

SEMCO Q1 2021 Earnings Results

April 28, 2021



Disclaimer

This presentation material is prepared for the convenience of investors, before the external audit on our Q1 2021 financial results is completed. The audit results may cause some parts of this presentation material to change.

Business data contains forward projections from internal market estimates and publicly available sources. Actual business performance may differ from the projections herein, as a result of unexpected changes in the market environment and other conditions.

The financial information in this document is consolidated earnings results based on K-IFRS.

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Earnings Overview

Income Statement

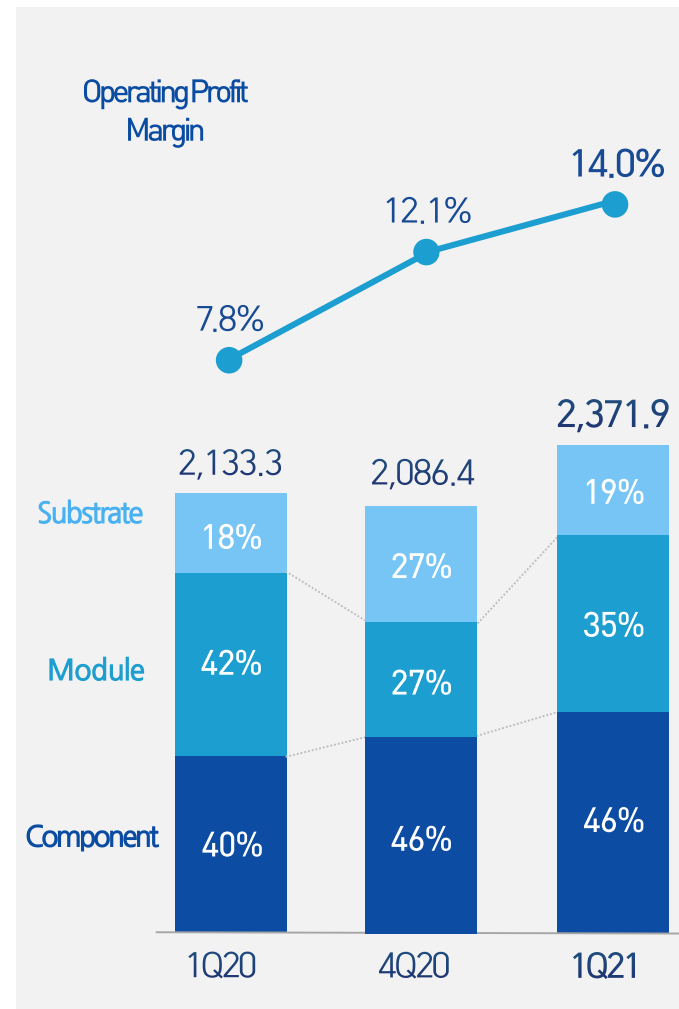
(Unit : KRW Billion)

	1Q21	4Q20	QoQ	1Q20	YoY
Sales	2,371.9	2,086.4	14% ↑	2,133.3	11% ↑
Component	1,088.4	964.5	13% ↑	857.6	27% ↑
Module	841.3	564.0	49% ↑	892.0	6% ↓
Substrate	442.2	557.9	21% ↓	383.7	15% ↑
Operating Profit (%)	331.5 (14.0%)	252.7 (12.1%)	31% ↑	166.3 (7.8%)	99% ↑
Pre-tax Profit (%)	333.8 (14.1%)	248.2 (11.9%)	34% ↑	156.1 (7.3%)	114% ↑
Net Income (%)	233.2 (9.8%)	202.5 (9.7%)	15% ↑	132.1 (6.2%)	77% ↑

※ Net income attributable to owners of the parent

Earnings Trend

(Unit : KRW Billion)



Financial Position

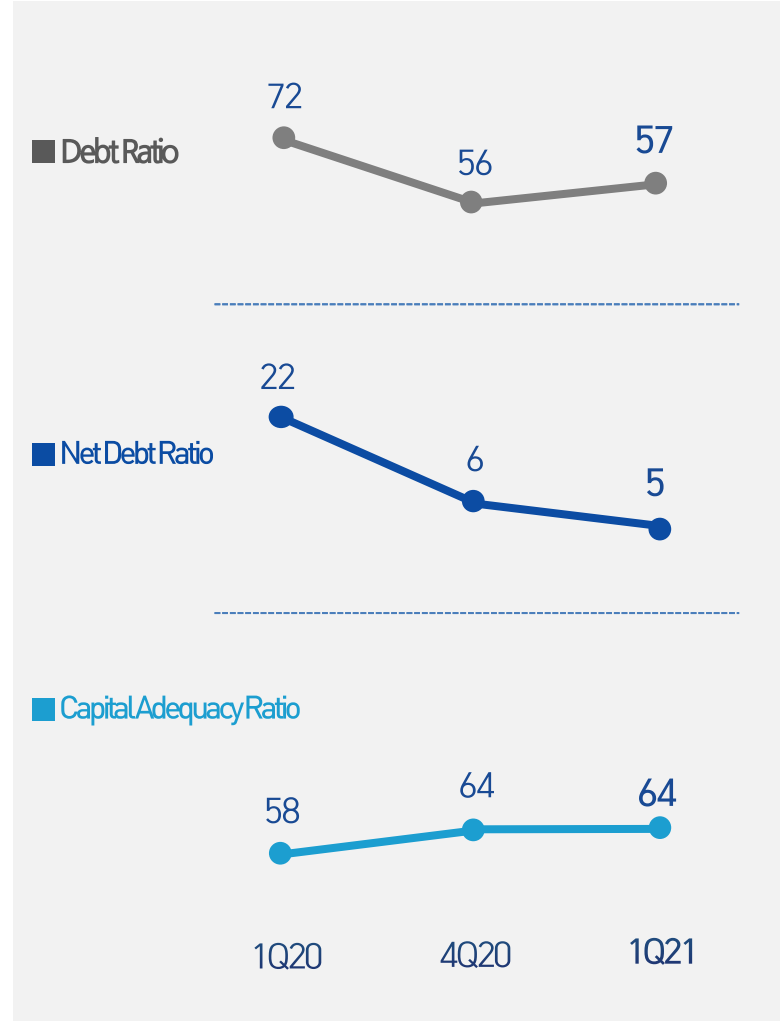
Financial Status

(Unit : KRW Billion)

	1Q21	4Q20	QoQ	1Q20
Assets	9,681.5	9,225.5	5% ↑	9,484.5
Cash	1,623.7	1,479.8	10% ↑	1,246.6
Account Receivable	1,030.5	943.8	9% ↑	1,248.4
Inventory	1,391.2	1,337.9	4% ↑	1,341.7
Investment	338.8	275.7	23% ↑	194.8
Tangible	4,501.8	4,424.4	2% ↑	4,622.7
Others	795.5	763.9	4% ↑	830.3
Liabilities	3,527.3	3,315.1	6% ↑	3,972.5
Debts	1,921.4	1,844.1	4% ↑	2,458.2
Net Debts	297.7	364.3	18% ↓	1,211.6
Equity	6,154.2	5,910.4	4% ↑	5,512.0
Issued Capital	388.0	388.0	-	388.0

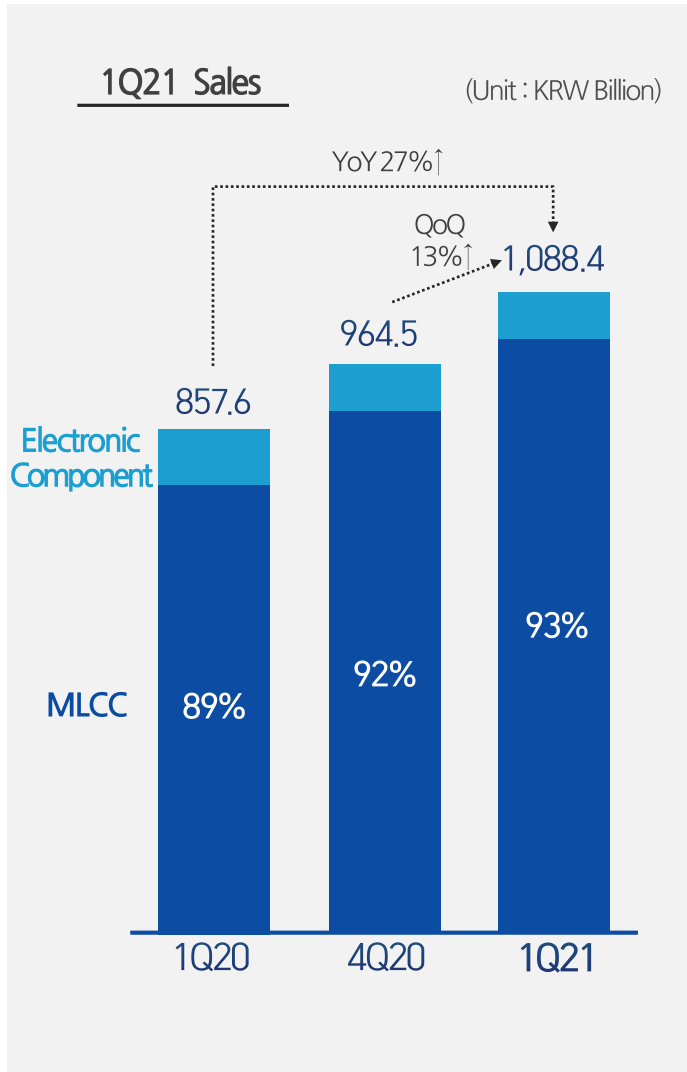
Financial Ratio

(Unit : %)



※ Cash : Cash and Cash Equivalents

Component Division



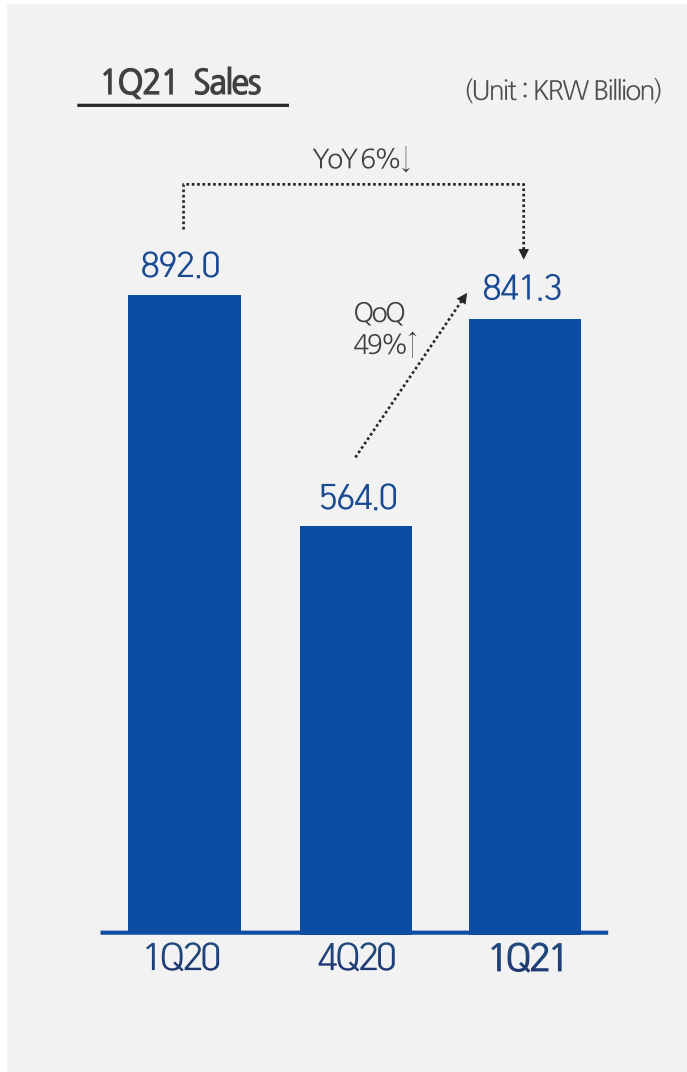
2021 Q1 Results

- **Revenue growth driven by increased MLCC supply for IT and automotive applications**
 - Increased sales of small-size, high-capacitance MLCC for mobile and MLCC for PC
 - Increased supply driven by automotive demand recovery
- **Stronger profitability with continued manufacturing efficiency gains**
 - Better yield and productivity at overseas plant

Q2 Market Outlook and Strategy

- **Strong IT demand (smartphone, PC) expected to continue**
 - Capture market demand by expanding high-end MLCC supply capability including small-size/high-capacitance MLCC
- **Automotive demand expected to increase with automobile recovery**
 - Expand high-reliability line-up and diversify customer base

Module Division



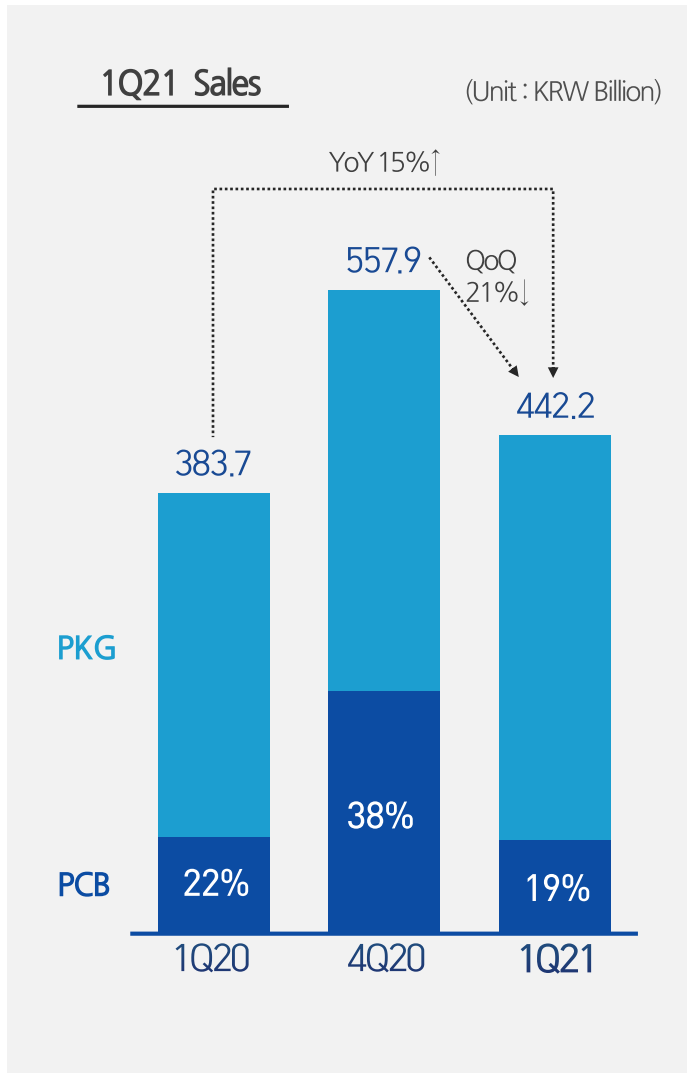
Q1 2021 Results

- QoQ revenue growth driven by new flagship launched by strategic customer
 - Increased H/E camera module including optical 10X zoom
 - Slight YoY revenue decreased due to early supply of products tied to earlier launch of flagship
- Full-scale mass production of camera module for mass-tier smartphones
 - Increased supply of camera modules for upper mass-tier smartphones

Q2 Market Outlook and Strategy

- Camera module demand expected to decrease with seasonality
 - Expand supply of high-end camera module for flagship smartphone in markets such as China
 - Continue to expand supply of camera modules for mass-tier smartphones

Substrate Division



2021 Q1 Results

- Despite increase in PKG substrate revenue, divisional revenue decreased due to seasonal decrease in PCB revenue
 - Increased supply of BGA for mobile AP and FCBGA for thin CPU in laptop
 - RFPCB supply for OLED decreased due to fall in overseas customer's demand
- Profitability decreased QoQ due to drop in PCB revenue
 - Profitability improved YoY thanks to strong PKG performance

Q2 Market Outlook and Strategy

- Demand for high-end PKG substrates for mobile and PC applications expected to continue
 - Focus on increasing supply of high-end PKG substrates for applications such as AP/5G antenna/thin CPU
 - Increase capacity around high-end products and continue to improve product mix

Income Statement

(Unit : KRW Billion)	1Q21	4Q20	QoQ	1Q20	YoY
Sales	2,371.9	2,086.4	14% ↑	2,133.3	11% ↑
Cost of Sales	1,813.4	1,555.1	17% ↑	1,656.9	9% ↑
Gross Profit (%)	558.5 (23.5%)	531.3 (25.5%)	5% ↑ (2.0%p ↓)	476.4 (22.3%)	17% ↑ (1.2%p ↑)
SG&A	227.0	278.6	19% ↓	310.1	27% ↓
Operating Profit (%)	331.5 (14.0%)	252.7 (12.1%)	31% ↑ (1.9%p ↑)	166.3 (7.8%)	99% ↑ (6.2%p ↑)
Non-operating income/expense	2.3	-4.5	-	-10.2	-
Pre-tax Profit (%)	333.8 (14.1%)	248.2 (11.9%)	34% ↑ (2.2%p ↑)	156.1 (7.3%)	114% ↑ (6.8%p ↑)
Income Tax	89.0	49.6	79% ↑	31.3	184% ↑
Net Income (%)	233.2 (9.8%)	202.5 (9.7%)	15% ↑ (0.1%p ↑)	132.1 (6.2%)	77% ↑ (3.6%p ↑)

※ Net income attributable to owners of the parent

Financial Status

(Unit : KRW Billion)	1Q21	4Q20	QoQ	1Q20	YoY
Assets	9,681.5	9,225.5	5% ↑	9,484.5	2% ↑
Current	4,468.3	4,150.3	8% ↑	4,255.0	5% ↑
Cash	1,623.7	1,479.8	10% ↑	1,246.6	30% ↑
Account Receivable	1,030.5	943.8	9% ↑	1,248.4	17% ↓
Inventory	1,391.2	1,337.9	4% ↑	1,341.7	4% ↑
Others	422.9	388.8	9% ↑	418.3	1% ↑
Non-current	5,213.2	5,075.2	3% ↑	5,229.5	0.3% ↓
Investment	338.8	275.7	23% ↑	194.8	74% ↑
Tangible	4,501.8	4,424.4	2% ↑	4,622.7	3% ↓
Intangible	144.9	138.3	5% ↑	140.4	3% ↑
Others	227.7	236.8	4% ↓	271.6	16% ↓
Liabilities	3,527.3	3,315.1	6% ↑	3,972.5	11% ↓
Current	2,048.4	1,914.9	7% ↑	2,483.8	18% ↓
Non-current	1,478.9	1,400.2	6% ↑	1,488.7	1% ↓
Equity	6,154.2	5,910.4	4% ↑	5,512.0	12% ↑
Issued Capital	388.0	388.0	-	388.0	-

※ Cash : Cash and Cash Equivalents

Cash Flow

(Unit : KRW Billion)	1Q21	4Q20	1Q20
Cash at the beginning of period	1,485.5	1,474.2	855.5
Cash flows from operating activities	357.3	215.6	252.4
Net Income	242.7	204.9	133.2
Depreciation	209.9	201.8	210.7
Cash flows used in investing activities	-214.8	-111.6	-217.4
Increase in tangible/intangible assets	-223.0	-109.9	-218.0
Cash flows from financing activities	-20.6	-78.3	380.6
Increase/Decrease in debt	16.9	-67.6	399.0
Foreign exchange difference	20.1	-14.4	12.4
Net changes in cash	142.0	11.3	428.0
Cash at the end of period	1,627.5	1,485.5	1,283.5