

# SEMCO Q1 2023 Earnings Results

Apr 26, 2023



# Disclaimer

This presentation material is prepared for the convenience of investors, before the external audit on our Q1 2023 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

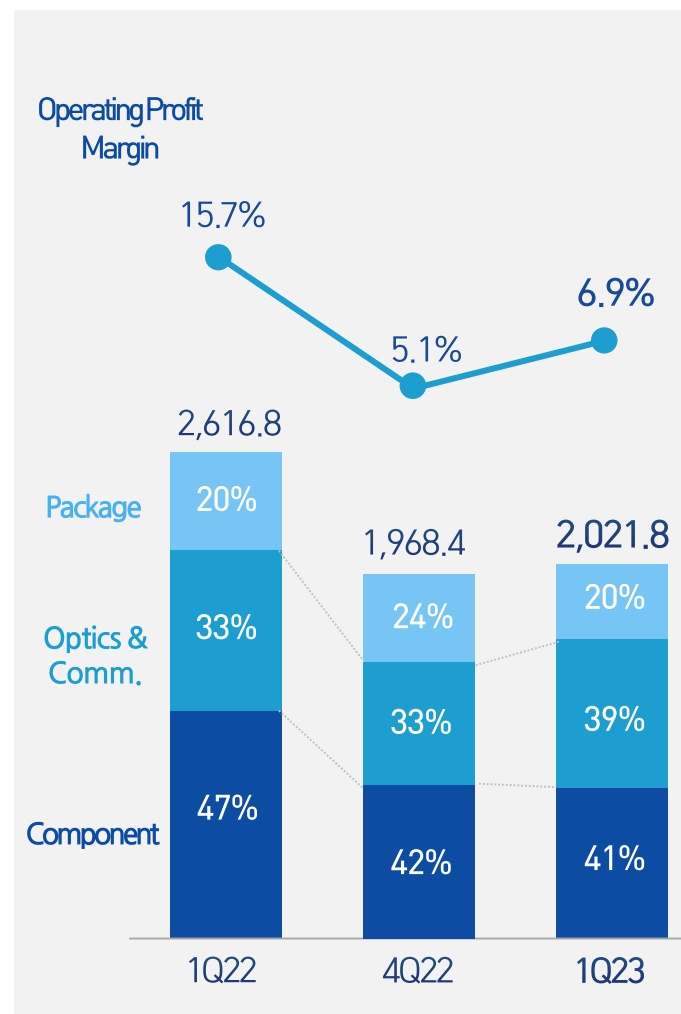
(Unit : KRW Billion)

	1Q23	4Q22	QoQ	1Q22	YoY
Sales	2,021.8	1,968.4	3% ↑	2,616.8	23% ↓
Component	825.5	833.1	1% ↓	1,229.3	33% ↓
Optics & Communication	798.6	655.5	22% ↑	867.9	8% ↓
Package	397.6	479.8	17% ↓	519.6	23% ↓
Operating Profit (%)	140.1 (6.9%)	101.2 (5.1%)	38% ↑	410.5 (15.7%)	66% ↓
Pre-tax Profit (%)	143.0 (7.1%)	-5.4 (-0.3%)	-	427.0 (16.3%)	67% ↓
Net Income (%)	111.4 (5.5%)	112.2 (5.7%)	1% ↓	315.4 (12.1%)	65% ↓

※ Net income attributable to owners of the parent

## Earnings Trend

(Unit : KRW Billion)



# Financial Position

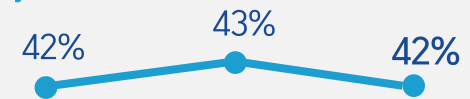
## Financial Status

(Unit : KRW Billion)

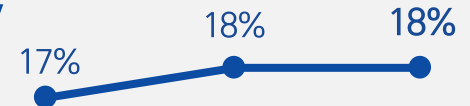
	1Q23	4Q22	QoQ	1Q22
<b>Assets</b>	11,000.1	10,997.2	-	10,065.7
Cash	1,589.1	1,677.1	5% ↓	959.1
Account Receivable	958.9	990.7	3% ↓	1,224.2
Inventory	1,902.2	1,901.6	-	1,766.3
Investment	235.2	320.3	27% ↓	359.1
Tangible	5,403.6	5,235.3	3% ↑	4,697.9
Others	911.1	872.2	4% ↑	1,059.1
<b>Liabilities</b>	3,243.5	3,303.7	2% ↓	2,976.5
Debts	1,432.2	1,421.3	1% ↑	1,186.7
<b>Equity</b>	7,756.6	7,693.5	1% ↑	7,089.2
Issued Capital	388.0	388.0	-	388.0

## Financial Ratio

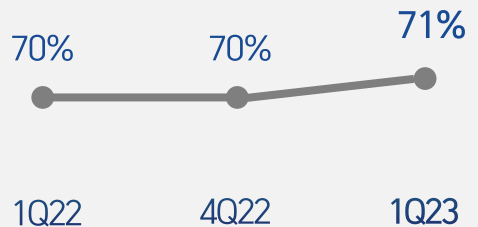
■ Liability to Equity  
(Liabilities/Equity)



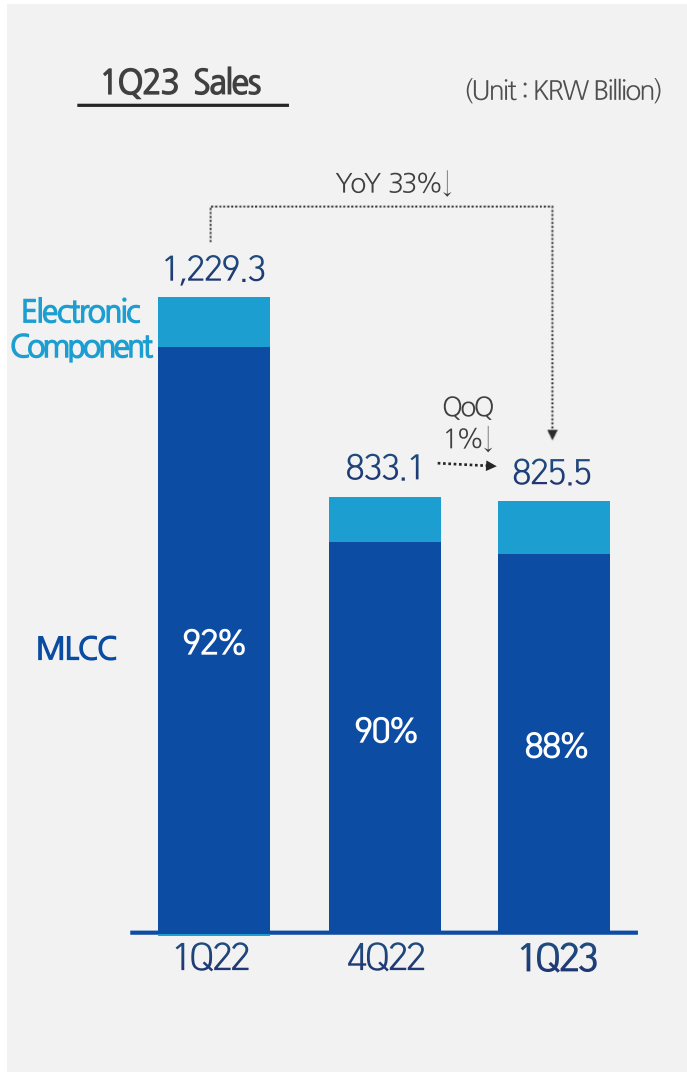
■ Debt to Equity  
(Debts/Equity)



■ Capital Adequacy Ratio  
(Equity/Assets)



# Component



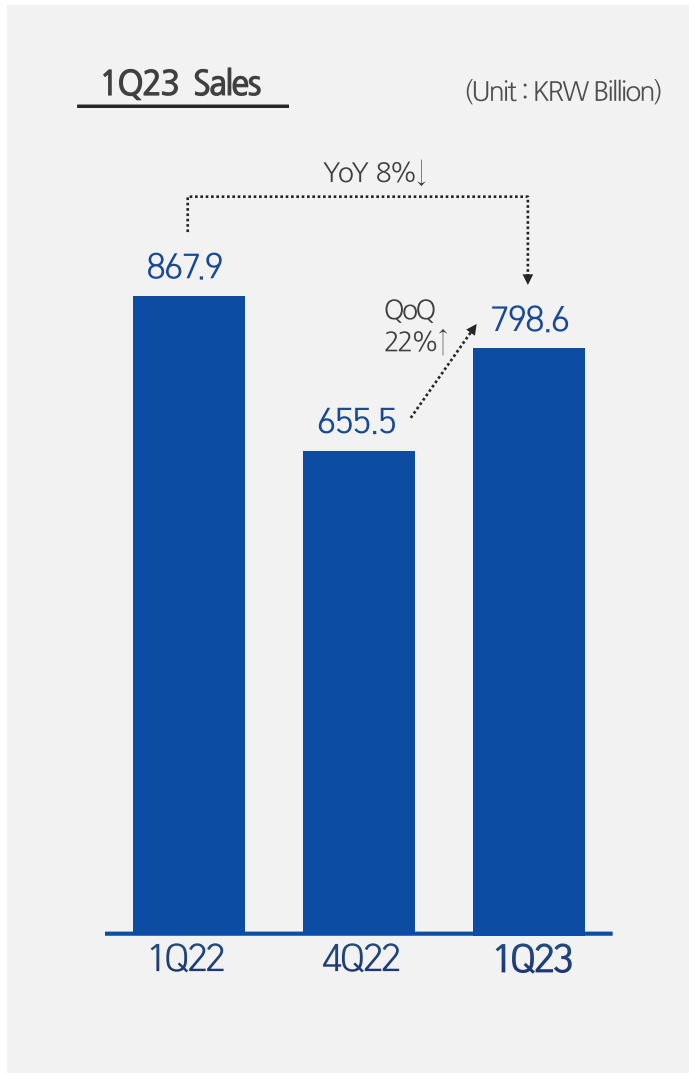
## 2023 Q1 Results

- **Despite increase in MLCC shipment, revenue remained stagnant due to F/X**
  - Shipment increased, particularly to Chinese customers, as customer inventory adjustments eased
- **Automotive MLCC continued to deliver solid results driven by automotive electrification such as ADAS**
  - Prepared foundation for stronger performance by expanding product line-up including high-capacitance, high-temperature and high-voltage MLCC

## Q2 Market Outlook and Strategy

- **Automotive MLCC demand expected to remain solid and IT/industrial MLCC demand expected to gradually recover**
  - Continue to increase supply to global EV & Tier-1 customers
  - Focus on timely response to high-end MLCC such as small-size/ultra high-capacitance and on breaking into future growth markets such as AI and automation robots

# Optics & Communication Solution



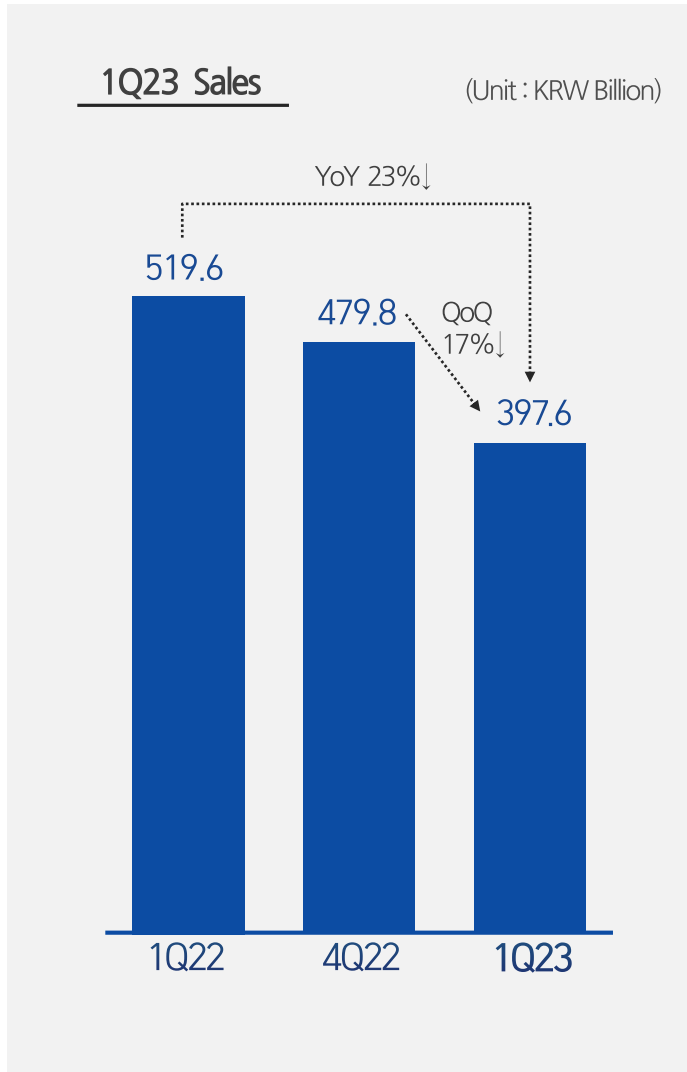
## 2023 Q1 Results

- Revenue increased driven by strategic customer's new flagship smartphone launch
  - Full scale supply of 200M pixel camera module with enhanced stabilization and increased supply of high-performance camera modules including 10X folded zoom
- Automotive camera module revenue also solid with increased supply of high performance products

## Q2 Market Outlook and Strategy

- Smartphone camera module demand expected to be soft in Q2 due to seasonality
  - Focus on timely response with differentiated products targeting flagship models scheduled for launch in 2<sup>nd</sup> half
- Automotive camera module growth to continue with advances in autonomous driving technology
  - Focus on customer diversification and product line-up expansion by leveraging internal capabilities

# Package Solution



## 2023 Q1 Results

- Revenue decreased due to soft set demand such as smartphones and PCs
  - BGA supply decreased around mobile AP, 5G antenna and memory substrates
  - FCBGA supply decreased in PC applications but full-fledged commercialization of large body, high multi layer server substrates in progress

## Q2 Market Outlook and Strategy

- BGA demand expected to increase around specific products
  - Focus on increasing supply around demand-growth applications such as mobile AP, memory, ARM processor
- FCBGA demand expected to be weak in PC applications but demand for high-end package substrates expected to continue growth
  - Focus on increasing supply of high-end products such as server and automotive applications



# Income Statement

(Unit : KRW Billion)	1Q23	4Q22	QoQ	1Q22	YoY
Sales	2,021.8	1,968.4	3% ↑	2,616.8	23% ↓
Cost of Sales	1,634.1	1,596.8	2% ↑	1,938.0	16% ↓
Gross Profit (%)	387.6 (19.2%)	371.6 (18.9%)	4% ↑ (0.3%p ↑)	678.8 (25.9%)	43% ↓ (6.7%p ↓)
SG&A	247.6	270.4	8% ↓	268.3	8% ↓
Operating Profit (%)	140.1 (6.9%)	101.2 (5.1%)	38% ↑ (1.8%p ↑)	410.5 (15.7%)	66% ↓ (8.8%p ↓)
Non-operating income/expense	3.0	-106.6	-	16.5	-
Pre-tax Profit (%)	143.0 (7.1%)	-5.4 (-0.3%)	- (7.4%p ↑)	427.0 (16.3%)	67% ↓ (9.2%p ↓)
Income Tax	23.0	-140.9	-	104.2	-
Continuing Operations	120.0	135.5	11% ↓	322.8	63% ↓
Discontinued Operations	-1.9	-14.8	-	-1.0	-
Net Income (%)	111.4 (5.5%)	112.2 (5.7%)	1% ↓ (0.2%p ↓)	315.4 (12.1%)	65% ↓ (6.6%p ↓)

※ Net income attributable to owners of the parent

# Financial Status

(Unit : KRW Billion)	1Q23	4Q22	QoQ	1Q22	YoY
<b>Assets</b>	11,000.1	10,997.2	-	10,065.7	9% ↑
<b>Current</b>	4,822.3	4,888.3	1% ↓	4,658.5	4% ↑
Cash	1,589.1	1,677.1	5% ↓	959.1	66% ↑
Account Receivable	958.9	990.7	3% ↓	1,224.2	22% ↓
Inventory	1,902.2	1,901.6	-	1,766.3	8% ↑
Others	372.1	318.9	17% ↑	708.9	48% ↓
<b>Non-current</b>	6,177.8	6,108.9	1% ↑	5,407.2	14% ↓
Investment	235.2	320.3	27% ↓	359.1	35% ↓
Tangible	5,403.6	5,235.3	3% ↑	4,697.9	15% ↑
Intangible	155.3	150.1	3% ↑	138.6	12% ↑
Others	383.7	403.2	5% ↓	211.6	81% ↑
<b>Liabilities</b>	3,243.5	3,303.7	2% ↓	2,976.5	9% ↑
<b>Current</b>	2,573.1	2,525.1	2% ↑	2,093.7	23% ↑
<b>Non-current</b>	670.4	778.6	14% ↓	882.8	24% ↓
<b>Equity</b>	7,756.6	7,693.5	1% ↑	7,089.2	9% ↑
<b>Issued Capital</b>	388.0	388.0	-	388.0	-

# Cash Flow

(Unit : KRW Billion)	1Q23	4Q22	1Q22
Cash at the beginning of period	1,677.1	1,619.4	1,232.6
Cash flows from operating activities	189.2	314.5	153.6
Net Income	118.1	120.7	321.9
Depreciation	203.3	216.4	219.9
Cash flows used in investing activities	-242.0	-363.4	-528.3
Increase in tangible/intangible assets	-353.6	-479.3	-223.9
Cash flows from financing activities	-49.5	143.1	158.2
Increase/Decrease in debt	-25.8	162.1	172.3
Foreign exchange difference	14.3	-36.5	6.3
Net changes in cash	-88.0	57.7	-210.3
Cash at the end of period	1,589.1	1,677.1	1,022.3