

Financial Results for 1Q2021

Investor Relations | April 30, 2021



Disclaimer

The financial information of this report is the sales performance based on the consolidated financial statement of K-IFRS.

The following earnings statement and the financial, business and other information contained herein are current only of the date hereof and readers are advised that changes in general macroeconomic, business, financial and other conditions may have occurred since such a date and our financial state and results of operations may have been substantially impacted as a result of such occurrences.

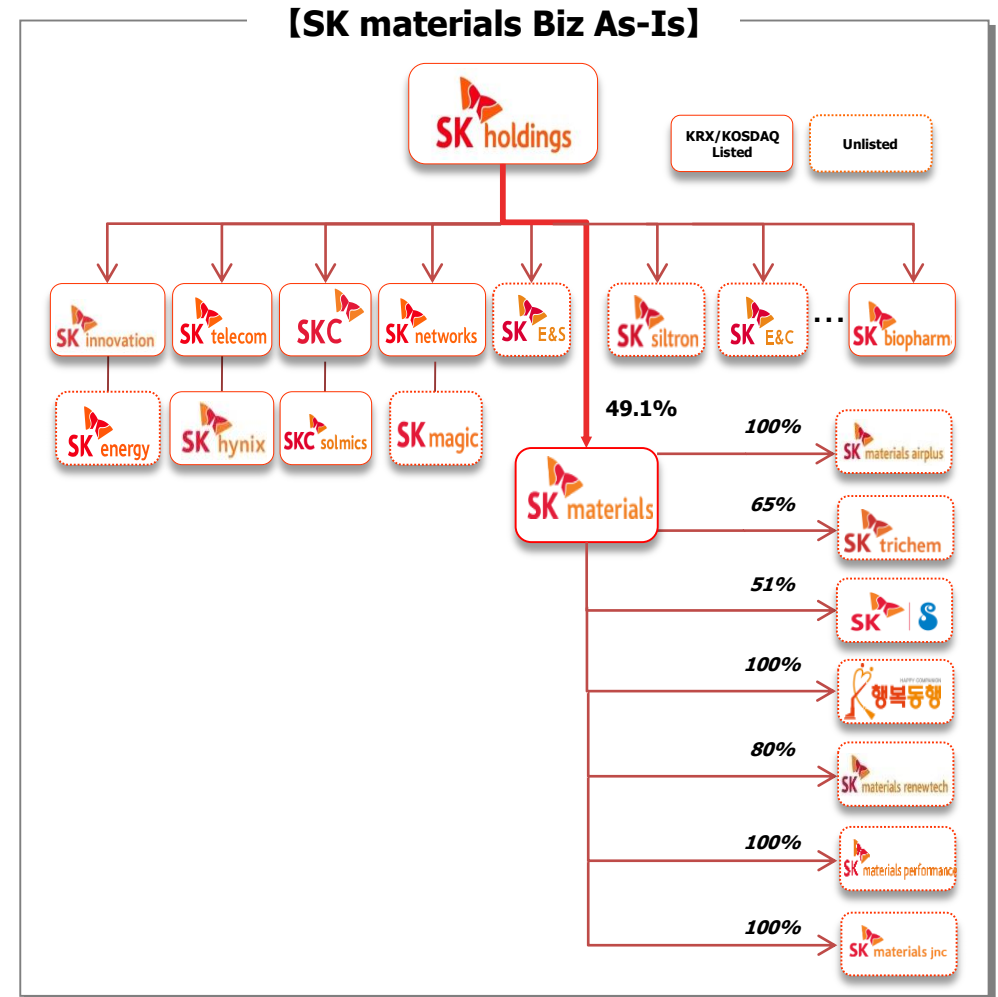
Certain information contained herein may be considered forward-looking in nature, which are based on certain conjectures and expectations of future events that are subject to risks and uncertainties, including comments on trends in the global economy and the duration of such trends, future development and investment plans including market strategies and business plans. We disclaim any responsibility or obligation to update or disseminate any revisions to any forward-looking statements contained in this document to reflect any changes in conjectures or circumstances.

The financial information contained herein has not been audited. Readers are advised that the actual results may differ as a result of the audit of our financial results for the quarter ended March 31th, 2021.

1. Status of SK Materials

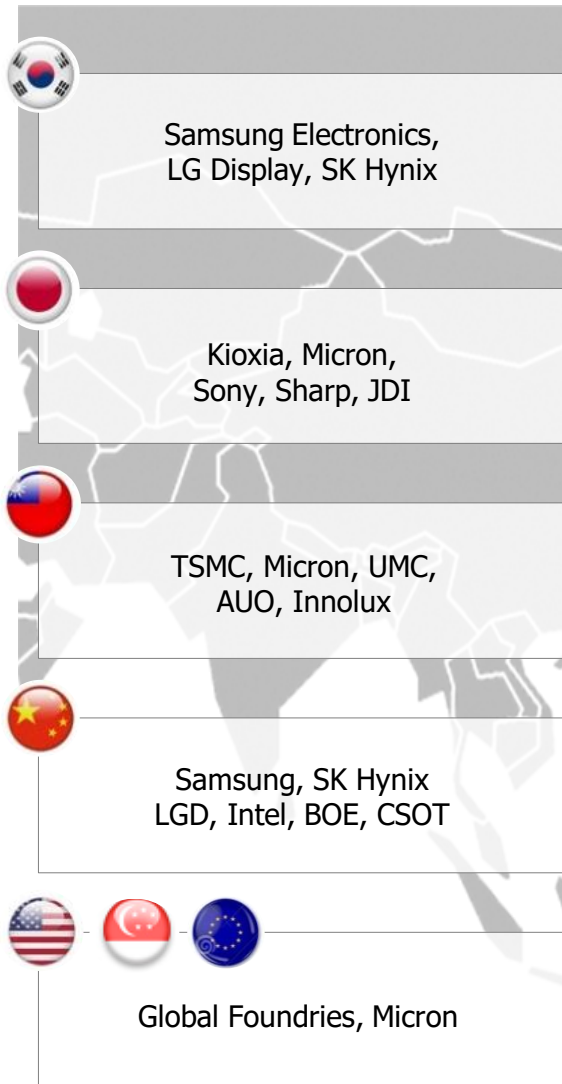
Expanded the business range by successfully establishing the semi-conductor material platform after being incorporated into SK Group in 2016

- '16
 - **Incorporated into SK Group**
 - Specialty Gases of NF₃, WF₆, SiH₄, Si₂H₆, etc.
 - **Acquired SK Materials Airplus* (80%)**
 - Industrial gas supply to industry complex in Ulsan and semi-conductor fab on site
 - (*Changed company name, SK Airgas → SK Materials Airplus)
 - **Established SK Trichem JV (Japan's Tri-Chemical)**
 - Precursor: Zr·Si·Ti·Hf type products
- '17
 - **Established the SK Showa Denko JV (Japan's Showadenko)**
 - CF-type Etching Gases of CH₃F, C₄F₆, etc.
- '18
 - **Acquired the remaining stocks (20%) of SK Materials Airplus**
 - **Entered into the high-performance Wet Chemical biz**
 - Jointly developed HSP (High Selectivity Phosphoric Acid) with LTCAM
- '19
 - **Acquired SK Materials Renewtech (80%)**
 - Supply of High-purity CO₂ for Semiconductor
 - (*Changed company name, Hanyu Chemical → SK Materials Renewtech)
- '20
 - **Acquired PR business of Kumho Petrochemical and established SK Materials Performace (100%)**
 - Photoresist material and its subsidiary materials
 - **Established SK Materials JNC (Japan's JNC)**
 - OLED materials of Blue Dopant, etc.



2. Key Clients and Network

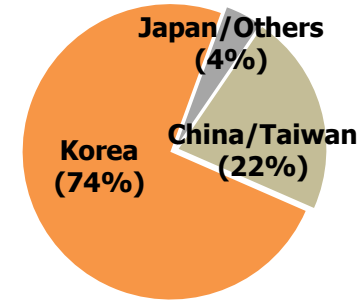
Key Customers



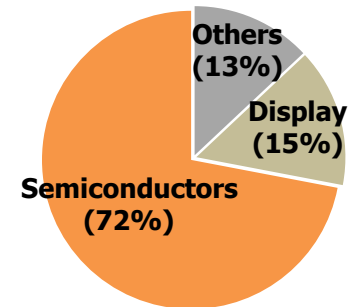
Global Network



Revenue share by regions('21.1Q)



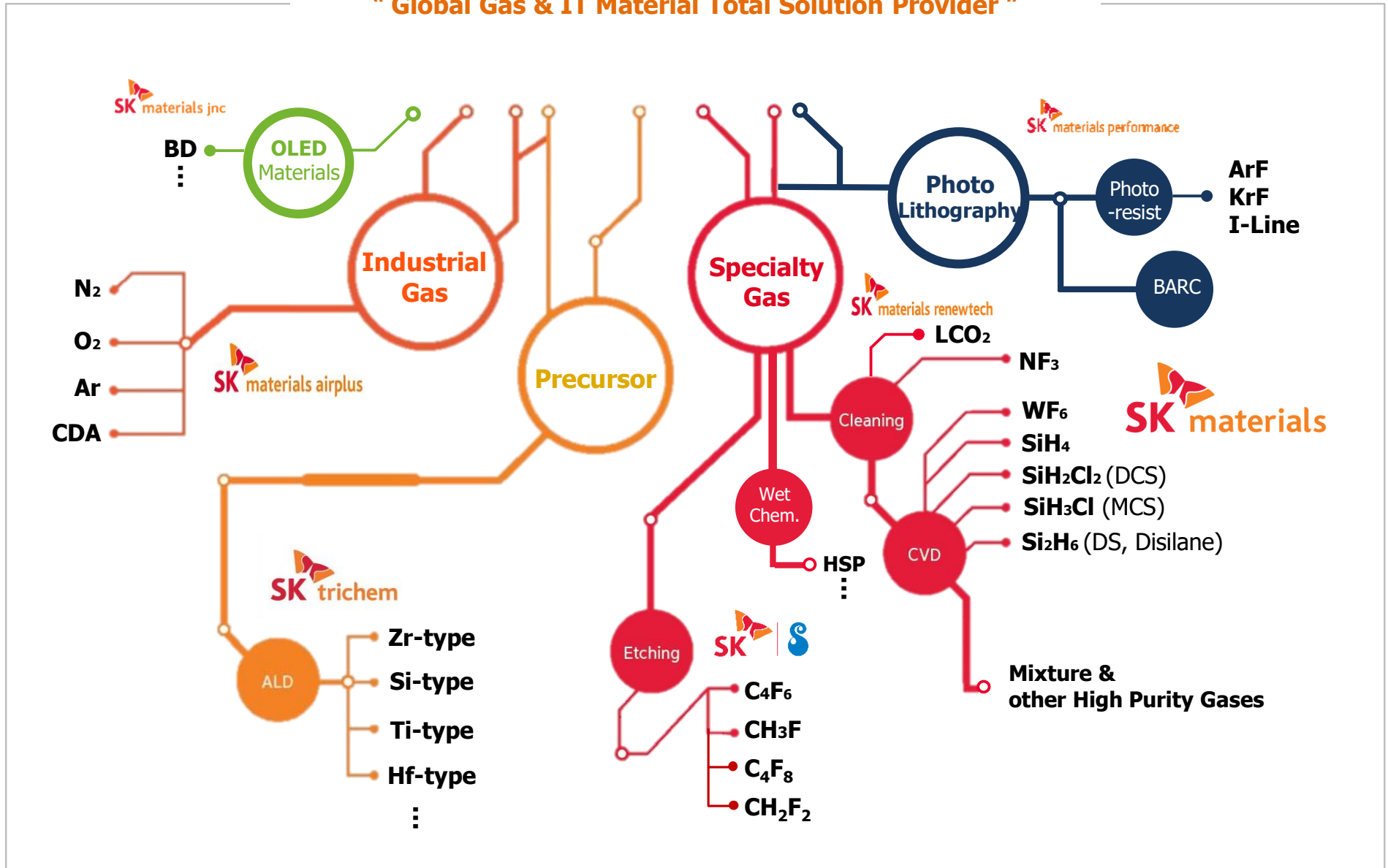
Revenue share by business ('21. 1Q)



* Cons. results based on K-IFRS

3. Product Portfolio

“ Global Gas & IT Material Total Solution Provider ”



3. Product Portfolio

" Global No.1 Supplier of NF3 & WF6 "

		Industry	Production Capacity (ton/year)
NF3	Nitrogen trifluoride, cleaning gas for CVD chamber	semiconductor/display/PV	13,500
WF6	Tungsten hexafluoride, creating metal contacts and gates	semiconductor	1,800
SiH4	Monosilane, forming silicon layer	semiconductor/display/PV	2,000
DCS	Dichlorosilane, used for nitride deposition	semiconductor	800
DS	Disilane, used for rapid low temperature deposition	semiconductor	10
MCS	Monochlorosilane, raw material of precursor	semiconductor	40
SK materials airplus	Industrial gas (N2, O2, Ar, H2 etc.)	semiconductor/petrochemical /medical etc.	
SK trichem	High-purity precursor (Zr, Si, Ti type etc.)	semiconductor/display	
SK showa denko	Etching gas for nitride and oxide film (CH3F, C4F6)	semiconductor	
SK materials renewtech	High-purity L-CO2 & Dry Ice	semiconductor/shipbuilding/ food/medical etc.	
SK materials performance	Photoresist (ArF, KrF, I-line etc.)	semiconductor	

4. 1Q2021 Earning Results

SK materials maintained similar level of sales and operating profit QoQ
due to the stable price and volume of specialty gas,
and recorded 23.3% growth in sales and 16.9% growth in OP YoY.

[Consolidated Income Statement]

(unit: KRW bn)

	'21. 1Q (E)				
	'21.1Q	'20.4Q	QoQ	'20.1Q	YoY
Sales	261.7	268.5	△6.8	212.3	+49.4
Gross Profit	96.1	97.4	△1.3	78.4	+17.7
<i>Gross margin (%)</i>	37%	36%	+1%p	37%	-
Operating Profit	62.1	61.7	+0.4	53.1	+9.0
<i>OP margin (%)</i>	24%	23%	+1%p	25%	△1%p
Income before Tax	58.0	56.2	+1.8	50.8	+7.2
EBITDA	95.3	94.4	+0.9	84.3	+11.0
<i>EBITDA (%)</i>	36%	35%	+1%p	39%	△3%p
Net Income	40.3	37.8	+2.5	37.6	+2.7

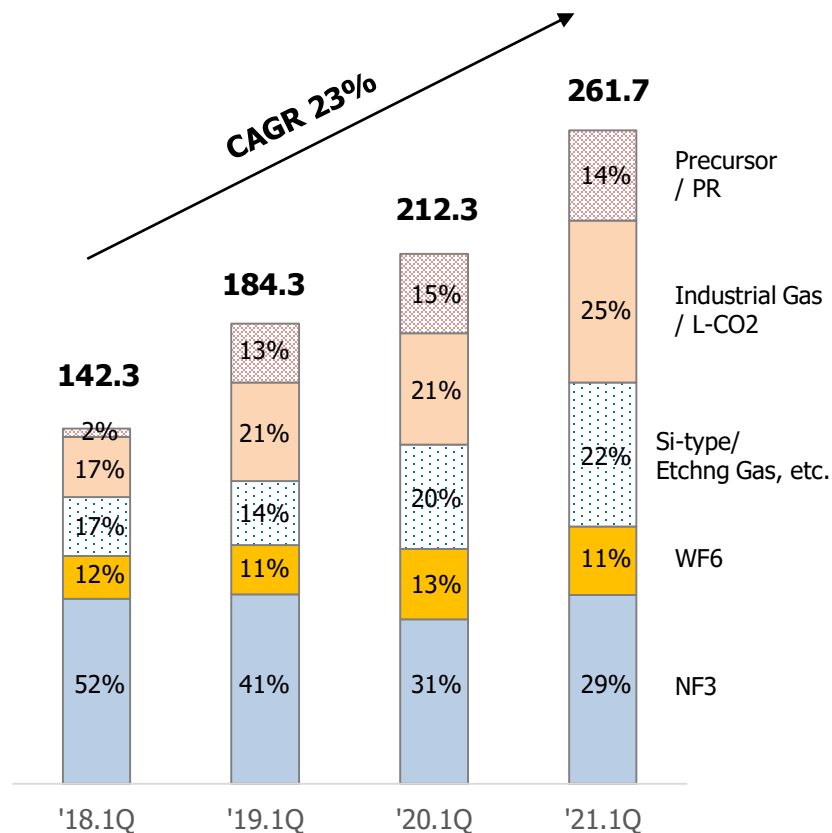
Note 1) Cons. results based on K-IFRS

2) Not externally audited yet

5. Financial Highlight

[Sales Rev. by Business]

(unit: KRW bn)



CAGR 23%

[Financial Performance]

(unit: KRW bn)

Title	2018	2019	2020	2021.03
Total Assets	1,398.4	1,615.8	2,038.6	2,081.1
Cash and Cash Equivalents	16.1	39.8	106.8	88.5
Accounts Receivable	123.4	102.3	126.3	139.6
Inventories	111.8	150.1	152.2	148.0
Tangible Assets	1,106.1	1,231.8	1,504.0	1,548.7
Total Liabilities	995.1	1,095.5	1,533.9	1,570.3
Loans Payable	846.4	895.9	1,310.1	1,353.3
Total Shareholders' Equity	403.3	520.3	504.7	510.8
Net Debt	830.3	856.1	1,203.3	1,264.8

OP	33.8	54.5	53.1	62.1
EBITDA	54.3	81.7	84.3	95.3

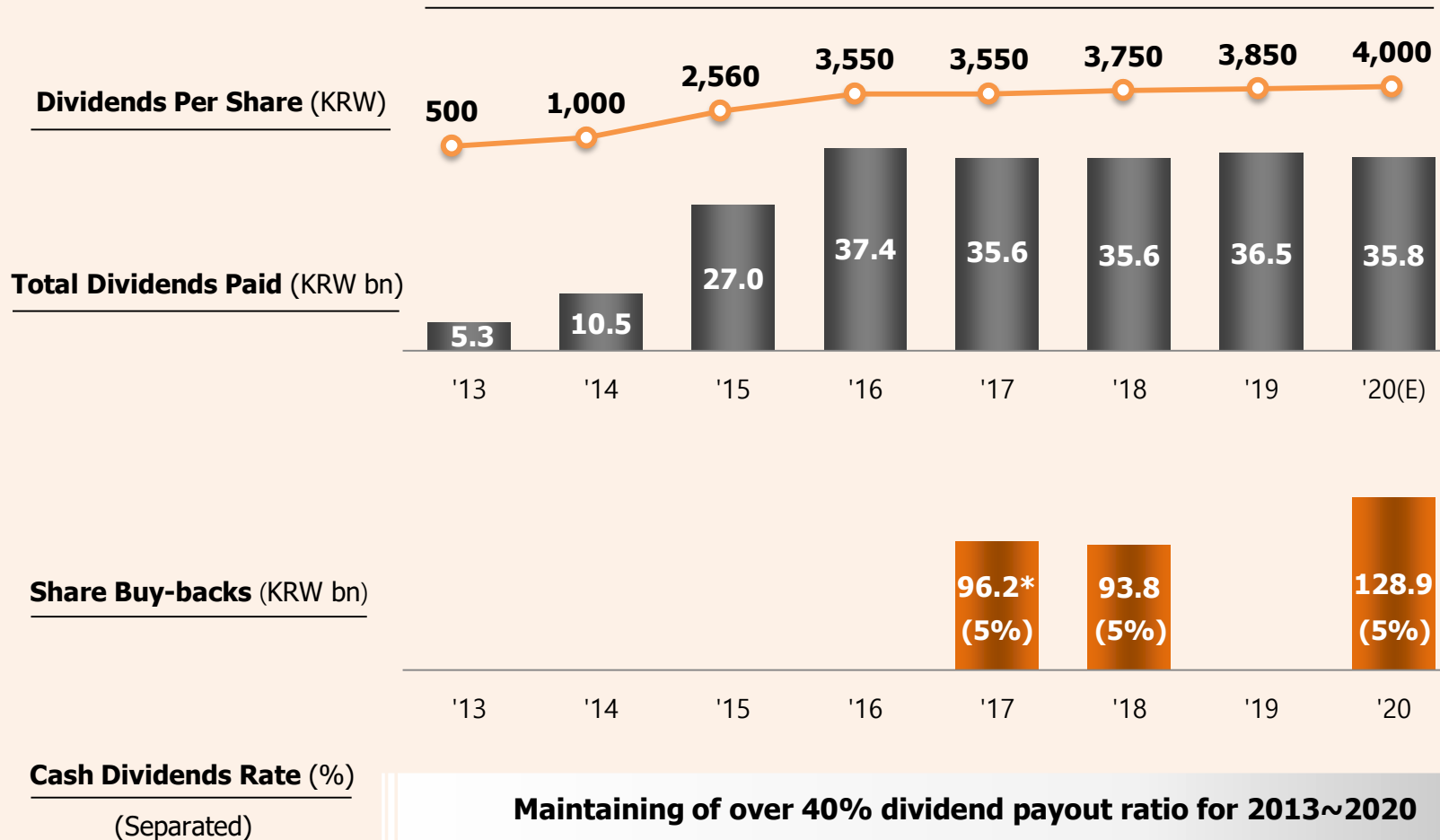
Note 1) Cons. results based on K-IFRS

2) Purchase of Treasury Stocks : KRW 1.4bn('16), 94.8bn('17), 93.8bn('18), 128.9bn('20)

[Ref.] Increase in Shareholder Value

Considering shareholder value as top priority, efficient enforcement of investment and national highest level return policy on shareholders will be continued

Yearly Dividend scale



* '16 Treasury Stocks Included