



Future of IT materials

INNOX
advanced materials

Investor Relations 2019

Disclaimer

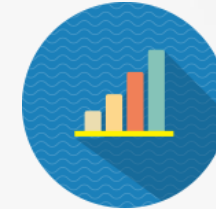
This Document contains forward-looking statements that reflect INNOX Group's current views about future events. The words, "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "can," "could," "plan," "project," "should" and similar expressions are used to identify forward-looking statements.

These statements are subject to many risks and uncertainties or may be affected by factors outside INNOX Group's control. This includes adverse developments in global economic conditions resulting in decline in demand in INNOX Group's key markets including Korea, Japan, East Asia and North America;

- ① a deterioration in credit and financial markets;
- ② a shift in consumer preferences affecting demand for Innox group's products;
- ③ changes in the prices of fuel or raw materials;
- ④ disruption due to shortages of materials ;
- ⑤ disruption of production due to shortages of materials,
- ⑥ labor strikes or supplier insolvencies;
- ⑦ the effective implementation of Innox Group's strategic goals and targets;
- ⑧ changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety;
- ⑨ and other risks and uncertainties.

If any of these risks and uncertainties materializes or if the assumptions underlying any of INNOX Group's forward-looking statements prove to be incorrect, actual results may be materially different from those INNOX Group expresses or implies by such statements. INNOX Group does not intend or assume any obligation to update these forward-looking statements.

Corporate	INNOX Advanced Materials Co., Ltd
CEO	Chang, Gyung Ho & Kim, Pil Young (Separate Representation)
Foundation	Nov 8th 2001 (Spilt-Up. Jun 1th 2017)
Issued Shares	9,232,420 (INNOX 33.7%)
Capital	KRW 46.2B
Homepage	www.innoxamc.com
Address	171, Asan Valley-ro, Dunpo-myeon, Asan-Si Chungcheongnam-do, South KOREA



***TOTAL SALES 293.1**



***OPERATING PROFIT 38.3**



***TOTAL ASSET 301.2**



***EMPLOYEES 618**

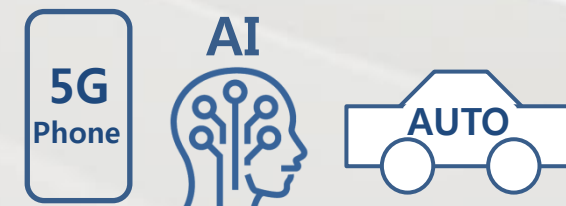
Main Business



OLED/DISPLAY MATERIALS



**SEMICONDUCTOR
PACKAGING MATERIALS**



**NEXT GENERATION
CIRCUIT MATERIALS**

* The Figures are Data of the end of 2018

GET TO KNOW THE CEO



CHAIRMAN
Chang, Kyeong Ho

Born in 1958

KAIST
Doctor of MSE
(Material Science & Engineering)

SAMSUNG TECHNOLOGY
Chief Researcher

INNOX
Founder



PRESIDENT
Kim, Pil Young

Born in 1958

Kyungpook University
Bachelor of Electronics

SAMSUNG ELECTRONICS
Executive

SAMSUNG FIBEROPTICS
President

BUSINESS PRINCIPLES

Growth

Achieve \$ 1 billion in revenue base on
continuous growth and business diversification

Survival

Securing sustainability of business through
competitiveness of R&D

Ethic

Transparent & ethical management through
principles and standards

Safety

Absolute value of safety,
Establishment of sound corporate culture

BRIEF HISTORY OF COMPANY



Foundation

2001 ~ 2002

- 2001 Founded Saehan Micronics
- 2001 Established SEM-1(Plant1)
- 2002 Established R&D Center



Turning Point

2003 ~ 2007

- 2005 Change Company Name and CI
- 2006 Listed on KOSDAQ
- 2006 Completed SEM-3 Anseong Plant2



Growth

2008 ~ 2011

- 2010 Become global #1 player : FPCB material business
- 2010 FCCL products designated as 'World Best Product'
- 2011 Established new Asan Plant



Take Off

2012 ~ 2016

- 2014 Launching INNOLED
- 2015 Taking over acquired Alton Sports
- 2016 Established the I-Best



Launch of H/C

2017 ~

- 2017 (INNOX / INNOXAMC) Split(Divided)
- 2018 Establishment Production Plant in China & Vietnam
- 2018 Awarded Export Tower Award of US\$100 million

01 Over 50% Non-FPCB Materials

- Expand Product Mix of OLED/SEM* Materials
- A Portion of OLED Materials Sales More Than 50%

02 Abroad Production Facility CAPA' UP

- Build UP DSP* Factory in Guangzhou, China
- Build UP EM* Factory in Bac Ninh, Vietnam
- Increase Total Production Volume Capacity in 2019

03 Scale Up Product Mix through R&D (Annually Invest more than 5% of Sales)

- The Fourth Industrial Revolution, We are aggressive responding of the new material era (Foldable, AI, 5G, etc..)
- Increase Global M/S* Through Improving Performance of Products and Low Cost Technology

※ SEM: Semiconductor, EM: Electronic Materials, DSP: Display, M/S: Market Share

REVENUE & PROFIT

The **CAGR*** of Revenue from 2003 to 2018 is **35%**, **OPM*** More Than **11%**
Growth **REVENUE & PROFIT** through **OLED and NEW Materials** From 2017



* CAGR : Compound Annual Growth Rate, AAGR : Average Annual Growth Rate, OPM : Operating Profit Margin

Core Technology & Competitiveness

- * **Competitiveness : Chemical Base EM Development**
 - Adhesive & Formulation
- * **Technology : Process Engineering & Control**
 - Facility Design, Clean Class Management
- * **ERP & SCM Base Management**
 - Quality Control and Cost Competitiveness

R&D Center

Foundation	2002
Researcher	120 (20% of total employee)
Field	OLED/SEM/Circuit, New Business, Technology Planning
Intellectual property	58 Patents (53 Domestic, 5 oversea patents)

- * Technology has accumulated for 25 years
(Samsung Advanced Institute of Technology → Saehan Micronics → **INNOX**)

Major R&D Achievements

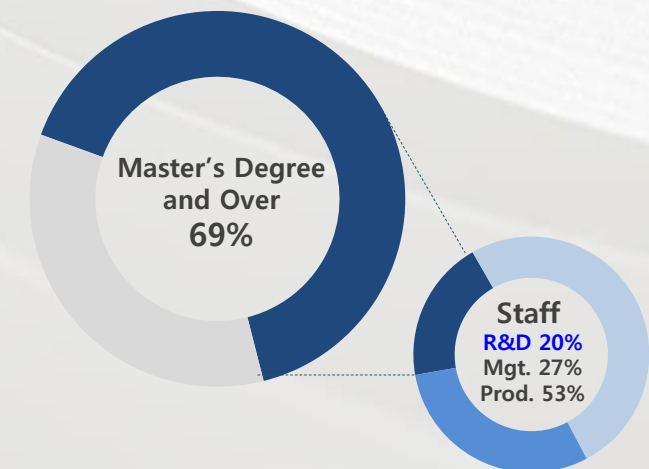
Most of the Products

- First in KOREA or Global No. 2~3
- Develop Independent Technology
- Fast Follower of Japanese Products to First Mover

OLED Materials : Encapsulation film, B/P, PSA film ...

Semiconductor Materials : DAF, QFN, LOC, LLT ...

Circuit Materials : H/S, Coverlay, FCCL, Stiffener, Digitizer ...



BUSINESS PORTFOLIO



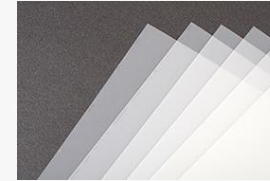
Polymer Synthesis & Mixing

TECHNOLOGICAL
CONVERGENCE

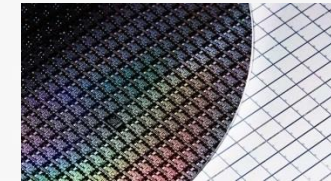


Design & Processing Adhesive

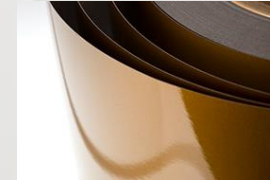
INNOLED[®]
OLED & DSP Materials



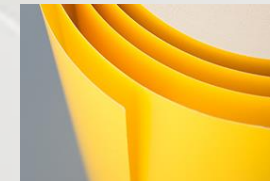
INNOSEM[®]
SEM Package Materials



SMARTFLEX[®]
Advanced Circuit Materials



INNOFLEX[®]
FPCB Materials



NEW BUSINESS
Automobile Materials
BIO/NANO Materials



INNOLED[®]

New Growth Potential : Our Materials Meet Changing Form Factor

Through The Sustainable Research Activities since 2010

➡ Launch Large-Size(TV) Materials in 2015 and Small-Size(Mobile) Materials in 2017

Main Mobile Applications DSP type : Curved, Edge, Foldable, Bendable, Unbreakable ..



Supply Chain



SEM PACKAGING MATERIALS

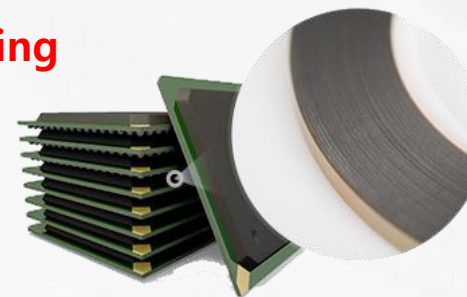
INNOSEM[®]

The Processing Materials for High Integrated/Multiple Layer Wafer Packaging

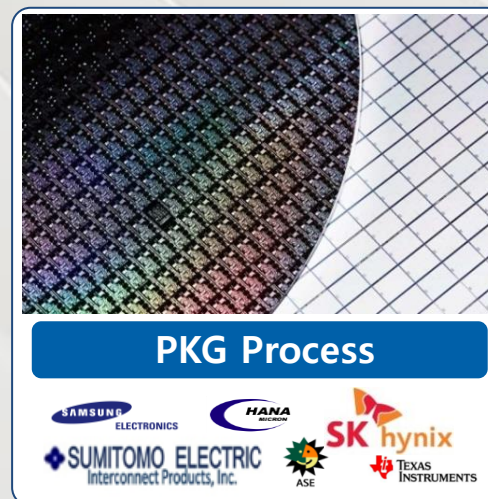
Just a Handful of Companies Control The SEM PKG Materials Business

Through Ceaseless Technological Development and Challenges,

➡ Korea's Only SEM PKG Partner and is Working to Increase Global Market Share



Supply Chain



SMARTFLEX[®]

Extend Product Mix and M/S Based on Proprietary Technology

Essential Materials for State-of-the-Art Advanced Electronics, Smart & Mobile Device

Main Applications : Tablet, High-end Smart Phone..



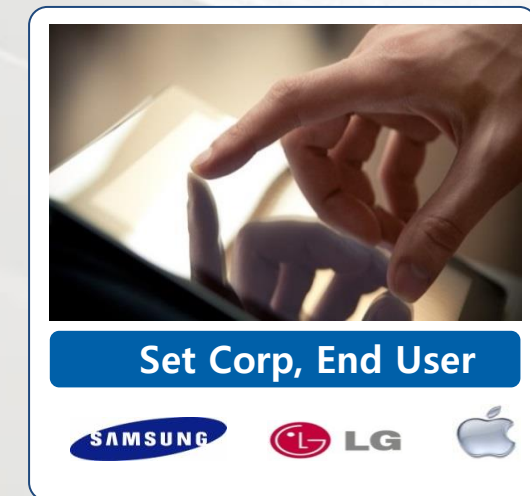
INNOFLEX[®]

To Hold on No.1 M/S, By Expanding Product Mix & Customer Lock-In Strategy

Supply to Core Materials and Many Adhesive Sheets for Used For Manufacturing FPCB

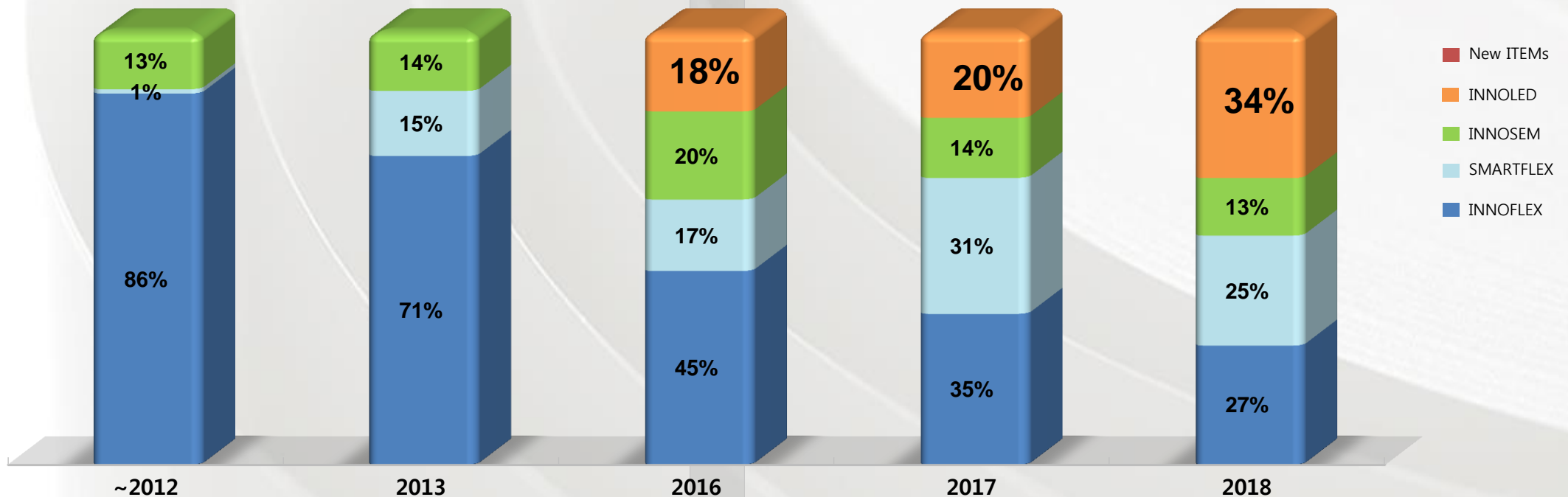
Main Applications : Smart/Feature Phone, Smart Pad, PC, HDD, Automobile..

Supply Chain



EXPAND PRODUCT MIX

Growth From FPCB Material Company **To IT Total Advanced Material Company**
That is A Strong Technology Background of OLED & SEMICONDUCTOR



FPCB Material **OVER 50%**

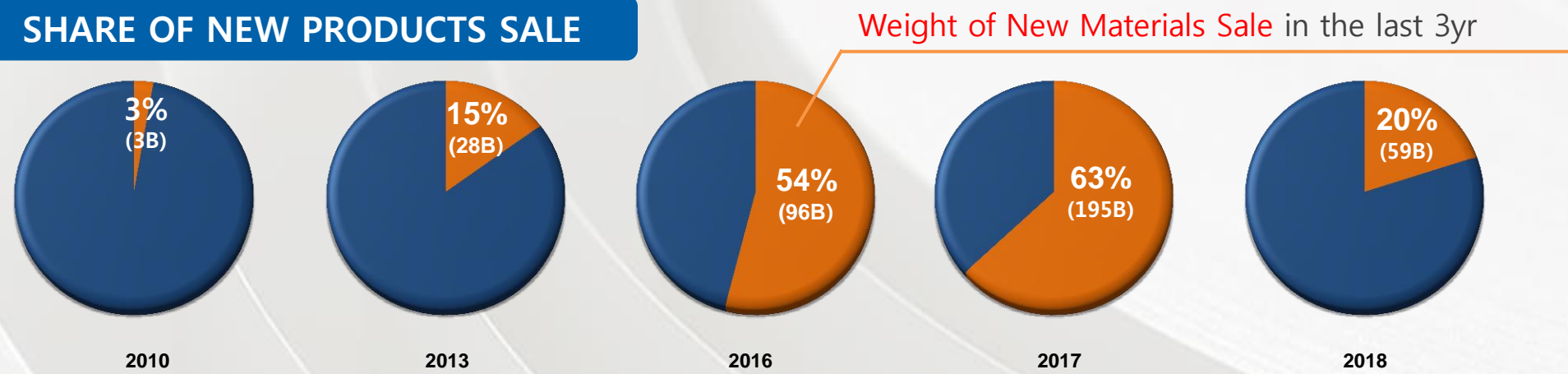
BUSINESS
Inflection Point

OLED Material OVER 40%

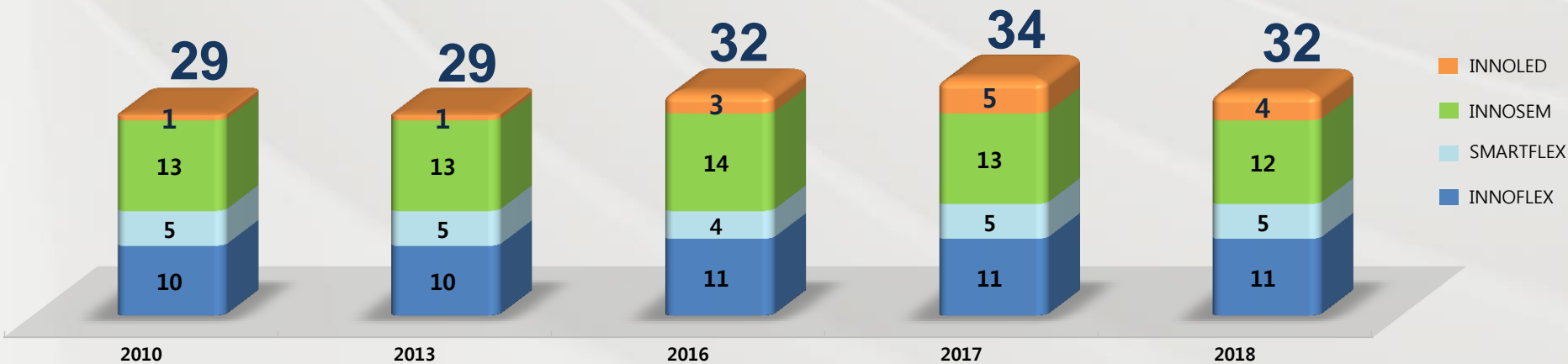
INCREASE NEW MATERIALS SALE

Take Advantage Of OUR R&D System, **Steadily Increasing Sales Volume of New Products**

SHARE OF NEW PRODUCTS SALE



KIND OF PRODUCTS



DOMESTIC FACTORIES

- A** EM Production Facilities & Research Lab
- B** DSP Dedicated Production Facilities & Research Center
- C** Integrated Logistics Center & Warehouse
- D** Factory Site in Reserve
- E** Security Facilities, Meeting rooms and Cafeteria

Total Plants Scale is about **103,000m²**