

# kakao

Company Presentation  
May 2024



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# Company Overview



**Korea's mobile communication leader** with the undisputed dominant messenger app **Kakao Talk**  
48 mm domestic MAU vs. 52 mm population in Korea (93% penetration)



**Multiple revenue streams** across platform and content business, capturing the full range of **everyday mobile activities**  
Communication, e-commerce, payment & banking, ride-hailing, music streaming, webtoon, etc.



**Total package portfolio** across corporate growth cycle  
Early-stage growth (AI, healthcare, cloud and VC Investments) to self-sustaining growth (mobility, entertainment, and game) and profitable growth (Kakao Talk's advertising and commerce)

## Platform Businesses

### BACKBONE

**TALK**



Advertising



Commerce

85~100%<sup>(1)</sup>

### NEW INITIATIVES

**kakaobrain** AI

**kakaoenterprise** B2B / cloud

**kakaohealthcare** healthcare

### CONNECTED SERVICES

57.3%<sup>(1)</sup>

**kakaomobility**  
ride-hailing & other mobility

46.4%<sup>(1)</sup>

**kakaopay**  
payments & tech-fin

27.2%<sup>(1)</sup> (Associate)

**kakaobank**  
internet banking

## Content Businesses

### GLOBAL GROWTH DRIVERS

66.0%<sup>(1)</sup>

**kakao**  
ENTERTAINMENT

music / K-pop, media, and webtoon / web novel

91.1%<sup>(1)</sup>

**kakaopiccoma**

webtoon (Japan)

40.3%<sup>(1)</sup>

**SM ENTERTAINMENT**  
GROUP

K-pop

40.8%<sup>(1)</sup>

**kakaogames**

mobile / PC games, virtual golf

Note: (1) Percentage figures indicate Kakao Corp's ownership stake in subsidiaries; all entities are consolidated subsidiaries but for Kakaobank (equity method accounting).

### REINVENTING

#### Redefining Kakao Talk and its Business Model

- Ongoing transition from a messenger app to a **comprehensive communication service platform**
- Ramp-up and monetization of **new tabs**, expansion of **user base** and **ad inventory**, **insulating the e-commerce** business from domestic competitors and the value-for-money Chinese platforms

### REALIGNING

#### More Focused Resource Allocation and Business Portfolio Optimization

- Ploughing the growing profits back into **major AI initiatives** and **key capex** projects to drive growth
- Streamlining the **group structure** to channel key resources to more promising areas and **reduce holdco discount**

### RECALIBRATING

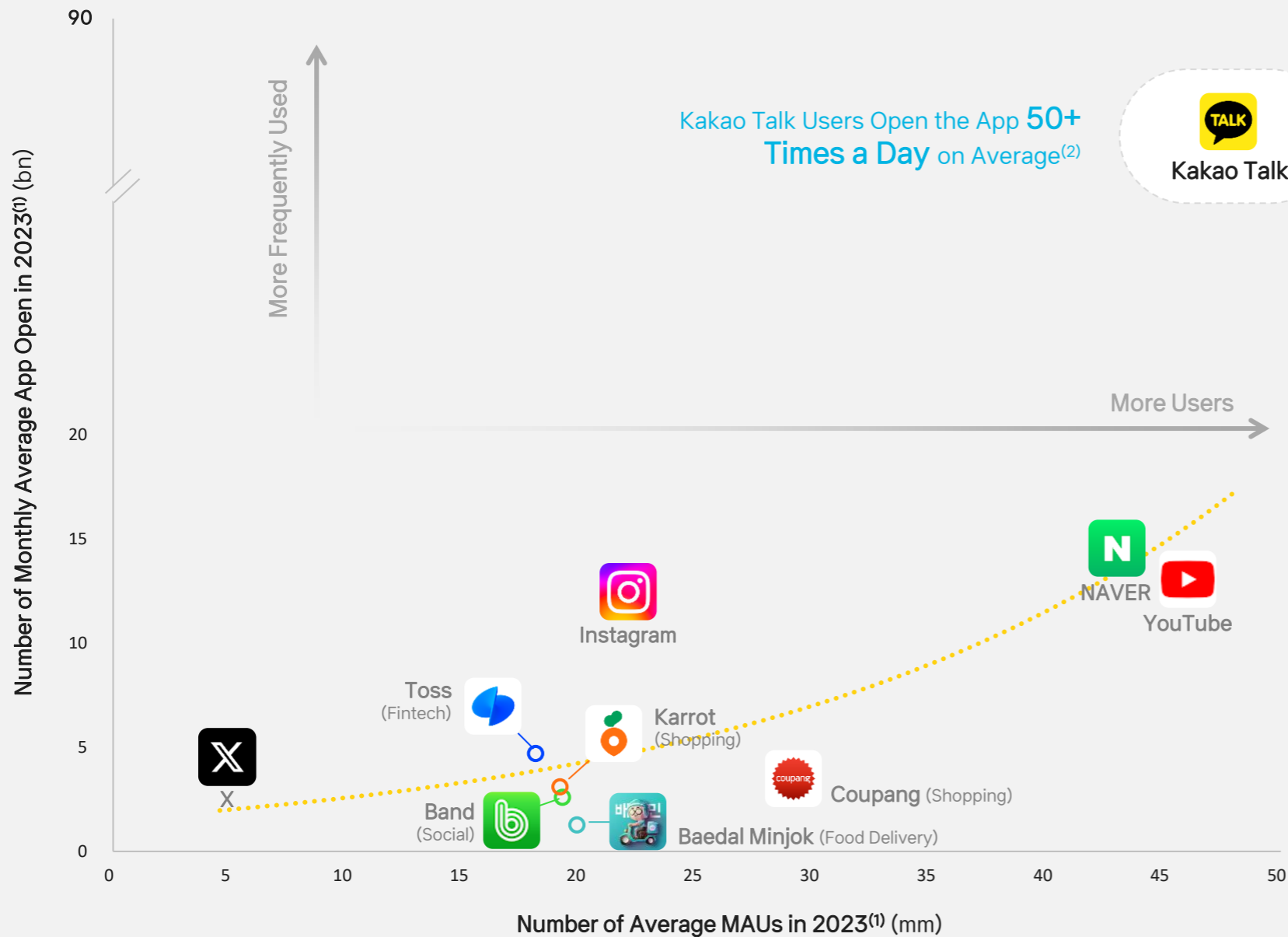
#### Better Financial Discipline and Improved Transparency

- **New management's** rigorous focus on **financial discipline** to drive profitability amid higher interest environment
- Key divisions delivering **profit upside** with new initiatives **narrowing losses**
- Transition to a more **conservative and transparent** accounting practice

## Undisputed Market Leader in Korea's Mobile Space

### Kakao Talk: No. 1 Mobile App in Korea

2023 Most Popular Apps in Korea by User Traffic & Usage Frequency<sup>(1)</sup>



**No. 1 Messenger in Korea**

93% Population Penetration<sup>(3)</sup>



**No. 1 Mobility Platform in Korea**

Taxi-Hailing, Designated Driver, Parking



**No. 1 Digital Bank in Korea**

by Deposit & Loan Balance



**No. 1 Webtoon Platform in Korea**

by In-App Purchase Revenue in 2023



**Global No. 1 Webtoon Platform**

by In-App Purchase Revenue in 2023



**Top 1% Sustainability Distinction**

by S&P Global's Corporate Sustainability Assessment in 2022 & 2023

Source: Company Information, Wiseapp Retail Goods, Korea's Fair Trade Commission, Sensor Tower, Mobile Index.

Note: (1) Based on mobile app user data in January – November 2023 for Android and iOS, except for X (MAU as of 1H 2023 as compiled by Mobile Index). (2) Calculated as [avg. monthly app launch by MAUs] / [avg. number of MAUs] / 30 days based on the data from Wiseapp Retail Goods. (3) Based on annual average MAUs in 2023 and the number of total population in Korea as of April 2024.

# Making Every Korean's Daily Lives Better


A Life that Cannot Be Imagined without kakao





  
Shopping  
Fashion Items

  
Monitor  
My Health

  
Ask Merchant  
for Service

  
Advertise  
My Products

  
Book  
Flight Ticket

  
Find Best Route to  
Destination



# Key Products & Positioning - Kakao Talk

## Solid Growth and Profitability Built on Unique, Differentiated Competitive Moat

### Advertising



Advertising Inventory backed by Unique Traffic Base of No. 1 Messenger App

#### Korea's Digital Advertising

KRW9 tn  
Online Ads TAM<sup>(1)</sup>

16% Share  
Digital Ads

### E-Commerce



E-Commerce Platform with Unique Business Model of Gifting

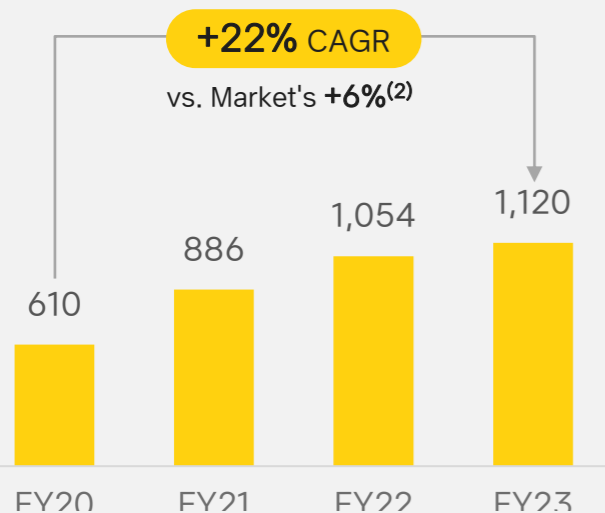
#### Korea's E-Commerce

KRW227 tn  
Online Retail TAM<sup>(4)</sup>

4% Share  
E-Commerce



#### Kakao Talk's Advertising Revenue Growth (KRW bn)



#### Key Growth Initiatives

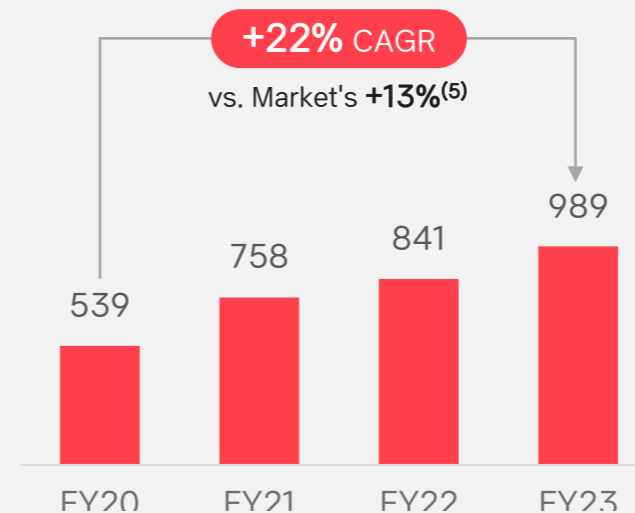
Focus on Enhancement of KakaoTalk Traffic Quality<sup>(3)</sup>

Expansion of the SME Advertiser Pool

Maintained Growth Momentum with Unique Products & High ROAS



#### Kakao's E-Commerce Revenue Growth (KRW bn)



#### Key Growth Initiatives

Expansion of Selections to Luxury / High-end Brands

Synergy Between Brand Store & Talk Channel

Use Case Expansion from Gifting to Self-Purchases

Source: Korea Broadcast Advertising Corporation (KOBACO), Korea Statistical Information Service (KOSIS), Company Filings.

Note: All revenue figures are before restatement as per the recent changes in accounting policy for the purpose of consistent growth comparison.

(1) Korea's online advertisement market as of FY2023. (2) Korea's online advertisement market as per KOBACO.

(3) Ultimately leading to inventory expansion on the back of increased traffic in open chat and friend tabs. (4) Korea's online shopping market as of FY2023. (5) Korea's online shopping GMV as per KOSIS.



# Leadership Across Key Verticals With Continued Business Model Innovation

Mobility

kakaomobility

Market Leadership

**No. 1 Mobility Platform in Korea**

Growth Strategy



Expand **network of affiliated taxis**

Develop **advanced ads products**



Evolve into **gig & car owner platform**

Story

kakao ENTERTAINMENT  
kakaopiccoma

**Global No. 1** Webtoon Platform by In-App Purchase Rev. | **50%+** Digital Webtoon Market Share in Japan



Enhance **monetization & diversify IP library**



Strengthen **original IPs & expand ads biz. model**

Music

kakao ENTERTAINMENT  
SM ENTERTAINMENT GROUP

**Top 2** Entertainment Group in Korea | **30%+** Music Digital Retail Market Share in Korea



Develop **localized IPs in global markets**

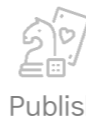


Accelerate **global expansion** in North America & Japan

Game

kakaogames

**Top 5** Game Publisher | **KRW1+ tn** Revenue (FY2023)



Secure game **IPs with global potential**

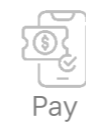


Expand to **console games & secure global hubs**

Tech-Fin

kakaopay  
kakaobank

**KRW141 tn** Total Payment Volume (FY2023) | **No. 1** Internet Bank



Maximize **cross-selling** (24.7 mm users using 3+ use cases in 2023 vs. 8.5 mm in 2022)

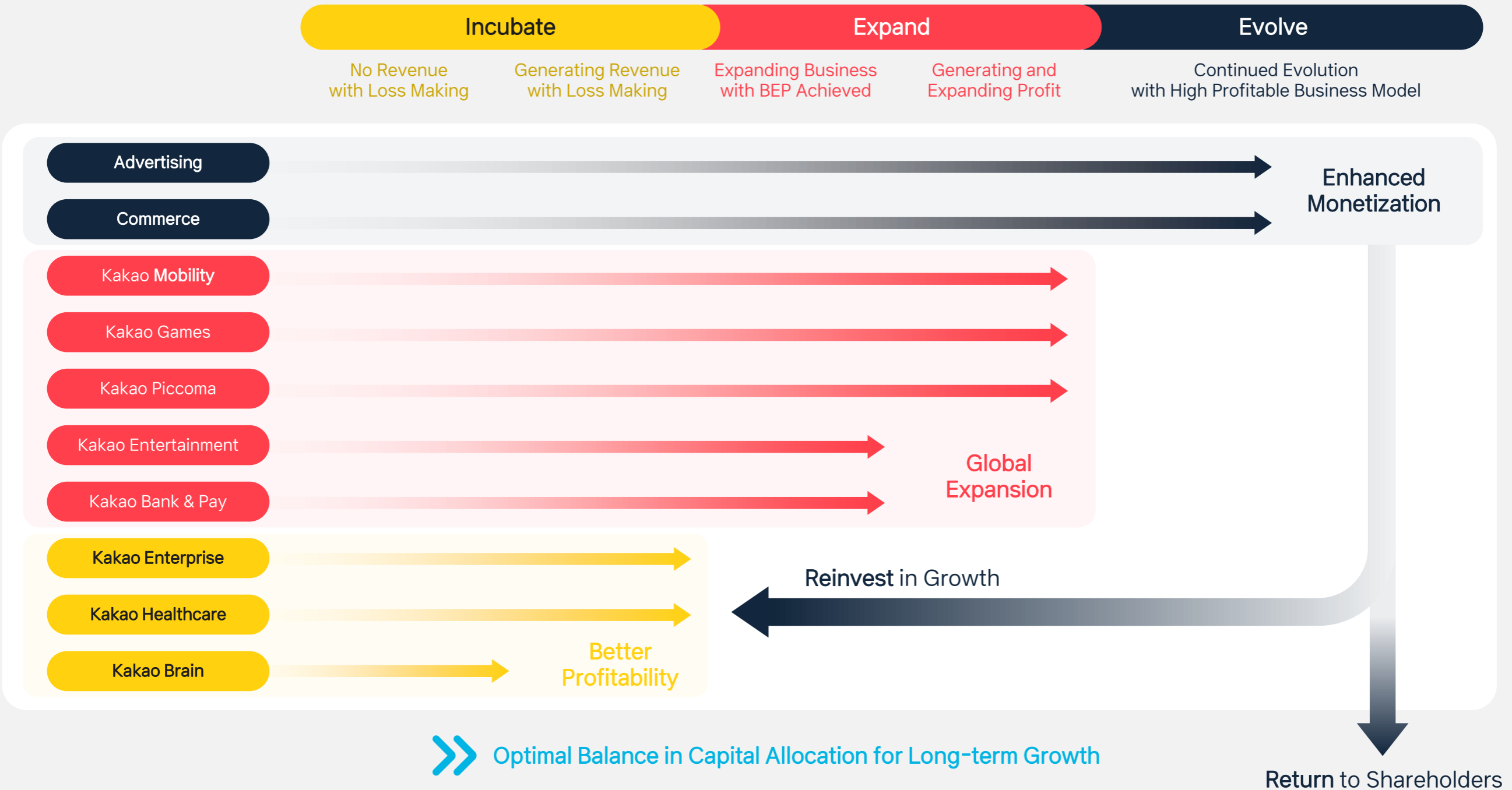


Deepen **penetration across all demographics** (Growth in all ages in FY2023)

Source: Company Information, Korea's Fair Trade Commission, Sensor Tower.



# Operating on the Full Range of Growth Cycle



### 1Q24 Results Summary

- 1Q24 revenue grew by 22% YoY to reach KRW 1.99tn, driven by strong ad business and platform subsidiaries
- Consolidated operating margin improved from 4% in 1Q23 to 6% in 1Q24 thanks to continued cost discipline; stand-alone margin remained healthy at 21.5%

### New Management Focus

- Reinventing KakaoTalk by providing users with expanded relationship base and tailored chatting experiences for better monetization
- Optimizing AI investments and pursuing business agility; AI research co (KakaoBrain) to be integrated into Kakao's AI service units in June to enable faster and more efficient rollout of user functions or services

### FY2024 Guidance and Strategy

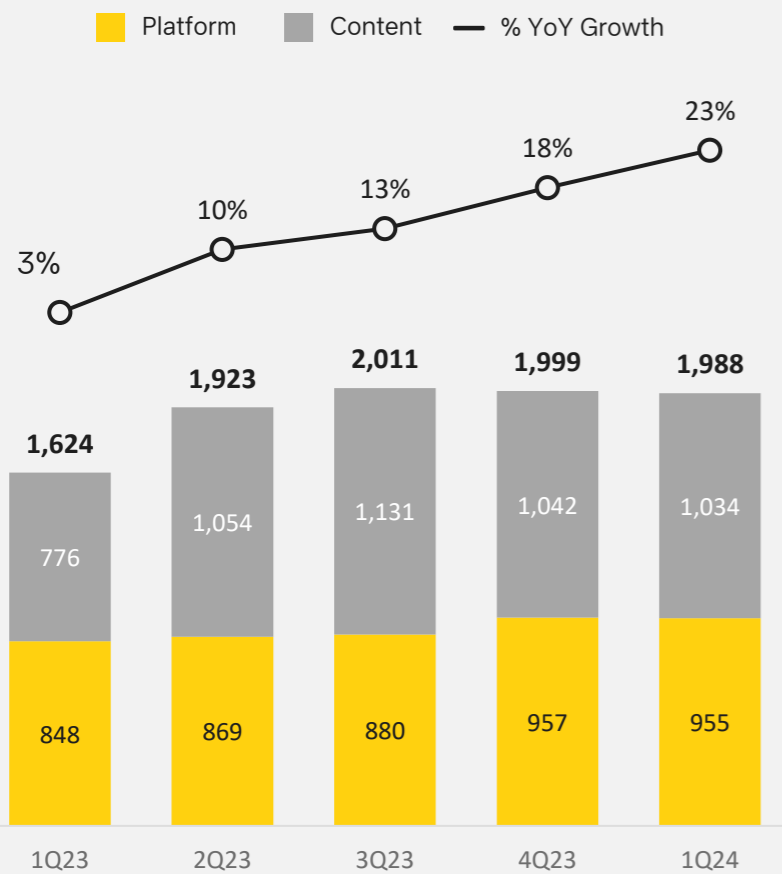
- Expect double-digit growth in consolidated revenue and improved operating profit margin vs 2023; Talk Biz aims to outperform the overall industry growth rate
- Focusing on improving messaging experience for better monetization of KakaoTalk, while channeling financial resources to growth initiatives like AI to further lock users into KakaoTalk for the longer term

# Key Financial Performance

## Robust Financial Performance With Continued Transformation

### Revenue

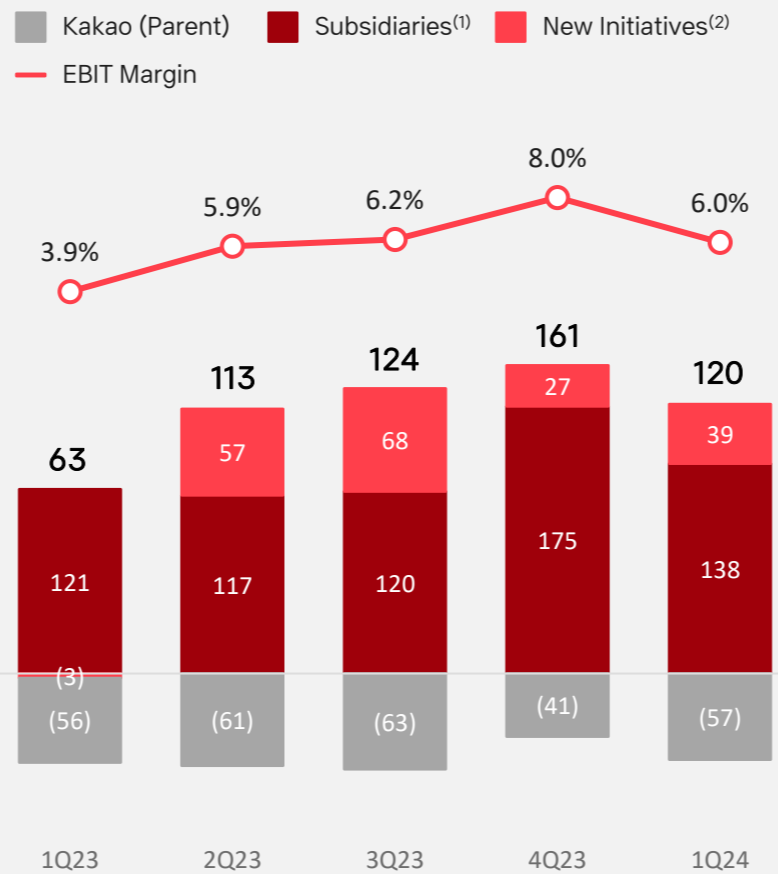
Quarterly Revenue (KRW bn)



- Overall growth with continued growth of Kakao Talk MAUs and Kakao Talk-native biz.
- Driven by robust performance of advertising (+10% YoY) and commerce (+5% YoY)

### EBIT

Quarterly EBIT (KRW bn)



- Subsidiaries EBIT turnaround in 2Q23 with continued business development
- New Initiative's narrowing loss with ongoing optimization of operations

### 1Q24 Highlights



**Increased Advertising Revenue**  
(1Q24 +10% YoY, -9% QoQ)  
increased demand from advertisers and higher contribution from business messaging



**Increased Commerce Revenue**  
(1Q24 +5% YoY, +5% QoQ)  
execution of advanced CRM marketing and expansion of premium brands



**Expanded Profitability**  
(1Q24 EBIT +92% YoY, -25% QoQ)  
cost reduction of New Initiatives with continued profit generation from Subsidiaries




Note: (1) All business segments excl. Kakao (Parent) and New Initiatives. (2) Includes Kakao Enterprise, Kakao Brain, and Kakao Healthcare.

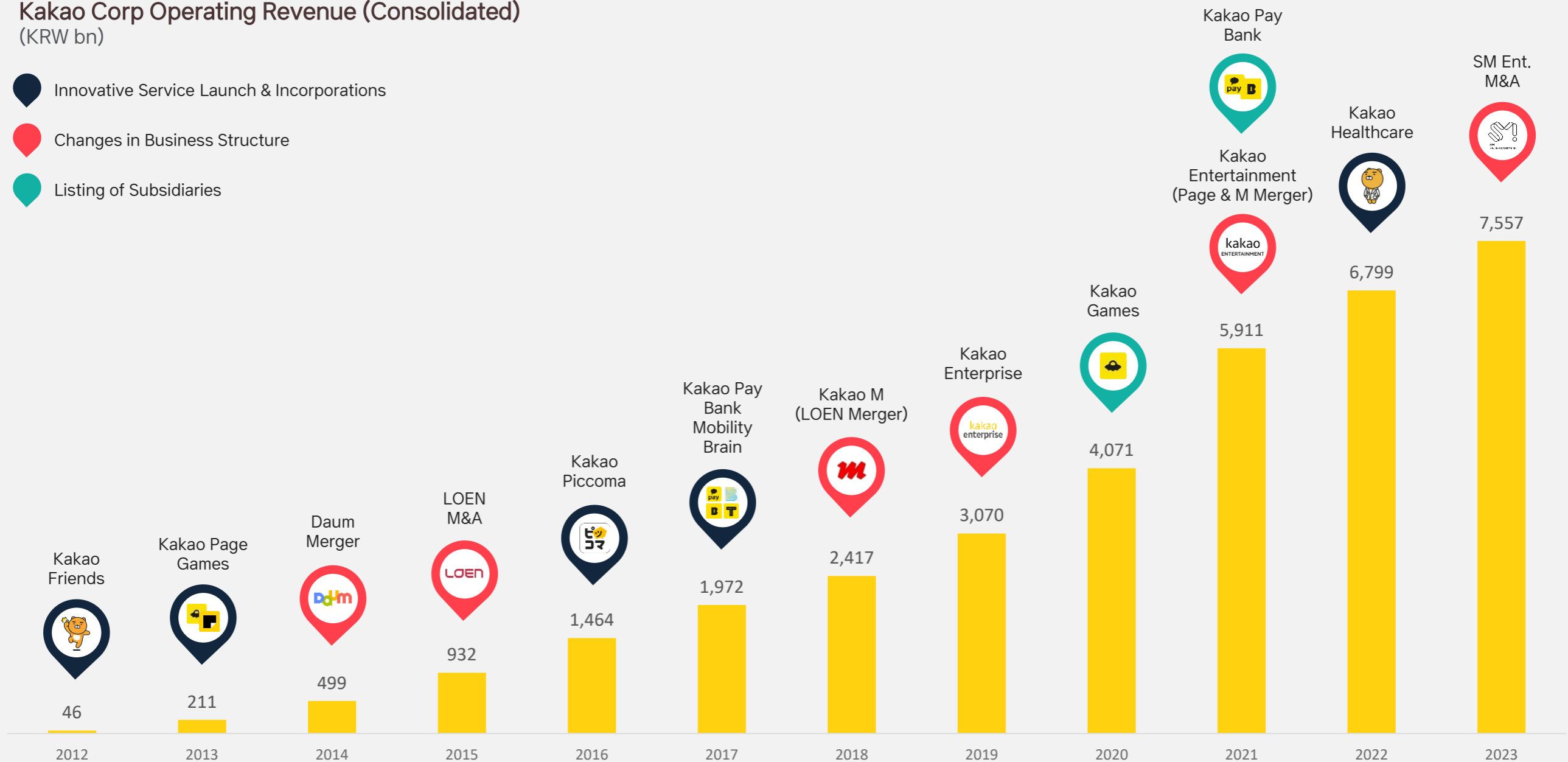
# Appendix

# Phenomenal Growth Trajectory Along With Growing Ecosystem

## Key Milestones

Kakao Corp Operating Revenue (Consolidated)  
(KRW bn)

-  Innovative Service Launch & Incorporations
-  Changes in Business Structure
-  Listing of Subsidiaries



Note: 2022 / 2023 operating revenue figures are based on those after restatement as per the change in accounting policy.

# Kakao's Continued Focus on ESG Initiatives

Key ESG Initiatives

**Environment**



RE100<sup>(1)</sup>  
at Jeju Office



Upcycling  
Projects<sup>(2)</sup>



Green Digital  
Campaigns<sup>(3)</sup>



**Social**



KRW300 bn  
Established support fund for  
SMEs' digital transformation



Tech Campus  
with universities to  
nurture technical talents



'Kakao Together'  
Fundraising project for  
causes in need



**Governance**



DAO<sup>(4)</sup> Appointment  
First IT company to  
appoint DAO in Korea



New Committees  
Appointment of technology  
ethics and ERM committees



CEO KPI  
15% of CEO KPI dedicated  
to ESG related initiatives

## ESG Ratings



**Rated A (2023)**  
From MSCI ESG ratings



**Grade A (2023)**  
From KCGS ESG ratings



**Top 1% (2024)**  
From S&P Global for  
sustainability distinction

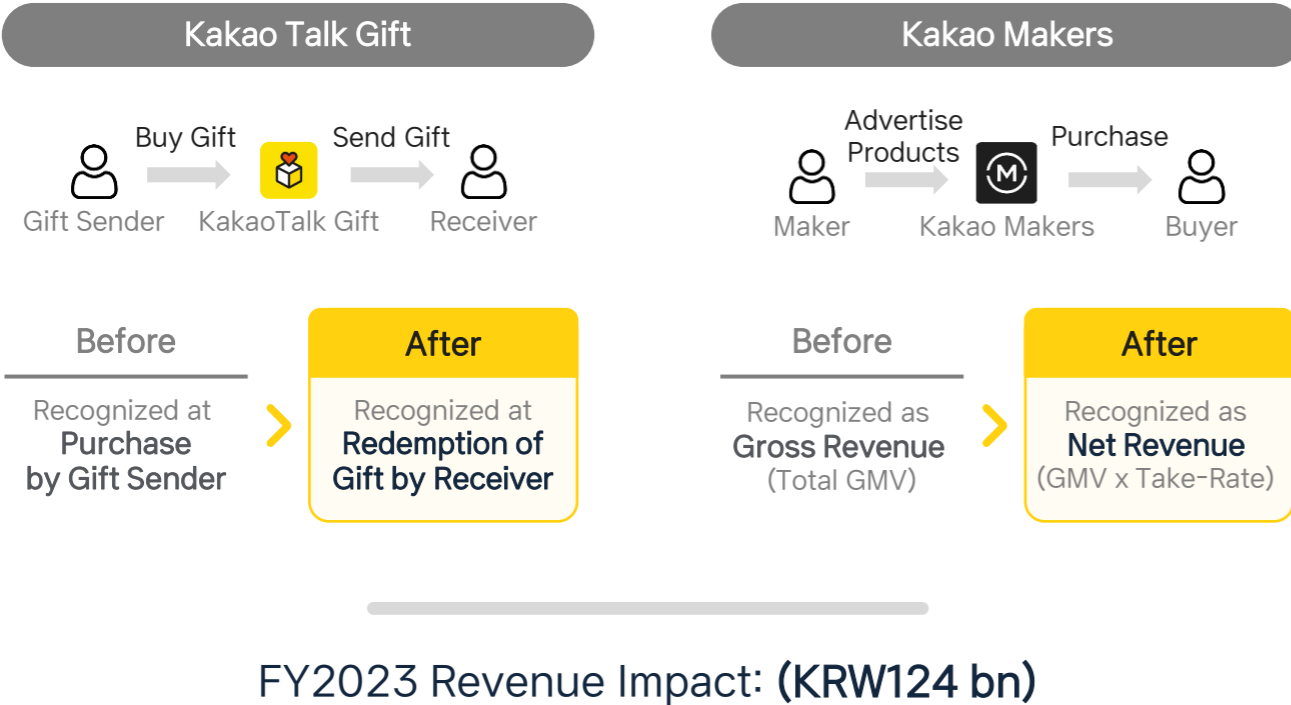


**Member (2023)**  
Member of DJSI World,  
Asia Pacific, and Korea

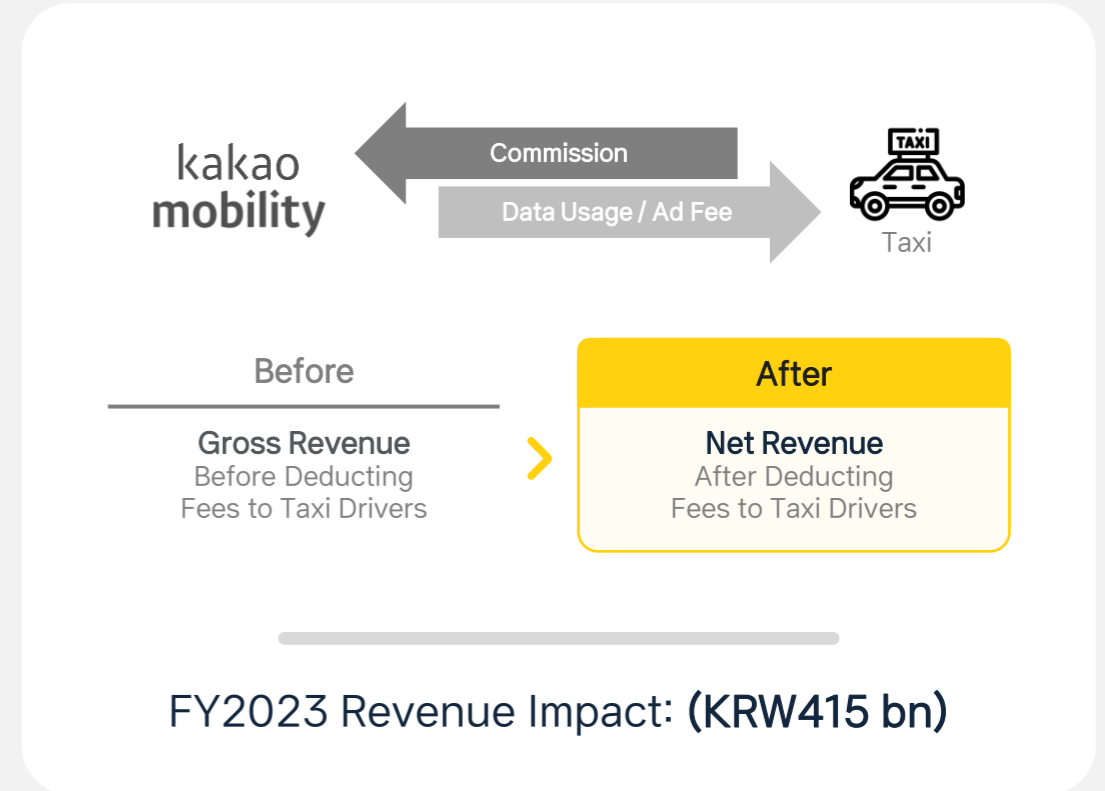
Note: (1) RE100: An international agreement to replace 100% of electricity used by businesses with renewable energy by 2050. (2) Upcycling used T-shirts and sweaters to socks and cardigans. (3) Dark-mode of Kakao Talk, mobile e-bills, etc.

## More Conservative Accounting Practice to Enhance Financial Soundness

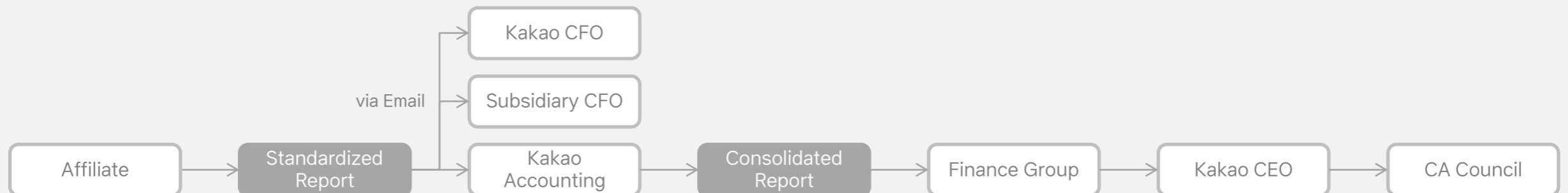
### Kakao Commerce - Changes in Revenue Recognition



### Kakao Mobility - Changes in Revenue Recognition





### Other Change: Formalized Reporting Process of Accounting Change after Deadline



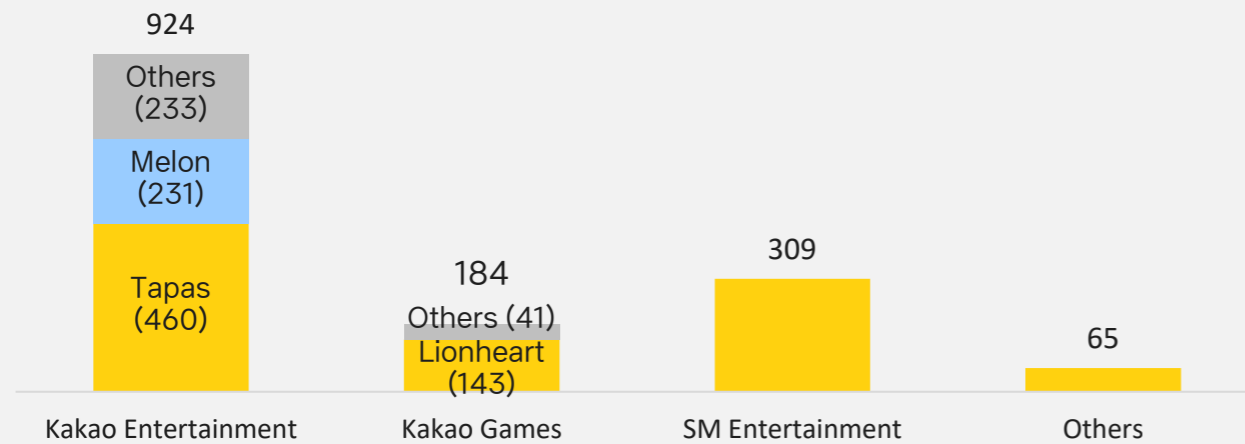


# Appendix 3. Major Accounting Changes in 2023 (Cont'd)

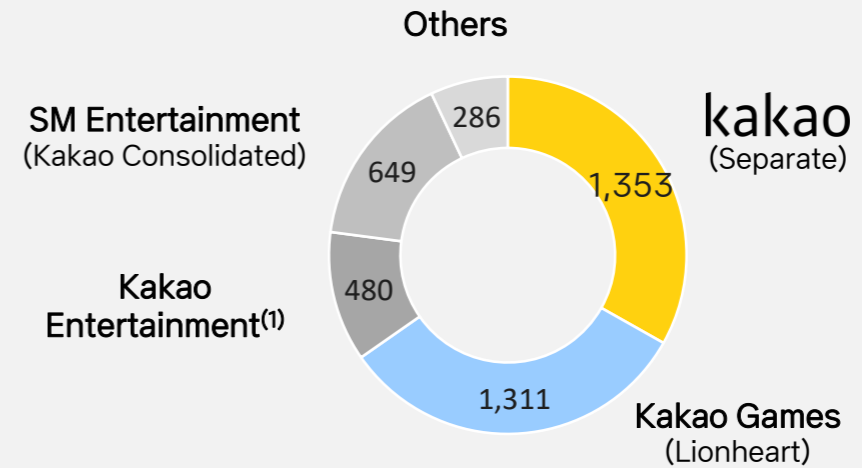
 **As the result of intangible impairment in Q4 2023, quarterly amortization cost is expected to decrease by KRW10 bn**  
 Goodwill impairment of KRW1,483 bn and PPA impairment of KRW314 bn in 4Q23 alone, reflecting recent challenging macro environment

 **Implementation of more disciplined monitoring and transparent assessments of intangible assets**  
 Regular monitoring on the value of intangible assets, and timely disclosure of the details of any potential impairments

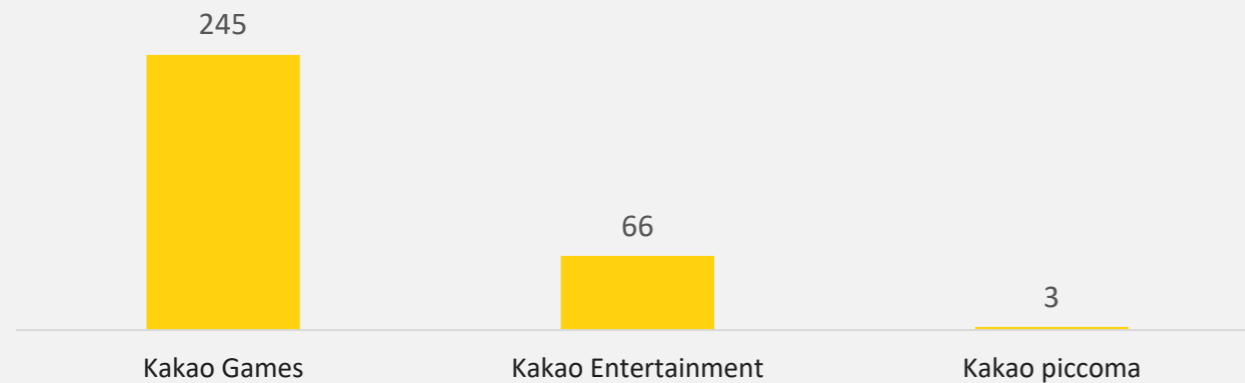
**Goodwill Impairment** (4Q23, in KRW bn)



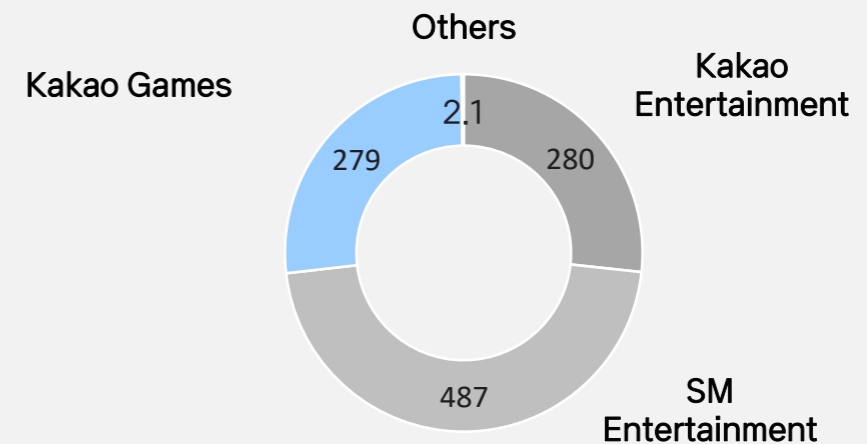
**Goodwill Balance** (as at end of FY2023, in KRW bn)



**PPA Impairment** (4Q23, in KRW bn)



**PPA Balance** (as at end of FY2023, in KRW bn)



Note: (1) Remaining goodwill balance of Melon and Tapas is only KRW4.6 bn and 11.4 bn, respectively.

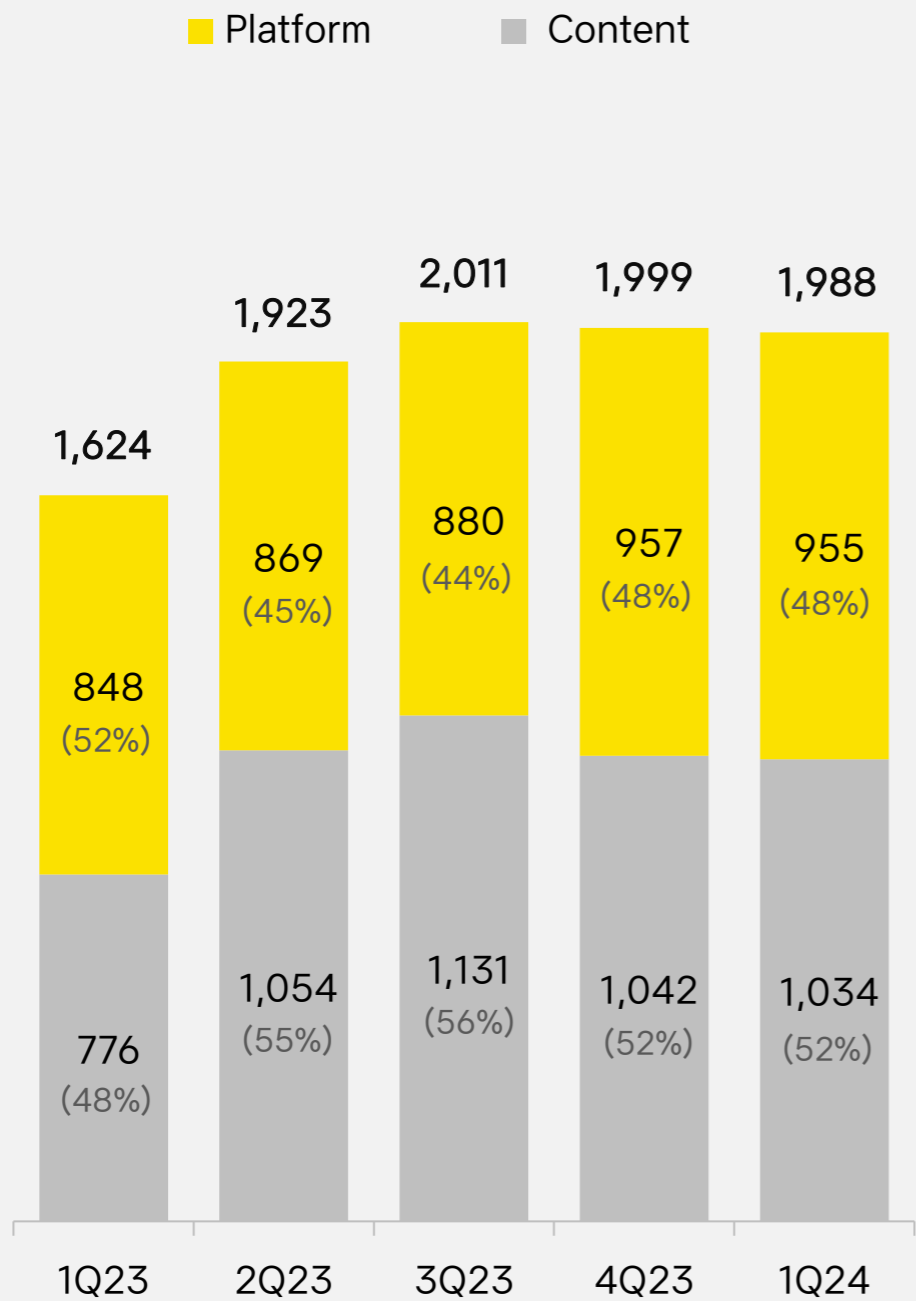
# Q1 2024 Earnings Results

# Revenue

**Q1 Revenue +22% YoY / -0.5% QoQ**

Q1 MIX : Platform 48%, Content 52%

(in bn KRW)



Revenue Breakdown		
Platform	Talk Biz	Advertising : Bizboard, Talk Channel, Emoticon
		Commerce : Gift, Store, Makers, Kakao Friends Online
	Portal Biz	Daum PC / Mobile Kakao Story / Style / Page Other Subsidiaries' Ad
	Platform-Others	Mobility Pay Enterprise Blockchain Other Subsidiaries Kakao Friends-Others
Content	Game	Mobile PC Other
	Music	SM Entertainment Melon Digital Music Distribution Album Distribution Music Production
	Story	Entertainment Piccoma
	Media	Video Production Talent Agency

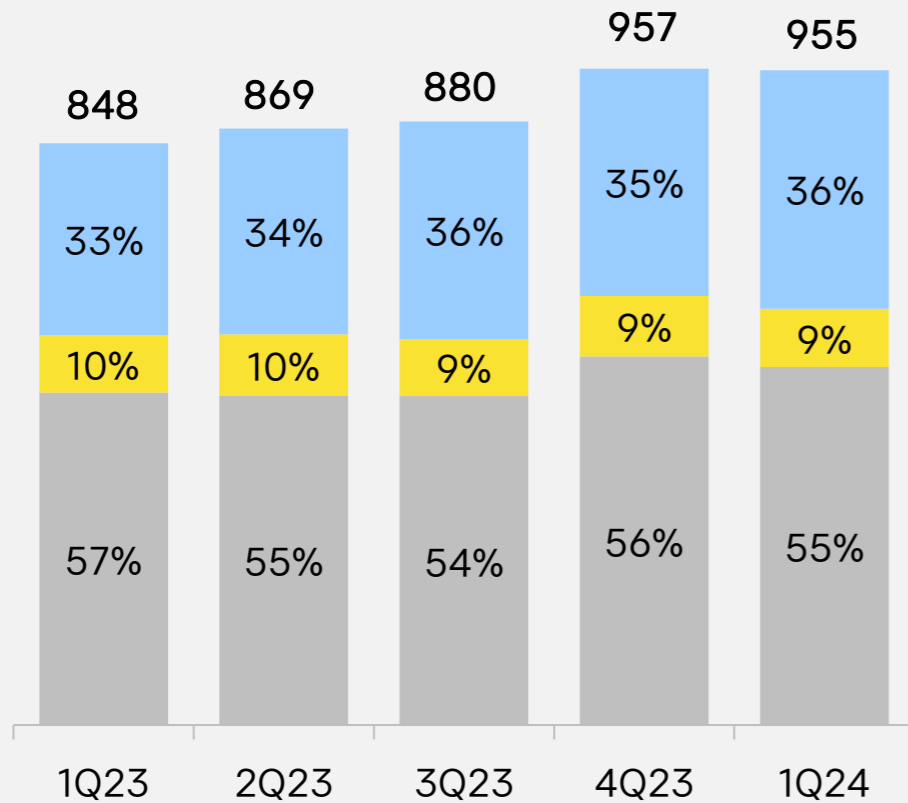
# Revenue

## Platform

1Q24 +13% YoY, -0.2% QoQ

(in bn KRW)

■ Talk Biz ■ Portal Biz ■ Platform-Others

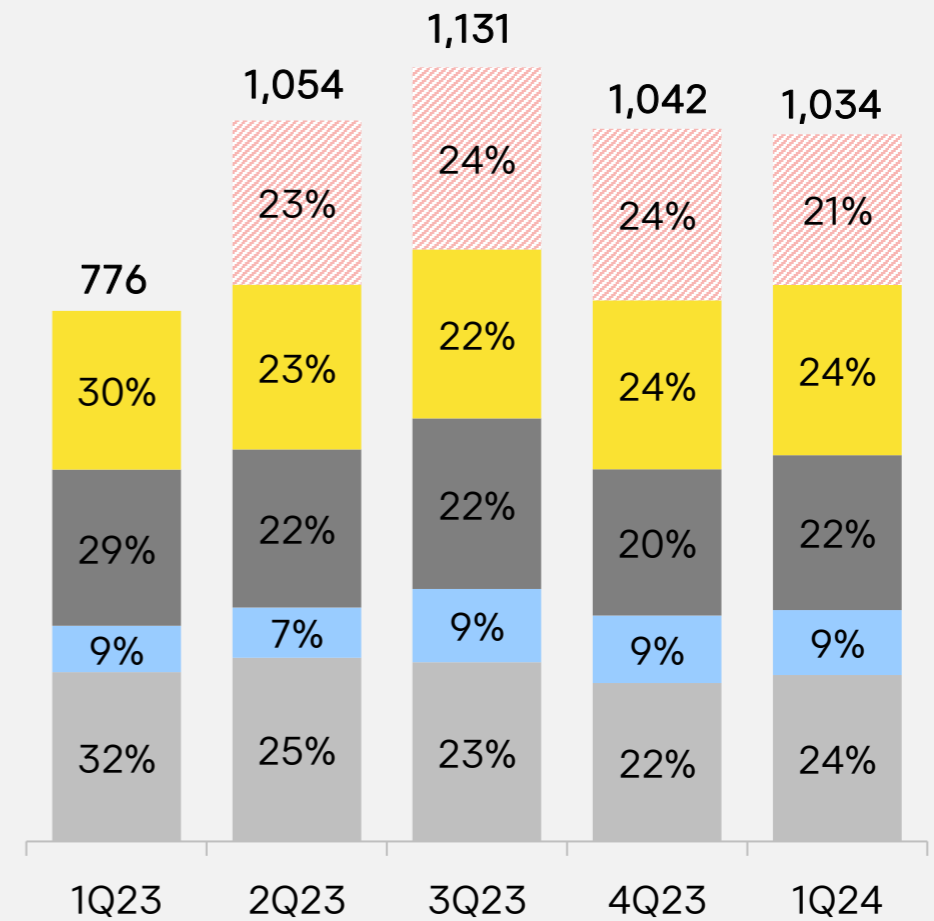


## Content

1Q24 +33% YoY, -0.8% QoQ

(in bn KRW)

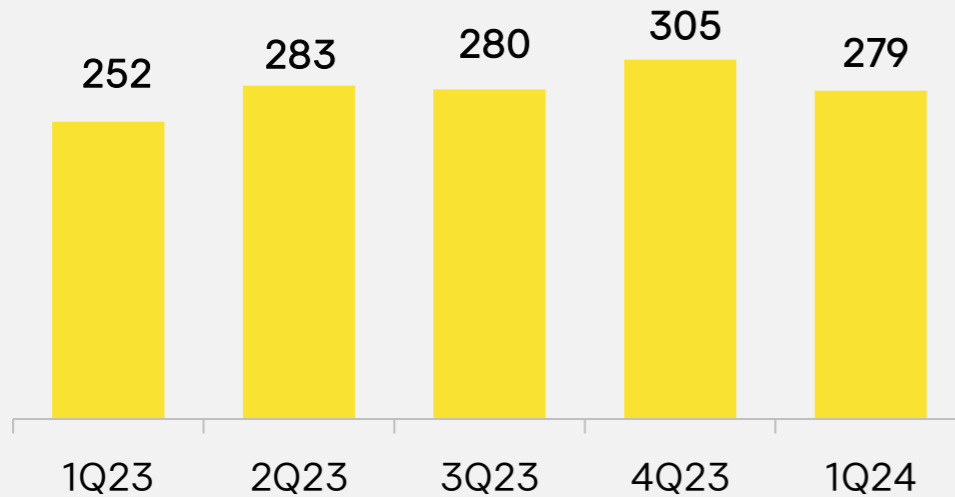
■ Game ■ Story ■ SM Entertainment<sup>1)</sup> ■ Media ■ Music



1) SM – before consolidation adjustment

## Advertising

(in bn KRW)

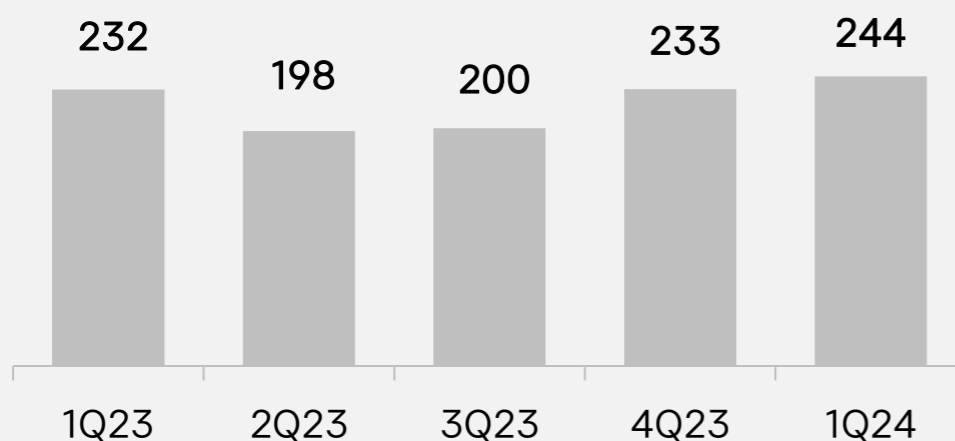


**1Q24 +10% YoY, -9% QoQ**

- (YoY) ① Business Messaging +14%, Increased demand from financial and commerce sector ② Bizboard +11%, Increased user traffic and higher revenue contribution from Friends tab Bizboard CPT
- (QoQ) Low seasonality

## Commerce

(in bn KRW)



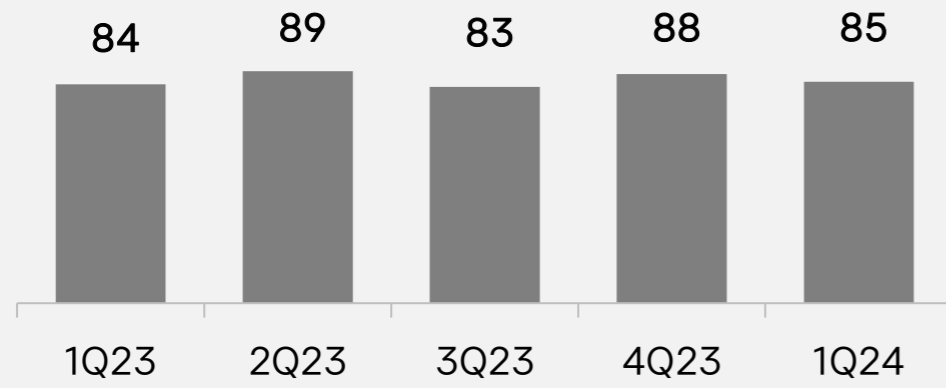
**1Q24 +5% YoY, +5% QoQ**

- Total Commerce GMV : 2.6 tn KRW(+7% YoY)
- Talk Gift revenue increased by +6% YoY, non-gift commerce led lower revenue growth rate relative to GMV growth rate
- (YoY) ① Premium gift ② Advanced CRM marketing
- (QoQ) Maximizing peak seasonality with gift reservation

**Platform | Portal, Others**

**Portal Biz**

(in bn KRW)

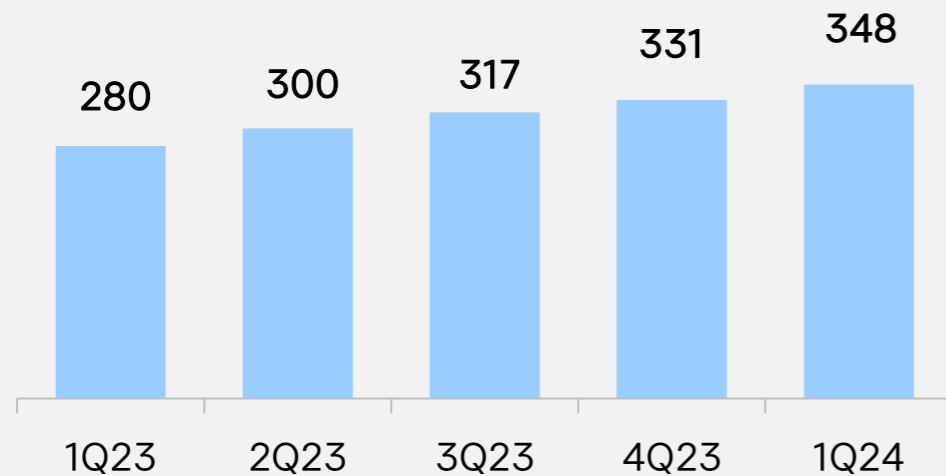


**1Q24 +1% YoY, -4% QoQ**

- Proactive endeavor on profitability improvement through partnership with global leading ad partners
- Expecting improved user engagement with the launch of short-form video dedicated tab

**Platform-Others**

(in bn KRW)

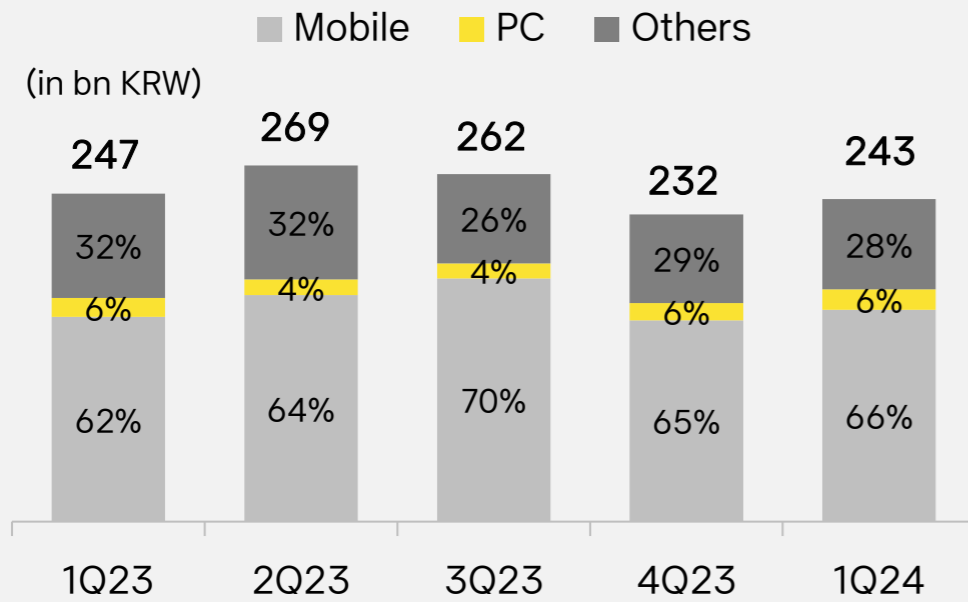


**1Q24 +24% YoY, +5% QoQ**

- **Mobility** : Stable growth across all divisions: taxi, designated driver, and parking
- **Pay** : Record-high TPV of 40.9 tn KRW, +26% YoY  
(YoY) Secured largest payment network in Korea via partnership with Samsung Pay and Zero Pay  
(QoQ) Strong growth from financial services, achieving record-high quarterly revenue (50 bn)

Content | Game, Music

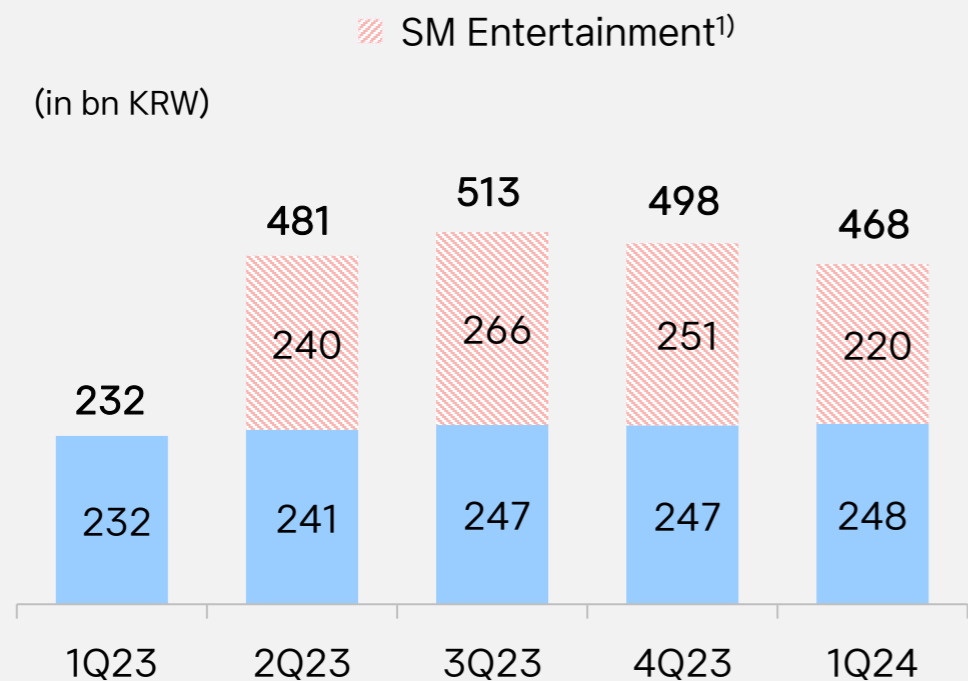
### Game



1Q24 -2% YoY, +5% QoQ

- (YoY) Revenue decline of original IPs
- (QoQ) Successful launch of new mobile game 'ROM'

### Music



1Q24 +102% YoY, -6% QoQ

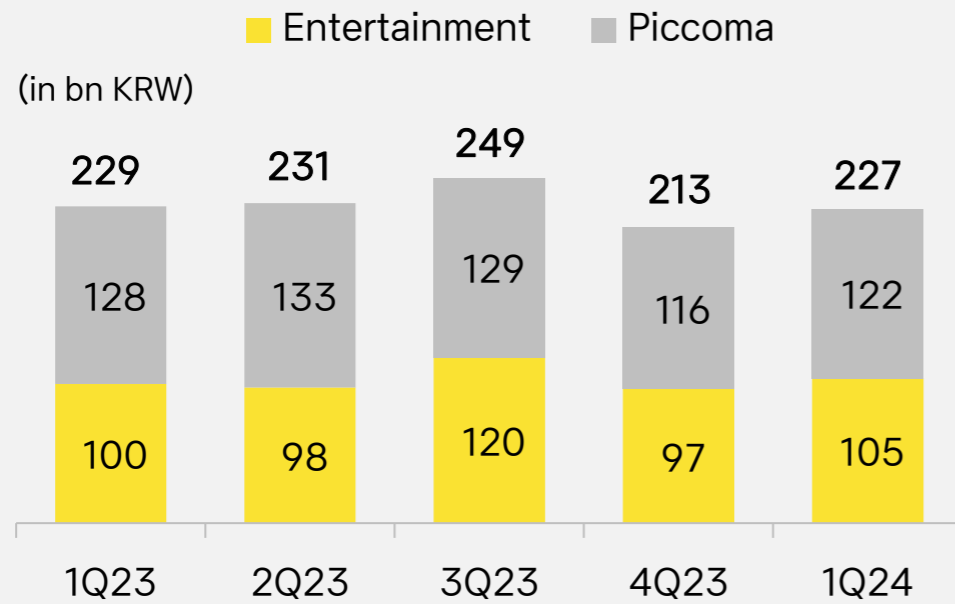
- (YoY) Impact from the consolidation of SM
- (QoQ) Less concert and album line-ups incl. SM artists

1) Before consolidation adjustment of SM Entertainment



**Content | Story, Media**

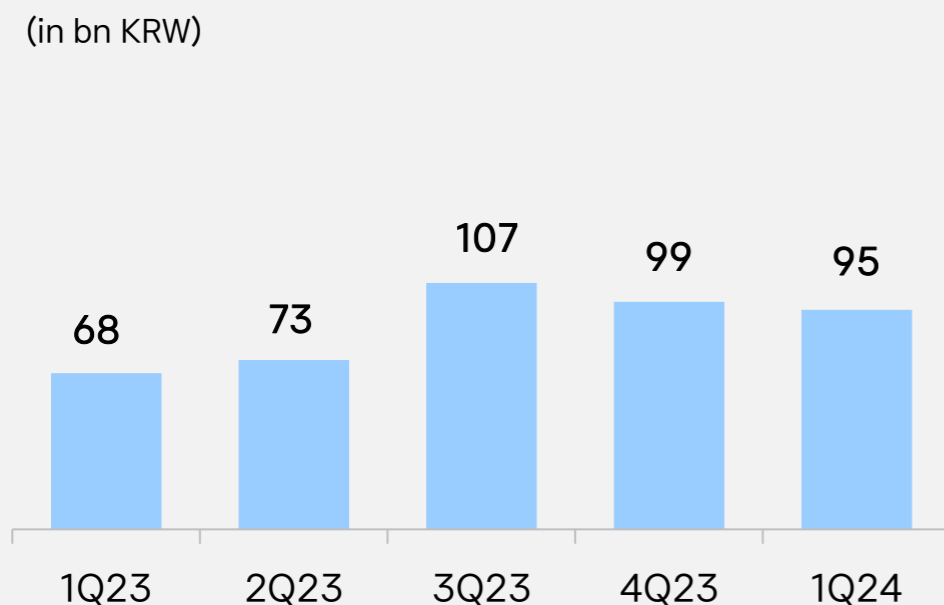
**Story**



**1Q24 -1% YoY, +6% QoQ**

- **Piccoma:**  
 (YoY) Weakness in Yen offsetting increase in GMV  
 (QoQ) Virtuous content cycle through IP media production  
 (in Yen) GMV +8% YoY, +1% QoQ  
 Revenue +1% YoY, +7% QoQ
- **Entertainment :**  
 (YoY) Increased paying user base  
 (QoQ) Increased GMV through enhanced CRM marketing

**Media**



**1Q24 +41% YoY, -4% QoQ**

- (YoY) Base effect due to production lineup concentrated in 2H23
- (QoQ) Difference in production stage of new IPs

# Earnings Summary

(in bn KRW)	1Q23	4Q23	1Q24	YoY	QoQ
<b>Total Revenue</b>	1,624	1,999	1,988	22%	-0.5%
<b>Platform</b>	848	957	955	13%	-0.2%
Talk Biz	485	538	522	8%	-3%
Portal Biz	84	88	85	1%	-4%
Platform-Others	280	331	348	24%	5%
<b>Content</b>	776	1,042	1,034	33%	-0.8%
Game	247	232	243	-2%	5%
Music	232	498	468	102%	-6%
Story	229	213	227	-1%	6%
Media	68	99	95	41%	-4%
<b>OPEX</b>	1,561	1,838	1,868	20%	2%
<b>Operating Profit</b>	63	161	120	92%	-25%
<i>OPM</i>	3.9%	8.0%	6.0%	2.2%p	-2.0%p
<b>Net Profit</b>	8	-1,917	68	712%	-
Controlling Interests	22	-1,112	74	232%	-
Non-controlling Interests	-14	-805	-6	-	-
<i>Net Profit Margin</i>	0.5%	-	3.4%	2.9%p	-

# Operating Expenses

(in bn KRW)	1Q23	4Q23	1Q24	YoY	QoQ
Operating Expenses	1,561	1,838	1,868	20%	2%
Labor	448	472	479	7%	1%
Cost of Revenue	642	714	820	28%	15%
Outsourcing / Infrastructure	174	257	202	16%	-21%
Marketing	97	104	89	-8%	-14%
Depreciation & Amortization	150	210	198	32%	-6%
Misc.	50	80	80	61%	-1%

## 1Q Analysis

- Labor** (YoY) Consolidation of new subsidiaries including SM, ex. SM YoY decrease  
 (QoQ) Recognition of salary increase, bonus allocation based on 2024 annual performance plan
- Cost of revenue** (YoY) Consolidation of SM, increased media and production revenue from Kakao Entertainment  
 (QoQ) Base effect from SM cost account conversion effect<sup>1)</sup>
- Outsourcing / Infrastructure** (YoY) Consolidation of SM, increase in AI-related infrastructure cost  
 (QoQ) Base effect from SM cost account conversion effect<sup>1)</sup>
- Marketing** (YoY, QoQ) Focus on marketing cost efficiency
- Depreciation & Amortization** (YoY) Increase in depreciation expenses for servers & other tangible assets, recognition of PPA amortization expenses of SM  
 (QoQ) Reduced PPA amortization due to impairment recognized 4Q23

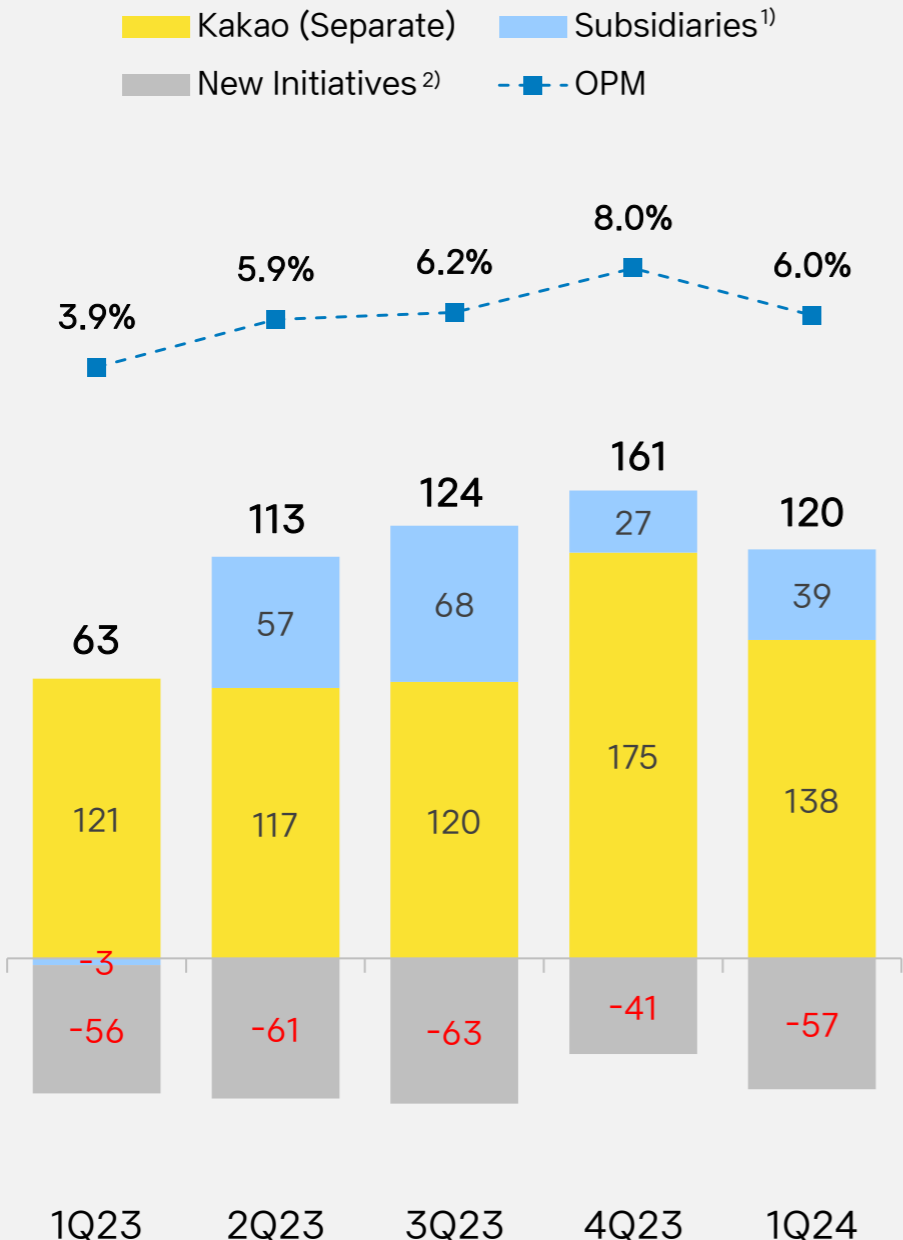
1) Converted commission fee of SM into labor cost and outsourcing/infrastructure cost under Kakao's consolidation accounting policy

# Profits

## Operating Profit(M)

1Q24 +92% YoY, -25% QoQ

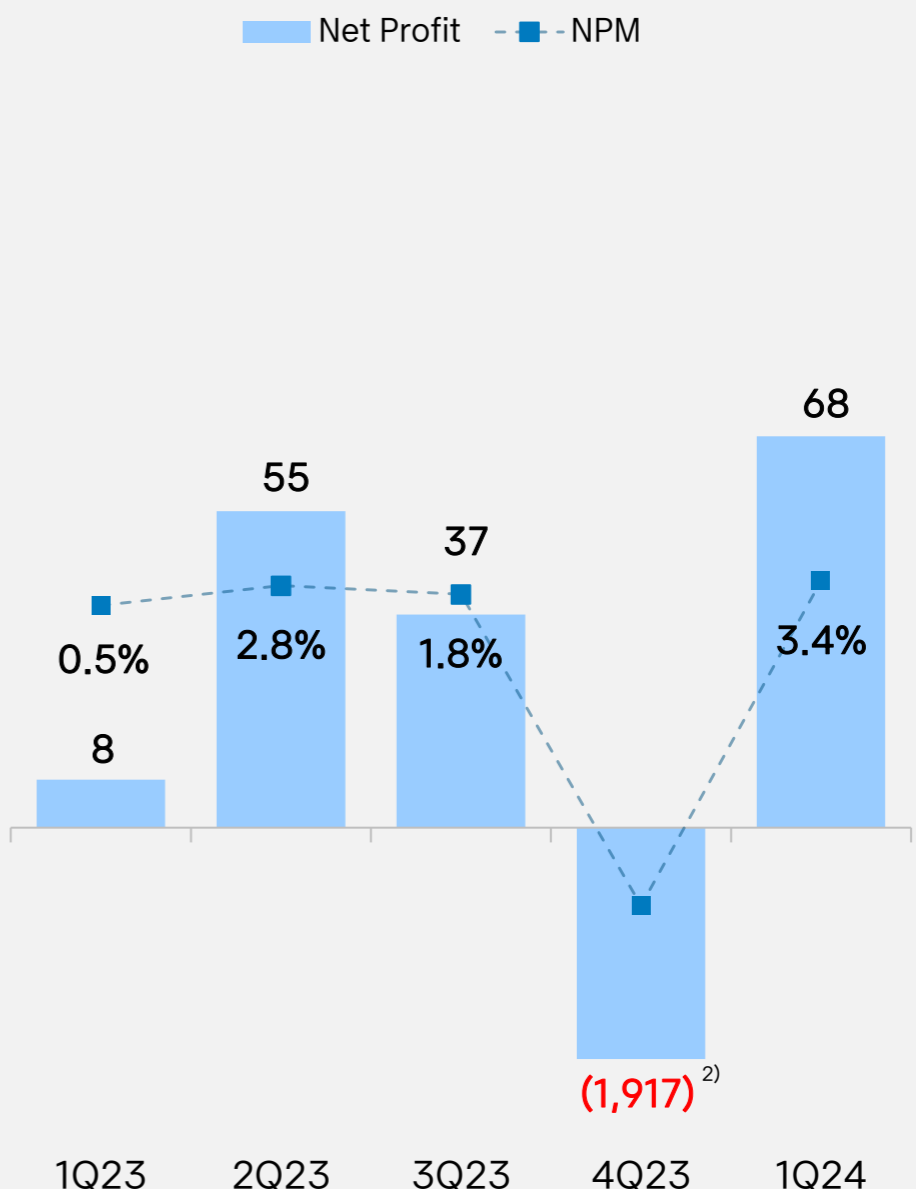
(in bn KRW)



## Net Profit(M)

1Q24 +712% YoY, TR QoQ

(in bn KRW)



1) Subsidiaries: All business segments ex. Kakao & New Initiatives  
 2) New Initiatives: Kakao Enterprise, Kakao Brain, Kakao Healthcare  
 3) Subsidiaries includes internal transaction

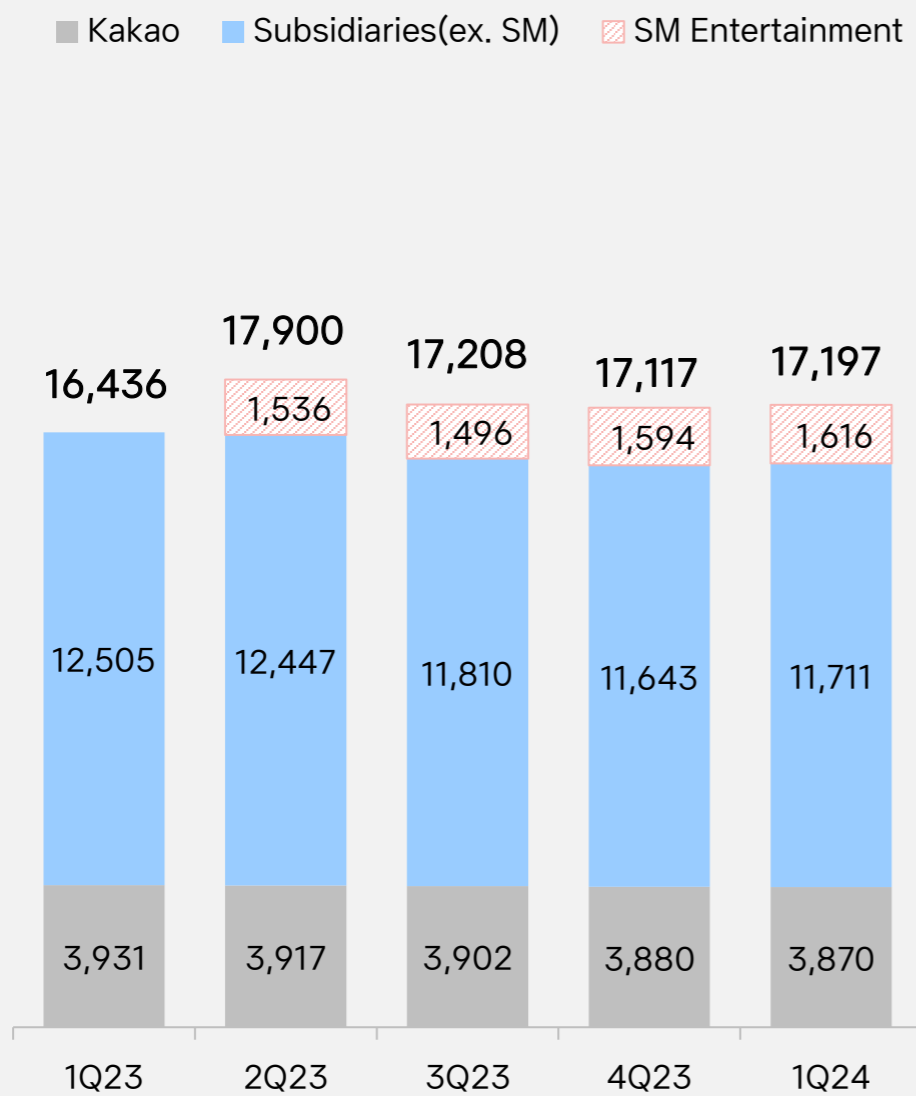
1) CapEx : Based on cash outflow for acquisition of tangible/intangible assets  
 2) 4Q23 : Net loss due to impairment of goodwill (1.48 tn) and PPA impairment (311 bn)

# Employees / CapEx

## Employees

+80 QoQ with hiring in subsidiaries  
YoY decrease ex. SM consolidation

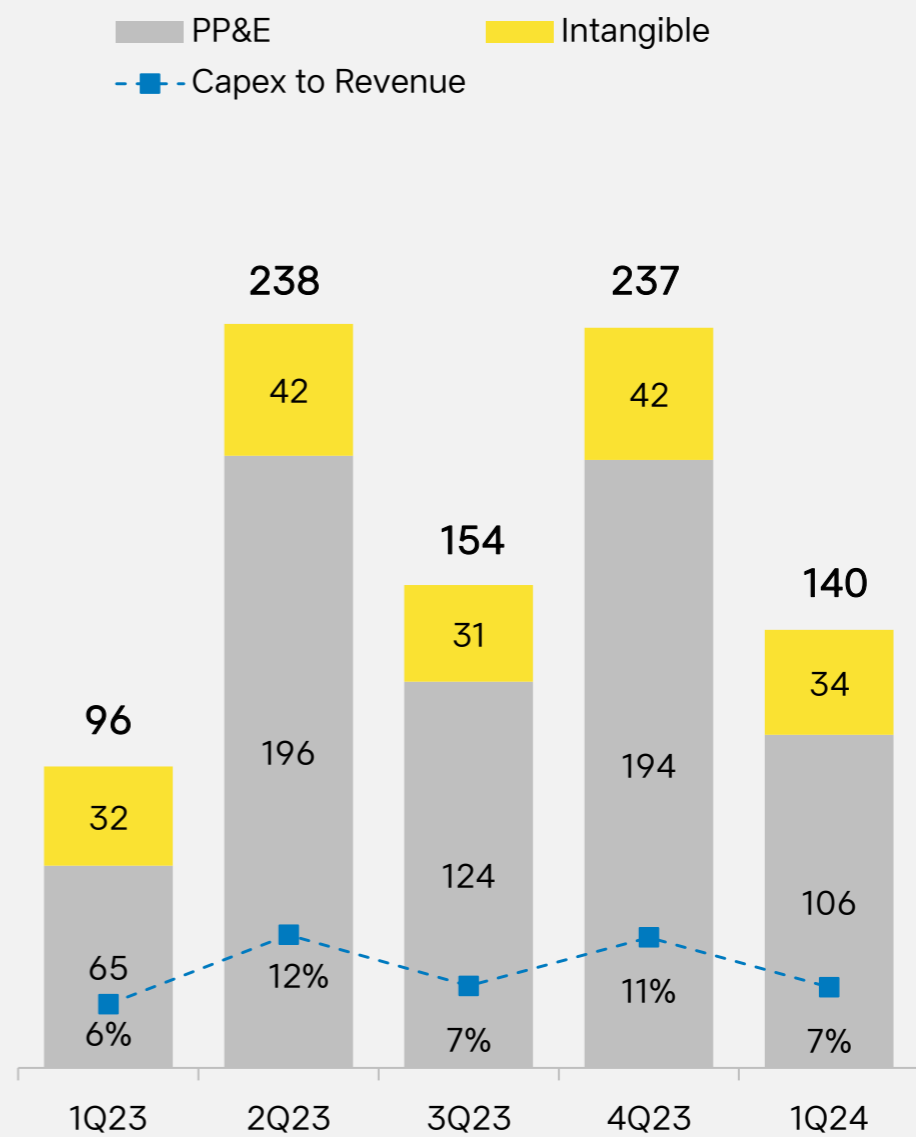
(# of people)



## CapEx

-97 bn QoQ with completion of in-house IDC

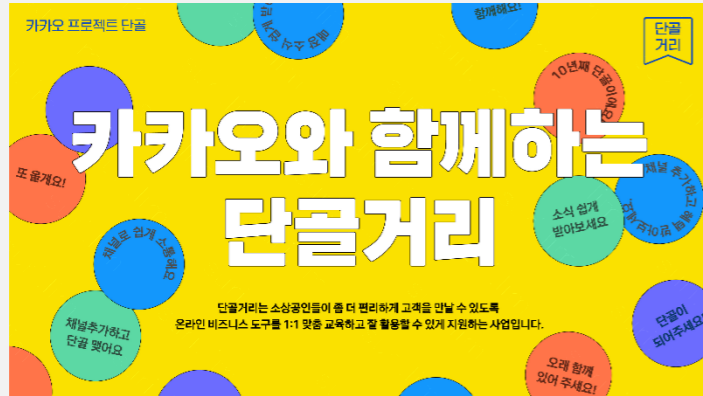
(in bn KRW)



1) PP&E : Assets under construction related to data centers and machinery such as server networks  
 2) Intangible : Goodwill and other intangible assets including video production and distribution rights of story content

# ESG Activities

## 'Dangol Street' Project



## AI technology and co-prosperity initiative for the local SME's digital transformation

- Signed business agmt with the Small Business Market Promotion Corp.
- Support education and promotion using KakaoTalk Channels, Kakao Map Store Management, and Talk Store
- Message support will reach accum. 20 bn won, and using KakaoTalk Channels for customer service will save up to 141.4 bn won

## 2023 CDP Climate Change Awarded 'Leadership A'



## 2023 CDP Climate Change, Awarded 'Leadership A'

- Received the highest rating in the domestic telco sector of <Carbon Management Sector Honors>
- Recognition of efforts to reach carbon neutrality incl. <RE100> membership, procuring renewable energy, and user environmental contribution indicators

## 'GRS(Global Recycled Standard)' Certification



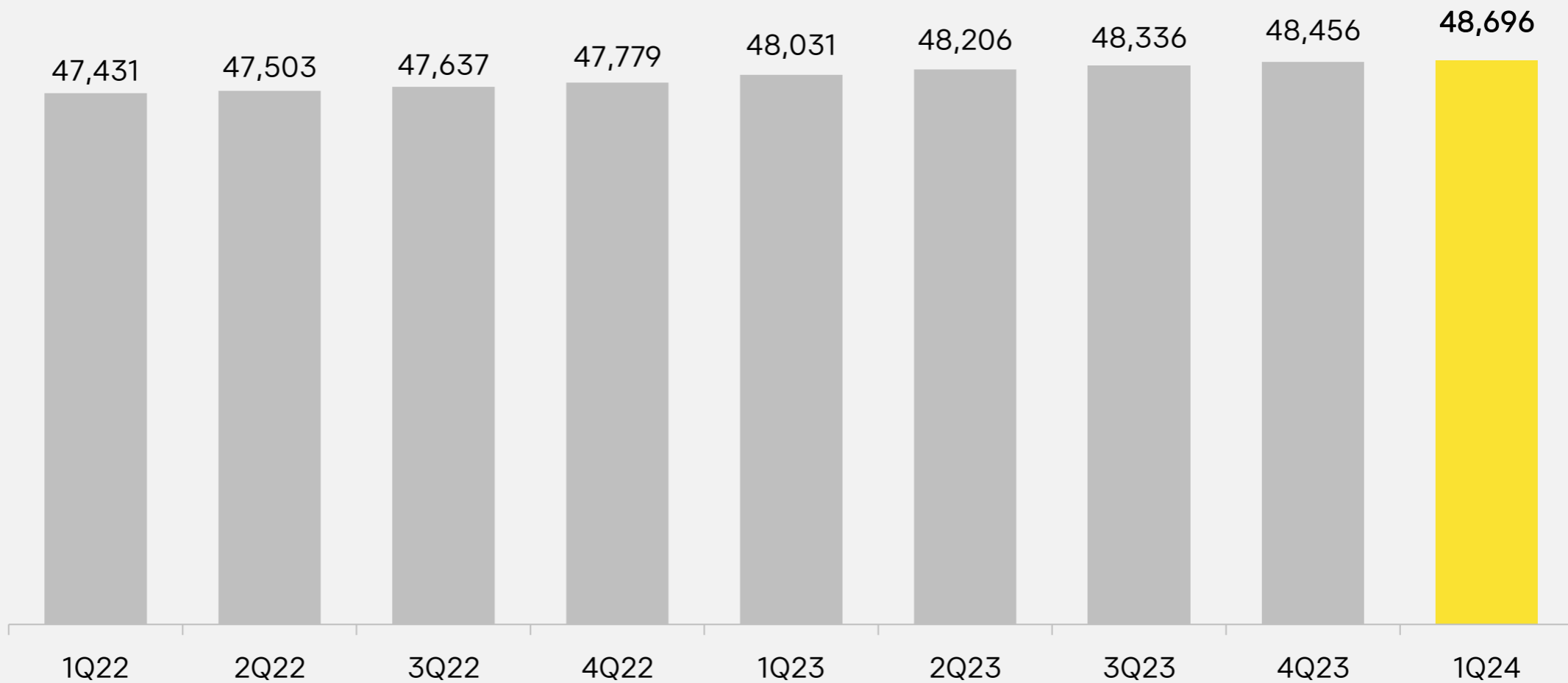
## Global Recycled Standard (GRS) Certified

- The GRS certification is awarded to products that contain at least 20% recycled materials and can trace their actual usage history.
- Kakao Makers and Kakao Friends plan to continue developing and introducing upcycled products that meet certification standards

# Kakao Talk MAU

Monthly Active Users in Korea grew by +665K YoY, +240K QoQ

(in thousands)



	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Korea	47,431	47,503	47,637	47,779	48,031	48,206	48,336	48,456	48,696
Global	53,366	53,302	53,561	53,483	53,390	53,453	53,556	53,571	53,760

Average of monthly MAUs. Global includes domestic MAUs.



# Consolidated FS

Income Statement					
(in bn KRW)	1Q23	2Q23	3Q23	4Q23	1Q24
<b>Total Revenue</b>	<b>1,624</b>	<b>1,923</b>	<b>2,011</b>	<b>1,999</b>	<b>1,988</b>
Platform	848	869	880	957	955
Talk Biz	485	480	479	538	522
Portal Biz	84	89	83	88	85
Platform Others	280	300	317	331	348
Content	776	1,054	1,131	1,042	1,034
Story	229	231	249	213	227
Game	247	269	262	232	243
Media	68	73	107	99	95
Music	232	481	513	498	468
<b>Operating Expenses</b>	<b>1,561</b>	<b>1,810</b>	<b>1,887</b>	<b>1,838</b>	<b>1,868</b>
Labor Cost	448	472	468	472	479
Cost of Revenue	642	780	849	714	820
Outsourcing / Infrastructure	174	205	199	257	202
Marketing Expense	97	100	105	104	89
Depreciation / Amortization Cost	150	192	198	210	198
Misc.	50	60	69	80	80
<b>Operating Profit</b>	<b>63</b>	<b>113</b>	<b>124</b>	<b>161</b>	<b>120</b>
<i>Margin(%)</i>	<i>3.9%</i>	<i>5.9%</i>	<i>6.2%</i>	<i>8.0%</i>	<i>6.0%</i>
Other Non-Operating Income	17	17	73	86	26
Other Non-Operating Expenses	42	28	80	2,164	47
Financial Income	79	62	56	121	80
Financial Expenses	46	51	70	141	54
Equity-method gain	34	28	33	27	43
Equity-method loss	40	29	23	27	27
<b>Profit before Income Tax</b>	<b>65</b>	<b>112</b>	<b>113</b>	<b>-1,937</b>	<b>141</b>
Income Tax	56	57	76	-21	73
<b>Net Profit</b>	<b>8</b>	<b>55</b>	<b>37</b>	<b>-1,917</b>	<b>68</b>
Controlling Interests	22	56	21	-1,112	74
Non-controlling Interests	-14	-1	16	-805	-6
<b>EBITDAR</b>	<b>213</b>	<b>305</b>	<b>324</b>	<b>369</b>	<b>319</b>
<b>Adjusted EBITDAR<sup>1)</sup></b>	<b>242</b>	<b>332</b>	<b>345</b>	<b>376</b>	<b>348</b>

Statement of Financial Position			
(in bn KRW)	2022.12.31	2023.12.31	2024.03.31
<b>Current Assets</b>	<b>7,756</b>	<b>8,943</b>	<b>9,057</b>
Cash & Cash Equivalents	4,780	5,269	5,666
S-T Financial Instruments	1,210	1,662	1,318
Account Receivable	441	622	649
Other Current	362	575	567
Financial Assets			
Other Current Assets	736	314	327
<b>Non-Current Assets</b>	<b>14,451</b>	<b>15,090</b>	<b>15,320</b>
Investments in Associates and Joint Ventures	2,652	2,941	2,937
Tangible Assets	885	1,322	1,354
Intangible Assets	6,022	5,689	5,657
Other Non-current Assets	1,596	1,748	1,902
<b>Financial Assets</b>	<b>757</b>	<b>1,147</b>	<b>1,283</b>
<b>Total Assets</b>	<b>22,964</b>	<b>25,180</b>	<b>25,659</b>
<b>Current Liabilities</b>	<b>5,210</b>	<b>6,767</b>	<b>6,884</b>
Account Payable and Other payable	1,374	1,799	1,818
Short-term Borrowings	1,097	1,629	1,629
Income Tax Payable	158	144	156
Other Current Liabilities	1,493	1,729	1,765
<b>Non-Current Liabilities</b>	<b>3,798</b>	<b>3,737</b>	<b>3,840</b>
Non-Current Finance Lease Obligations	1,643	1,731	1,874
Deferred Income Tax Liabilities	607	719	744
Other Non-Current Liabilities	113	115	116
<b>Financial Liabilities</b>	<b>440</b>	<b>817</b>	<b>961</b>
<b>Total Liabilities</b>	<b>9,448</b>	<b>11,321</b>	<b>11,685</b>
Paid-in Capital	45	45	45
Capital Surplus	8,116	8,840	8,866
Other Accumulated Earnings	41	8	12
Accumulated Other Comprehensive Income	-1,250	-1,050	-1,015
Retained Earnings	3,031	1,922	1,964
Minority Interest	3,532	4,095	4,102
<b>Total Equity</b>	<b>13,516</b>	<b>13,859</b>	<b>13,974</b>
<b>Total Liabilities &amp; Equity</b>	<b>22,964</b>	<b>25,180</b>	<b>25,659</b>

1) Adjusted EBITDAR : included equity compensation expense

# Separate FS

Income Statement					
(in bn KRW)	4Q22	1Q23	2Q23	3Q23	4Q23
<b>Total Revenue</b>	610	612	617	660	640
<b>Operating Expenses</b>	489	495	498	485	503
Labor Cost	135	142	135	104	130
Cost of Revenue	210	195	207	220	213
Outsourcing / Infrastructure	70	78	68	72	69
Marketing Expense	3	5	9	11	5
Depreciation and Amortization	60	64	66	66	74
Misc.	12	12	13	13	13
<b>Operating Profit</b>	121	117	120	175	138
<i>Margin (%)</i>	19.8%	19.1%	19.4%	26.6%	21.5%
Other Non-Operating Income	3	4	5	6	9
Other Non-Operating Expenses	2	6	16	387	7
Financial Income	34	14	24	46	47
Financial Expenses	14	15	14	14	15
<b>Profit before income tax</b>	142	114	120	-174	171
Income Tax	25	21	31	21	39
<b>Net Profit</b>	117	93	88	-196	132
<b>EBITDAR</b>	181	182	186	241	211
<b>Adjusted EBITDAR<sup>1)</sup></b>	195	194	198	247	220

Statement of Financial Position			
(in bn KRW)	2022.12.31	2023.12.31	2024.03.31
<b>Current Assets</b>	2,335	1,932	1,950
Cash & Cash Equivalents	1,249	1,439	1,465
S-T Financial Instruments	211	22	12
Account Receivable	139	157	147
Other Current Assets	736	314	327
	0	0	0
<b>Non-Current Assets</b>	8,457	9,423	9,610
Investments in Associates, Subsidiaries & JV	4,752	5,353	5,362
Tangible Assets	500	737	760
Intangible Assets	1,609	1,585	1,586
Other Non-current Assets	1,596	1,748	1,902
	0	0	0
<b>Total Assets</b>	10,791	11,355	11,560
	0	4	5
<b>Current Liabilities</b>	2,210	2,662	2,574
Account Payable and Other payable	547	532	477
Short-term Borrowings	29	250	160
Income Tax Payable	142	150	171
Other Current Liabilities	1,493	1,729	1,765
	0	0	0
<b>Non-Current Liabilities</b>	1,510	1,510	1,678
Non-Current Finance Lease Obligations	1,306	1,310	1,462
Deferred Income Tax Liabilities	91	86	101
Other Non-Current Liabilities	113	115	116
	0	0	0
<b>Total Liabilities</b>	3,721	4,172	4,252
	0	4	5
Paid-in Capital	45	45	45
Capital Surplus	5,637	5,745	5,759
Other Accumulated Earnings	41	8	12
Accumulated Other Comprehensive Income	11	-5	-5
Retained Earnings	1,337	1,391	1,497
	0	4	5
<b>Total Equity</b>	7,071	7,183	7,308
<b>Total Liabilities &amp; Equity</b>	10,791	11,355	11,560

1) Adjusted EBITDAR : included equity compensation expense

**Thank You**

