



# **SEMCO**

# **Q3 2024 Earnings Result**

**Oct 29, 2024**

# Disclaimer

This presentation material is prepared for the convenience of investors, before the external audit on our Q3 2024 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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**Divisional Results & Outlook**

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# Earnings Overview

## Income Statement

(Unit : KRW Billion)

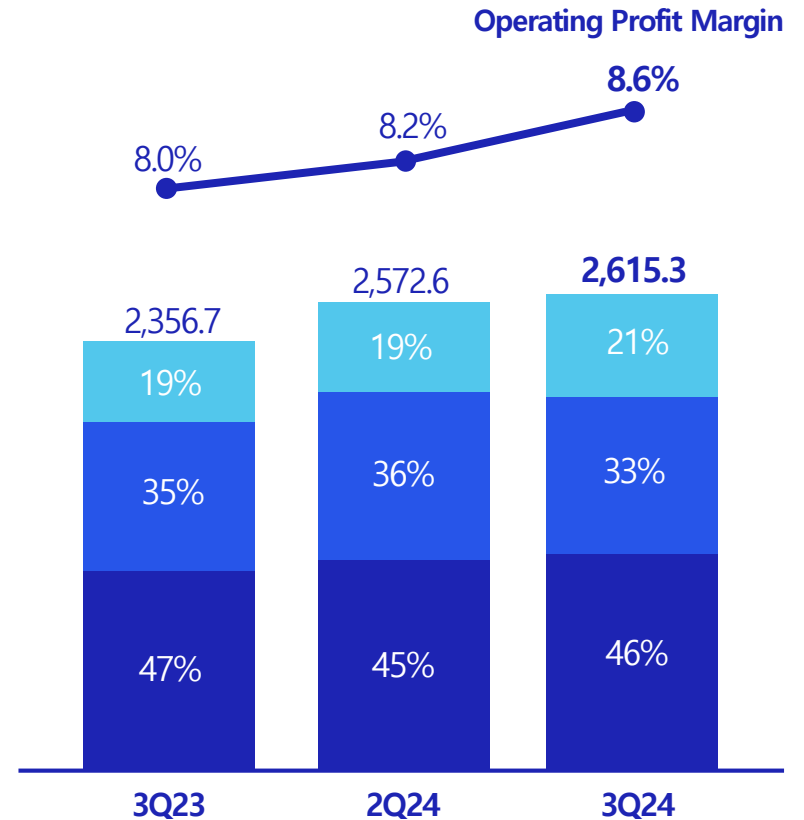
	3Q24	2Q24	QoQ	3Q23	YoY
<b>Sales</b>	<b>2,615.3</b>	2,572.6	2% ▲	2,356.7	11% ▲
Component	1,197.0	1,160.3	3% ▲	1,095.9	9% ▲
Optics & Comm	860.1	913.2	6% ▼	821.2	5% ▲
Package	558.2	499.1	12% ▲	439.6	27% ▲
<b>Operating Profit (%)</b>	<b>224.9 (8.6%)</b>	211.5 (8.2%)	6% ▲	188.1 (8.0%)	20% ▲
<b>Pre-tax Profit (%)</b>	<b>142.8 (5.5%)</b>	234.1 (9.1%)	39% ▼	195.7 (8.3%)	27% ▼
<b>Net Income (%)</b>	<b>115.2 (4.4%)</b>	172.4 (6.7%)	33% ▼	155.5 (6.6%)	26% ▼

※ Net income attributable to owners of the parent

## Earnings Trend

(Unit : KRW Billion)

■ Component   ■ Optics & Comm.   ■ Package



# Financial Position

## Financial Status

(Unit : KRW Billion)

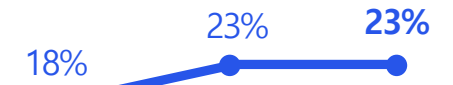
	3Q24	2Q24	QoQ	3Q23
<b>Assets</b>	<b>12,603.9</b>	12,744.5	1% ▼	11,496.1
Cash	2,463.7	2,355.4	5% ▲	1,663.6
Account Receivable	1,395.0	1,344.7	4% ▲	1,198.7
Inventory	2,046.6	2,114.6	3% ▼	1,936.6
Investment	310.9	302.9	3% ▲	278.4
Tangible	5,609.6	5,798.8	3% ▼	5,577.4
Others	778.1	828.1	6% ▼	841.4
<b>Liabilities</b>	<b>4,040.0</b>	4,261.4	5% ▼	3,432.8
Debts	1,960.4	1,989.0	1% ▼	1,458.1
<b>Equity</b>	<b>8,564.0</b>	8,483.0	1% ▲	8,063.3
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)

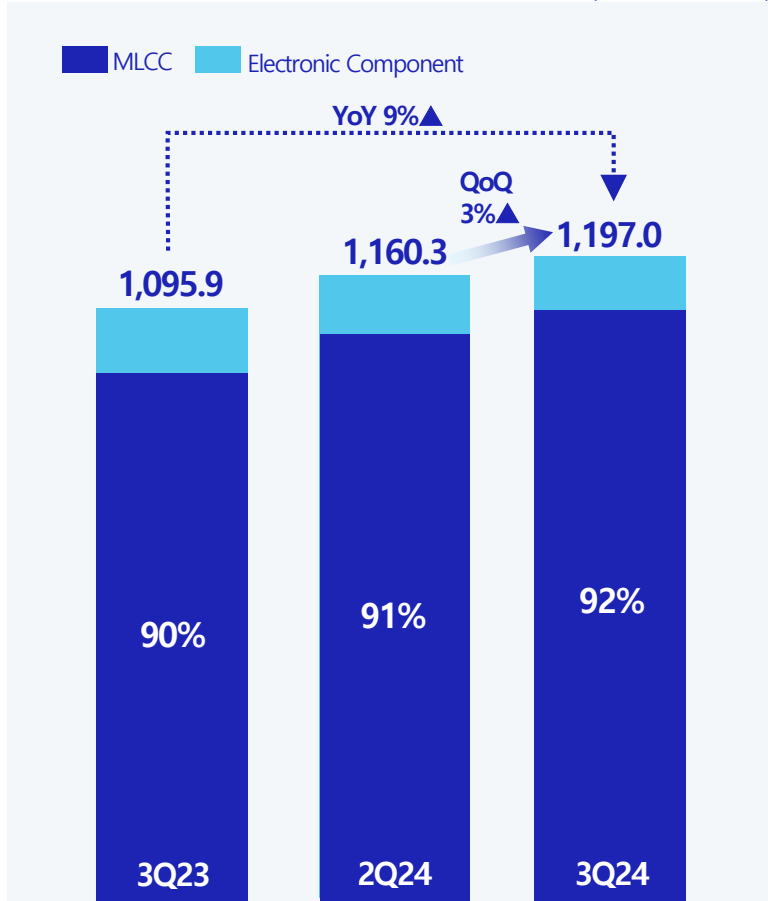


3Q23      2Q24      3Q24

# Component

## Q3 2024 Sales

(Unit : KRW Billion)



## Q3 2024 Results

- **Revenue increased across all applications, particularly industrial/automotive MLCC**
  - Increased supply to all key industrial applications including AI/server, network and power equipment
  - Increased revenue from automotive applications supported by greater electronic content in vehicles

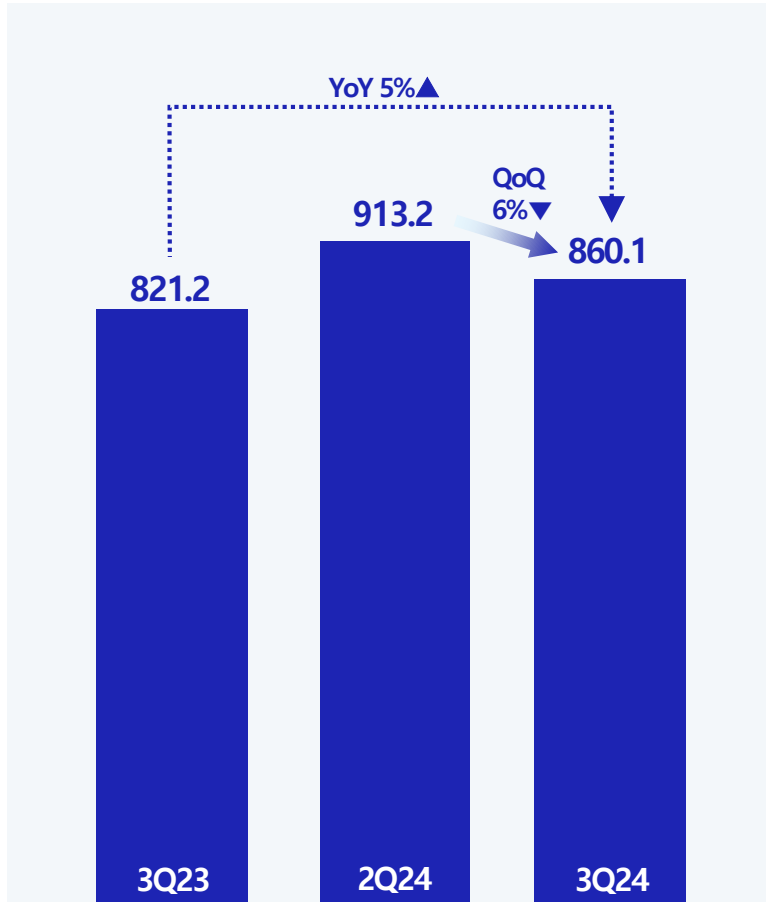
## Q4 Market Outlook and Strategy

- **Overall demand slowdown expected considering year-end component inventory adjustments, but automotive MLCC demand likely to continue to expand driven by greater electronic content in vehicles**
  - Focus on promoting small-size, high-capacitance MLCC for IT applications and high-temperature, high-capacitance MLCC for industrial applications
  - Increase customer design-ins of new high-temperature, high-voltage, high-capacitance MLCC for automotive
- **Focus on increasing supply of Electronic Component mainly to overseas customer**

# Optics & Communication Solution

## Q3 2024 Sales

(Unit : KRW Billion)



## Q3 2024 Results

- Despite full-scale mass production of high-spec camera modules for strategic customer's flagship smartphone, revenue decreased due to fall in supply to overseas IT customers
  - Increased supply of high-performance camera module including 200M pixel slim OIS for new foldable phone of the strategic customer
- Increase in automotive camera module revenue generated from global EV customers

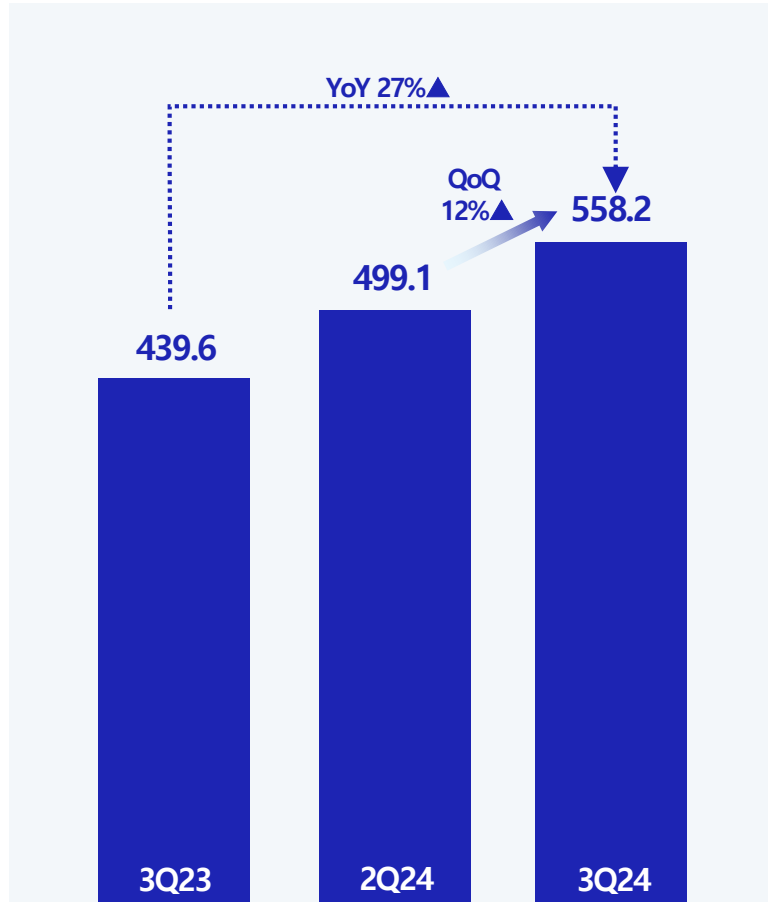
## Q4 Market Outlook and Strategy

- Focus on timely mass-production of differentiating camera modules targeting major Korean and global customers to capture continued demand for higher-performance camera modules for new flagships such as high-pixel folded zoom
- Expand automotive line-up including all-weather camera modules to capture advances in ADAS and EV market growth while also diversifying customer base including breaking into Korean conventional auto OEMs

# Package Solution

## Q3 2024 Sales

(Unit : KRW Billion)



## Q3 2024 Results

- **Package substrate revenue increased driven by demand growth especially for high-end substrates**
  - Increased supply of ARM CPU substrates to overseas customer
  - Increased supply of large-area, high multilayer AI/server substrates and high-end automotive substrates for ADAS

## Q4 Market Outlook and Strategy

- **Seasonal weakness expected for smartphone/PC substrate demand but demand for high-end FCBGA (AI, server, network, automotive) likely to remain solid**
  - Focus on increasing supply of high-end AI, server, network, automotive substrates to major Korean and overseas customers
  - Continue to increase supply volume leveraging stabilized mass production of new overseas plant



## Appendix

# Income Statement

	3Q24	2Q24	QoQ	3Q23	YoY
(Unit : KRW Billion)					
<b>Sales</b>	<b>2,615.3</b>	2,572.6	2% ▲	2,356.7	11% ▲
<b>Cost of Sales</b>	<b>2,087.7</b>	2,053.7	2% ▲	1,894.2	10% ▲
<b>Gross Profit</b> (%)	<b>527.6</b> (20.2%)	518.8 (20.2%)	2% ▲ (-)	462.5 (19.6%)	14% ▲ (0.6%p ▲)
<b>SG&amp;A</b>	<b>302.7</b>	307.4	2% ▼	274.4	10% ▲
<b>Operating Profit</b> (%)	<b>224.9</b> (8.6%)	211.5 (8.2%)	6% ▲ (0.4%p ▲)	188.1 (8.0%)	20% ▲ (0.6%p ▲)
<b>Non-operating income/expense</b>	<b>-82.0</b>	22.6	-	7.6	-
<b>Pre-tax Profit</b> (%)	<b>142.8</b> (5.5%)	234.1 (9.1%)	39% ▼ (3.6%p ▼)	195.7 (8.3%)	27% ▼ (2.8%p ▼)
<b>Income Tax</b>	<b>16.4</b>	48.9	66% ▼	30.2	46% ▼
<b>Continuing Operations</b>	<b>126.4</b>	185.2	32% ▼	165.5	24% ▼
<b>Discontinued Operations</b>	<b>-2.2</b>	-3.8	-	-0.6	-
<b>Net Income</b> (%)	<b>115.2</b> (4.4%)	172.4 (6.7%)	33% ▼ (2.3%p ▼)	155.5 (6.6%)	26% ▼ (2.2%p ▼)

※ Net income attributable to owners of the parent

## Appendix

# Financial Status

	3Q24	2Q24	QoQ	3Q23	YoY
(Unit : KRW Billion)					
<b>Assets</b>	<b>12,603.9</b>	12,744.5	1% ▼	11,496.1	10% ▲
<b>Current</b>	<b>6,122.4</b>	6,057.6	1% ▲	5,133.9	19% ▲
Cash	<b>2,463.7</b>	2,355.4	5% ▲	1,663.6	48% ▲
Account Receivable	<b>1,395.0</b>	1,344.7	4% ▲	1,198.7	16% ▲
Inventory	<b>2,046.6</b>	2,114.6	3% ▼	1,936.6	6% ▲
Others	<b>217.1</b>	242.9	11% ▼	335.0	35% ▼
<b>Non-current</b>	<b>6,481.5</b>	6,686.9	3% ▼	6,362.2	2% ▲
Investment	<b>310.9</b>	302.9	3% ▲	278.4	12% ▲
Tangible	<b>5,609.6</b>	5,798.8	3% ▼	5,577.4	1% ▲
Intangible	<b>150.6</b>	151.3	-	156.7	4% ▼
Others	<b>410.4</b>	433.9	5% ▼	349.7	17% ▲
<b>Liabilities</b>	<b>4,040.0</b>	4,261.4	5% ▼	3,432.8	18% ▲
Current	<b>3,267.7</b>	3,406.5	4% ▼	2,809.9	16% ▲
Non-current	<b>772.2</b>	855.0	10% ▼	622.8	24% ▲
<b>Equity</b>	<b>8,564.0</b>	8,483.0	1% ▲	8,063.3	6% ▲
Issued Capital	<b>388.0</b>	388.0	-	388.0	-

## Appendix

# Cash Flow

	3Q24	2Q24	3Q23
(Unit : KRW Billion)			
<b>Cash at the beginning of period</b>	<b>2,355.4</b>	2,018.3	1,585.0
<b>Cash flows from operating activities</b>	<b>265.1</b>	517.6	397.8
Net Income	124.2	181.4	164.9
Depreciation	252.4	209.6	208.5
<b>Cash flows used in investing activities</b>	<b>-145.9</b>	-198.7	-285.5
Increase in tangible/intangible assets	-153.2	-210.0	-341.1
<b>Cash flows from financing activities</b>	<b>-3.8</b>	7.6	-46.5
Increase/Decrease in debt	30.7	128.9	-17.5
<b>Foreign exchange difference</b>	<b>-7.1</b>	10.6	12.7
<b>Net changes in cash</b>	<b>108.3</b>	337.1	78.5
<b>Cash at the end of period</b>	<b>2,463.7</b>	2,355.4	1,663.6