

EARNINGS RELEASE

Q3, 2020 (October 28th, 2020)



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.

Disclaimer

This presentation material may contain forward-looking statements, as defined in the safe harbor provisions of KOSDAQ Disclosure Regulation.

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Although Seoul Viosys believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be attained.

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EARNINGS RELEASE Q3, 2020

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Chapter 01.

Q3, 2020 Results

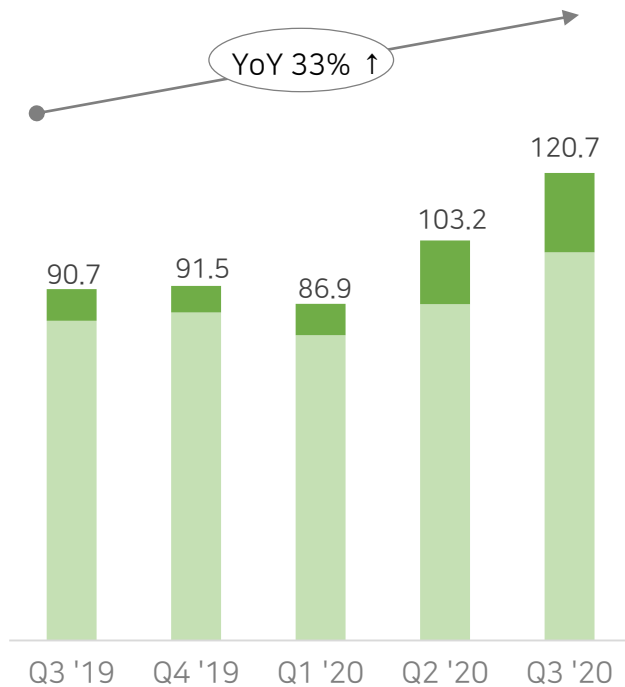
1. Sales and Earnings
2. Investments and Expenses
3. Production and CAPEX
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1. Sales and Earnings

- Q3 Sales Increased by 33% YoY and 17% QoQ to 120.7Bil., Highest Sales since Establishment
- OPM is 8%, increased by 5ppt YoY and 2ppt QoQ due to Proportion Increase of high-end Products

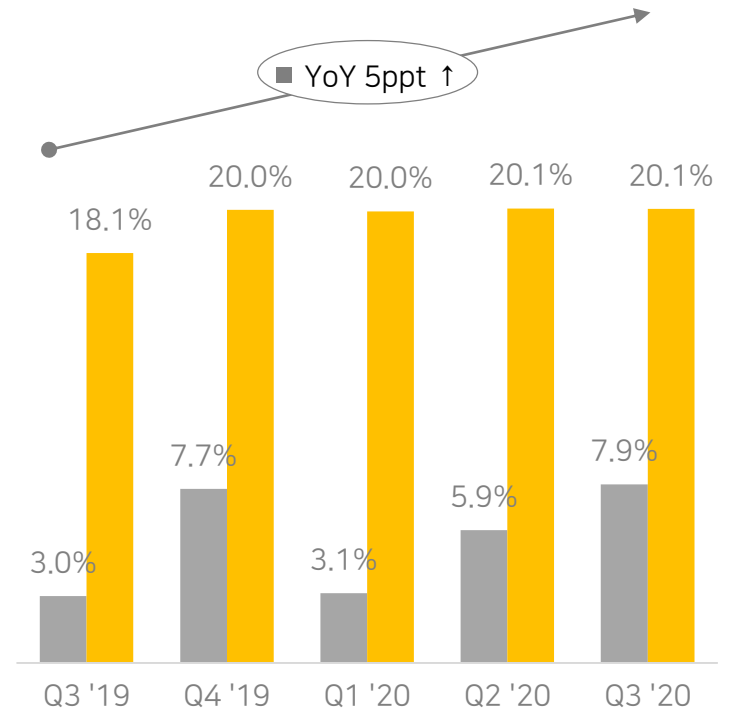
Sales Unit: Billion KRW, %

Visible Group
UV Group



Earnings Unit: %

Operating Profit
EBITDA



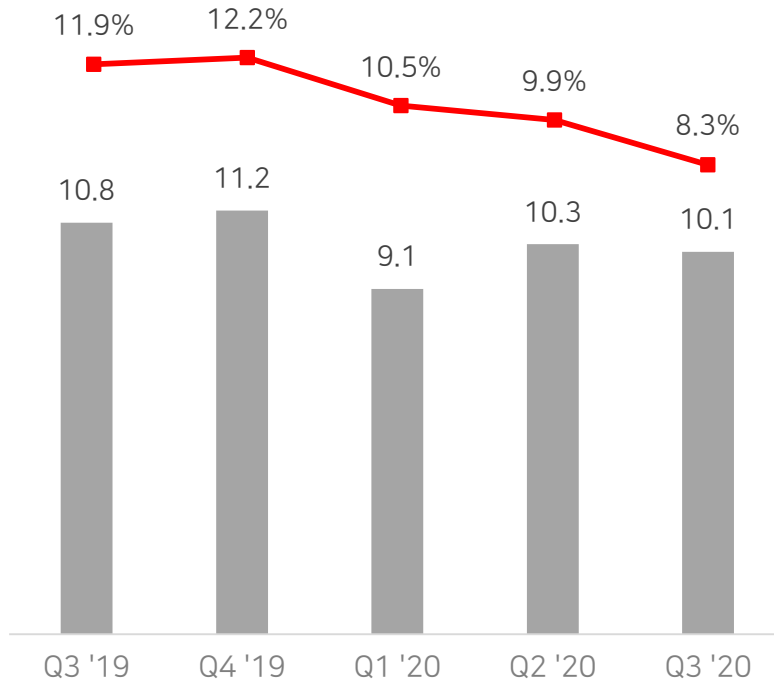
2. Investments and Expenses

- Q3 R&D Investments to Sales Gradually Decreased by 3.6ppt YoY and 1.6 ppt QoQ to 8.3%
- SG&A Expenses to Sales Decreased by 6.5ppt YoY, 5.8ppt QoQ to 10.1% through Cost Innovation

R&D Investments

Unit: Billion KRW, %

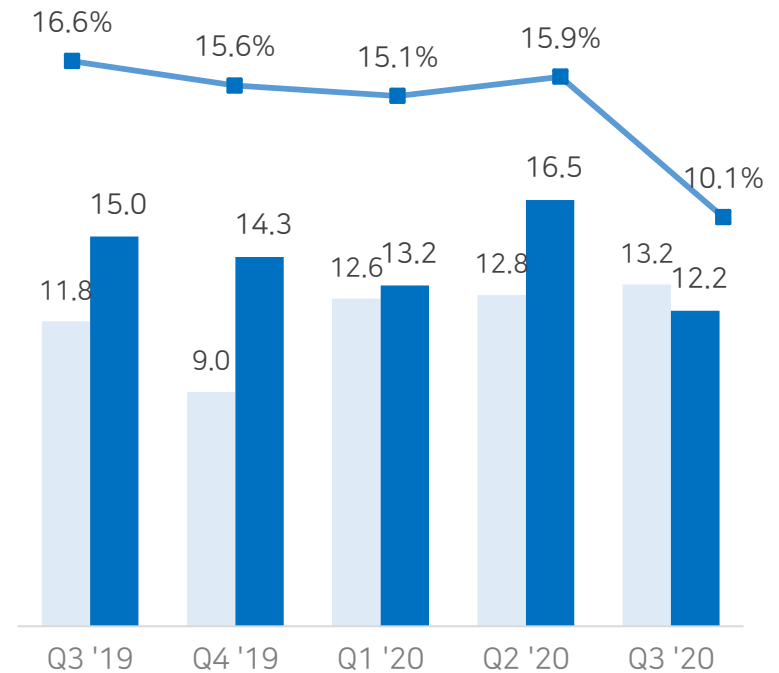
- ◆ % of R&D Investments to Sales
- R&D Investments



Expenses

Unit: Billion KRW, %

- SG&A Expenses
- Depreciation Expenses
- ◆ % of SG&A Expenses to Sales



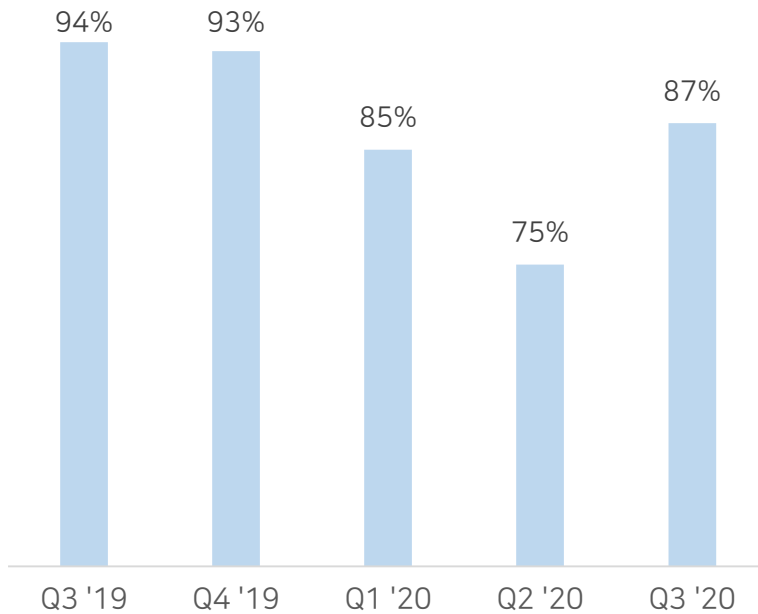
3. Production and CAPEX

- Q3 Utilization Increased by 12ppt QoQ to 87%, High-end Products such as WICOP and UV Increased
- CAPEX to Sales Increased by 4ppt QoQ to 19.1%, Preparation for New Products and Increasing Demand

Production

Unit: %

■ Utilization

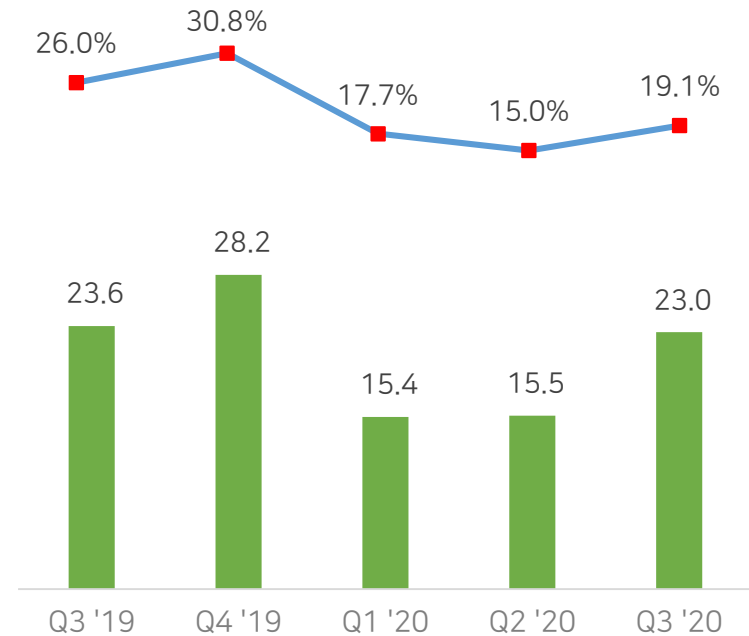


Note) The above production performance index is the average value for the quarter, which is somewhat different from the end of the quarter.

CAPEX

Unit: Billion KRW, %

■ % of CAPEX to Sales
■ CAPEX



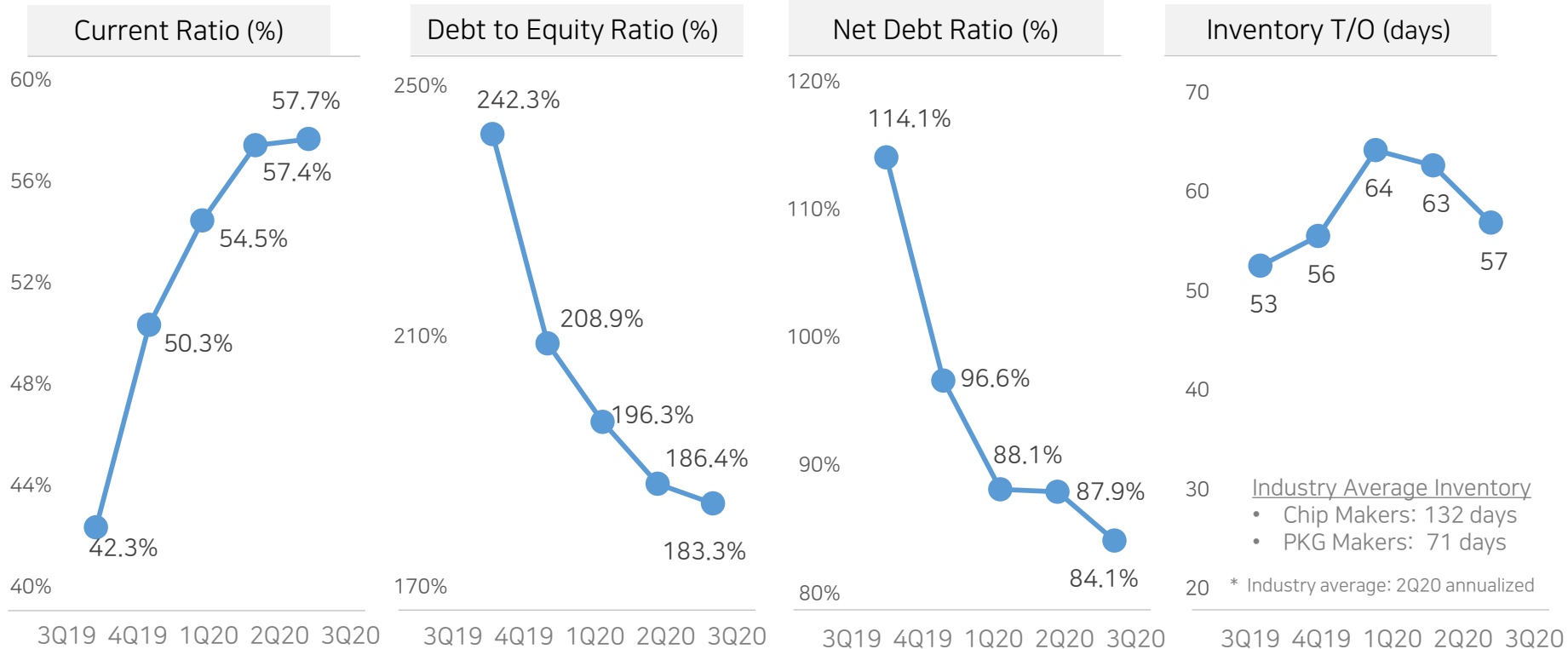
Note) The information contained in this IR report is the result of internal settlement and is subject to change according to outside auditor's review.

4. Balance Sheet



Chapter 01. Q3, 2020 Results

- Current Ratio Increased by 15 ppt YoY, Debt to Equity Ratio Decreased by 59 ppt YoY, Net Debt Ratio Decreased by 30 ppt YoY, Showed Enhanced Financial Stability
- Inventory T/O days Decreased for Two Consecutive Quarters to 57 days, Maintained Differentiated Inventory level of less than ½ compared to Competitors'



Industry Average Inventory
 • Chip Makers: 132 days
 • PKG Makers: 71 days

* Industry average: 2Q20 annualized

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.

Chapter 02.

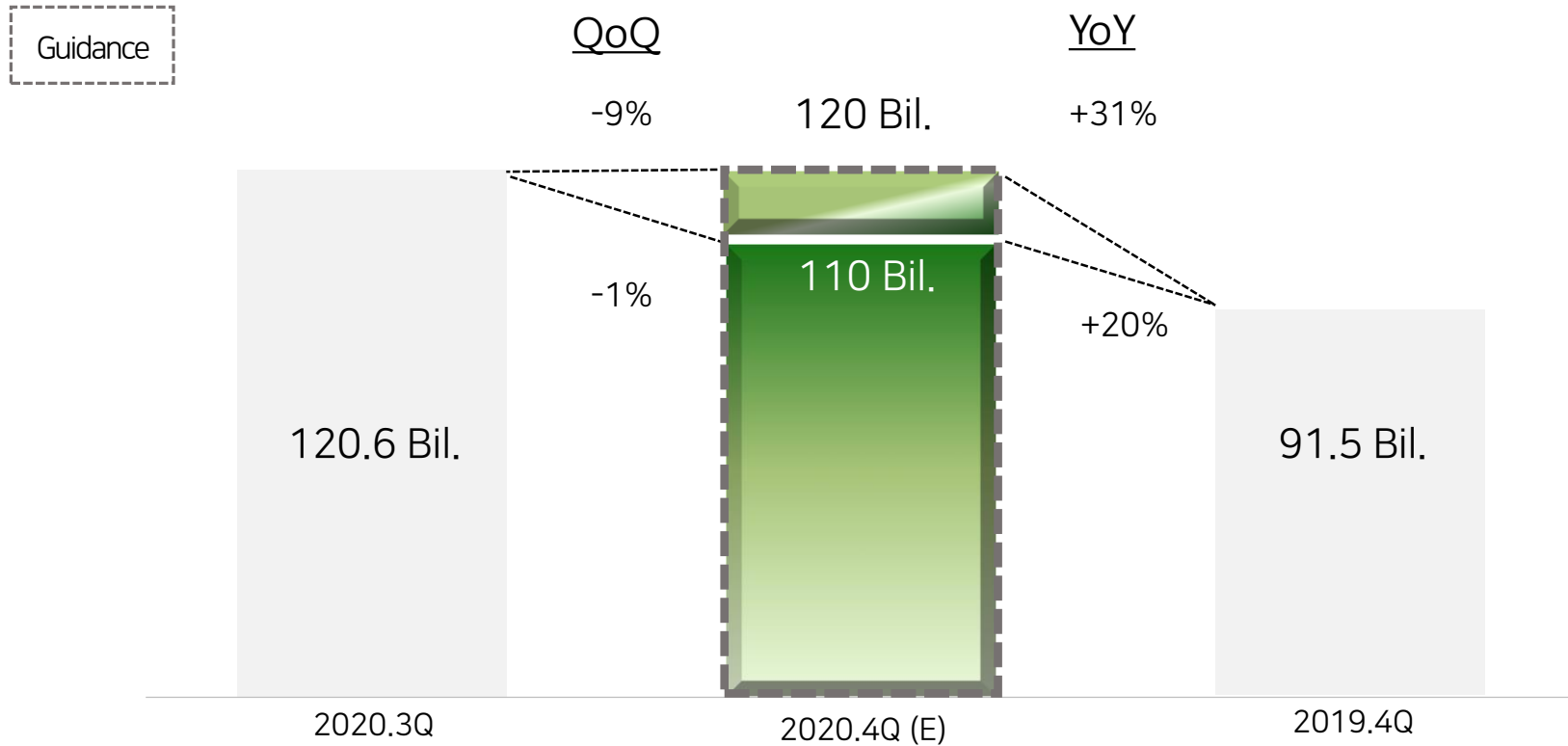
Q4, 2020 Guidance

1. Sales Guidance

1. Sales Guidance

Chapter 02. Q4, 2020 Guidance

- Suggesting Q4 Sales Guidance of 110 bil to 120 bil won, -9 ~ -1% QoQ and 20-31% YoY Increase
- Demand for Differentiated High-end Products is expected to Increase Continuously



Chapter 03.

Appendix

1. Condensed Financials

1. Condensed Financials



Chapter 03. APPENDIX

(Mil. KRW)	2020.Q3	2020.Q2	2020.Q1	2019.Q4	2019.Q3	2019.Q2	2019.Q1	2018.Q4	2018.Q3	2018.Q2	2018.Q1	2019	2018	2017	2016	2015	2014
[Income Statement]																	
Sales	120,661	103,235	86,901	91,548	90,668	89,618	78,805	99,786	109,849	88,346	88,432	350,640	386,412	386,651	278,137	316,983	297,594
COGS	98,953	80,728	71,061	70,255	72,949	67,080	70,508	84,225	83,066	63,952	74,100	280,792	305,344	315,955	226,818	238,712	242,009
COGS (%)	82.0%	78.2%	81.8%	76.7%	80.5%	74.9%	89.5%	84.4%	75.6%	72.4%	83.8%	80.1%	79.0%	81.7%	81.5%	75.3%	81.3%
Gross Profit	21,708	22,507	15,840	21,294	17,719	22,538	8,297	15,560	26,783	24,393	14,332	69,848	81,069	70,696	51,319	78,271	55,585
Gross Profit (%)	18.0%	21.8%	18.2%	23.3%	19.5%	25.1%	10.5%	15.6%	24.4%	27.6%	16.2%	19.9%	21.0%	18.3%	18.5%	24.7%	18.7%
SG&A	12,180	16,451	13,155	14,254	15,041	14,832	15,465	22,693	15,430	13,170	13,077	59,592	64,370	41,297	39,947	49,977	40,745
Operating Profit	9,528	6,056	2,685	7,040	2,677	7,707	- 7,168	- 7,133	11,353	11,224	1,255	10,256	16,699	29,399	11,372	28,294	14,840
Operating Profit (%)	7.9%	5.9%	3.1%	7.7%	3.0%	8.6%	-9.1%	-7.1%	10.3%	12.7%	1.4%	2.9%	4.3%	7.6%	4.1%	8.9%	5.0%
Pre-tax Profit	6,297	6,064	935	894	4,197	5,891	- 8,103	- 11,359	5,852	10,615	- 166	2,879	4,943	16,995	5,501	19,479	532
Net Profit	6,423	6,451	152	1,080	3,140	5,992	- 8,759	- 8,456	3,826	9,044	- 813	1,454	3,601	13,039	4,124	16,807	12,258
[Balance Sheet]																	
Total Assets	608,306	602,296	602,907	579,081	555,433	558,368	480,921	414,013	455,801	345,395	354,076	579,081	555,433	558,368	480,921	414,013	455,801
Current Assets	159,526	156,271	156,670	137,985	109,376	117,087	85,281	77,367	111,538	108,621	113,282	137,985	109,376	117,087	85,281	77,367	111,538
Cash and Equivalents	7,522	3,082	5,298	6,272	9,348	4,378	6,903	3,095	1,645	1,093	1,545	6,272	9,348	4,378	6,903	3,095	1,645
Inventory	74,737	74,495	67,714	54,943	55,620	47,991	44,620	42,112	43,326	19,316	18,638	54,943	55,620	47,991	44,620	42,112	43,326
Non-current Assets	448,780	446,025	446,237	441,096	446,057	441,281	395,640	336,646	344,263	236,774	240,793	441,096	446,057	441,281	395,640	336,646	344,263
Total Liabilities	393,602	392,026	399,443	391,587	393,176	400,590	329,566	253,046	286,756	199,347	218,077	391,587	393,176	400,590	329,566	253,046	286,756
Current Liabilities	276,521	272,065	287,654	274,105	258,287	291,551	191,144	143,753	217,985	133,757	148,603	274,105	258,287	291,551	191,144	143,753	217,985
Non-Current Liabilities	117,082	119,961	111,789	117,481	134,889	109,039	138,422	109,293	68,770	74,216	69,475	117,481	134,889	109,039	138,422	109,293	68,770
Total Equity	214,703	210,270	203,464	187,494	162,257	157,778	151,354	160,967	169,046	146,048	135,999	187,494	162,257	157,778	151,354	160,967	169,046

“We hope that our success story based on significant R&D efforts will set a good example for young entrepreneurs and small businesses trying to achieve their dreams”

