improvements** within their organisation.
7. Expect **commercial outputs/benefits** within a reasonable timescale after project completion.
8. Demonstrate how the project supports **innovation or a market differentiator** that provides a competitive edge within the sector.

Grants will be awarded as Minimum Financial Assistance (MFA) subsidies of the Subsidy Control Act 2022.



Project KPIs

- Jobs created
- Jobs safeguarded
- In-Kind contributions to the project
- Increase in sales within Wales/UK/Total (% and value)
- Increase in purchasing within Wales/UK (% and value)
- Creation of Intellectual Property e.g. invention disclosure, trade secrets, documented processes, patents and trademarks.

Application Form

1. Subsidy Control and Minimum Financial Assistance (*eligibility: pass/fail*)
2. Project Team
3. Summary (*for PR on successful award*)
4. Project Context and Overview (*directly assessed*)
5. Supporting Primary Cluster Organisation(s) (*directly assessed*)
6. Impact to CCR region (*directly assessed*)
7. Project Impact and KPIs (*directly assessed*)
8. Project Deliverables and Milestones (*directly assessed*)
9. Project Costs and Justification (*directly assessed*)
10. Risks
11. Other Information (*e.g. letters of support, project plans, risk registers*)

Project intervention rates and cost

Description	Min. Project Cost	Max. Grant Value	Min. Matched Contribution	Intervention Rate
SME: Max. 50% Intervention rate	£200,000	£100,000	£100,000	50%
Micro Company: Max. 70% intervention rate	£42,857	£30,000	£12,857	70%
Micro Company: Hybrid intervention rate for £100k grant cap.	£182,857	£100,000	£82,857	54.69%

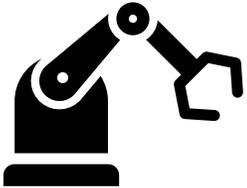
- Intervention rate applies against each individual cost. E.g. if a widget costs £1000, the project claims **£500 in grant value** and the SME covers the other **£500 as matched contribution**.
- In kind costs can be contributed in addition to the total project cost, for example, by a PCO (e.g. staff time). This demonstrates added value and commitment to the project.

The programme will not fund

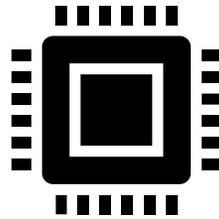
- General business development.
- Research and development projects perceived as low TRL (1-3).
- Research and development projects that are primarily mid TRL (4-6). Exceptions may be made where the proposal demonstrates clear intent to establish/expand a long-term strategic supplier relationship with a PCO and is projected to lead high impact commercial and economic outcomes.
- Projects where substantial/significant project costs are allocated to a PCO as a subcontractor. Exceptions may be made where services are supplied at-cost and are essential to validating process or manufacturing capability and are explicitly justified in the proposal.
- Scoping activities in order to identify/justify project feasibility, e.g. market analysis, business engagement, technical review.
- Projects that do not bring economic impacts to the CCR region.
- Projects that are not supported by a PCO.
- Projects that do not address ALL the scope and eligibility criteria.

Project Examples

Purchase/upgrade, installation and commissioning of equipment.



Qualification of products, services or equipment.



Onshoring of a new supplier in CCR region, Wales or the UK



Capital Equipment will require prior authorisation from CSconnected and CCR.

Case Study: Pegasus Chemicals

Installation of a Cylinder Preparation Line

-  Deeside, North Wales
-  Pegasus manufactures, purifies and transfills high-purity chemicals for deposition in the semiconductor and materials science sectors.
-  Project goal: Install a cylinder preparation line capability in Pegasus Chemicals, which will benefit the UK and European supply chain.
-  Supporting partners: IQE & Swansea University will provide validation of the precursor materials using the recycled cylinders.

Establishment of a new in-house capability which will drive shorter turnaround times for customers like IQE.



Pegasus Supply Chain Development

High purity chemistry requires consistency of supply
The delivery vessels need to be prepared to the same standard for each refill:

RECYCLE
CLEAN → PREPARE → REFILL

Pegasus are installing a new preparation line for individual container preparation to ensure that there is a robust supply chain for the UK and Europe



Case Study: RAM Innovations

HIP Wales (Heterogeneous Integration and Packaging Wales)

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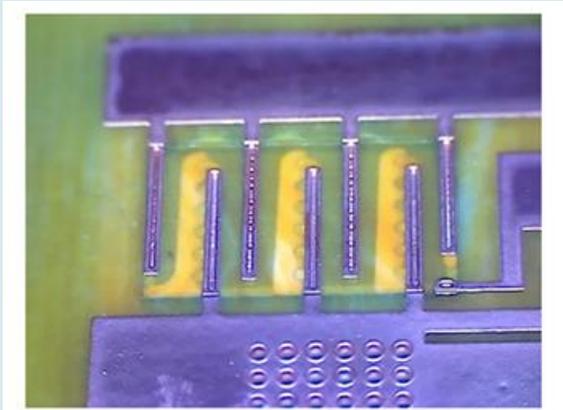
Deeside, North Wales
- 

RAM Innovations is an established service provider to the semiconductor and electronics industries, offering research and development expertise in embedded die packaging (EDP), as well as low to high-volume manufacturing services.
- 

Project goal: Develop a blueprint for the first Welsh SiC embedded die packaging line, which can be licensed to customers like Vishay.
- 

Supporting partners: Vishay will provide specifications and feedback on packaging line requirements.

Establishment of the first high-volume HIP facility in the UK.



Copper power interconnect directly plated onto GaN die



Case Study: KuasaSemi

Wide-bandgap Advanced Validation and Enhanced Simulation (WAVES)



Cardiff, South Wales



KuasaSemi is a software technology company developing advanced TCAD tools for wide bandgap compound semiconductors

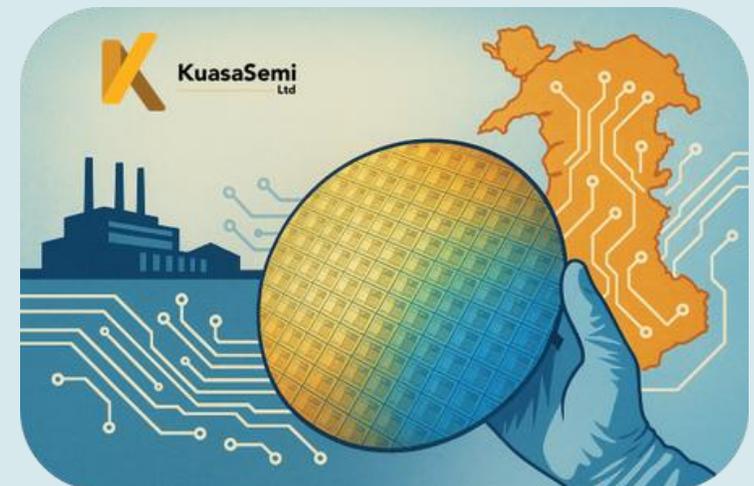
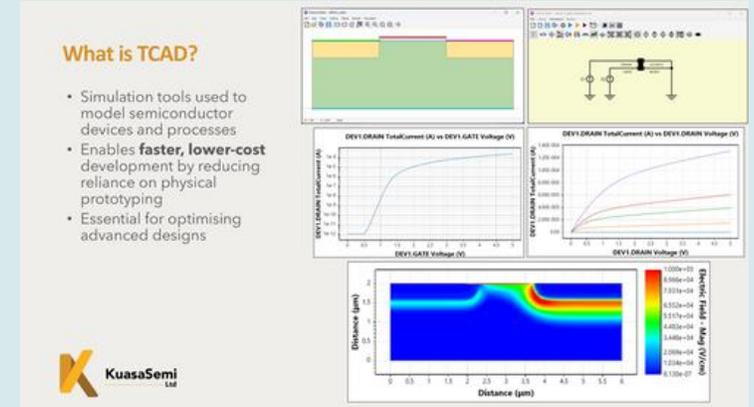


Project goal: Deliver a commercial-ready TCAD tool for SiC and GaN technologies



Supporting partners: Swansea University, Vishay and CSA Catapult will provide tool test and validation.

Establishment of a cost-competitive TCAD tool rooted in South Wales.



Case Study: Ffotoneg

EpiWorkflow™



Cardiff, South Wales



Ffotoneg is a semiconductor photonics start-up offering photonics Design to Device™ services.



Project goal: Delivery of a software tool for epi design, development and optimisation, which would be provided as a service to companies like CSC, IQE.



Supporting partners: CSC will provide evaluation and feedback.

Establishment of epi design, development and optimisation, as a service in South Wales.



Driving tomorrow's technologies

FFOTONEG
Design to Device™

Semiconductor Photonics Start-up

- > Launched November 2023
- > Cardiff University Innovation Campus
- > Semiconductor Photonics *Design to Device*™
 - Epitaxial layer design and simulation
 - Working with epitaxial wafer growers
 - Device design and simulation
 - Compound semiconductor devices
 - Collaborating with silicon photonics companies
 - Front-end fabrication and processes
 - Working with university expertise and facilities

Company



Innovation Funding

20 Months	4 Grants	£147k
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FFOTONEG
Design to Device™

Problem

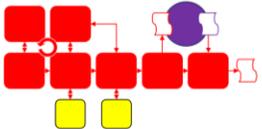
- Manual requirements capture
- Manual design generation
- Manual optimisation
- Ad hoc (non-systematic) approach
- Using text, emails and Excel files



CSconnected Supply Chain Project

Solution

- EpiWorkflow™
- Epi design development & optimisation semi-automation
- Epi design capture, order generation and audit, workflow & process management



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PCO example procurement items/services

- PCB, PCBA, Contract Electrical Manufacturing & Cabling: Flexible circuits, box build, RF and harnesses
- Contract Manufacturing: Electro-mechanical assembly, mechatronics, complex assembly
- Electrostatic Chucks, Platens and Chamber Furniture: Vacuum Brazing, Oxalic Anodizing, Ceramic ESC's, Arc Spray
- Mechanical Machining, Fabrication and Cleaning: CNC Machined components up-to 3.5m, ultrasonic/technical cleaning
- OEM Equipment: Thermo-chillers, RF & Power generation,
- Vacuum: Gauges, valves, cryo-pumps, vacuum pumps, o-rings
- Chemicals, gases, reticles, facility services and power module prototype build
- Substrates (GaAs, InP, SiC, Si, Ge, Al₂O₃)
- High Purity Metal Organics (TMAI, TMGa, TMIIn, TBP, CBR₄, DMZn)
- High Purity Source Material (Ga, In, P, Sb, Te, Mo, Al)
- High Purity Bulk Gasses (Hydrogen, Nitrogen, Arsine, Phosphine, Ammonia)
- Semiconductor wafers (Si, SiC, GaN, Glass, Sapphire...), photo masks, processing chemicals (wet chemistry, gases, MO precursors), glassware, single wafer holders & cassettes, cleanroom garments & laundry, storage...
- Semiconductor processing equipment and equipment supplies, cleaning of contaminated chamber parts

How to Apply

Download the **Guidance Document** and **Application Form** from the CSconnected website:

<https://csconnected.com/projects/projects/csconnected-supply-chain-development-programme/>

Submission to hazelhung@csconnected.com by the closing date.

For queries, please contact Hazel Hung: hazelhung@csconnected.com

Timeline

Launch date: Wed 25 Feb 2026

Closing date: Fri 17 Apr 2026 at 4pm

Panel assessment: Early May 2026

Placeholder pitch session for invited applicants: 13 May 2026 (TBC)

Applicants notified by end May 2026

Projects aiming to commence Jun 2026





Thank You

www.csconnected.com

[linkedin.com/company/csconnected](https://www.linkedin.com/company/csconnected)

[youtube.com/@CSconnected](https://www.youtube.com/@CSconnected)



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