SEOUL SEMICONDUCTOR

Make the World Cleaner, Healthier, Safer and more Beautiful with Light

2023 3Q Earnings Results

Seoul Semiconductor Co., Ltd.

IR team

09.11.2023

All IR information can be downloaded from the internet

1) IR Presentations

- Visit Seoul Semiconductor's Website http://www.seoulsemicon.com/en/ir/data/

2) Financial Statements

- Full financial statements can be downloaded from the Dart system
  http://englishdart.fss.or.kr Enter company code 046890 and then press search button
- XBRL Financial Statements (check menu on the top) > XBRL Search > Enter company code 046890
- You can also access other material disclosures of Seoul Semiconductor on this site

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01

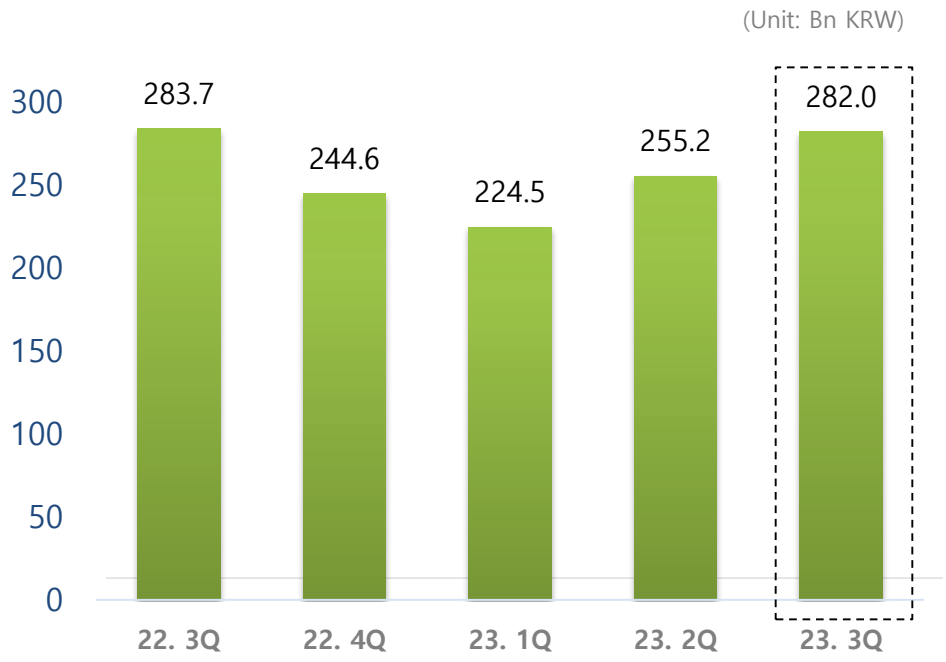
2023 3Q Financial Results

1. Sales and Profit margin
2. R&D, Expense
3. Utilization ratio, CAPEX

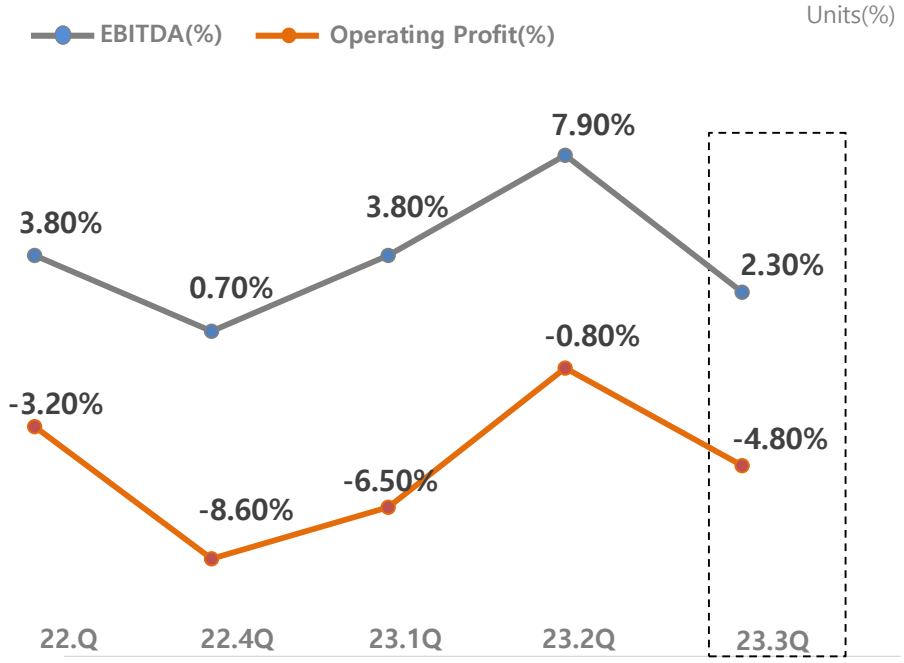
1. Sales and Profit margin

- Increased Automotive LED revenues - up 11% QoQ, back to YoY levels
- Increased development costs and operating losses for subsidiaries

Sales



EBITDA(%), OPM(%)



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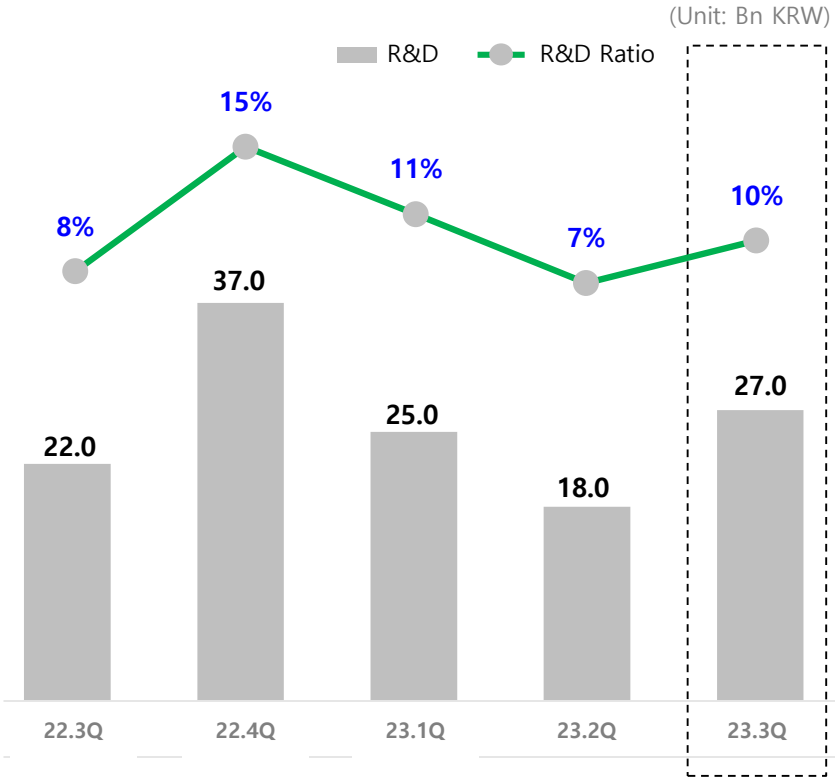
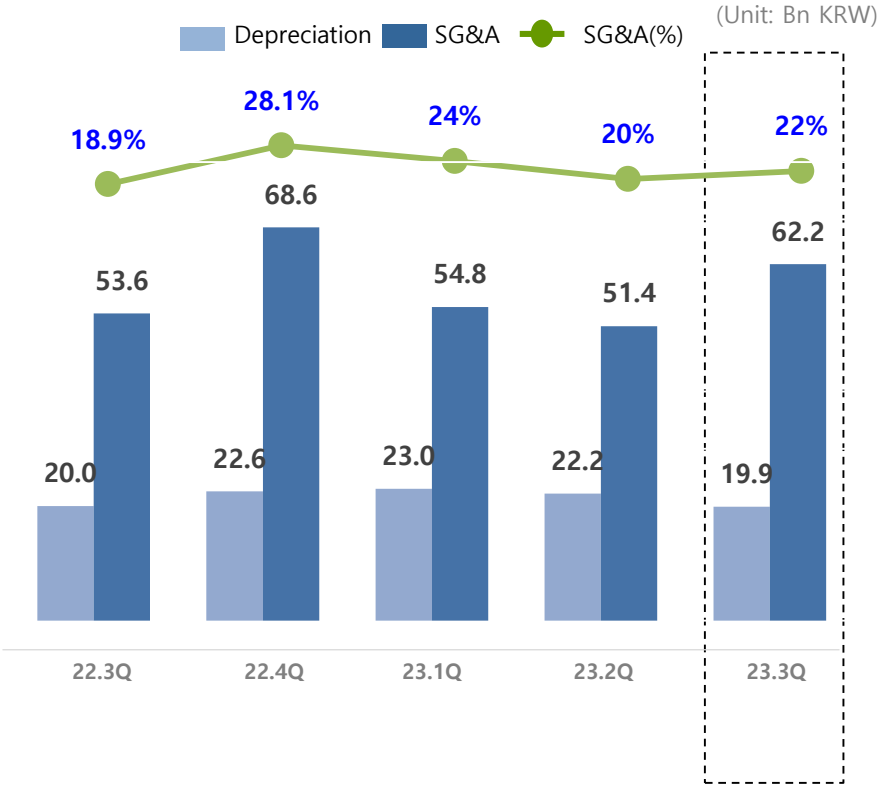
2. R&D Investment, Expense

- R&D to increase to 10% in 3Q 2023
- Higher SG&A costs due to development costs and subsidiary impairment losses

R&D



Expense



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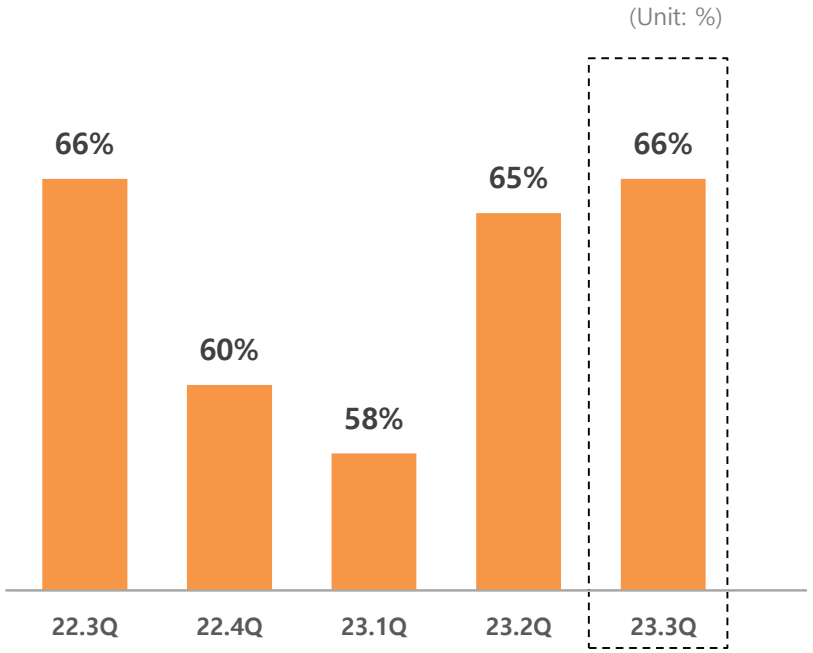
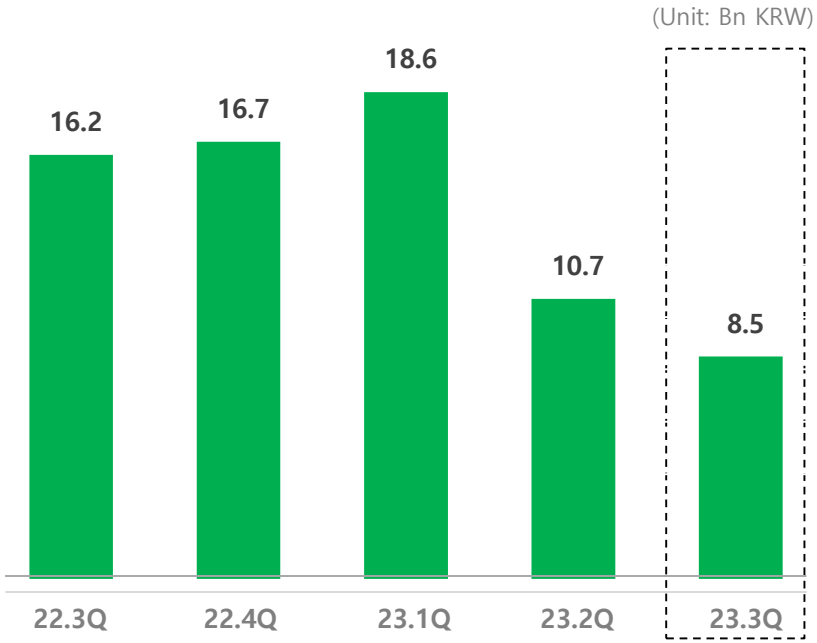
3. Utilization ratio, CAPEX

- Q3 utilization rate was 66%, flat YoY
- Reduced investment as we diversify our production base

Utilization ratio



Capex



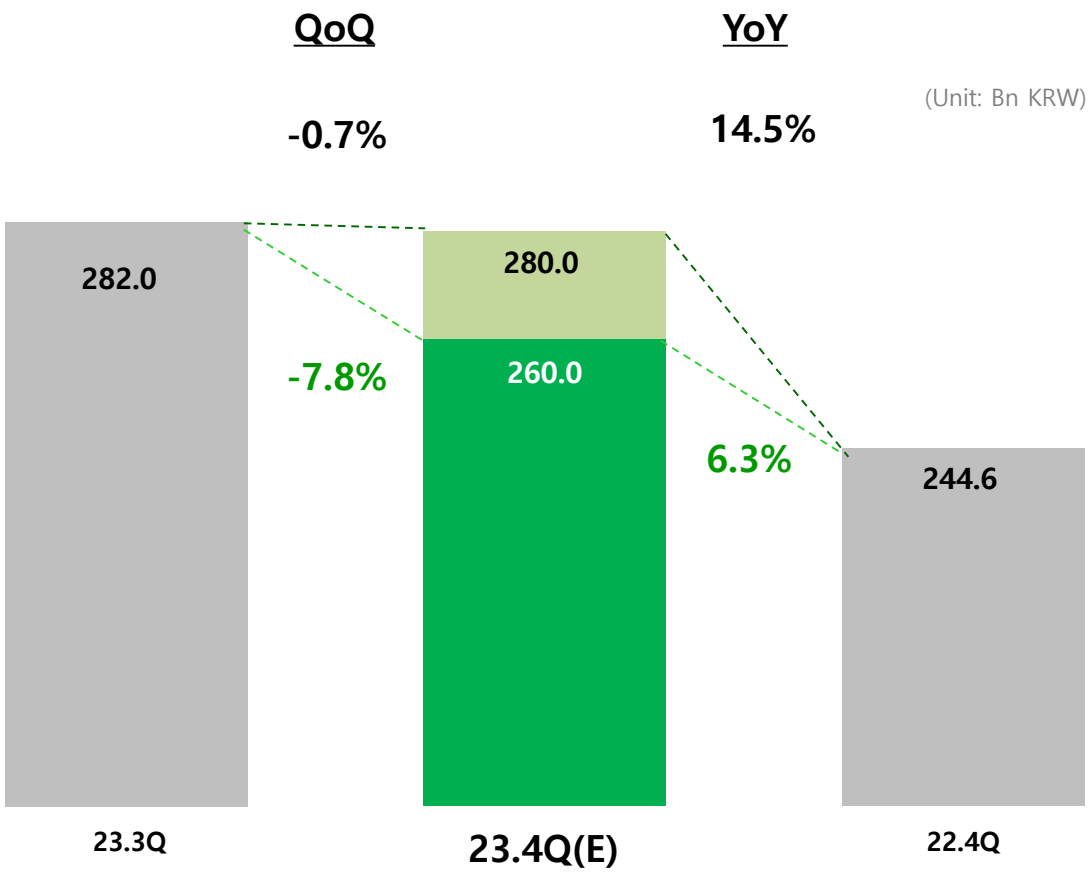
02

2023 3Q Guidance

1. Sales Guidance

1. Sales Guidance

- 4Q 2023 revenue expected to be KRW 260-280 billion, up 10% YoY
- Automotive LED sales expected to grow



03

Growth Momentum

1. Sustainable growth plan

1. Sustainable growth plan

- **The automotive display market is expected to grow at a CAGR of 15% through 2027, with LEDs driving significant demand**
- **Customizing WICOP-based headlamps and smart cockpit products for each customer**

Automotive Applications

Light & Functional LED Products

- WICOP
- Acrich Sunlike
- Violeds
- WICOP Pixel

WICOP Technology Products

- No wire, No PKG, No Lens
- Design Win for over 100 models global
- Standard in the automotive front lighting market

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Q&A

04 APPENIDX

1. LED Products for Patent Infringement in EU
2. Financial Position & Ratios
3. Condensed Financial Statements
4. Quarterly Profitability Ratios

1. Financial Position & Ratios

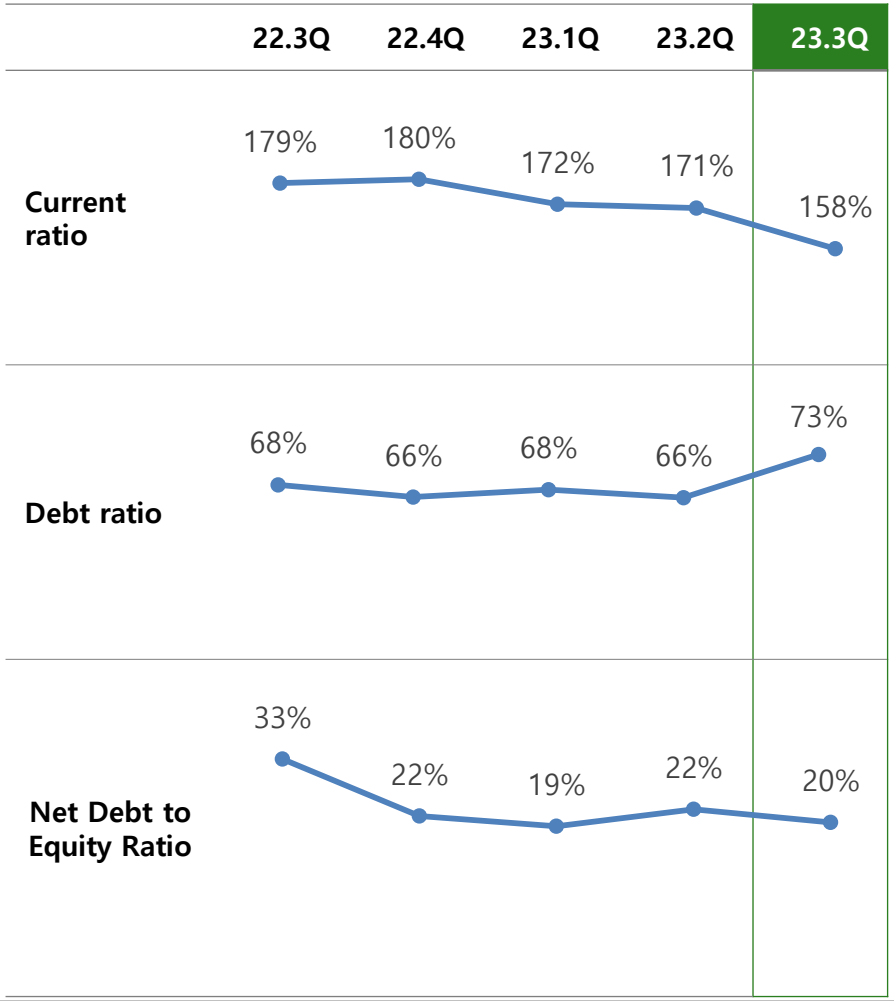
Financial Positions

(Unit: 100 M KRW)

	22.3Q	22.4Q	23.1Q	23.2Q	23.3Q
Total Assets	**14,488**	**12,899**	**12,817**	**12,466**	**12,665**
Current Assets	6,231	5,504	5,387	5,167	5,540
Cash and Equivalent	514	788	877	422	677
Inventory	1,615	1,392	1,324	1,369	1,296
Non-current Assets	8,257	7,394	7,430	7,299	7,125
Total Liabilities	**5,881**	**5,143**	**5,167**	**4,974**	**5,357**
Current Liabilitis	3,478	3,051	3,125	3,030	3,507
Non-Current Liabilities	2,404	2,092	2,042	1,944	1,851
Total Equity	**8,607**	**7,756**	**7,651**	**7,492**	**7,301**
Debts	3,428	3,336	2,521	2,390	2,136	2,161
Net Dets	2,854	2,753	1,702	1,482	1,683	1,467

Financial Ratios

(Unit: %)



3. Condensed Financial Statements

Seoul Semiconductor co., Ltd

(Unit: 100 M KRW)

(100 Million Won)	'20.3Q	'20.4Q	2020	'21.1Q	'21.2Q	'21.3Q	'21.4Q	2021	'22.1Q	'22.2Q	'22.3Q	'22.4Q	2022	'23.1Q	'23.2Q	'23.3Q
[Income Statement																
Sales	**3,312**	**3,105**	**11,531**	**3,104**	**3,368**	**3,403**	**3,135**	**13,010**	**2,876**	**2,936**	**2,837**	**2,446**	**11,094**	**2,245**	**2,552**	**2,820**
COGS	2,677	2,516	9,244	2,395	2,610	2,664	2,680	10,350	2,445	2,369	2,392	1,969	9,176	1,846	2,059	2,332
COGS (%)	80.8%	81.0%	80.2%	77.2%	77.5%	78.3%	85.5%	79.5%	85.0%	80.7%	84.3%	80.5%	82.7%	82.2%	80.7%	82.7%
Gross Profit	636	589	2,286	709	758	738	455	2,661	431	567	444	477	1,919	399	493	487
Gross Profit (%)	19.2%	19.0%	19.8%	22.8%	22.5%	21.7%	14.5%	20.5%	15.0%	19.3%	15.7%	19.5%	17.3%	17.8%	19.3%	17.3%
SG&A	382	444	1,690	496	525	488	520	2,029	501	530	536	686	2,253	537	514	622
SG&A Ratio	11.5%	14.3%	14.7%	16.0%	15.6%	14.3%	16.6%	15.6%	17.4%	18.0%	18.9%	28.1%	20.3%	23.9%	20.1%	22.1%
Operating Profit	**254**	**146**	**597**	**213**	**233**	**250**	**-64**	**632**	**-70**	**37**	**-92**	**209**	**-334**	**-138**	**-21**	**-135**
Operating Profit (%)	7.7%	4.7%	5.2%	6.9%	6.9%	7.4%	-2.0%	4.9%	-2.4%	1.3%	-3.2%	8.6%	-3.0%	-6.1%	-0.8%	-4.8%
Pre-tax Profit	185	-60	357	310	213	341	-106	758	-41	124	81	308	-308	-127	-24	-166
Net Profit	146	-4	290	253	184	284	-107	615	-16	90	-19	-597	-543	-117	-67	-208
[Balance Sheet]																
Total Assets	**14,285**	**13,302**	**13,302**	**14,040**	**14,771**	**15,427**	**15,131**	**15,131**	**14,605**	**14,225**	**14,488**	**12,899**	**12,899**	**12,817**	**12,484**	**12,665**
Current Assets	7,192	6,482	6,482	7,034	7,339	7,597	7,297	7,297	6,669	6,186	6,231	5,504	5,504	5,387	5,187	5,540
Cash and Equivalents	630	348	348	351	412	439	860	860	278	495	514	788	788	877	422	677
Inventory	1,618	1,500	1,500	1,707	1,877	2,188	2,098	2,098	1,937	2,047	1,615	1,392	1,392	1,324	1,389	1,296
Non-current Assets	7,092	6,819	6,819	7,007	7,432	7,830	7,834	7,834	7,936	8,039	8,257	7,394	7,394	7,430	7,298	7,125
Total Liabilities	**6,163**	**5,394**	**5,394**	**5,888**	**6,498**	**6,745**	**6,610**	**6,610**	**6,348**	**5,730**	**5,881**	**5,143**	**5,143**	**5,167**	**4,974**	**5,358**
Current Liabilities	5,083	5,035	5,035	5,400	5,507	5,368	4,588	4,588	4,293	3,542	3,478	3,051	3,051	3,125	3,030	3,507
Non-Current Liabilities	1,081	359	359	488	991	1,378	2,021	2,021	2,055	2,189	2,404	2,092	2,092	2,042	1,944	1,851
Total Equity	**8,121**	**7,908**	**7,908**	**8,152**	**8,273**	**8,682**	**8,521**	**8,521**	**8,256**	**8,495**	**8,607**	**7,756**	**7,756**	**7,651**	**7,511**	**7,307**

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3. Quarterly Profitability Ratios

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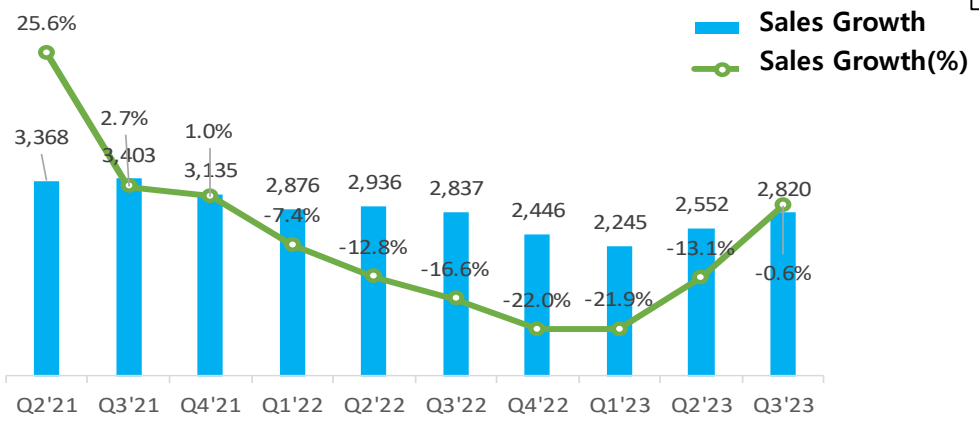
Sales Growth

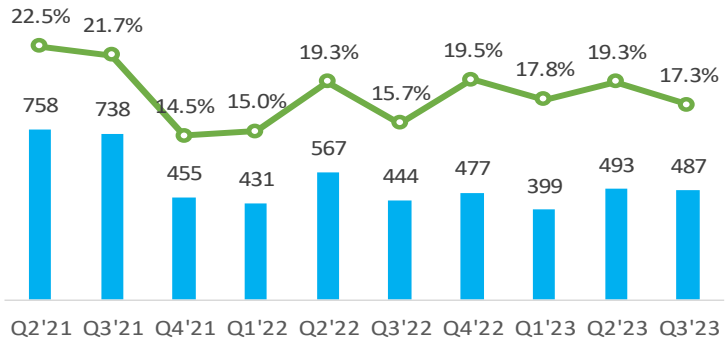
(YoY Growth %)

(100 M KRW)



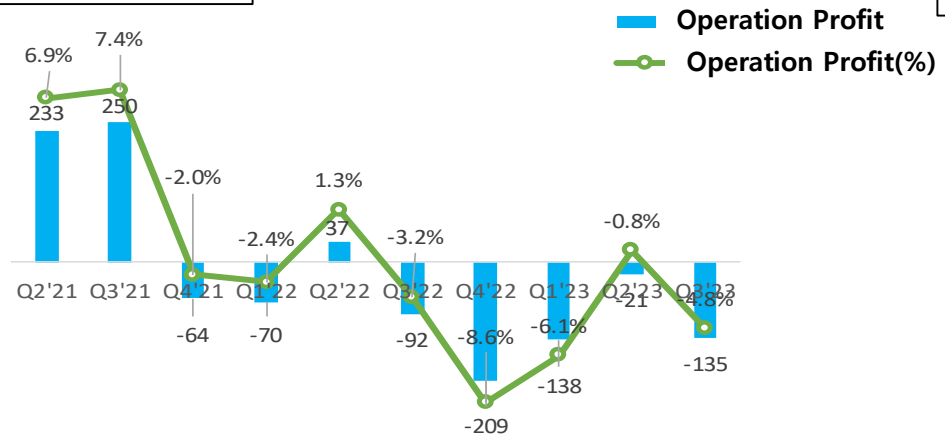
Gross Profit

(100 M KRW)



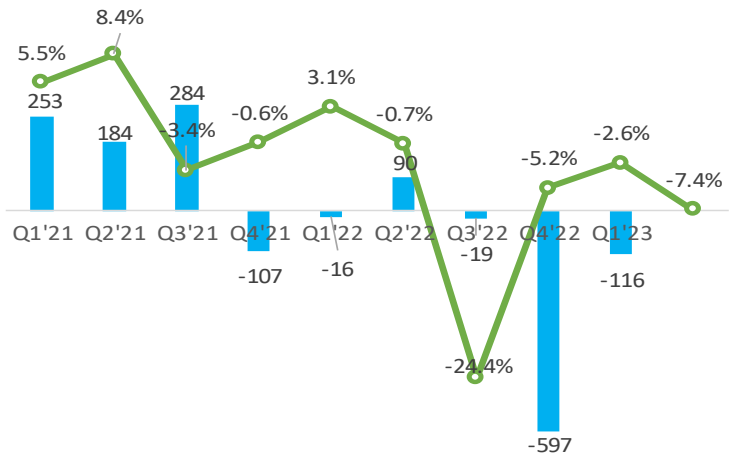
Operation Profit

(100 M KRW)



Net Profit

(100 M KRW)



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