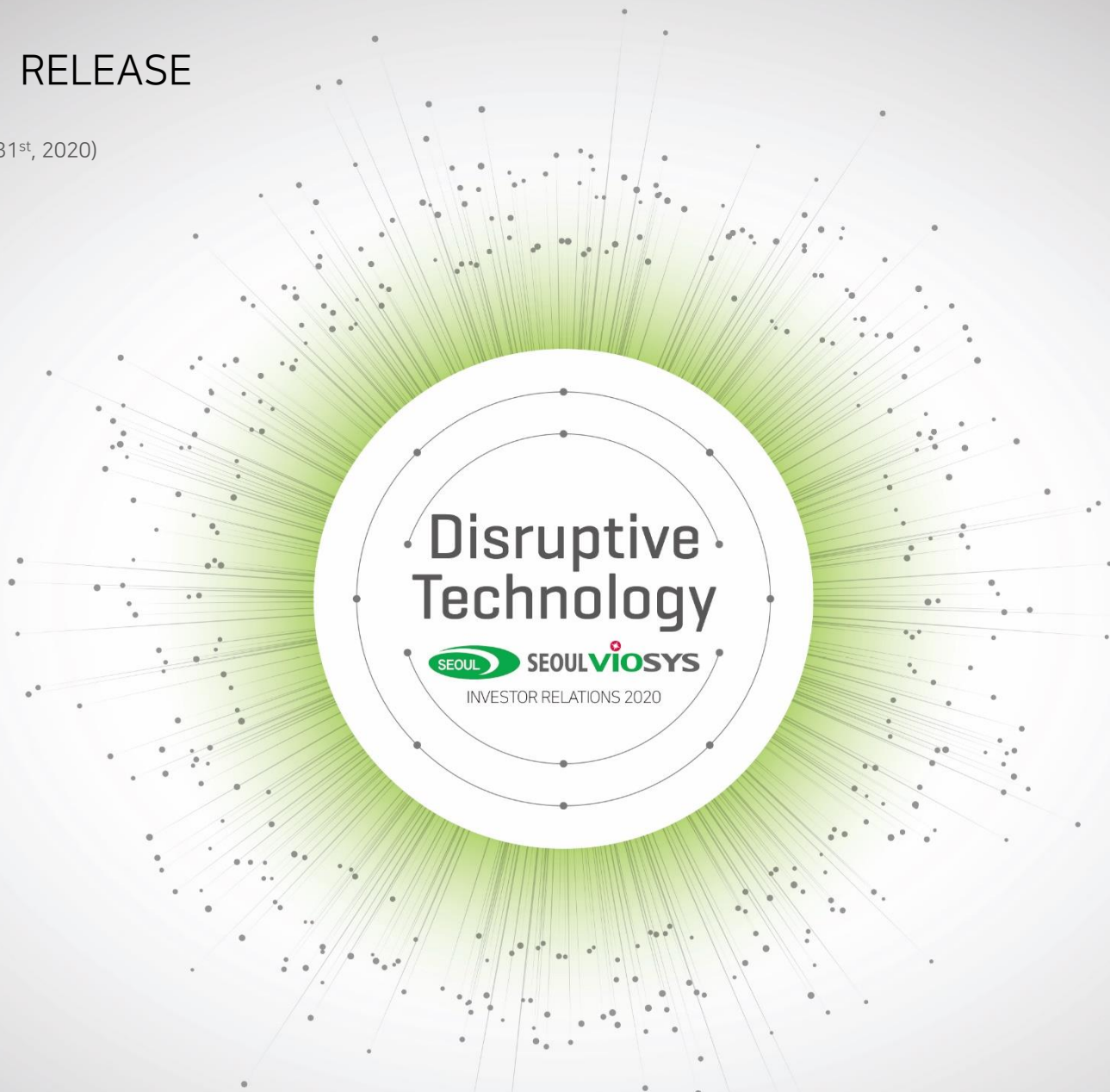


# EARNINGS RELEASE

Q2, 2020 (July 31<sup>st</sup>, 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.

These forward-looking statements reflect Seoul Viosys' current views with respect to future events and financial performance, and are subject to certain risks and uncertainties, which could cause actual results to differ materially from those anticipated.

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 Q1, 2020

# CONTENTS

Chapter 01. Q2, 2020 Results

Chapter 02. Q3, 2020 Guidance

Chapter 03. Appendix

Chapter 01.

## Q2, 2020 Results

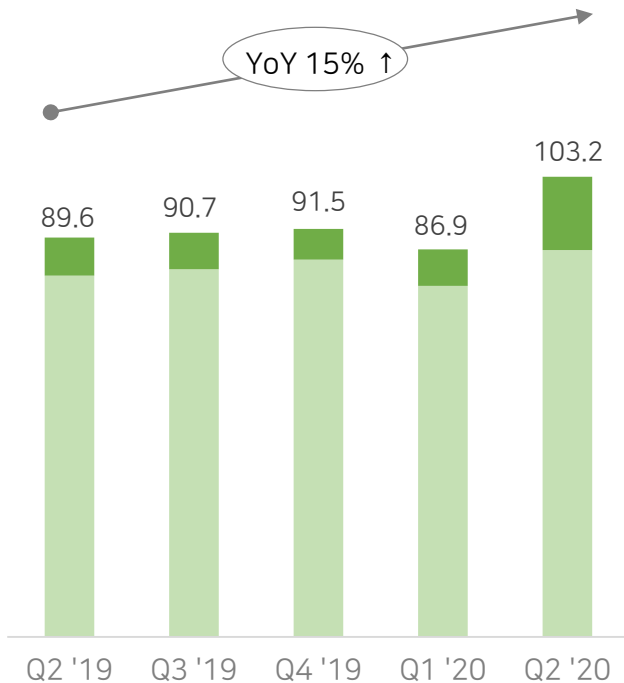
1. Sales and Earnings
2. Investments and Expenses
3. Production and CAPEX
4. Balance Sheet

# 1. Sales and Earnings

- Q2 Sales Increased by 15% YoY and 19% QoQ to 103 Bil. UV LED Increased by 93% YoY, 102% QoQ
- Q2 OPM Increased by 2.7 ppt QoQ to 5.8% due to Proportion Increase of Value-added Product Sales

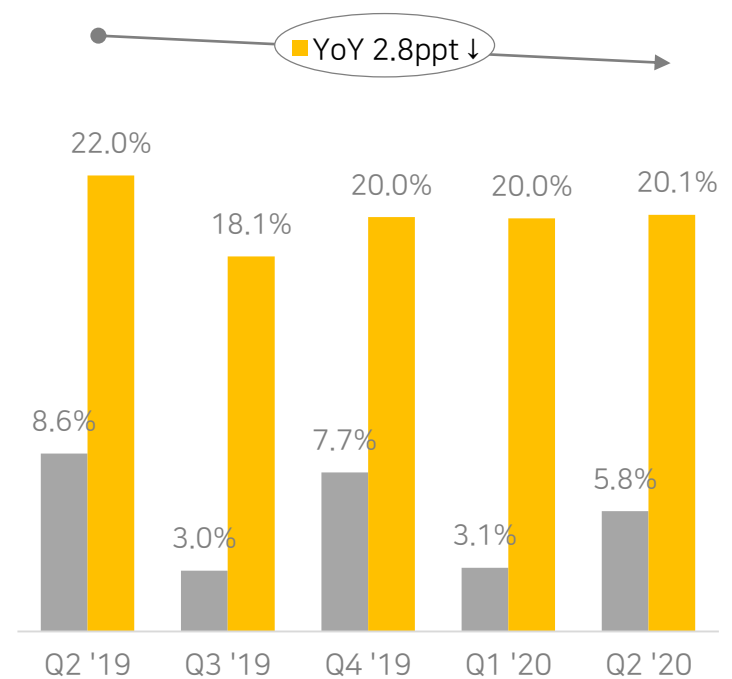
**Sales** Unit: Billion KRW, %

Visible Group  
UV Group



**Earnings** Unit: %

Operating Profit  
EBITDA



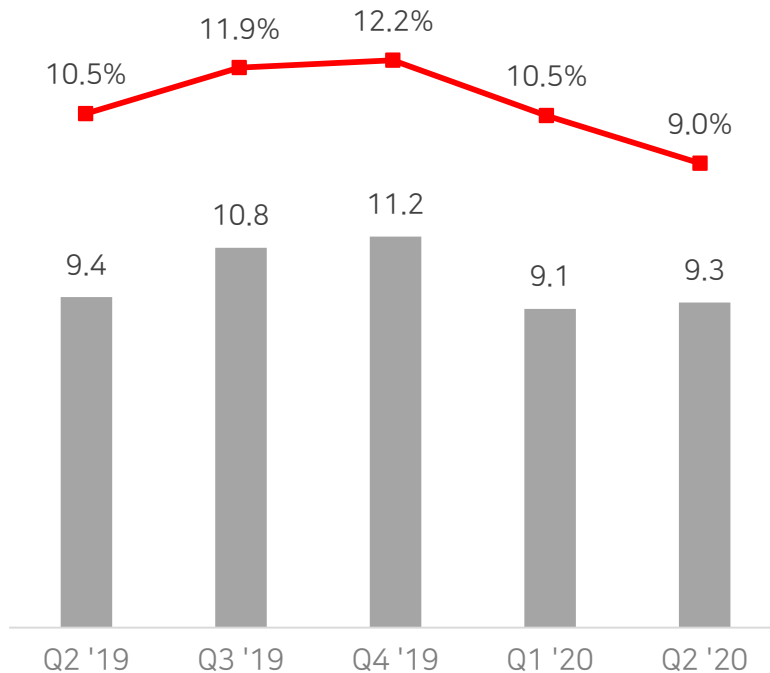
## 2. Investments and Expenses

- Q2 R&D Investments to Sales Decreased by 1.5 ppt YoY and QoQ to 9%, Entered One-digit Level
- SG&A Expenses to Sales Recorded 15.9%, Increased by 11% YoY due to Increasing Sales Activities

### R&D Investments

Unit: Billion KRW, %

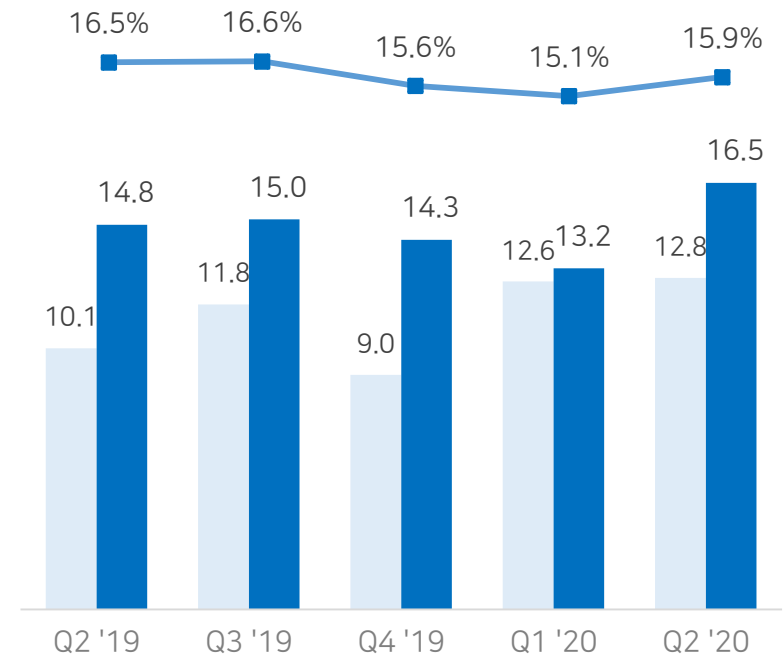
- ◆ % of R&D Investments to Sales
- R&D Investments



### Expenses

Unit: Billion KRW, %

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



# 3. Production and CAPEX

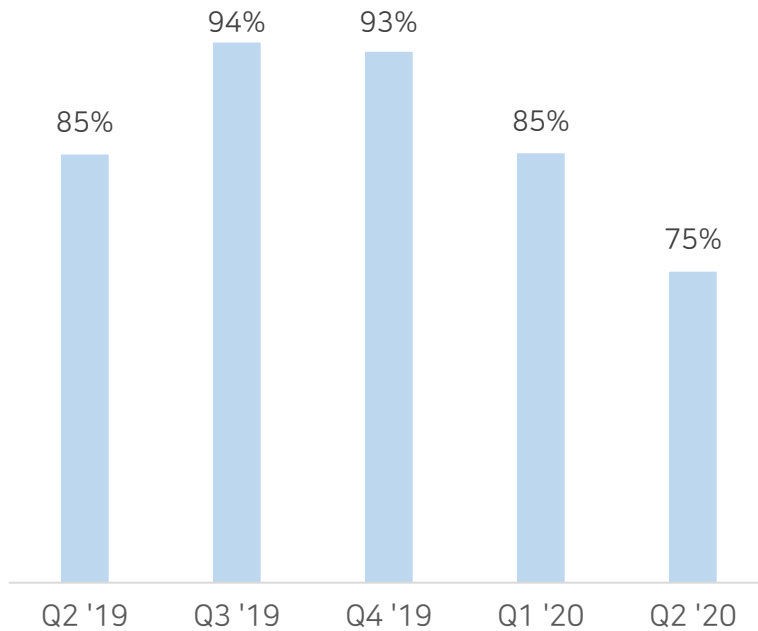
Chapter 01. Q2, 2020 Results

- Q2 Capa Increased by Double-digit QoQ while Proportion Increase of High value-added Products, VINA facilities Set-up, Ready to Respond to Demand Increase in 2H
- Stable Capacity Secured and CAPEX to Sales Reduced by 36% YoY to 14.8%

## Production

Unit: %

■ Utilization

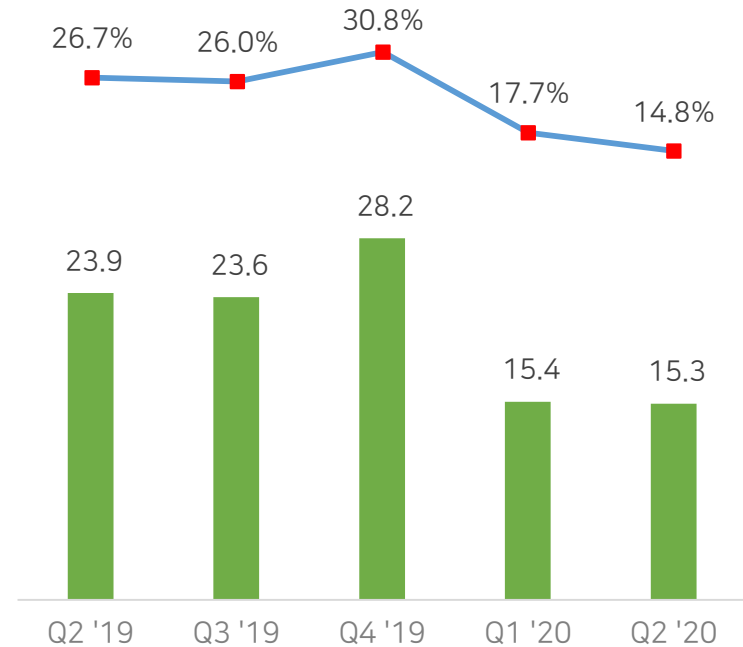


Note) The above production performance index is the average value for the quarter, which is somewhat different from the end of the quarter.

## CAPEX

Unit: Billion KRW, %

■ % of CAPEX to Sales  
■ CAPEX



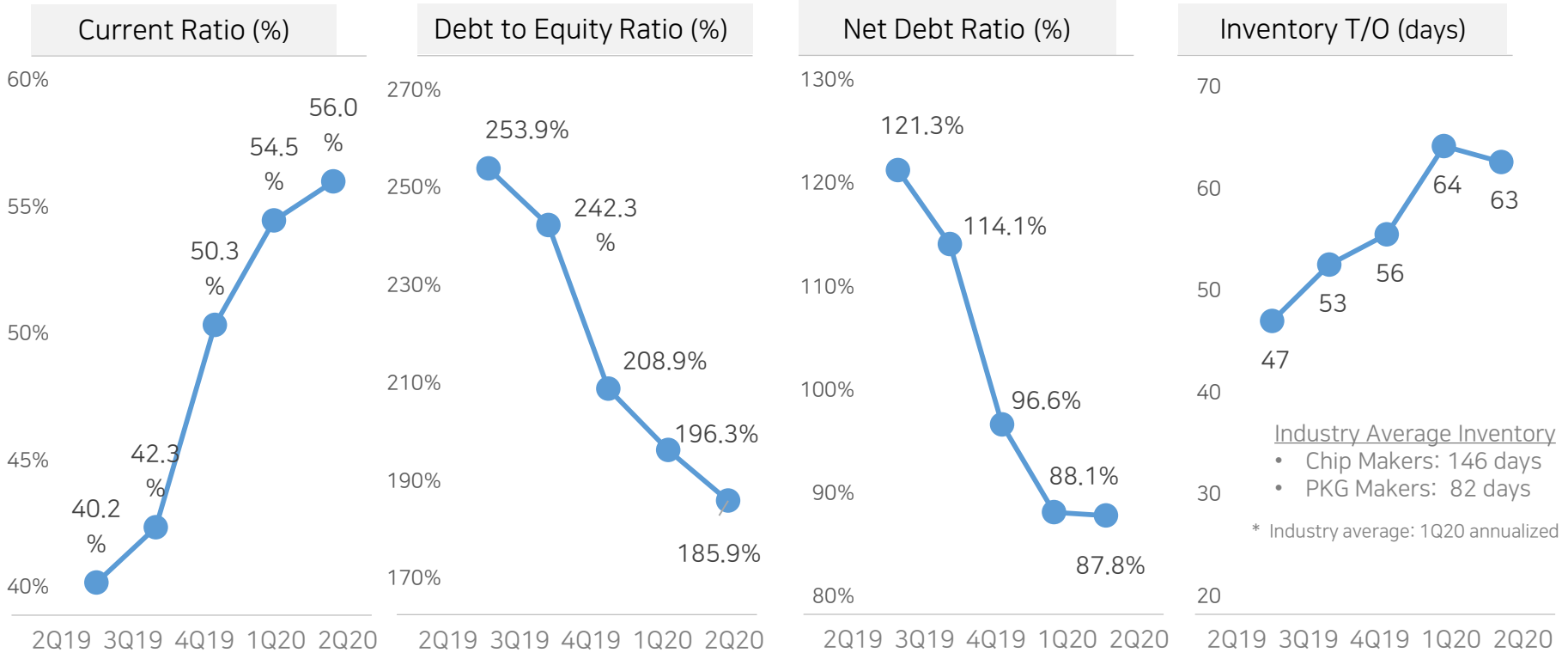
Note) The information contained in this IR report is the result of internal settlement and is subject to change according to outside auditor's review.

# 4. Balance Sheet



Chapter 01. Q2, 2020 Results

- Current Ratio Increased by 16 ppt YoY, Debt to Equity Ratio Decreased by 68 ppt YoY, Net Debt Ratio Decreased by 33% YoY, Showed Enhanced Financial Stability
- Inventory Turnover is Slightly Increased to 63 Days due to UV PKG/MD Increase but is ½ or less of competitors'



*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.*



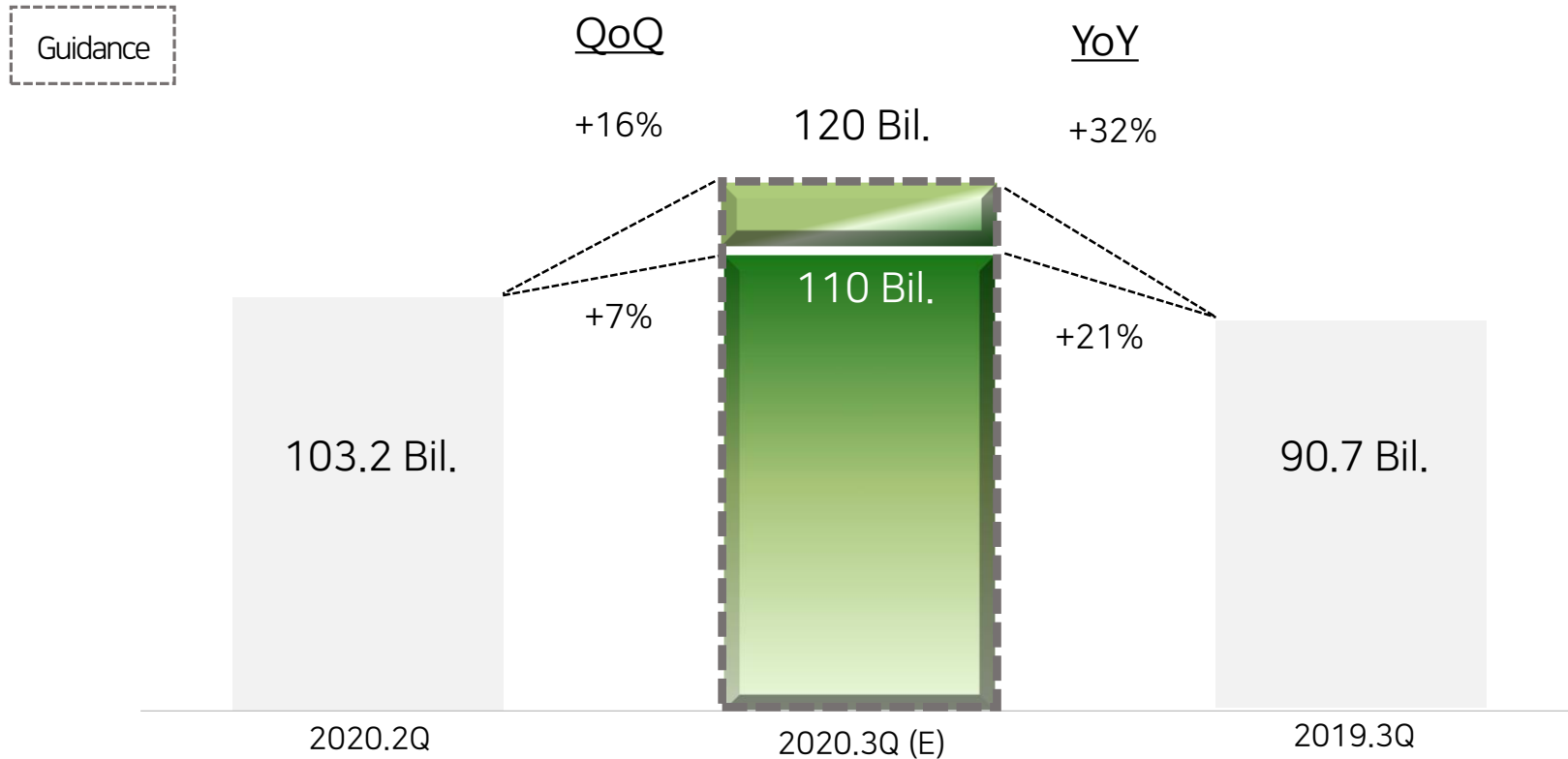
Chapter 02.

## Q3, 2020 Guidance

1. Sales Guidance

# 1. Sales Guidance

- Strong Violeds Demand for Ultimate Germicidal Solution toward Clean Environment Expected to Continue
- Suggesting Q3 Sales Guidance of 110 billion to 120 billion won, 7-16% QoQ and 21-32% YoY Increase



Chapter 03.

## Appendix

1. Condensed Financials

# 1. Condensed Financials



Chapter 03. APPENDIX

(Mil. KRW)	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
<b>[Income Statement]</b>																
<b>Sales</b>	<b>103,235</b>	<b>86,901</b>	<b>91,548</b>	<b>90,668</b>	<b>89,618</b>	<b>78,805</b>	<b>99,786</b>	<b>109,849</b>	<b>88,346</b>	<b>88,432</b>	<b>350,640</b>	<b>386,412</b>	<b>386,651</b>	<b>278,137</b>	<b>316,983</b>	<b>297,594</b>
COGS	80,775	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 (%)	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	22,460	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 (%)	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	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
<b>Operating Profit</b>	<b>6,008</b>	<b>2,685</b>	<b>7,040</b>	<b>2,677</b>	<b>7,707</b>	<b>- 7,168</b>	<b>- 7,133</b>	<b>11,353</b>	<b>11,224</b>	<b>1,255</b>	<b>10,256</b>	<b>16,699</b>	<b>29,399</b>	<b>11,372</b>	<b>28,294</b>	<b>14,840</b>
Operating Profit (%)	5.8%	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	6,398	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	6,806	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
<b>[Balance Sheet]</b>																
<b>Total Assets</b>	<b>602,243</b>	<b>602,907</b>	<b>579,081</b>	<b>555,433</b>	<b>558,368</b>	<b>480,921</b>	<b>414,013</b>	<b>455,801</b>	<b>345,395</b>	<b>354,076</b>	<b>579,081</b>	<b>555,433</b>	<b>558,368</b>	<b>480,921</b>	<b>414,013</b>	<b>455,801</b>
Current Assets	156,139	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	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	74,447	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	446,104	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
<b>Total Liabilities</b>	<b>391,621</b>	<b>399,443</b>	<b>391,587</b>	<b>393,176</b>	<b>400,590</b>	<b>329,566</b>	<b>253,046</b>	<b>286,756</b>	<b>199,347</b>	<b>218,077</b>	<b>391,587</b>	<b>393,176</b>	<b>400,590</b>	<b>329,566</b>	<b>253,046</b>	<b>286,756</b>
Current Liabilities	278,794	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	112,827	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
<b>Total Equity</b>	<b>210,622</b>	<b>203,464</b>	<b>187,494</b>	<b>162,257</b>	<b>157,778</b>	<b>151,354</b>	<b>160,967</b>	<b>169,046</b>	<b>146,048</b>	<b>135,999</b>	<b>187,494</b>	<b>162,257</b>	<b>157,778</b>	<b>151,354</b>	<b>160,967</b>	<b>169,046</b>

“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”

