



CHEIL INDUSTRIES



Cheil Industries to acquire Novaled AG

Seoul (South Korea), Dresden (Germany), August 9 2013. **Cheil Industries, a leading electronic materials company in the display industry, and [Novaled](#) AG, a world class provider in [OLED](#) technologies and materials, announced today that Cheil Industries acquires a majority stake in Novaled in a transaction valuing Novaled at €260 million**

Cheil Industries today signed a binding agreement to acquire a majority stake of approximately 50% in Novaled. Samsung Electronics will acquire approximately 40%, the remaining stake of approximately 10% in Novaled is currently held by Samsung Venture Investment which will maintain its current shareholding. The transaction values Novaled at a total enterprise value of €260m including a €30m contingent payment, which is conditional to reaching certain milestones.

Cheil Industries' CEO Jong-Woo Park commented: "Leadership in future display market will be determined by technological capacity", and "this acquisition is expected to generate significant synergy in new-generation OLED materials R&D and will play a critical role in enhancing Cheil Industries' market position as a global leader in electronic materials".

Novaled's selling [shareholders](#) are a group of financial investors and individuals, including eCAPITAL entrepreneurial Partners AG, Zweite TechnoStart Ventures Fonds GmbH & Co. KG, Omnes Capital, TechFund Europe Management S.A.S., Innovation Capital S.A.S., KfW, Dresden Fonds GmbH and TUDAG TU Dresden AG, amongst others. "The transaction with Cheil Industries and Samsung Electronics completes a partnership that started in 2011 with Samsung Venture Investment becoming a strategic investor in Novaled. At the end, the dual track process with a parallel preparation of a listing on NASDAQ led not only to the best solution for Novaled but also to one of the most successful venture capital investments in Germany", remarks Paul-Josef Patt, CEO of eCAPITAL and lead investor since the beginning of 2009. "This marks the start of a new era for Novaled's development both in the display and lighting markets. As 2005 lead investor in Novaled, and having contributed to the company's key strategic decisions, we welcome the merger with Cheil Industries", comments Michel de Lempdes, Partner at Omnes Capital.

As part of the transaction, Cheil Industries and Samsung Electronics will also acquire the shares of founding partners of Novaled. "This transaction is an important milestone in the development of Novaled: the proof of the capability of the Doping Technology to advance the performance of OLED devices. With this target in mind, we founded Novaled back in 2001", says Dr. Jan Blochwitz-Nimoth.

Novaled AG is a leader in the OLED field, specializing in high efficiency, long-lifetime OLED structures. Through the combination of organic conductivity doping technology, proprietary materials and OLED stack development expertise, Novaled offers OLED display and lighting manufacturers customized



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solutions to optimize the performance, power efficiency, stability and lifetime of their products while decreasing their manufacturing complexity and cost. In 2012, Novaled generated revenues of €26m.

Novaled has developed long-term partnerships with major OLED players worldwide – its strong IP position in OLED technology is based on more than 500 patents granted or pending. The company was founded in 2001 through a spin-off of the Dresden University of Technology and the Fraunhofer Institute of Dresden.

Through the acquisition of Novaled, Cheil Industries will be able to lead the change in the OLED market by leveraging Novaled's technology and patents, and successfully positions itself for a new phase of growth as global market leader in display materials. According to DisplaySearch, the global OLED market is expected to grow rapidly from US\$6.8 billion in 2012 to US\$20 billion by 2017. Cheil Industries plans to grow Novaled's existing R&D activities and concentrate a main part of its OLED R&D strategy in Dresden.

“With the support of its financial investors and public stakeholders Novaled has developed to an OLED world leader position”, says Gildas Sorin, CEO of Novaled. “We are very pleased to welcome Cheil Industries and Samsung Electronics as our new owners. Cheil Industries and Novaled are complementary – the alliance will help both parties to contribute and fully leverage its strengths for the benefit of the whole OLED industry.”

The transaction is subject to approval from competition and other relevant authorities.

Goldman Sachs, Sullivan & Cromwell and Fox Corporate Finance acted as advisors to Novaled and its shareholders. Citi and Skadden, Arps, Slate, Meagher & Flom acted as advisors to Cheil Industries and Samsung Electronics.

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About [Cheil Industries](#)

Cheil Industries began development of OLED materials in 2007 and established a KRW20 billion OLED material fab in March, 2011. Cheil Industries also succeeded in the mass production of ETL materials for use in Galaxy S4 in April, 2013. Cheil Industries' growth initiative in electronic materials dates back to 2002 when the Company first established an electronic materials facility in Gumi. Now, by securing new-



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generation OLED technology through the largest overseas investment in electronic materials since the start of the Company, Cheil Industries has successfully positioned itself for a new phase of growth as a global market leader in display materials. In 2012, Cheil Industries recorded total revenue of KRW6,009.9 billion and sales from electronic materials was 26% of total sales or KRW1,568.9 billion.

About [NovaLED](#)

NovaLED AG is a leader in the research, development and commercialization of technologies and materials that enhance the performance of OLEDs (organic light-emitting diodes) and other organic electronics. NovaLED offers OLED product manufacturers a combination of proprietary technology, materials and expertise, and is currently the only company licensing and selling organic conductivity doping technology and materials for use in the commercial mass production of display products in the OLED industry. NovaLED has developed strategic partnerships with key OLED innovators and producers throughout the world and, with a broad portfolio of more than 500 patents granted or pending, has a strong IP position in OLED technologies, structures and materials. Commercially active since 2003, NovaLED was founded in 2001 as a spin-off of the Technical University and the Fraunhofer Institute of Dresden. NovaLED is headquartered in Dresden with sales offices in Korea and Japan. For more information, please visit www.novaLED.com.