

DUKSAN NEOLUX

Investor Relations 2022

The 1st INNO-Creator via Unlimited Challenge

Disclaimer

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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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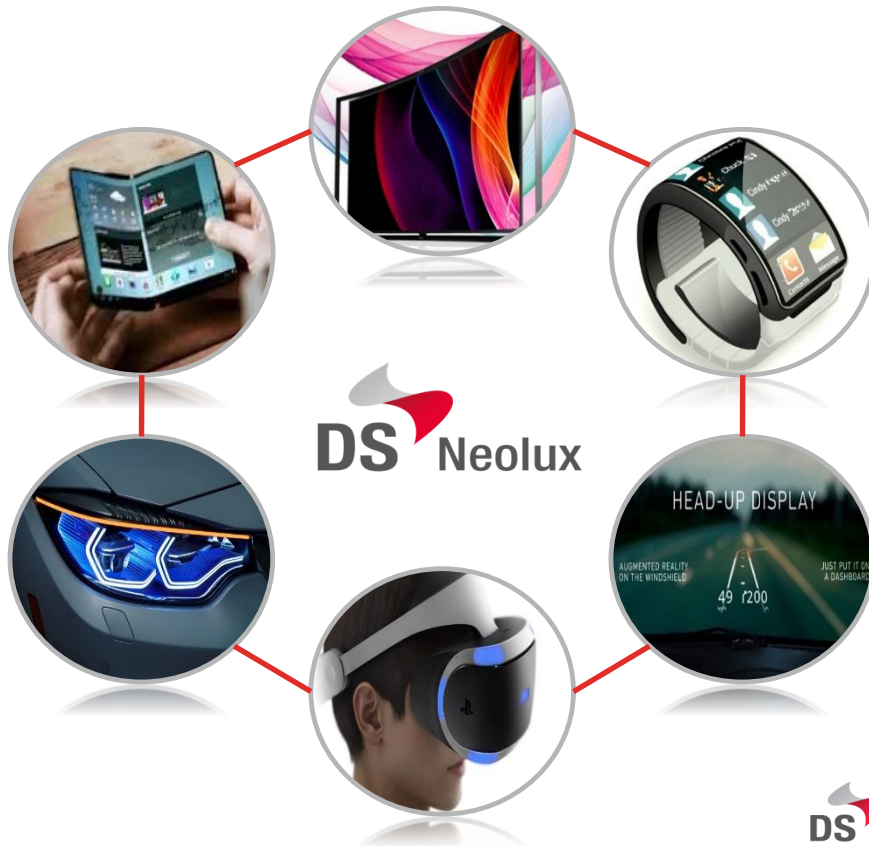
01. COMPANY IDENTITY

World Best OLED Material Maker

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

| | | | |
|-------------------------|--------------------------------|-----------------------|---|
| Company | Duksan Neolux co., Ltd. | Major Business | Manufacture and sale of OLED organic materials |
| CEO | Soohun Lee, Bumsung Lee | Employee | 252 (2022.03.31) |
| Capital | 4,966 million | Site | 21-32, Ssukgol-gil, Ipjang-myeon, Seobuk-gu, Cheonan-si, Chungcheongnam-do, Korea |
| Listed in 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)
- (former) DS Hi-Metal CEO
- (former) DS Neolux CEO
- (current) DS Holdings CEO
- **(current) Chairman of DS Group**

Executives

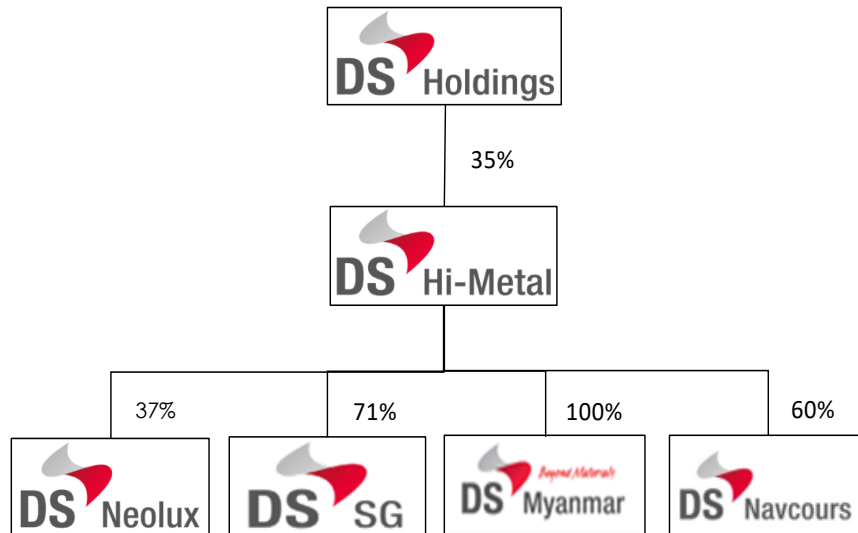
| Position | Name | Career |
|--------------------------------|--------------|---|
| Chief Executive Officer | Soohun LEE | <ul style="list-style-type: none"> ▪ Master in international studies at Korea Univ. ▪ (former) Dongbu Electronics ▪ (current) Vice Chairman of DS Group |
| Chief Executive Officer | Bumsung LEE | <ul style="list-style-type: none"> ▪ Doctor in chemical material engineering at KAIST Univ. ▪ (former) Head of R&D_DSNL |
| 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. CORPORATE GOVERNANCE

Company Structure



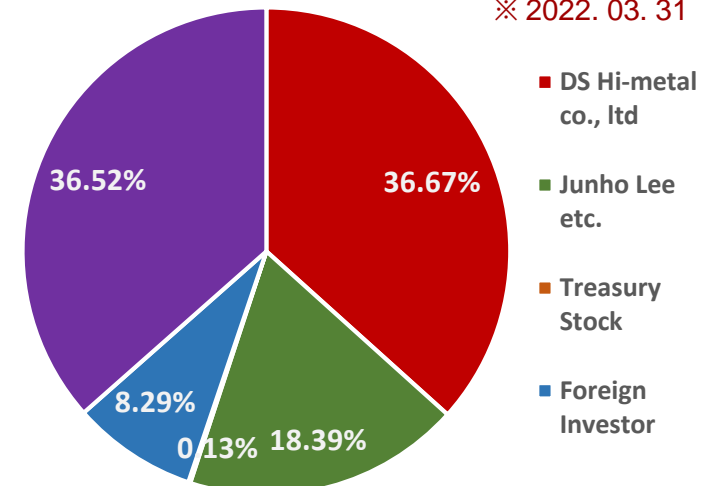
※ DSNL Largest Share Holder : Duksan Himetal(37%)

※ DSHM Largest Share Holder : Duksan Holdings(35%)

※ **Duksan Holdings → Duksan Himetal → Duksan Neolux**

Shareholder Information

※ 2022. 03. 31

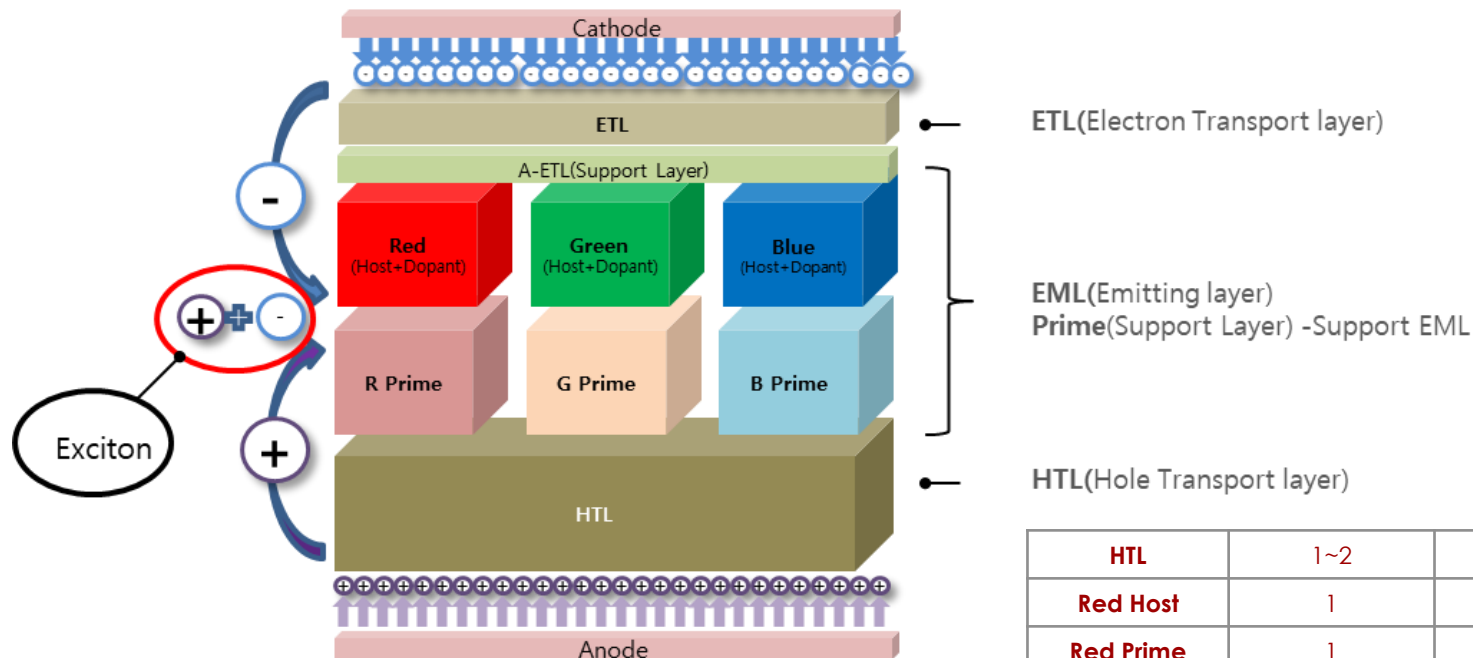


※ **Total No. of Outstanding shares : 24,831,179 shares**

| | 80,000,000 shares | | |
|-----------------------|-------------------|-------------|--|
| DS Hi-Metal co., Ltd. | 9,105,856 | 36.67% | |
| Junho LEE etc. | 4,565,669 | 18.39% | Joonho Lee etc. (Joonho Lee : 16.14%) |
| Treasury Stock | 33,157 | 0.13% | |
| Foreign Investor | 2,058,790 | 8.29% | |
| Other Shareholders | 9,067,707 | 36.52% | |
| Total | 24,831,179 | 100% | |

05. OLED MATERIAL STRUCTURE(Products)

AMOLED Structure(RGB Type)



| | | | |
|-------------|-----|----|------|
| HTL | 1~2 | MP | Top1 |
| Red Host | 1 | MP | Top1 |
| Red Prime | 1 | MP | Top1 |
| Green Prime | 1 | MP | Top1 |

Duksan Neolux Products

M/P Product Materials : HTL, Red Host, R Prime, G Prime

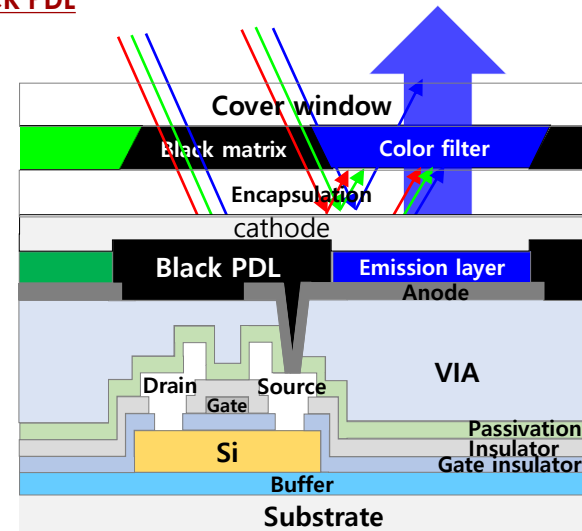
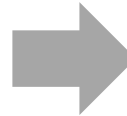
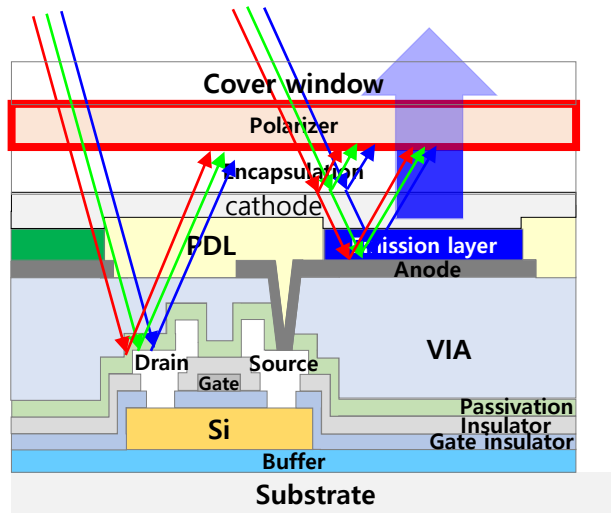
Various M/P Material Maker of World

History : 2010 : HTL → 2014 : Red Host → 2017 : Red Prime → 2020 : Green Prime → 2021 : Blue Prime

06. BLACK PDL(New Material)

Black Pixel Define Layer

White PDL VS BLACK PDL

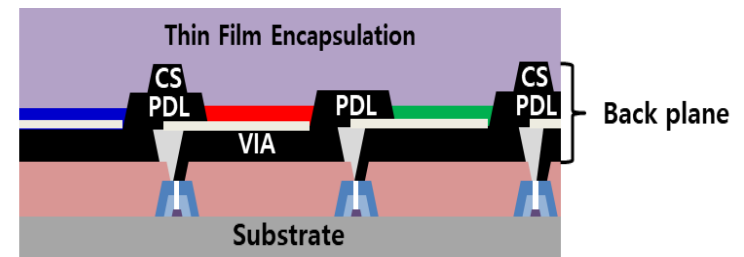


Ref. SID 2018

1) Non Emission Material(PSPI Material-PhotoSensitivePolymIde)

2) Polarizer-less OLED : ECO²(COE) OLED

- Black PDL + color filter : Pol-less → Thin
- Driving Voltage Max - 25%(Energy Reduction)
- Pol-less → Brightness Efficiency increase more than 20%



07. R&D ABILITY(Continuous Growth)

Continuos R&D and Sustainable Growth

New R&D Center

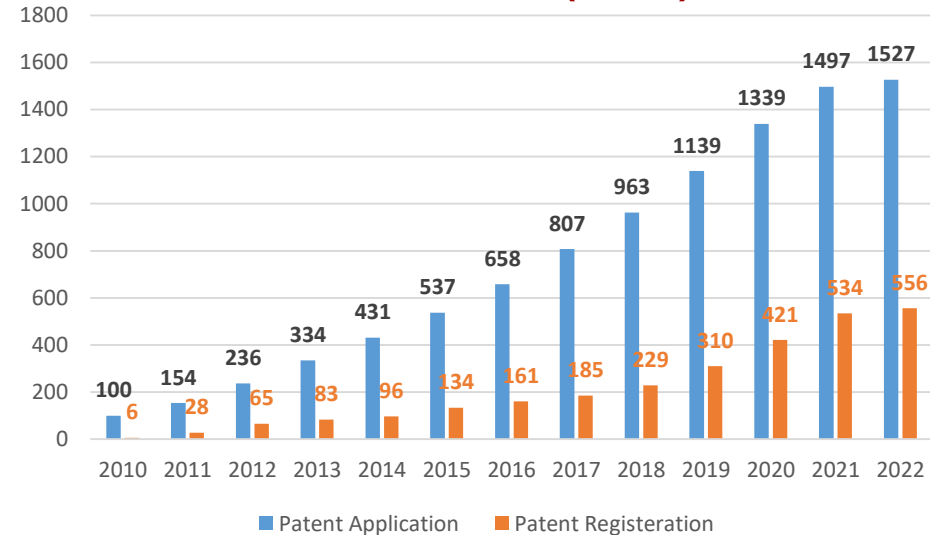


New R&D

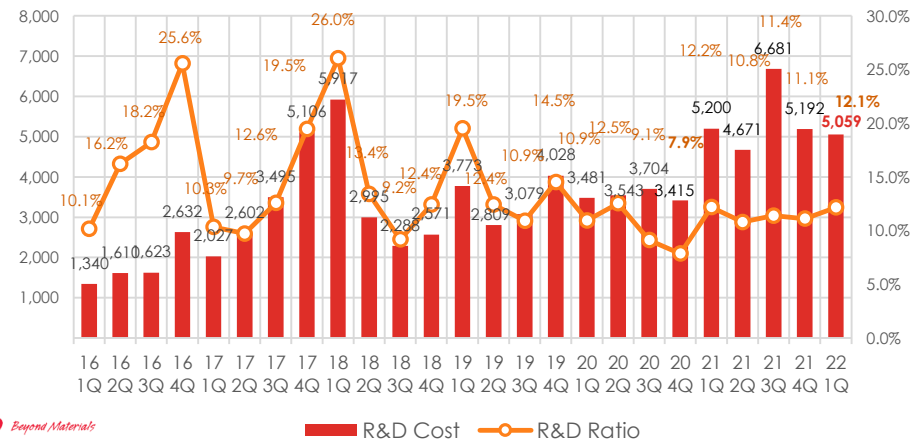
Development Targets

- OLED EML Materials(Phosphorescent Green EML)
- OLED EML Materials(Fluorescent Blue EML)
- QD Material(Cd-free QDs, High Efficiency, Stanility)
- Display Materials

DSNL, AMOLED IP Status(Jan, '22)



R&D COST(%)



08. M/P PROCESS

Design, synthesize, and purify OLED material for mass production

Key patents at synthesis and comparative quality of control

Process

➤ On-Time Delivery

Synthesis



In-Line Manufacture System

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

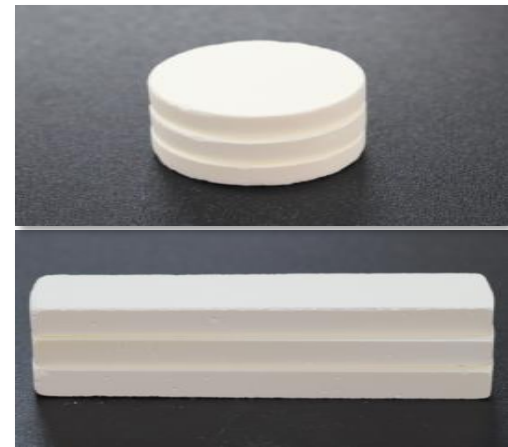
Purification



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

09. MANUFACTURING CAPACITY

Enough facilities to respond to OLED's demand increase

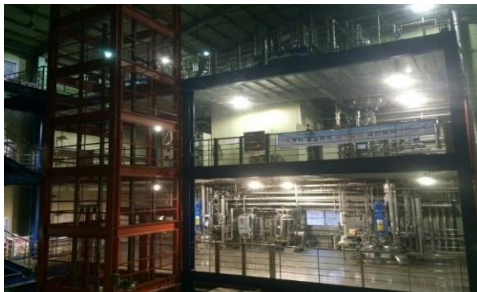
2022.03.31

Synthesis Facilities (3ton/Mon)

▪ 300ℓ



▪ 3000ℓ



Purification Facilities (2.5ton/Mon)

▪ Sublimation



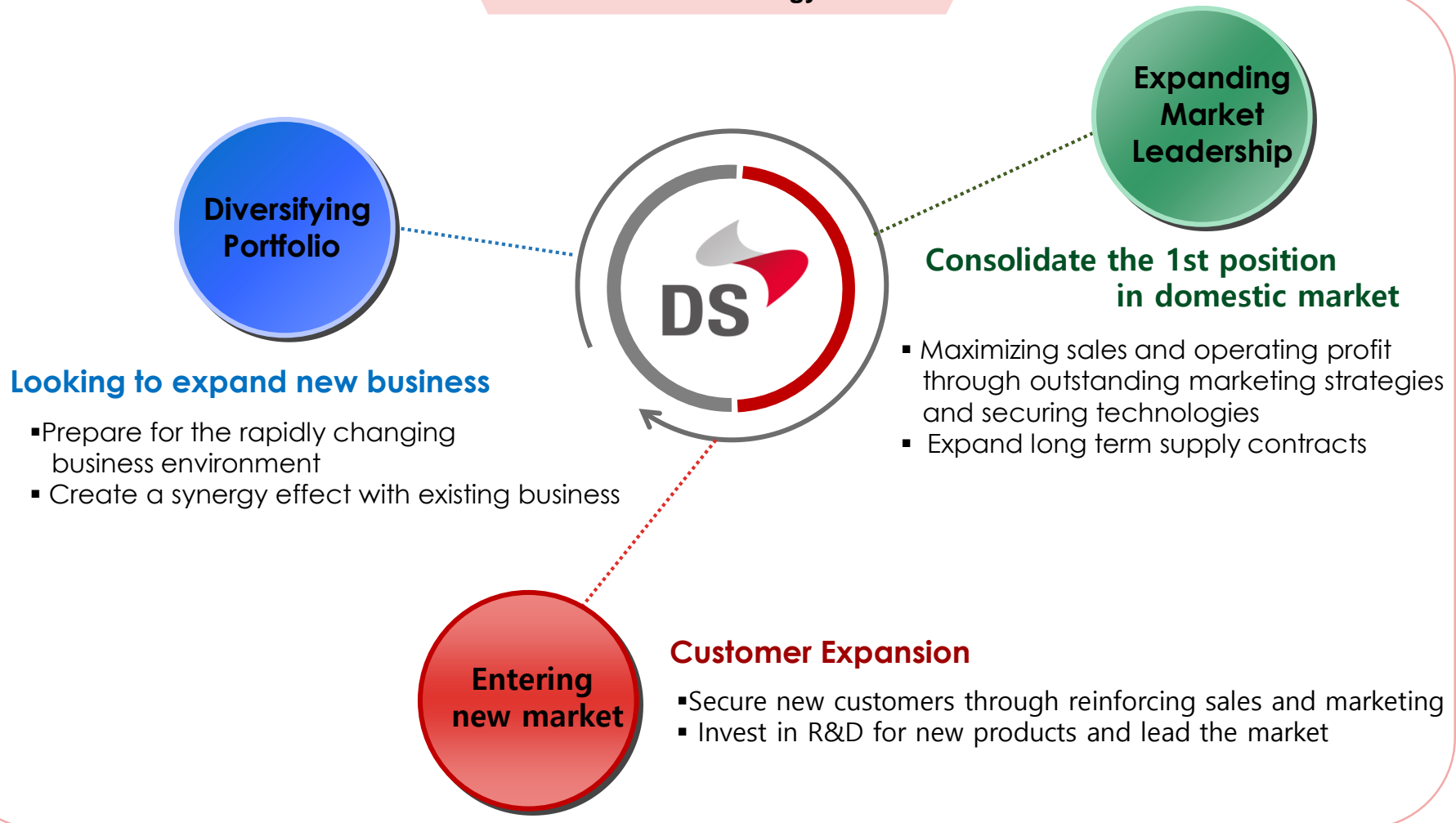
Black PDL (30ton/Mon)

▪ PDL



10. GROWTH STRATEGY

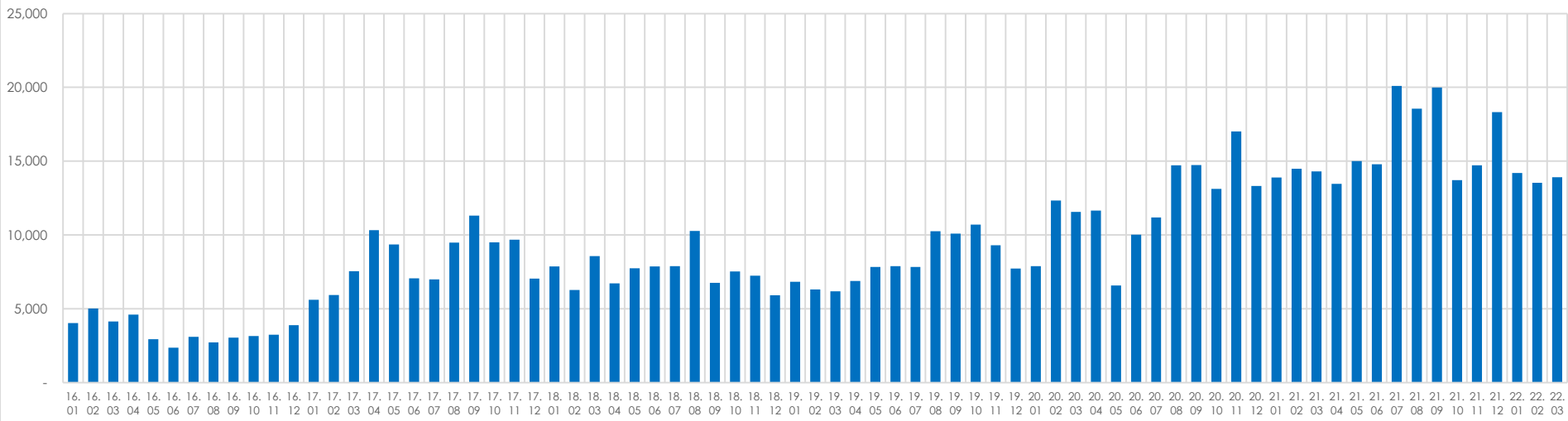
Growth Strategy



11. MONTHLY/QUARTERLY RESULTS

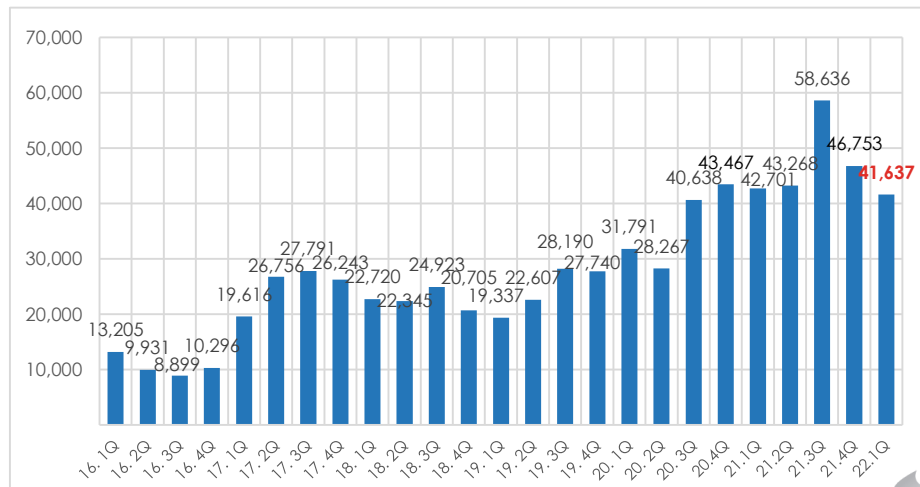
Monthly Sales(Seasonality)

KRWmn



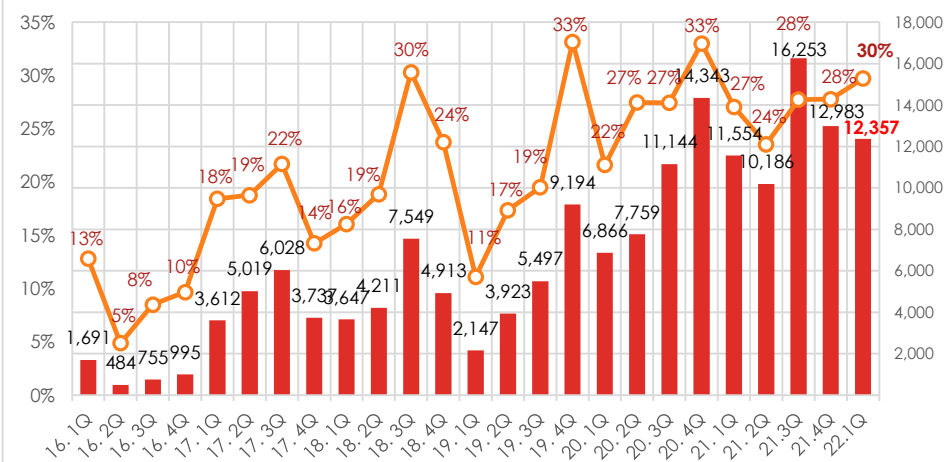
Quarterly Sales

KRWmn



Quarterly OP(M)

KRWmn



12. QUARTERLY & FINANCIAL

QoQ/YoY

KRWmn

| | 2022 1Q | QoQ | 2021 4Q | 2021 1Q | YoY |
|-----------------------------------|-----------------|------|-----------------|-----------------|------|
| Revenue (COGS) | 41,637 (62%) | -11% | 46,753 (63%) | 42,701 (64%) | -2% |
| GP (GPM) | 15,656 (38%) | -10% | 17,442 (37%) | 15,272 (36%) | 3% |
| SG&A | 3,299 (8%) | -26% | 4,460 (10%) | 3,719 (9%) | -11% |
| OP (OPM) | 12,357 (30%) | -5% | 12,983 (28%) | 11,554 (27%) | 7% |
| Non- operating Income(Loss) | 1,352 (3%) | 136% | 572 (1%) | 2,295 (5%) | -41% |
| Income before TAX | 13,709 (33%) | 1% | 13,555 (29%) | 13,849 (32%) | -1% |

Balance Sheet

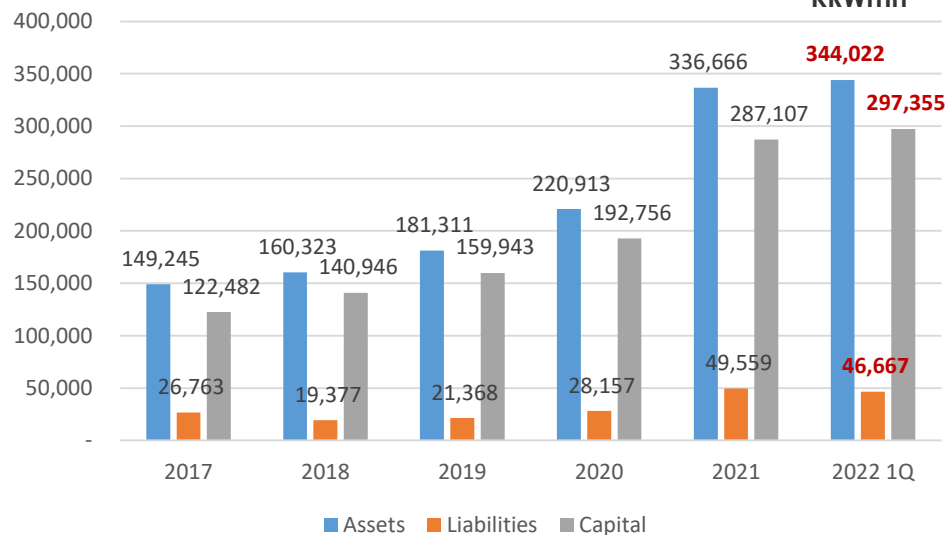
KRWmn

| | 2022. 03. 31 | 2021. 12. 31 | 2020. 12. 31 | 2019. 12. 31 |
|-------------------------------|--------------|--------------|--------------|--------------|
| [Current Assets] | 191,519 | 188,013 | 90,913 | 78,406 |
| [Non-Current Assets] | 152,503 | 148,652 | 130,000 | 102,905 |
| Total Assets | 344,022 | 336,665 | 220,913 | 181,311 |
| [Current Liabilities] | 19,225 | 22,651 | 19,882 | 16,063 |
| [Non-Current Liabilities] | 27,442 | 26,908 | 8,275 | 5,305 |
| Total Liabilities | 46,667 | 49,559 | 28,157 | 21,368 |
| [Capital Stock] | 4,966 | 4,966 | 4,802 | 4,802 |
| [Additional Paid-in Capital] | 138,602 | 138,602 | 93,775 | 93,775 |
| [Other Capital Categories] | 1,255 | 2,404 | 311 | 311 |
| [Retained Earnings] | 152,433 | 141,035 | 93,868 | 61,055 |
| [Non-controlling Interests] | 99 | 99 | - | - |
| Total Capital | 297,355 | 287,106 | 192,756 | 159,943 |
| Total Liabilities and Capital | 344,022 | 336,665 | 220,913 | 181,311 |

13. FINANCIAL HIGHLIGHTS

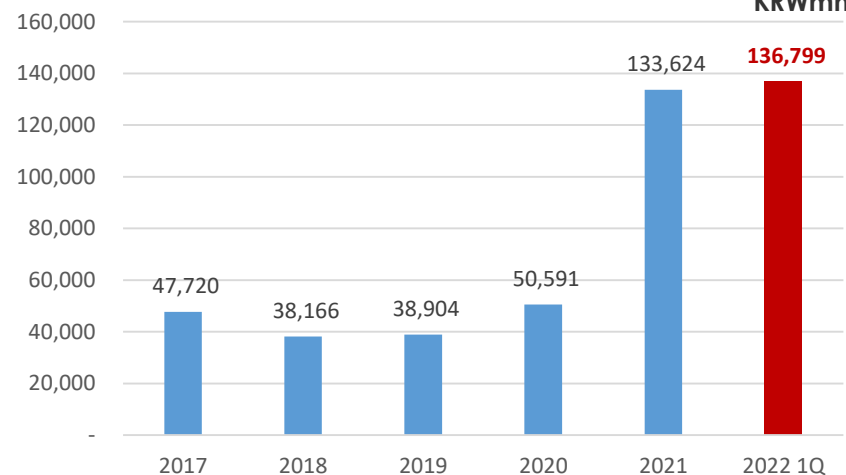
Assets/Liabilities/Capital

KRWmn

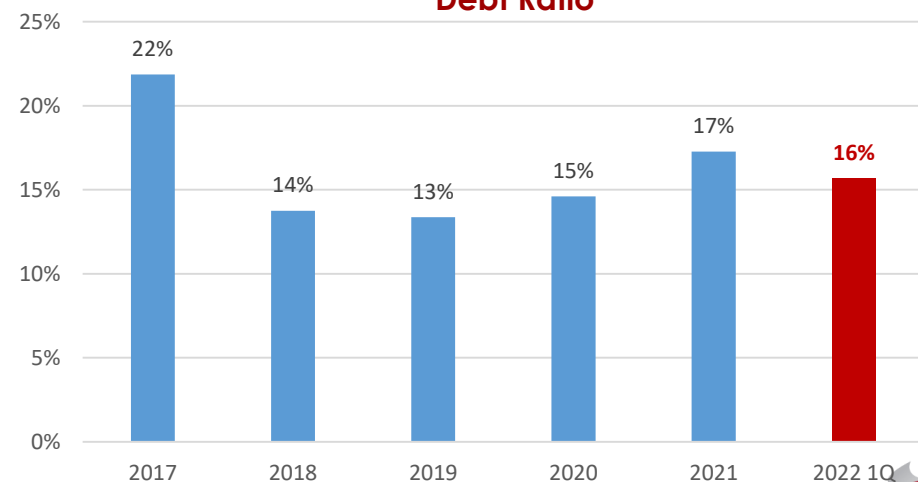


Cash

KRWmn

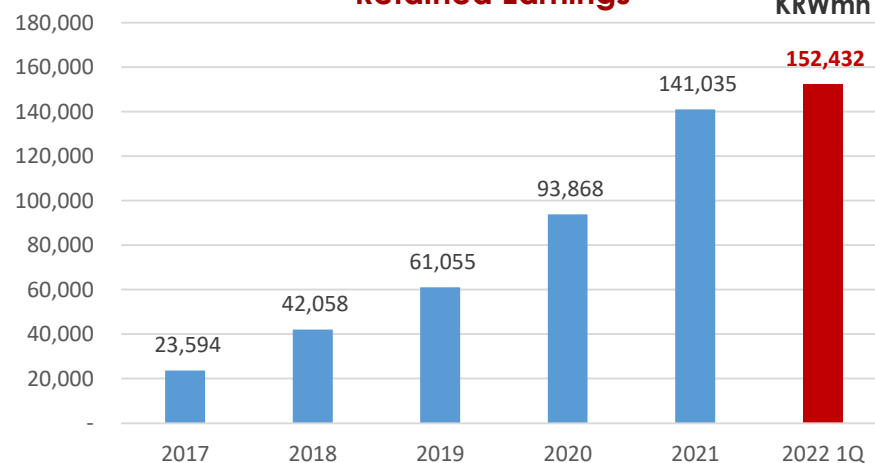


Debt Ratio



Retained Earnings

KRWmn





Duksan Holdings

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