

DUKSAN NEOLUX

Investor Relations 2019

The 1st INNO-Creator via Unlimited Challenge

Disclaimer

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This material contains forward looking statements that are subject to variety of uncertainties and risk factors. This includes world economy followed by trends together with market strategy, business plans and future investment plans. Duksan Holdings can give no assurance that its expectations will be attained due to these environmental changes.

Company's actual performance may change due to unexpected factors. These factors include deepened economic stagnation, decrease in customer demand, customer churn, price cut pressure, projects and equipment investments.

Financial information included in this material is prepared for investor's convenience which has not been qualified by the auditor. Note that changes to actual results could be made after the audit.

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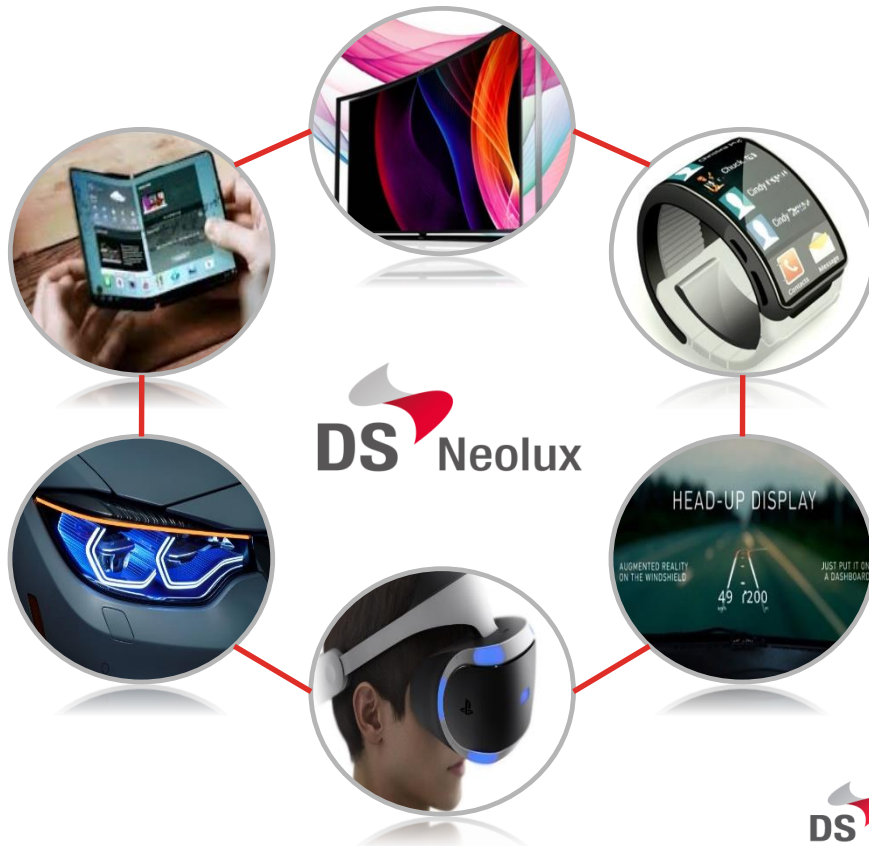
01. COMPANY IDENTITY

Handling organic material, key material in OLED industry

Leading OLED material provider

Vision

Self-developed high-efficiency, **low-voltage** and **long-lasting** OLED organic material



Vision

**The First INNO-Creator
via Unlimited Challenge**

Core
Values

- Technical Excellence
- Customer Surprise
- Social Contribution
- People First

Business
Policies

- Sympathy, Responsibility
- Confidence, Technology
- Process

02. COMPANY OUTLINE

| | | | |
|-------------------------|--------------------------------|-----------------------|---|
| Name of Company | Duksan Neolux co., Ltd. | Business Field | Manufacture and sale of OLED organic materials |
| CEO | Joonho Lee, Soohun Lee | Employee | 175 (2019.09.30) |
| Capital | 4,802 million | Business Site | 21-32, Ssukgol-gil, Ipjang-myeon, Seobuk-gu, Cheonan-si, Chungcheongnam-do, Korea |
| Listed on KOSDAQ | 2015. 02. 06. | Website | www.dsnl.co.kr |

Chairman



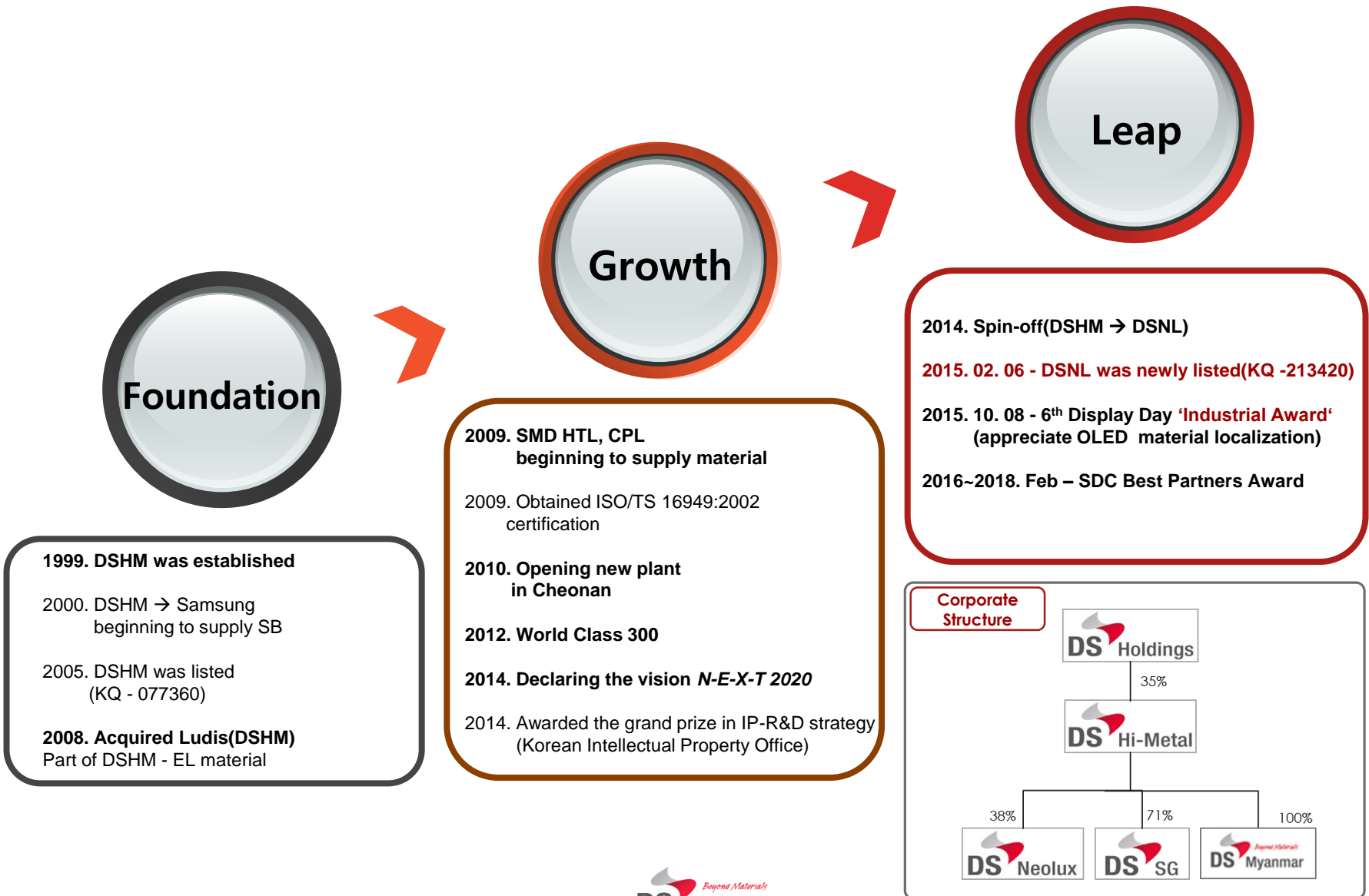
Joonho LEE

- Bachelor in economics at Busan National Univ.
- (former) Working at HYUNDAI Heavy Industries, HYUNDAI Precision&Ind.co.
- Founding DS Industrial(1982)
- Founding DS Hi-Metal(1999)
- (current) DS Hi-Metal CEO
- (current) DS Neolux CEO
- (current) DS Holdings CEO
- **(current) Chairman of DS Group**

Executives

| Position | Name | Career |
|-------------------------|--------------|---|
| Chief Executive Officer | Soohun LEE | <ul style="list-style-type: none"> ▪ Master in international studies at Korea Univ. ▪ (former) Dongbu Electronics |
| Chief Technical Officer | Sunggi KANG | <ul style="list-style-type: none"> ▪ Doctor in electronic material engineering at Sungkyunkwan Univ. ▪ (former) Samsung SMD |
| Chief Marketing Officer | Steven HWANG | <ul style="list-style-type: none"> ▪ B.A. Economics at Univ. of California ▪ (former) Samsung Semiconductor |

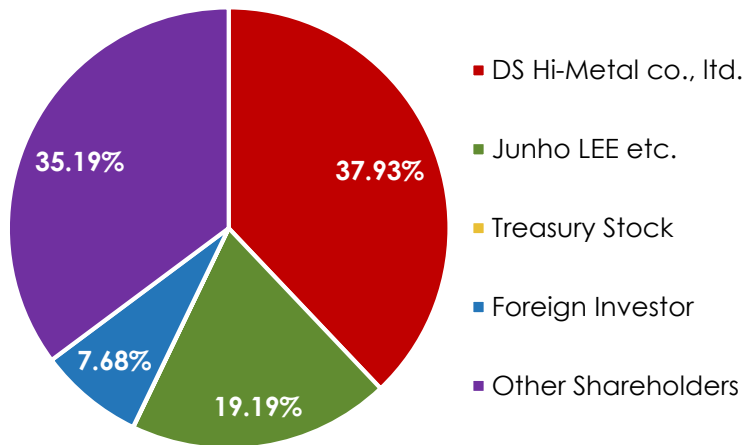
03. COMPANY HISTORY



04. SHAREHOLDER INFORMATION

Shareholder

※ 2018. 12. 31



※ Total No. of Outstanding shares : 24,010,012 shares

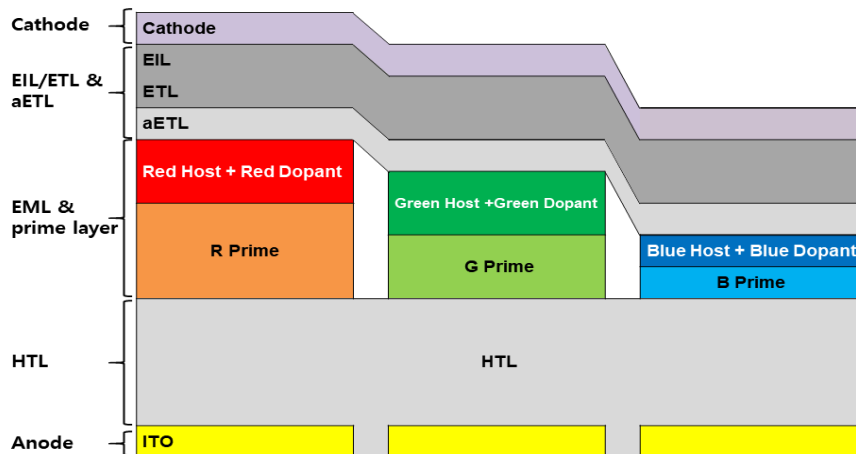
Shareholder Info

| No. of shares that could be issued | 50,000,000 shares | | |
|------------------------------------|-------------------|-------------|--|
| Shareholders | No. of shares | Stake | |
| DS Hi-Metal co., Ltd. | 9,105,856 | 37.93% | DS Hi-Metal co., Ltd. |
| Junho LEE etc. | 4,607,524 | 19.19% | Joonho Lee etc. (Joonho Lee : 17.21%) |
| Treasury Stock | 5,528 | 0.02% | Treasury Stock |
| Foreign Investor | 1,842,931 | 7.68% | (2019/11/04 : 12.2%) |
| Other Shareholders | 8,448,173 | 35.19% | |
| Total | 24,010,012 | 100% | |

05. PRODUCTS AND COMPETITIVENESS

Manufacture, sale and R&D of OLED organic material

AMOLED Structure(RGB Type)

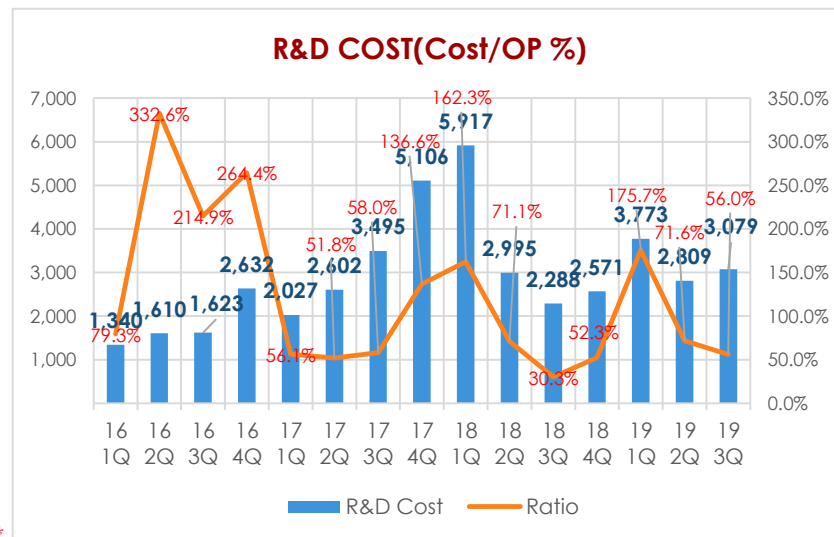
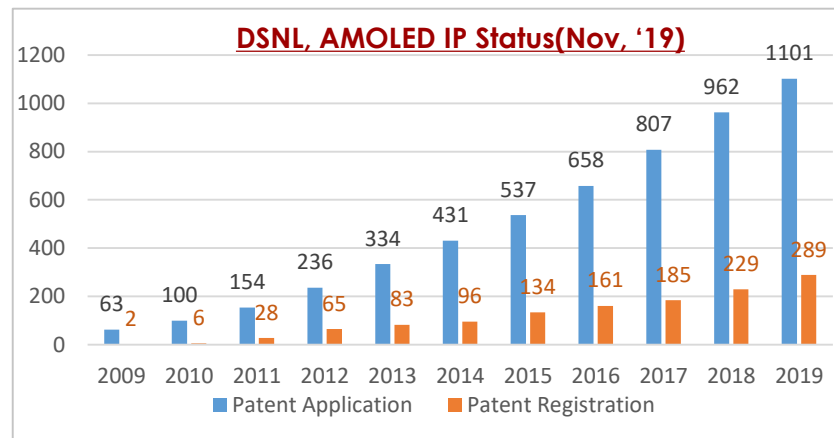


출처 : IHS/미래에셋대우증권

DSNL Products

| Categories | Competitors | Our Company | M/S |
|-------------|-------------|-------------|------|
| HTL | 1~2 | MP | Top1 |
| Red Host | 1 | MP | Top1 |
| Red Prime | 1 | MP | Top1 |
| Green Prime | 1 | MP | Top1 |

R & D



• Total Products : HTL(CPL), Red Host, Green Host, R,G,B Prime, ETL

06. MANUFACTURING FACILITIES

Enough facilities to respond to OLED's demand increase

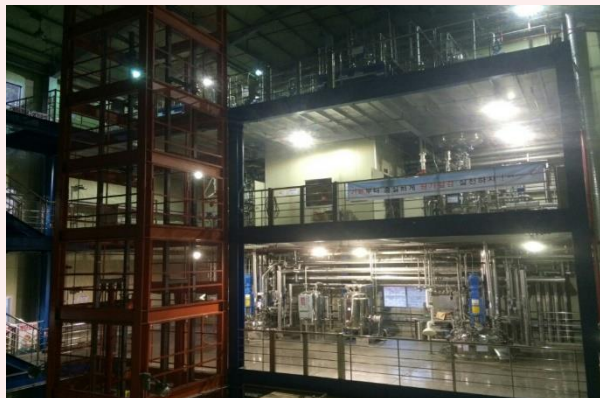
2019.09.30

Synthesis Facilities (3ton/Mon)

▪ 300ℓ



▪ 3000ℓ



Purification Facilities (1.7ton/Mon)

▪ Sublimation



07. MANUFACTURING PROCESS

Design, synthesize, and purify OLED material for mass production

Key patents at synthesis and comparative quality of control

Manufacturing Process

➤ Build a On-Time Delivery system

Synthesis



In-Line Manufacture System

- Prevent impurities mixed
- Maintain equal synthesis condition
- Promptly respond to Needs

Purification



High purity Sublimatorm

- Clean Zone(Class10,000)
- Largest Global Capacity

Molding

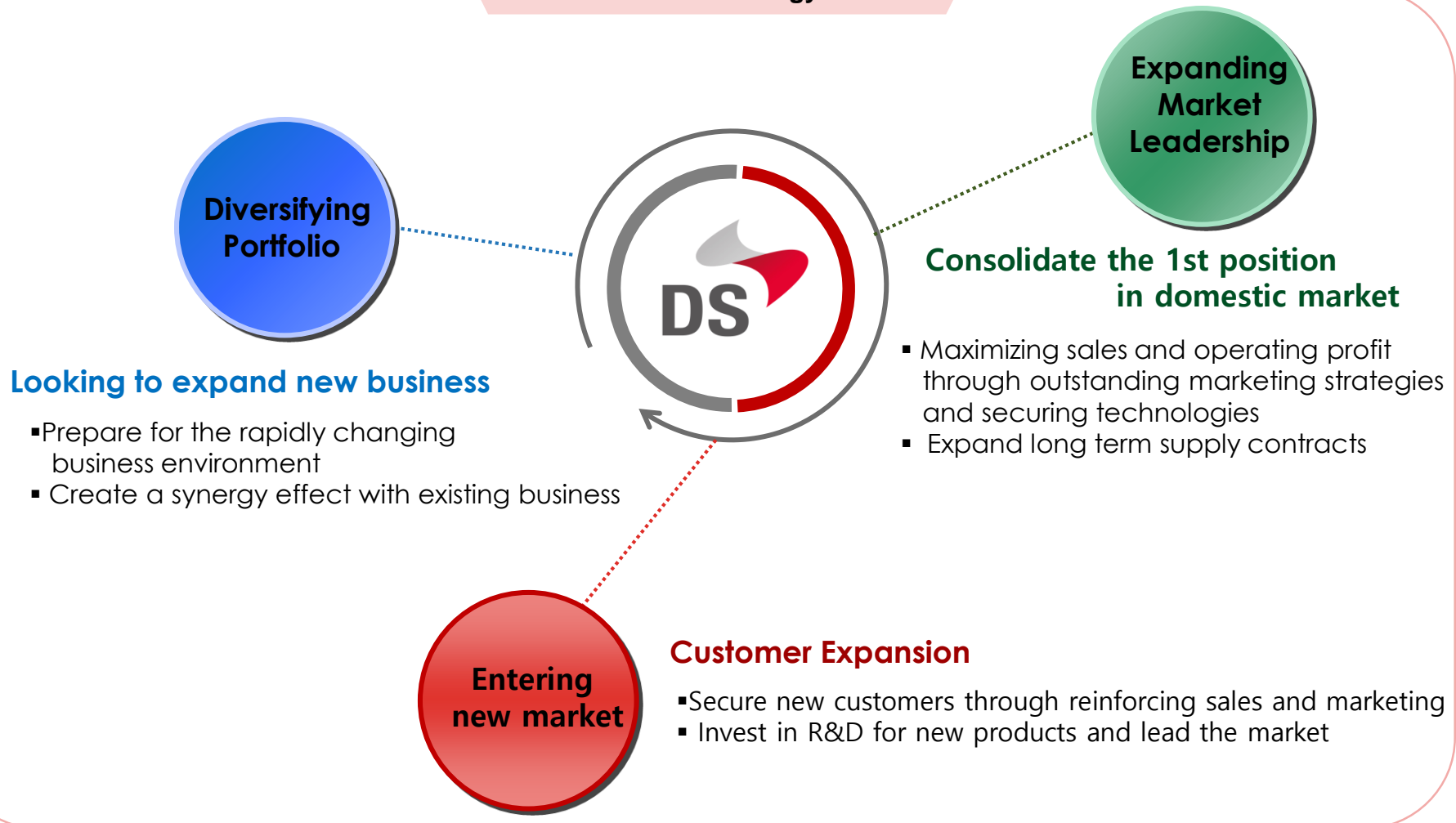


Coin & Stick

- Clean Zone(Class1,000)
- Exclusively have stick shaped modeling technique in Korea
- High productivity and quality

08. GROWTH STRATEGY

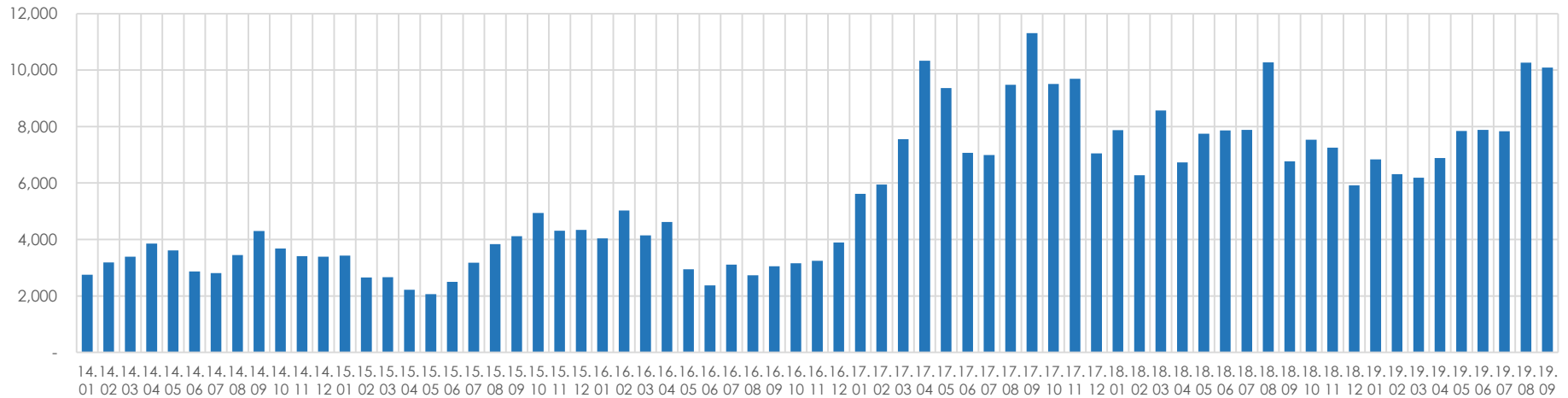
Growth Strategy



09. MONTHLY/QUARTERLY RESULTS

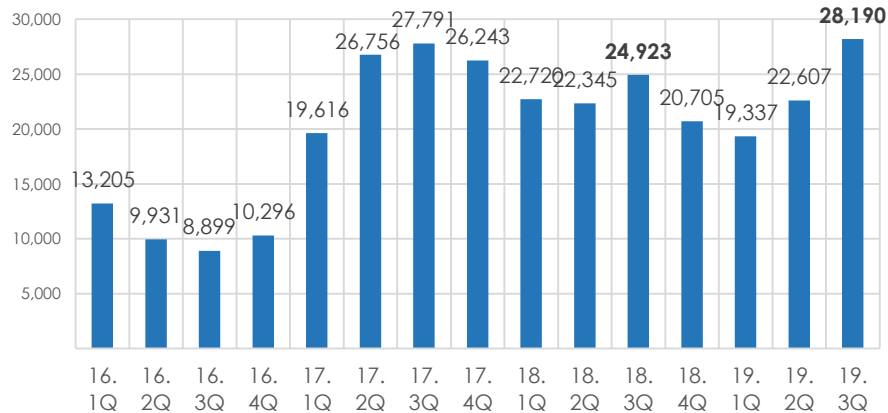
Monthly Sales(Seasonality)

KRWmn



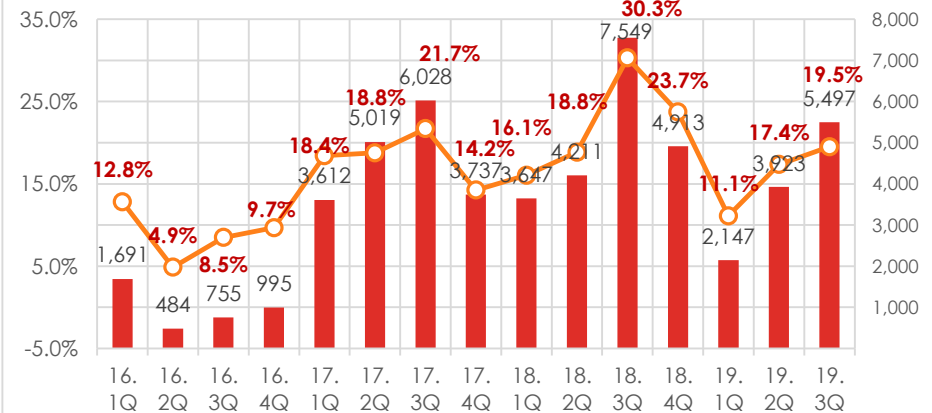
Quarterly Sales

KRWmn



Quarterly OP(M)

KRWmn



10. FINANCIAL

QoQ/YoY

KRWmn

| | 2019 3Q | QoQ | 2019 2Q | 2018 3Q | YoY |
|-------------------------------|-----------------|-----|-----------------|-----------------|------|
| Revenue (COGS) | 28,190 (69%) | 25% | 22,607 (70%) | 24,923 (60%) | 13% |
| GP (GPM) | 8,646 (31%) | 28% | 6,780 (30%) | 10,008 (40%) | -14% |
| SG&A | 3,149 (11%) | 10% | 2,857 (13%) | 2,459 (10%) | 28% |
| OP (OPM) | 5,497 (19%) | 40% | 3,923 (17%) | 7,549 (30%) | -27% |
| Non-operating Income(Loss) | 1,423 (5%) | TB | -127 (-1%) | 834 (3%) | 71% |
| Income before TAX | 6,920 (25%) | 82% | 3,796 (17%) | 8,383 (34%) | -17% |

Condensed Balance Sheet

KRWmn

| | 2019. 09. 30 | 2018. 12. 31 | 2017. 12. 31 | 2016. 12. 31 |
|----------------------------------|--------------|--------------|--------------|--------------|
| [Current Assets] | 79,461 | 72,142 | 76,721 | 52,396 |
| [Non-Current Assets] | 94,899 | 88,181 | 72,524 | 65,740 |
| Total Assets | 174,360 | 160,323 | 149,245 | 118,136 |
| [Current Liabilities] | 12,982 | 13,682 | 19,614 | 5,919 |
| [Non-Current Liabilities] | 7,757 | 5,695 | 7,149 | 3,688 |
| Total Liabilities | 20,739 | 19,377 | 26,763 | 9,607 |
| [Capital Stock] | 4,802 | 4,802 | 4,802 | 2,402 |
| [Additional Paid-in Capital] | 93,775 | 93,775 | 93,775 | 96,208 |
| [Other Capital Categories] | 311 | 311 | 311 | 3,326 |
| [Retained Earnings] | 54,734 | 42,058 | 23,594 | 6,593 |
| Total Capital | 153,622 | 140,946 | 122,482 | 108,528 |
| Total Liabilities and Capital | 174,360 | 160,323 | 149,245 | 118,136 |

Thank you!

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