

EARNINGS RELEASE

2020/ 4Q (2021 February 3rd)



Seoul Viosys IR materials can be downloaded from the company website

- 1) IR Book : Visit Seoul Viosys website (<http://www.seoulviosys.com/en/ir/data/>)
- 2) Financial Statements : Visit Dart System (<http://englishdart.fss.or.kr/>) > Click "XBRL Financial Statements" on the top-of menu > Click "XBRL Search" on the left side > Enter the company code # (092190)
- 3) You can also access other disclosed documents of Seoul Viosys on this site.

INVESTOR RELATIONS 2021

- I. 2020 Financial Results & 2021 1Q Guidance
- II. Business Update and Outlook
- III. Key Growth Momentum in 2021
- IV. Appendix

INVESTOR RELATIONS 2021

I. 2020 Financial Results & 2021 1Q Guidance

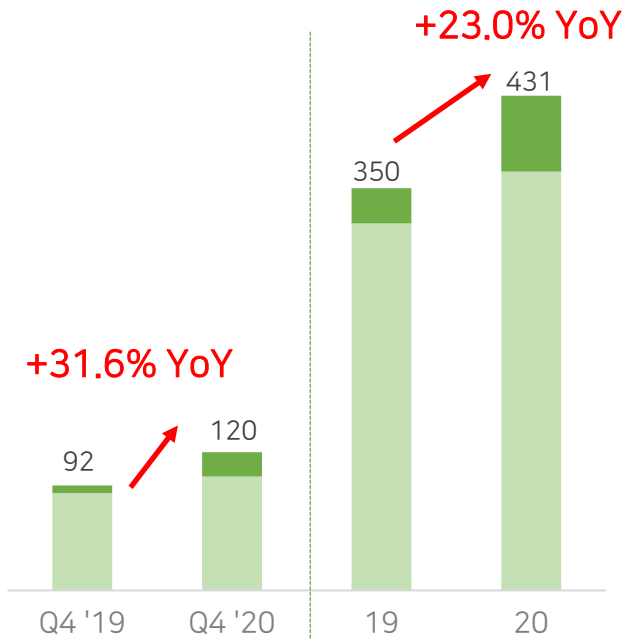
2020 4Q and yearly financial earnings results

- Recorded strong growth despite COVID-19 pandemic headwinds

Sales

Visible Group
UV Group

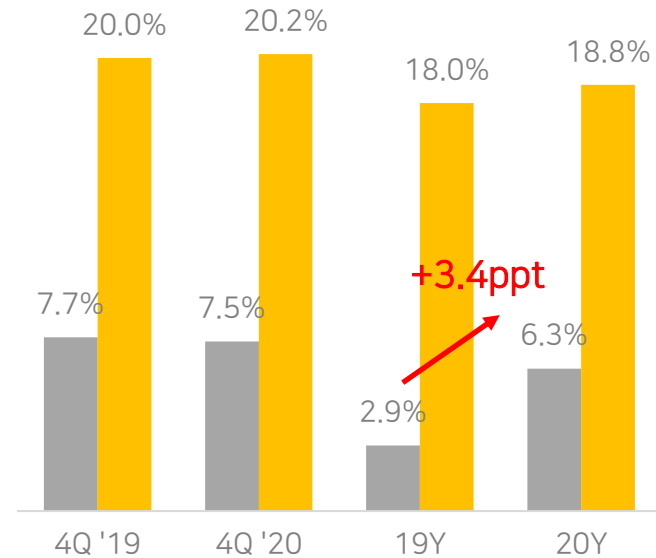
Unit: Bn KRW



Profit

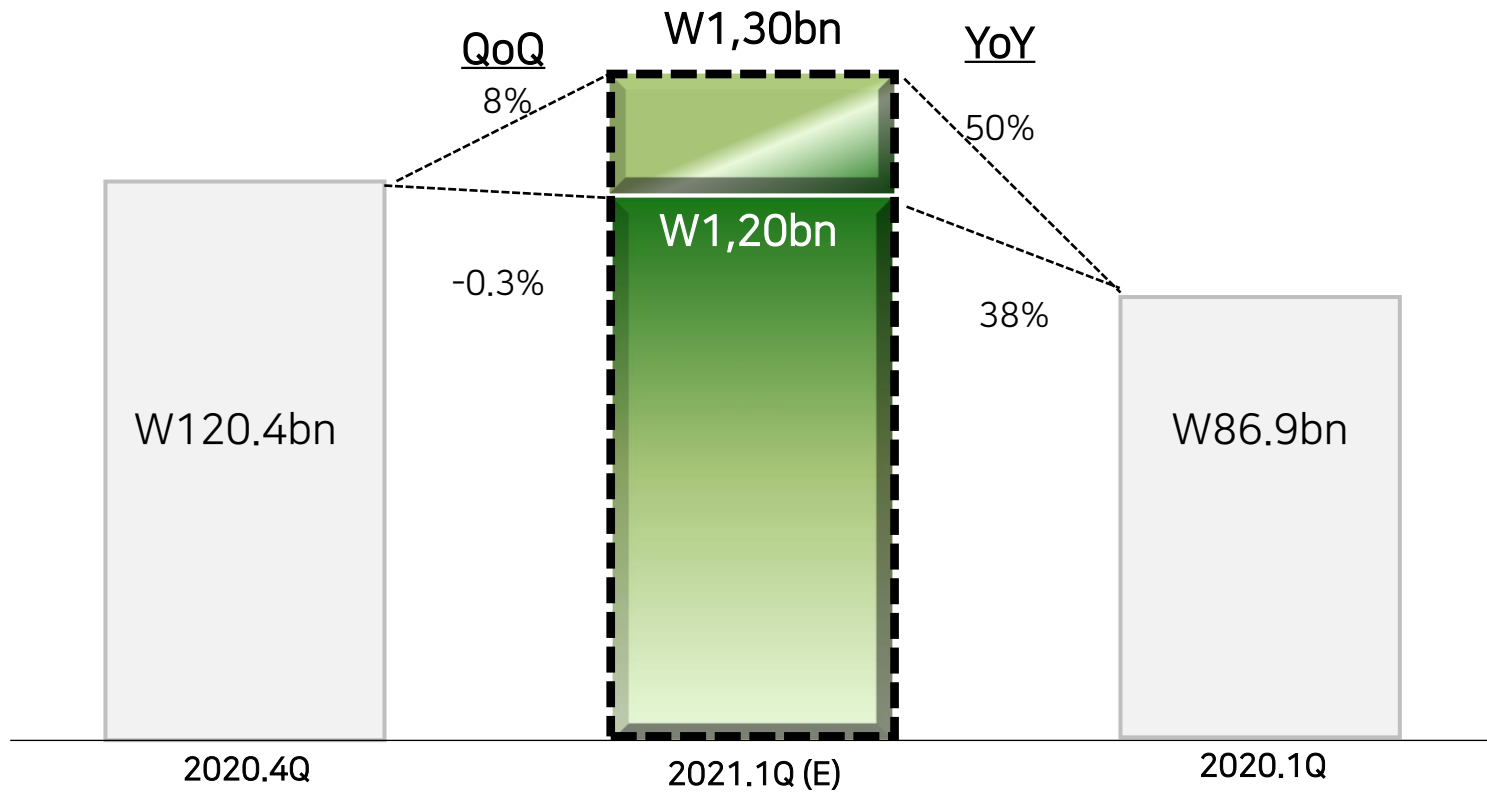
OPM
EBITDA margin

Unit: %



Note) The information contained in this IR report is the result of internal settlement and is subject to change according to outside auditor's review.

2021 1Q Guidance

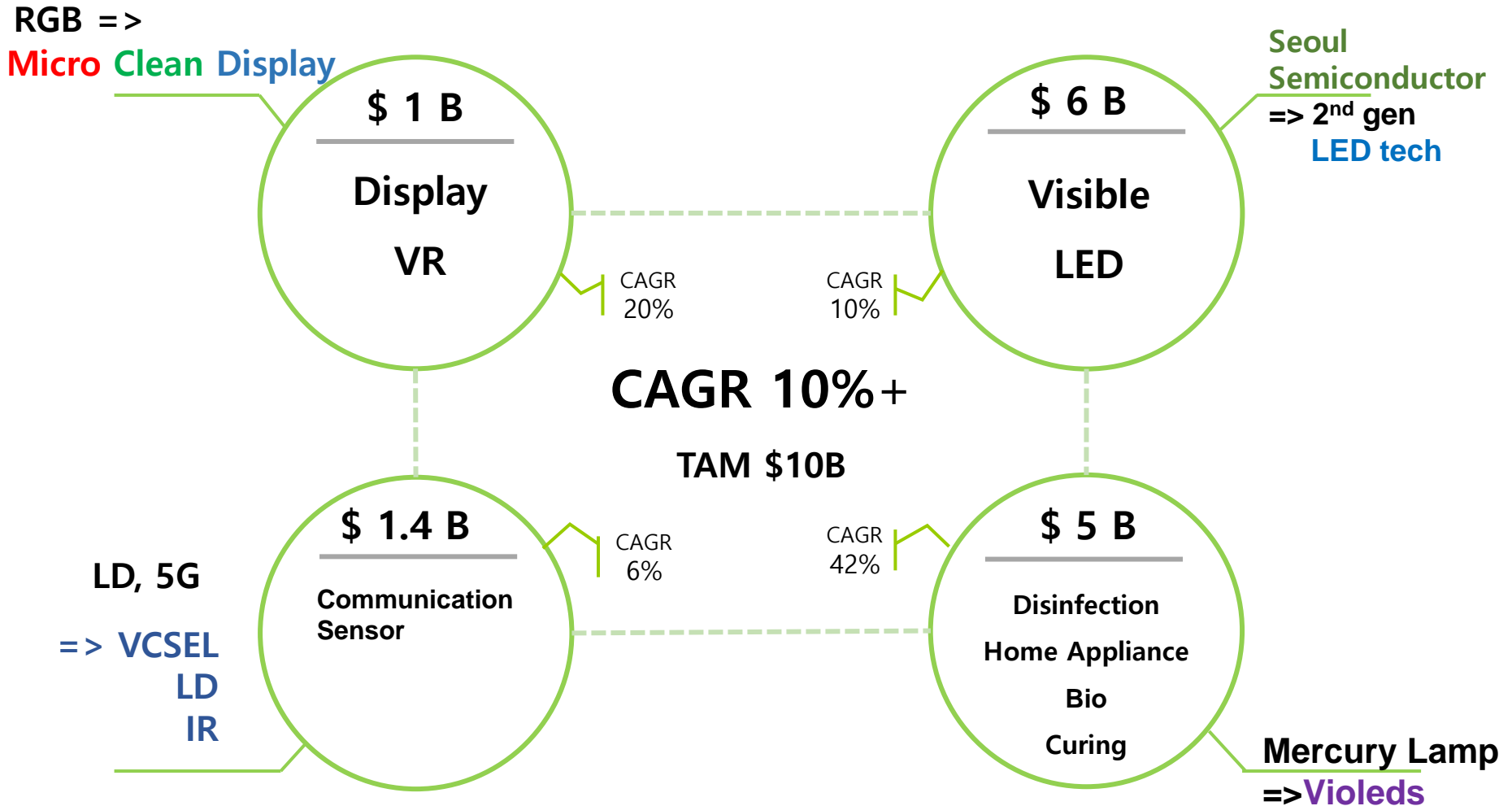


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INVESTOR RELATIONS 2021

II. Business Update and Outlook

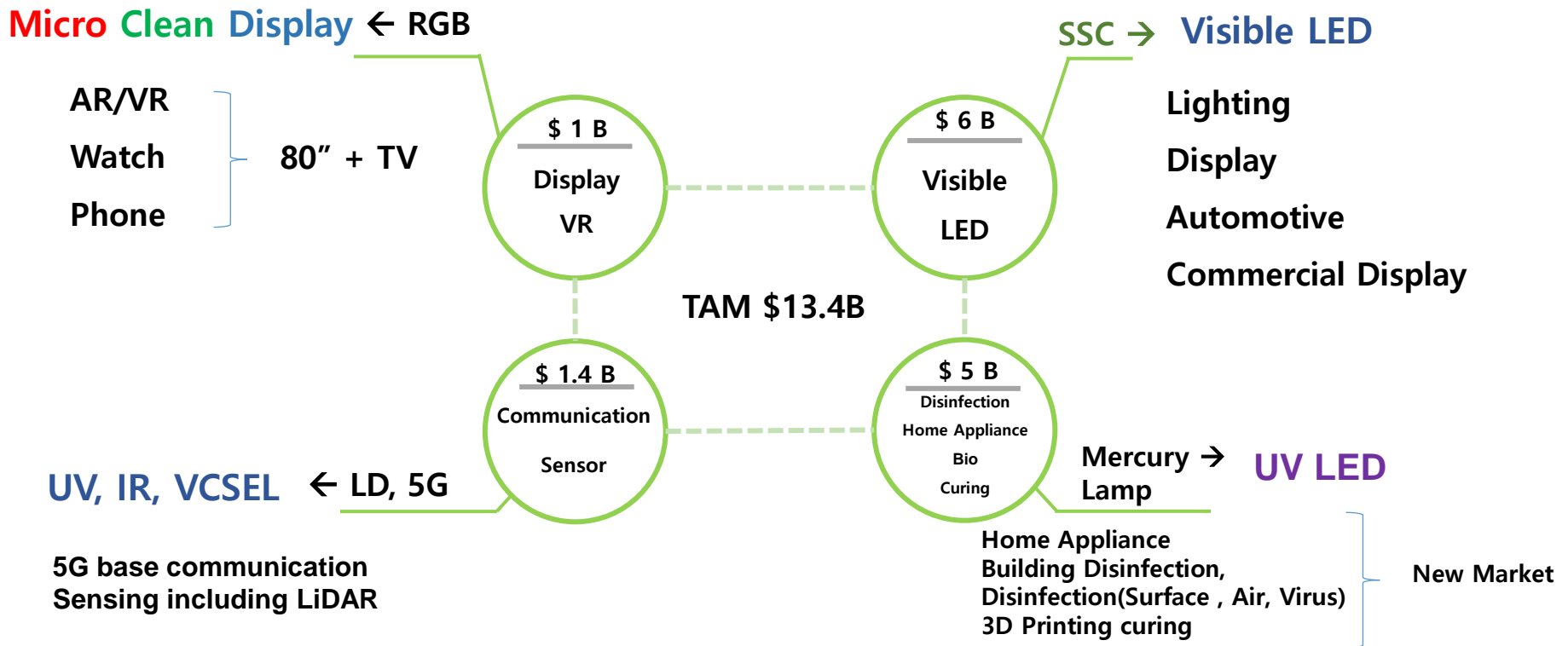
Business update: Key Target Markets



note 1) market size is based on 2020
 2) VR market size is still ambiguous
 3) Assuming SVC's chip supply portion is around 40% of SSC's PKG total demand

* source: SU2020, Yole2020, SSC

Business update: Key Technology



주 기 1) 시장규모 2020년 기준
2) 가상현실 시장 규모 예측 유보.
3) SSC PKG시장의 40%내외 Chip시장

* 자료: SU2020, Yole2020, SSC

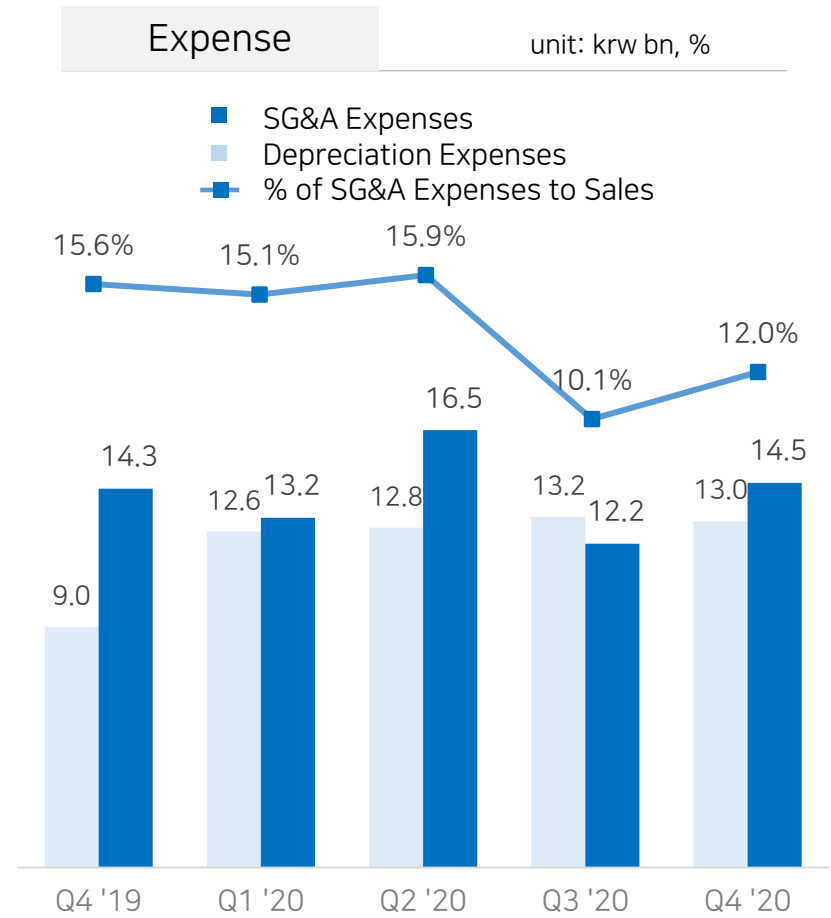
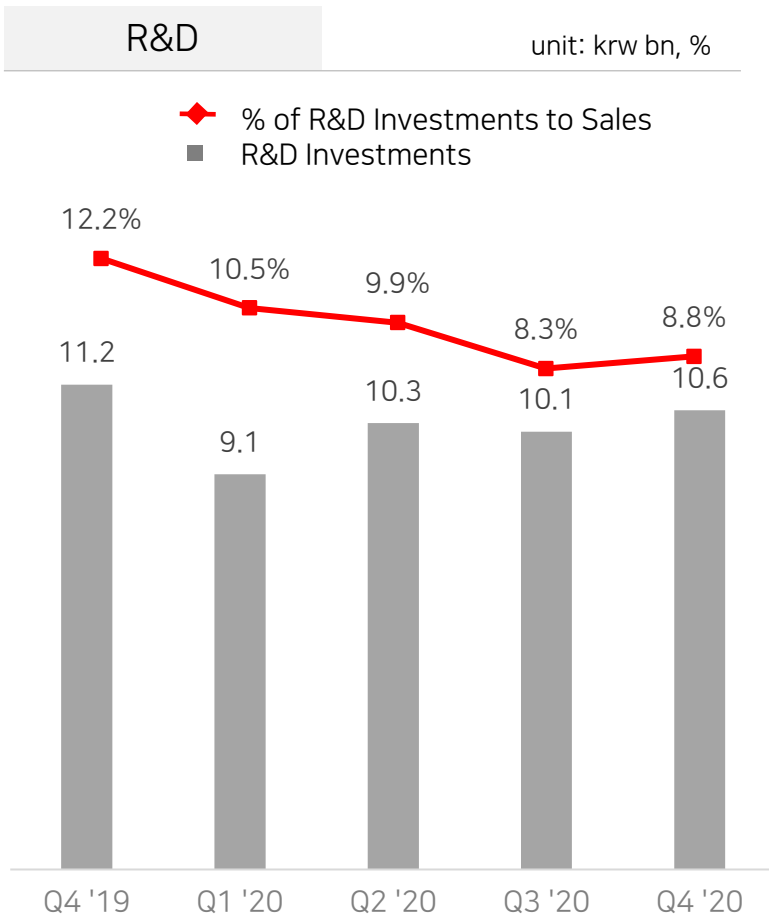
III. Key Growth Momentum in 2021

Key Growth Momentum in 2021

Application	Key Theme	Technology
<ul style="list-style-type: none">• Virus /Air and Surface Disinfection• 3D printing curing	<ul style="list-style-type: none">- Environment Friendly Disinfection Technology	Violeds
<ul style="list-style-type: none">• Base Station Communication• AR/VR	<ul style="list-style-type: none">- High Level Laser Technology for 5G tele-communication	VCSEL
<ul style="list-style-type: none">• Mini LED• Low power high illumination lighting• AR/VR, Smart Watch	<ul style="list-style-type: none">- Next Key Patented Technology to replace LCD & OLED	WICOP MINI Micro Pixel

IV. Appendix

R&D investment and Expense

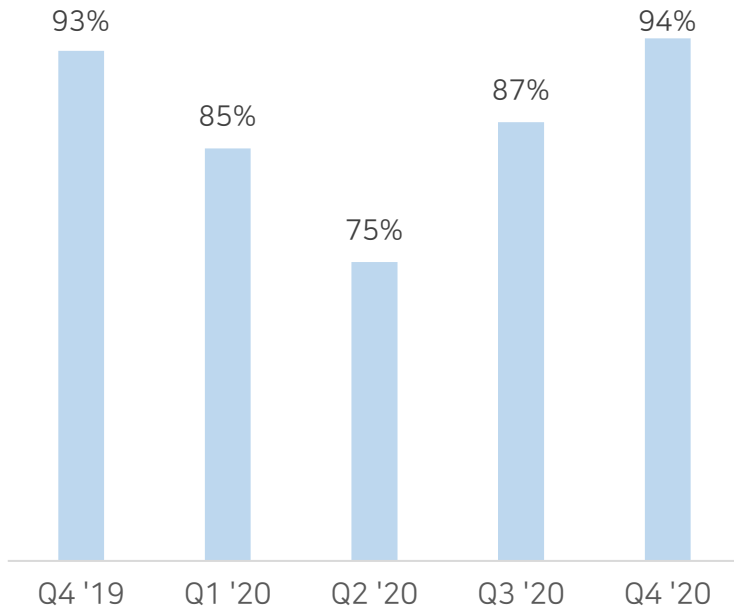


Utilization Rate and CAPEX

Utilization Rate

unit: %

■ Utilization

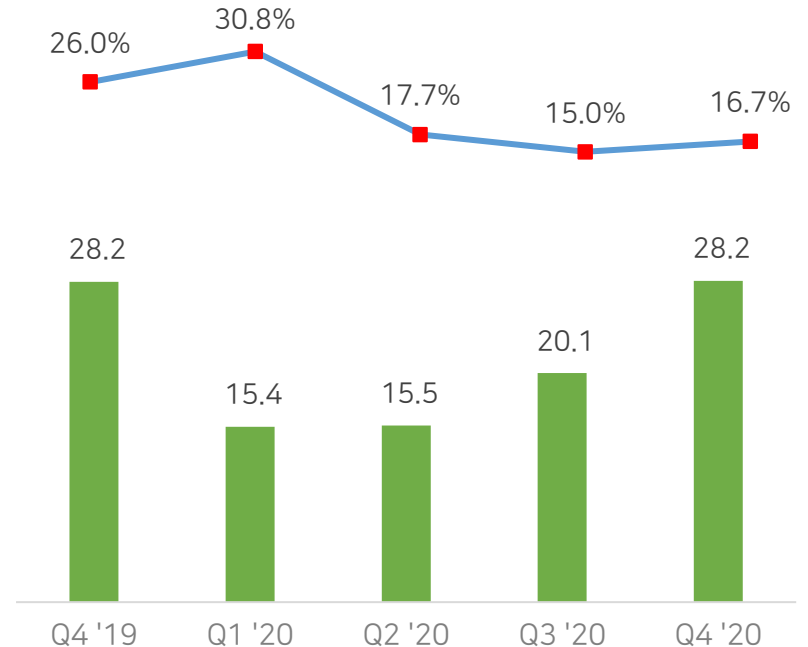


Note) The above production performance index is the average value for the quarter, which is somewhat different from the end of the quarter.

CAPEX

Unit: KRW bn, %

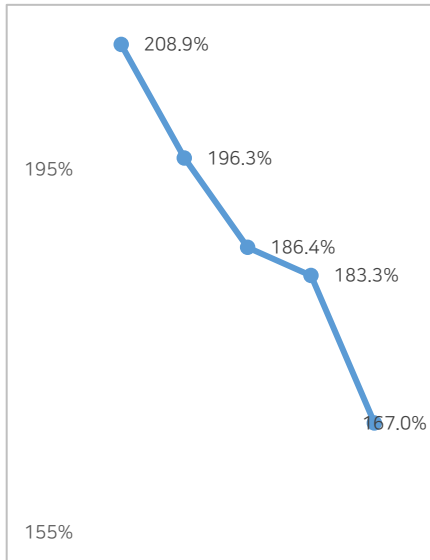
■ % of CAPEX to Sales
■ CAPEX



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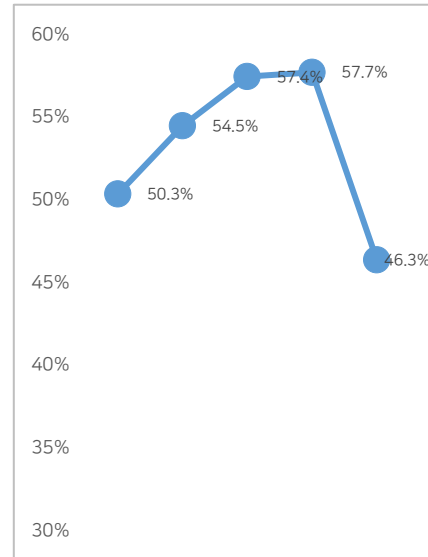
Financial Ratios

Current Ratio(%)



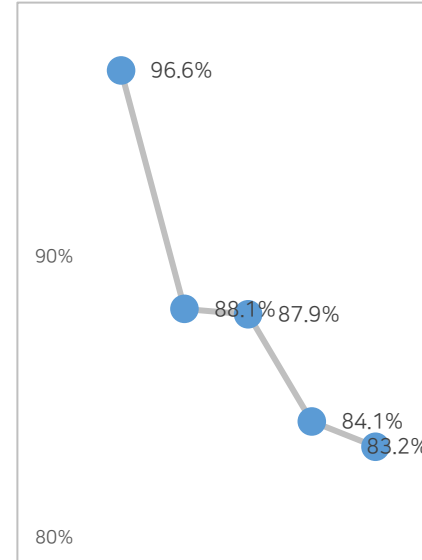
4Q19 1Q20 2Q20 3Q20 4Q20

Debt to Equity(%)



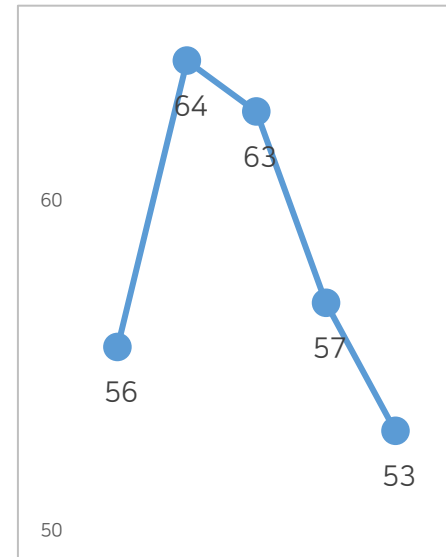
4Q19 1Q20 2Q20 3Q20 4Q20

Net Debt Ratio (%)



4Q19 1Q20 2Q20 3Q20 4Q20

Inventory TO (days)



4Q19 1Q20 2Q20 3Q20 4Q20

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* Industry average: 2Q20 annualized

Industry Average Inventory

- Chip Makers: 132 days
- PKG Makers: 71 days

Condensed Financials

(Mil. KRW)	2020.Q4	2020.Q3	2020.Q2	2020.Q1	2019.Q4	2019.Q3	2019.Q2	2019.Q1	2018.Q4	2018.Q3	2018.Q2	2018.Q1	2020	2019	2018	2017	2016	2015
[Income Statement]																		
Sales	120,485	120,661	103,235	86,901	91,548	90,668	89,618	78,805	99,786	109,849	88,346	88,432	431,282	350,640	386,412	386,651	278,137	316,983
COGS	95,962	98,953	80,728	71,061	70,255	72,949	67,080	70,508	84,225	83,066	63,952	74,100	346,704	280,792	305,344	315,955	226,818	238,712
COGS (%)	79.6%	82.0%	78.2%	81.8%	76.7%	80.5%	74.9%	89.5%	84.4%	75.6%	72.4%	83.8%	80.4%	80.1%	79.0%	81.7%	81.5%	75.3%
Gross Profit	24,523	21,708	22,507	15,840	21,294	17,719	22,538	8,297	15,560	26,783	24,393	14,332	84,578	69,848	81,069	70,696	51,319	78,271
Gross Profit (%)	20.4%	18.0%	21.8%	18.2%	23.3%	19.5%	25.1%	10.5%	15.6%	24.4%	27.6%	16.2%	19.6%	19.9%	21.0%	18.3%	18.5%	24.7%
SG&A	15,559	12,180	16,451	13,155	14,254	15,041	14,832	15,465	22,693	15,430	13,170	13,077	57,346	59,592	64,370	41,297	39,947	49,977
Operating Profit	8,964	9,528	6,056	2,685	7,040	2,677	7,707	- 7,168	- 7,133	11,353	11,224	1,255	27,233	10,256	16,699	29,399	11,372	28,294
Operating Profit (%)	7.5%	7.9%	5.9%	3.1%	7.7%	3.0%	8.6%	-9.1%	-7.1%	10.3%	12.7%	1.4%	6.31%	2.9%	4.3%	7.6%	4.1%	8.9%
Pre-tax Profit	3,458	6,297	6,064	935	894	4,197	5,891	- 8,103	- 11,359	5,852	10,615	- 166	16,754	2,879	4,943	16,995	5,501	19,479
Net Profit	6,502	6,423	6,451	152	1,080	3,140	5,992	- 8,759	- 8,456	3,826	9,044	- 813	19,529	1,454	3,601	13,039	4,124	16,807
[Balance Sheet]																		
Total Assets	582,822	608,306	602,296	602,907	579,081	555,433	558,368	480,921	414,013	455,801	345,395	354,076	582,822	579,081	555,433	558,368	480,921	414,013
Current Assets	137,938	159,526	156,271	156,670	137,985	109,376	117,087	85,281	77,367	111,538	108,621	113,282	137,938	137,985	109,376	117,087	85,281	77,367
Cash and Equivalents	6,947	7,522	3,082	5,298	6,272	9,348	4,378	6,903	3,095	1,645	1,093	1,545	6,947	6,272	9,348	4,378	6,903	3,095
Inventory	64,094	74,737	74,495	67,714	54,943	55,620	47,991	44,620	42,112	43,326	19,316	18,638	64,094	54,943	55,620	47,991	44,620	42,112
Non-current Assets	444,884	448,780	446,025	446,237	441,096	446,057	441,281	395,640	336,646	344,263	236,774	240,793	444,884	441,096	446,057	441,281	395,640	336,646
Total Liabilities	363,604	393,602	392,026	399,443	391,587	393,176	400,590	329,566	253,046	286,756	199,347	218,077	363,604	391,587	393,176	400,590	329,566	253,046
Current Liabilities	297,607	276,521	272,065	287,654	274,105	258,287	291,551	191,144	143,753	217,985	133,757	148,603	297,607	274,105	258,287	291,551	191,144	143,753
Non-Current Liabilities	65,997	117,082	119,961	111,789	117,481	134,889	109,039	138,422	109,293	68,770	74,216	69,475	65,997	117,481	134,889	109,039	138,422	109,293
Total Equity	219,219	214,703	210,270	203,464	187,494	162,257	157,778	151,354	160,967	169,046	146,048	135,999	219,219	187,494	162,257	157,778	151,354	160,967

Highlights of our 2nd generation technology

Seoul Semiconductor Obtains Again Permanent Injunctions and an Order for Recall against LED Lighting Products of Philips Brand Lighting Affiliate

BUSINESS NEWS

The 2nd Generation LED Technologies

The 2 nd Generation LED Technologies		
The 2 nd Generation Technologies	The World's 1 st Technologies of Seoul Semiconductor	Judgment
1 Virus Disinfection	<i>violeds</i> → Disinfect virus and bacteria	Permanent Injunction
2 Lighting That Perfectly Mimics Natural Sunlight	<i>SunLike</i> → Light source for healthy circadian rhythm to match 24-hour body cycles	-
3 Package-Free	<i>Wicap</i> → Light, thin, short and small / Core technology of Mini and Micro LED	Permanent Injunction
4 Classic Design Bulb	<i>Filament</i> → Filament LED with similar design to conventional incandescent bulbs	Permanent Injunction
5 More Than High-Voltage 6V	<i>AcricHMIT</i> → Easily connectable to 220V for home use with less number of LED	Permanent Injunction
6 High Voltage Driver	<i>Acrich Driver</i> → Connectable to 220V for home use and 20% cost reduction	Permanent Injunction
7 Color Rendering of More Than CRI-90	<i>UCD Phosphor</i> → White LED light source with color rendering close to sunlight	Permanent Injunction
8 Long Lifetime	<i>Over 10K hour</i> → Use 5 years available for 5 hours a day (Up to 10 times longer lifespan than incandescent bulbs)	Permanent Injunction
9 Less Electric Consumption	<i>Over 150 lm/W</i> → Electricity cost less than one-tenth compared to conventional incandescent bulbs and one-third of fluorescent lamps	Permanent Injunction

ANSAN, South Korea – Seoul Semiconductor Co., Ltd. ("Seoul") (KOSDAQ 046890), a leading global LED innovator, announced that the German District Court of Düsseldorf has issued "two" permanent injunctions against certain cell phone and lighting products affiliated with Philips brand lighting. The court ordered a permanent injunction against lighting products manufactured by Klite Lighting, a subsidiary of Signify (formerly Philips Lighting), and a recall of those products sold after March 2017 with the destruction of such products in the patent litigation against Leuchtstark Vertriebs GmbH. In other recent litigation against Klite's products, Seoul also obtained a permanent injunction, a recall of infringing products sold after October 2017 and destruction of

those products. This follows on the heels of two other cases in the U.S. where Seoul obtained permanent injunctions against the sales of Philips branded LED TV products. In a separate patent litigation filed against Conrad Electronic, one of European largest electronics retailers, the court ordered permanent injunction and a recall of infringing cell phone products sold after October 2017 because they infringed Seoul's patent. LED industry technology has evolved into second-generation technology, and Seoul is leading the development of second-generation technology by investing over \$1 billion in R&D over the past 20 years. For the past 3 years, Seoul has prevailed in approximately 30 patent litigations across the U.S., U.K., Germany,

Japan, China, and Korea. The above table shows a list of Seoul's patented technology asserted in enforcement actions. "Intellectual property rewards small businesses and entrepreneurs by enabling them to protect their valuable discoveries and inventions, regardless of their class or country of origin," explained one of Seoul's officials. "Seoul believes that technology is the way to improving our world and community. Since the industrial revolution, the infant mortality rate has declined from 43% to 3%, the absolute poverty rate has decreased to less than 10% from 80%, literacy rates have increased, and 85% of the world's population has electricity. We believe that Seoul's groundbreaking green technology will continue helping improve the future for everyone."

The Wall Street Journal news organization was not involved in the creation of this content.

The 2 nd Generation Technologies	The World's 1 st Technologies of Seoul Semiconductor	Judgment
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