

# kakao

3Q 2021 | Kakao Investor Relations



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# **Kakao Ecosystem**

Kakao Business

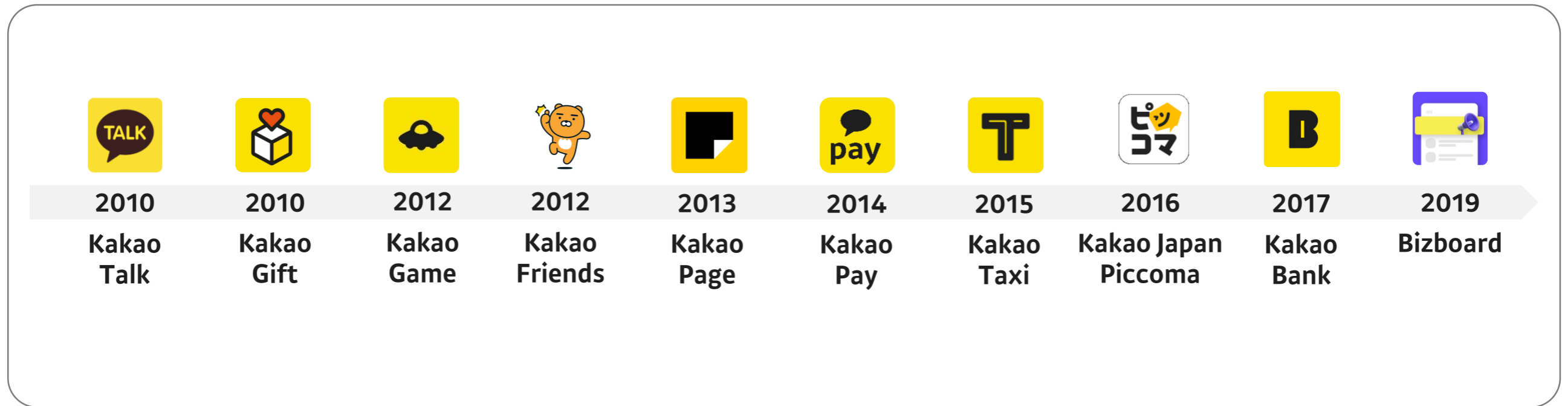
Financial Overview

## Making a Better World with People and Technology

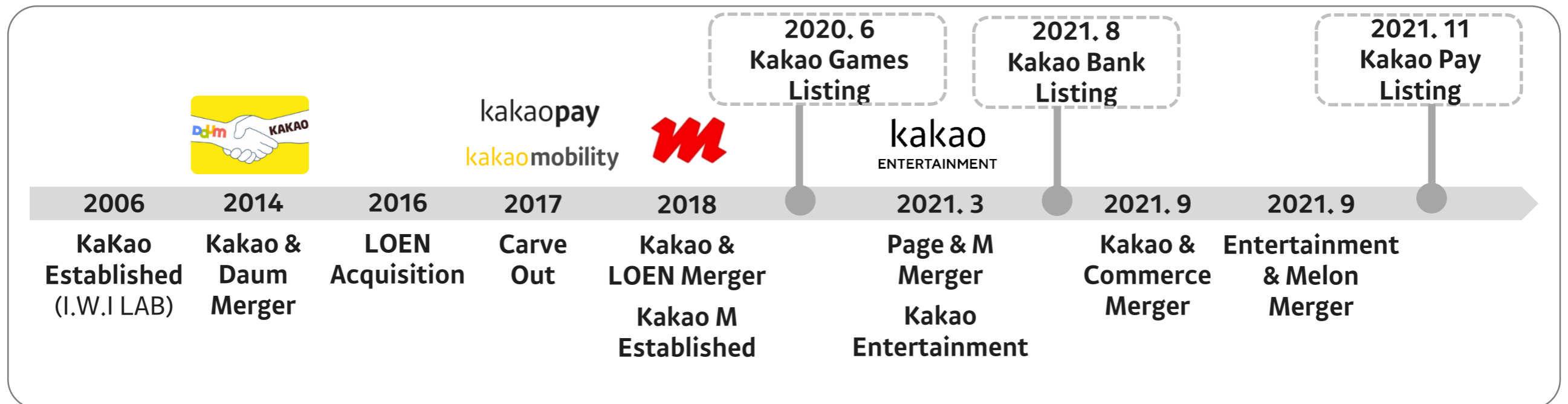


# History

## Innovative Service Launch



## Changes in Business Structure & Listing of Subsidiaries



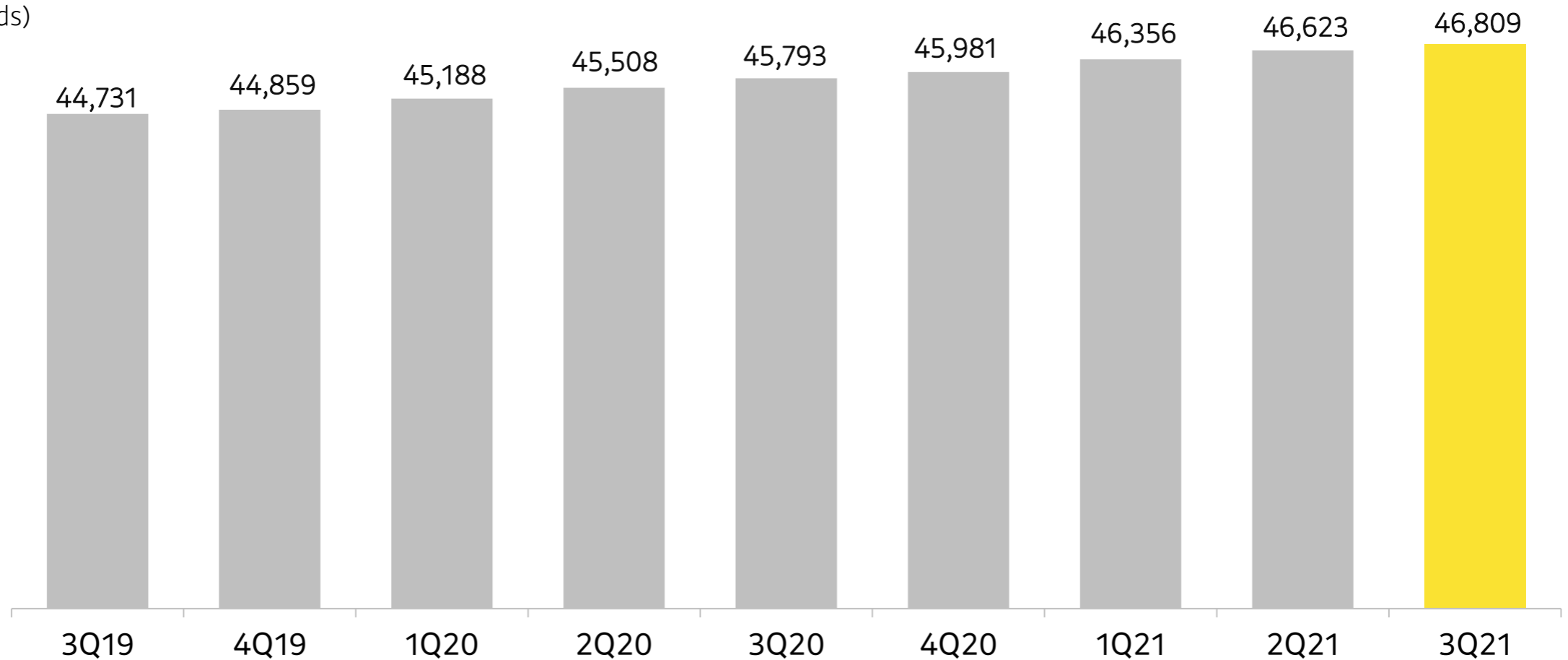
# Undisputed Market Leader

Monthly Active Users in Korea grew by +1M YoY, +190K QoQ



## KakaoTalk Monthly Active Users

(in thousands)

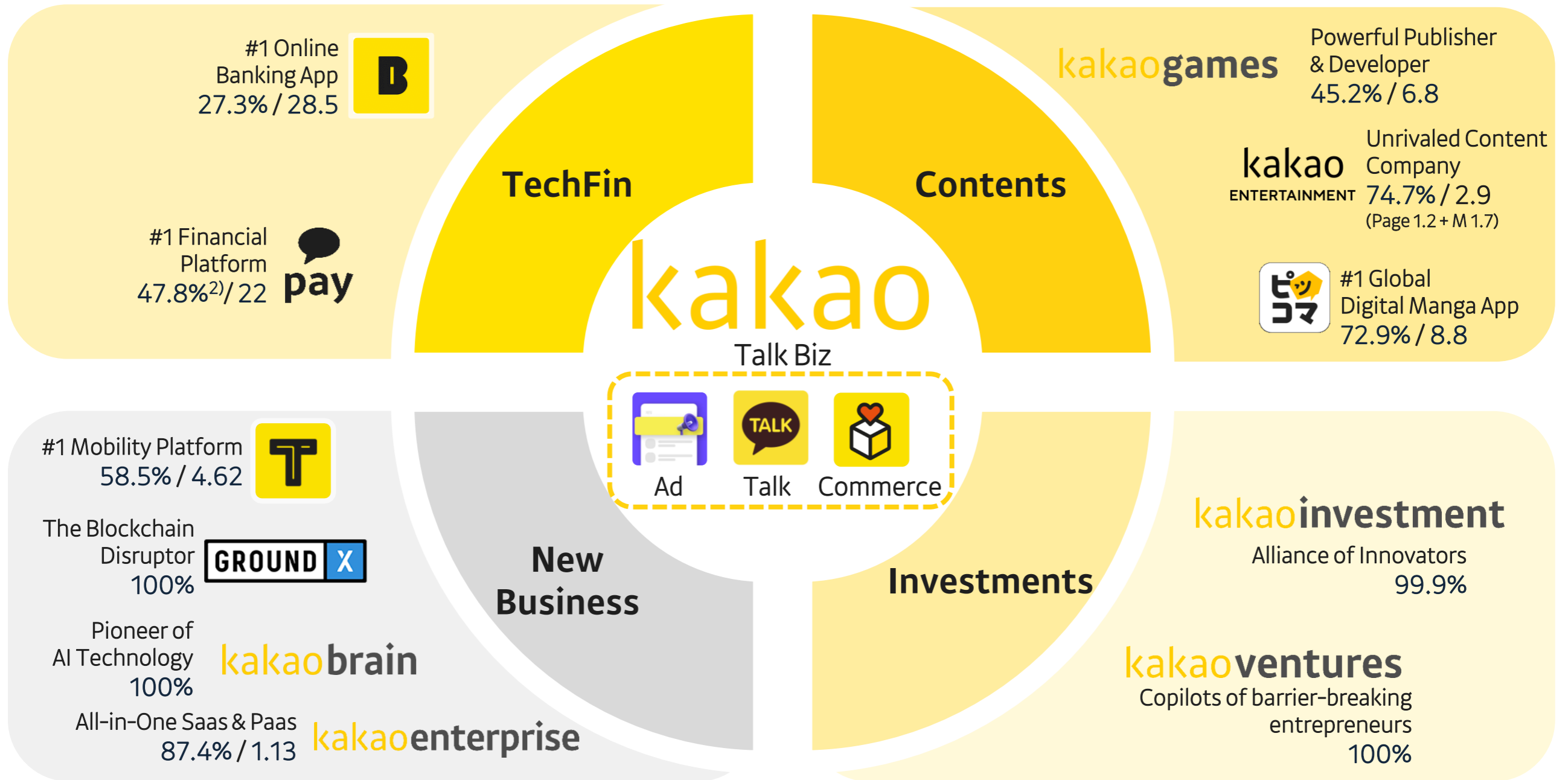


|        |        |        |        |        |        |        |        |        |        |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Korea  | 44,731 | 44,859 | 45,188 | 45,508 | 45,793 | 45,981 | 46,356 | 46,623 | 46,809 |
| Global | 51,374 | 51,495 | 51,768 | 52,133 | 52,299 | 52,223 | 52,976 | 53,808 | 54,181 |

Average of monthly MAUs. Global includes domestic MAUs

# Kakao Ecosystem

## ● Kakao's Stake (%) / Transaction Valuation (KRW tn)<sup>1)</sup>



1) Kakao's Stake and Transaction Valuation as of 2021.11.4

2) After IPO on November 3rd, 2021, the stake in Kakao Pay has changed from 55.0% to 47.8%.



Kakao Ecosystem

**Kakao Business**

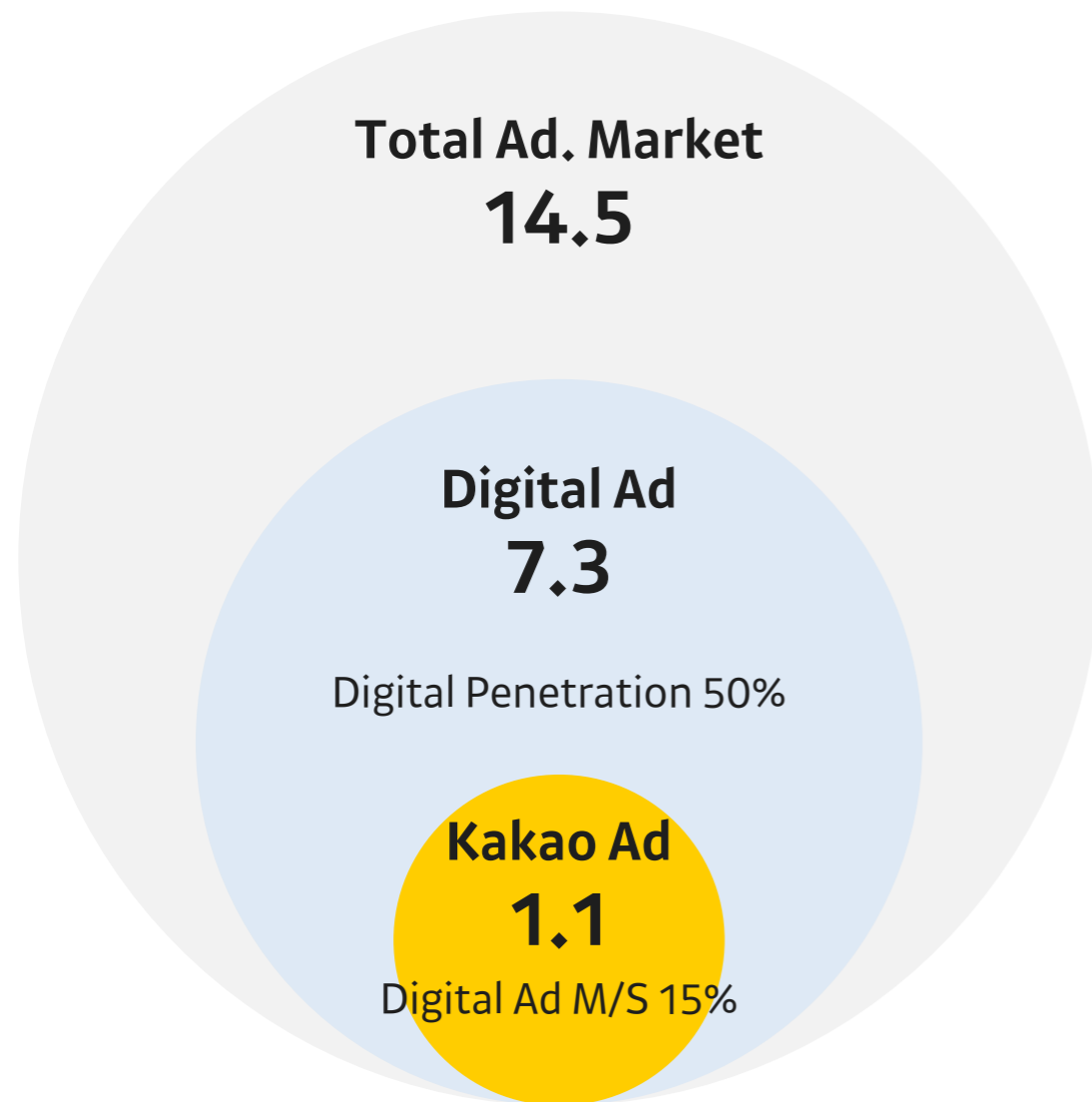
Financial Overview

# Paradigm Shift in Advertising Industry

## Significant Growth Opportunity in KakaoTalk as a Biz Platform

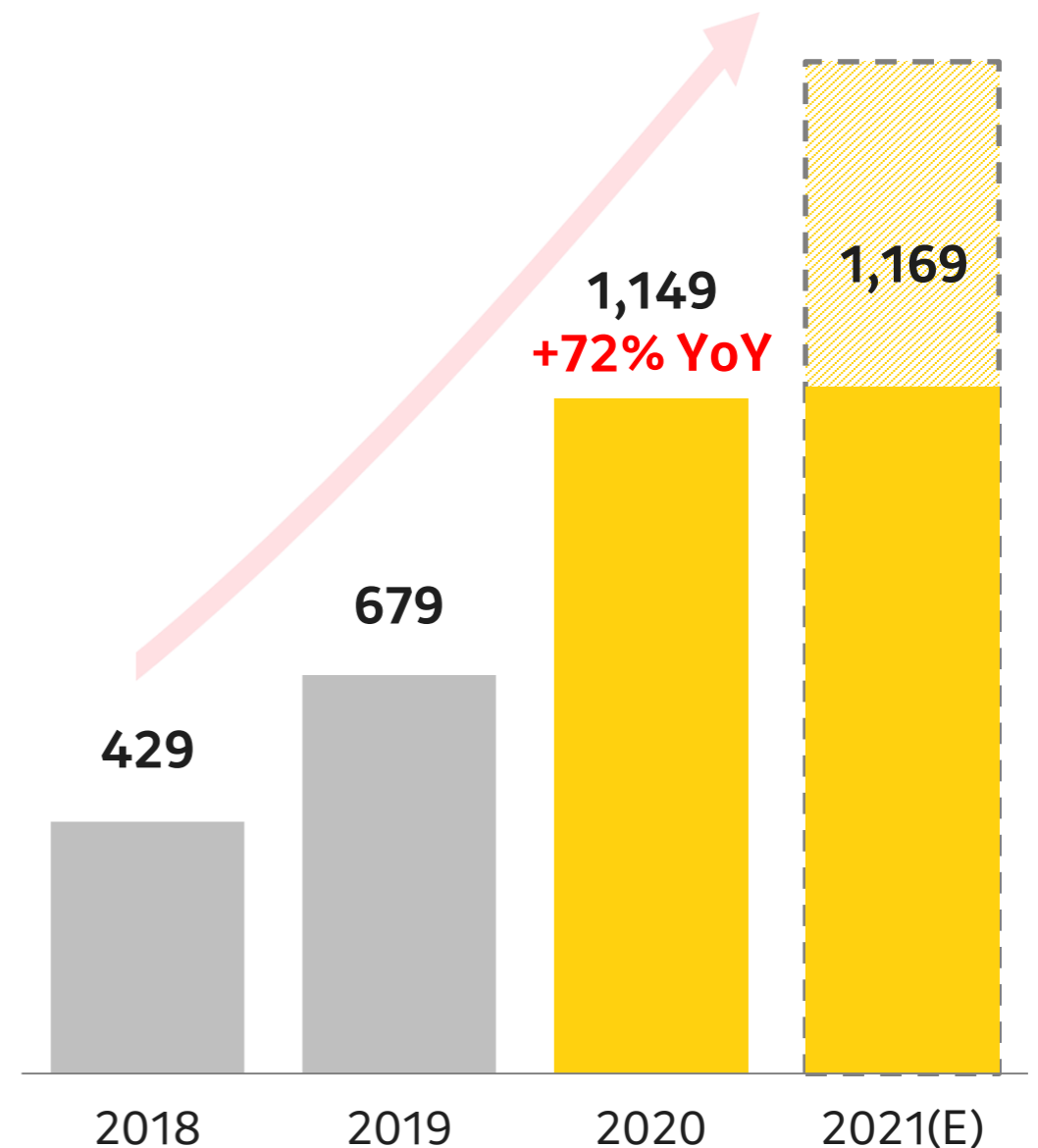
### Ad Market Size (2020)

(in KRW tn)



### Talk Biz Revenue

(in KRW bn)

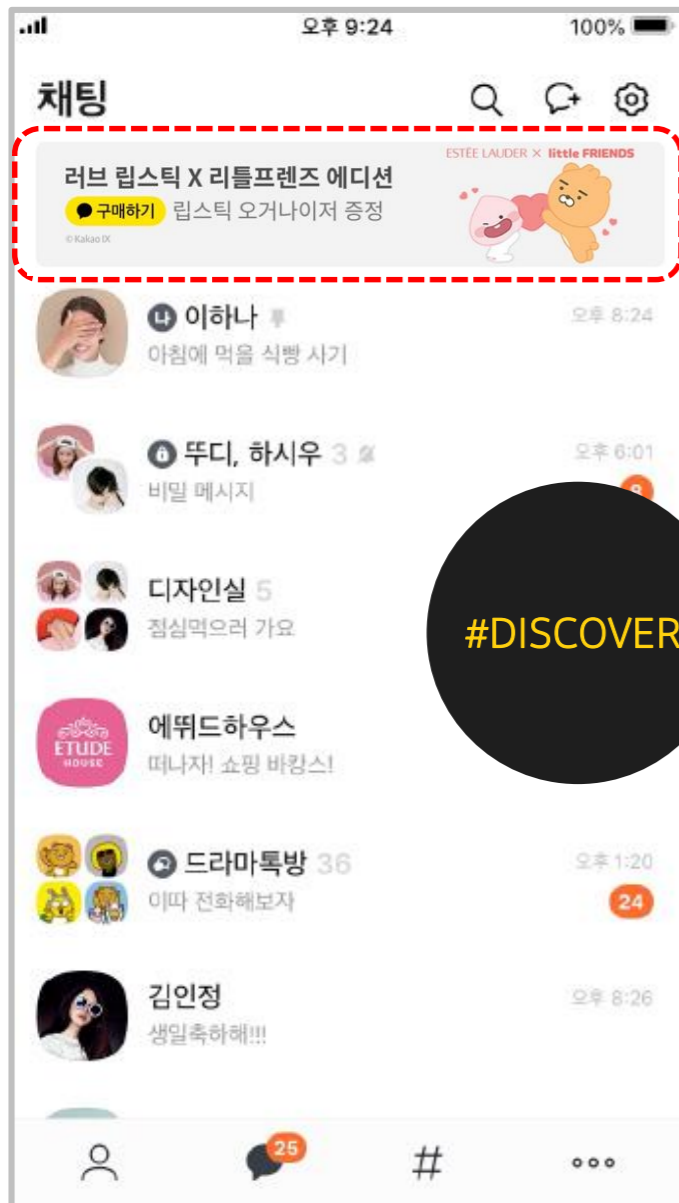


1) Kakao Ad includes Talk biz advertising and Portal Biz Revenue in FY2019

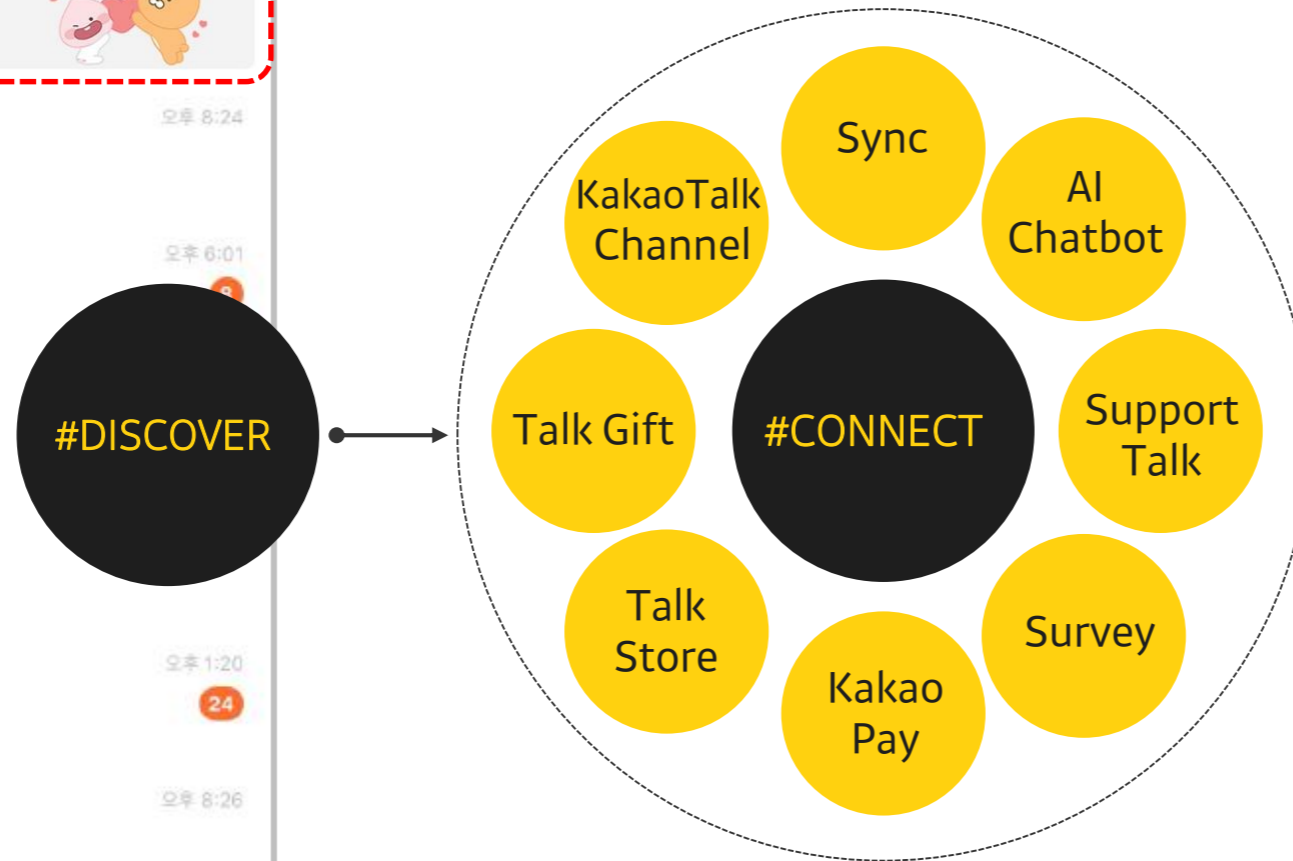
# Talk Biz Advertising (Kakao Bizboard)

## New Innovative Way to Connect 47 million Mega Traffic

Chat list tab is where users spend the most time



Users can get recommendations of their interests



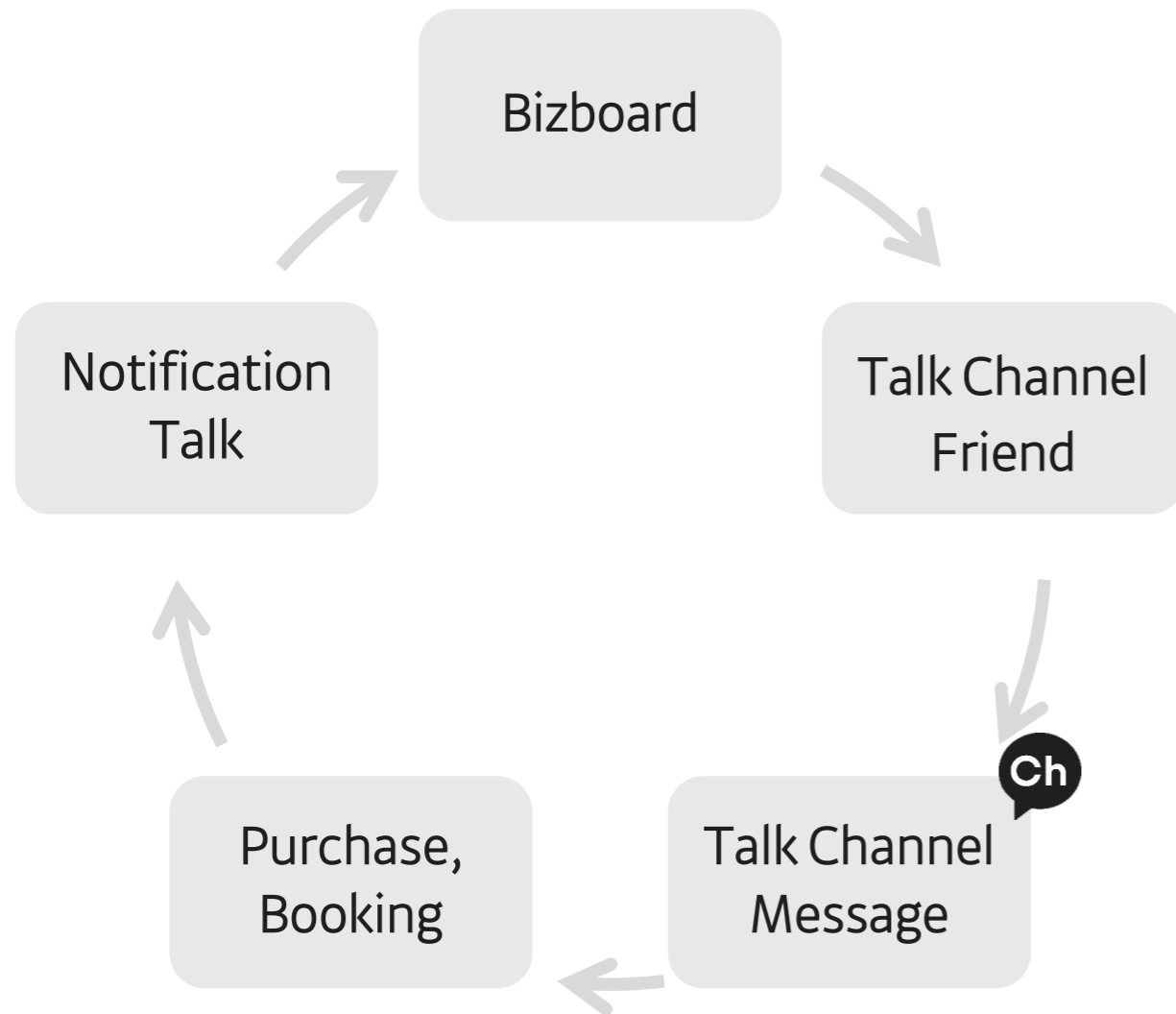
Users may fulfill any actions that wish to take

- Purchase
- Reservation
- Download
- Registration
- Customer Service
- ...

# Talk Biz Advertising(Message Ad)

## Virtuous cycle with Bizboard, KakaoTalk Channel and Notification Talk

The virtuous cycle established with bizboard

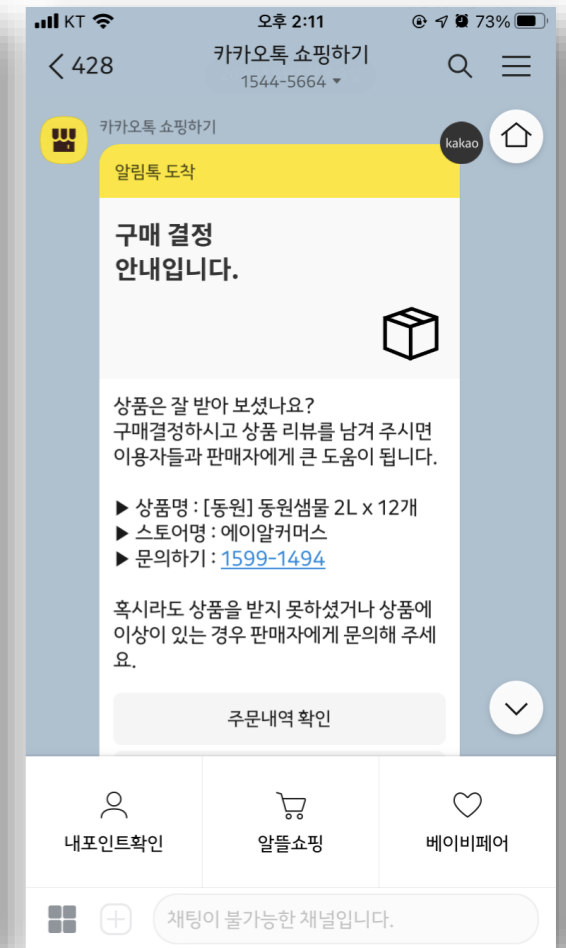


## Message Business Model

KakaoTalk channel message ad



“Notification Talk” informs Payment, Delivery Updates



## From Leveraging the Social Graph to any Talk-based Transactions

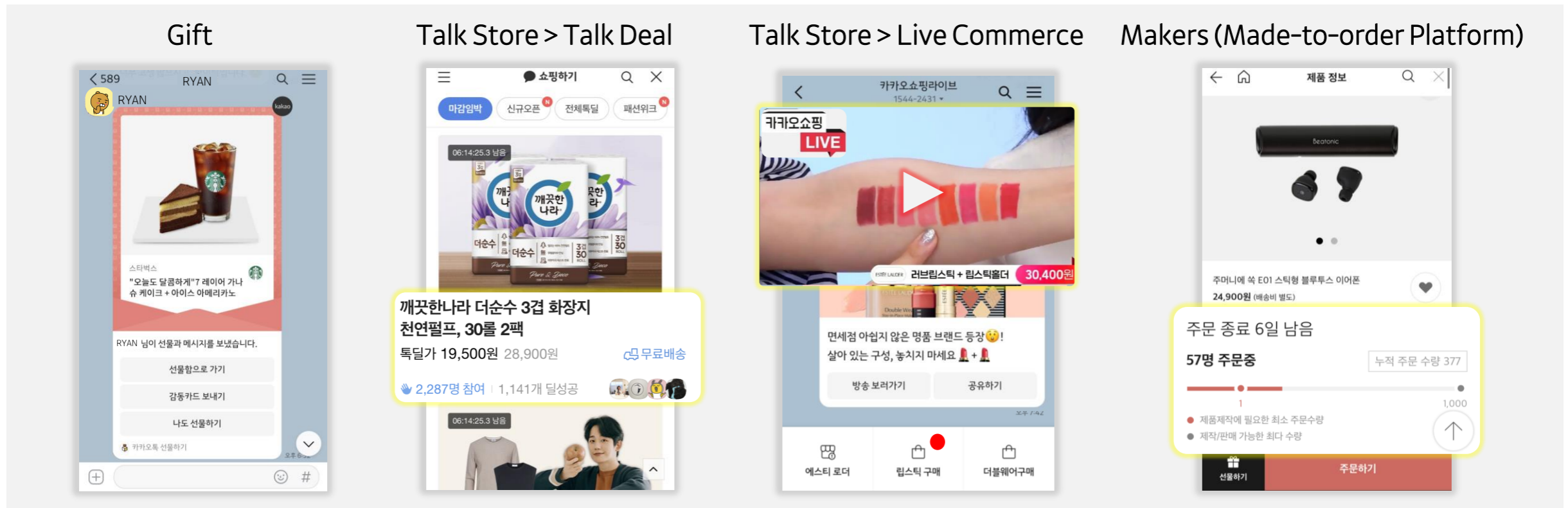
### kakaocommerce Key indices



Delivery goods  
70% YoY

W1 tn  
FY2021 GMV(E)

Marketing place for newly  
launched products



## Satisfying Every Customers Need with All-in-One Mobility Platform



### Kakao T Key Indices

**30.0mn**  
Registered  
Users

Largest # of users

**17.9mn**  
Credit Card  
Registrants

Ready to pay users

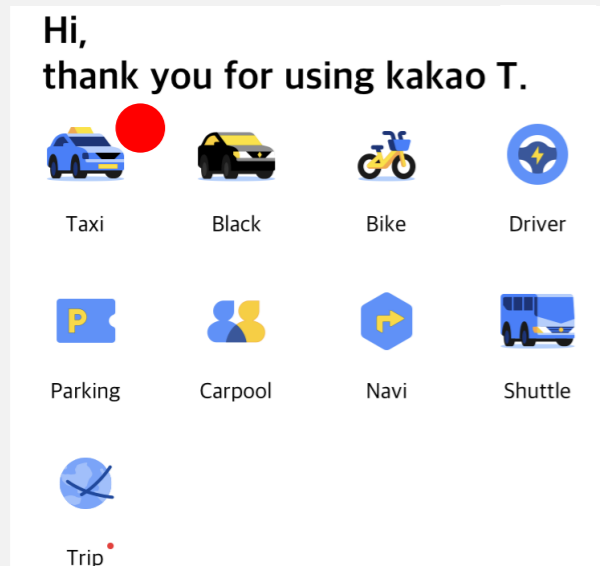
**30,000**  
Kakao T Bule  
Fleet

+4k QoQ  
Achieved annual target

**Breakeven**  
FY2021 Target

W13bn Operating Loss  
in 2020

#### Kakao T Application



#### Expansion of Premium Paying Service Option



#### Revolutionizing into a Service Meeting All Types of Mobility Demands



## No.1 Comprehensive Daily Financial Platform



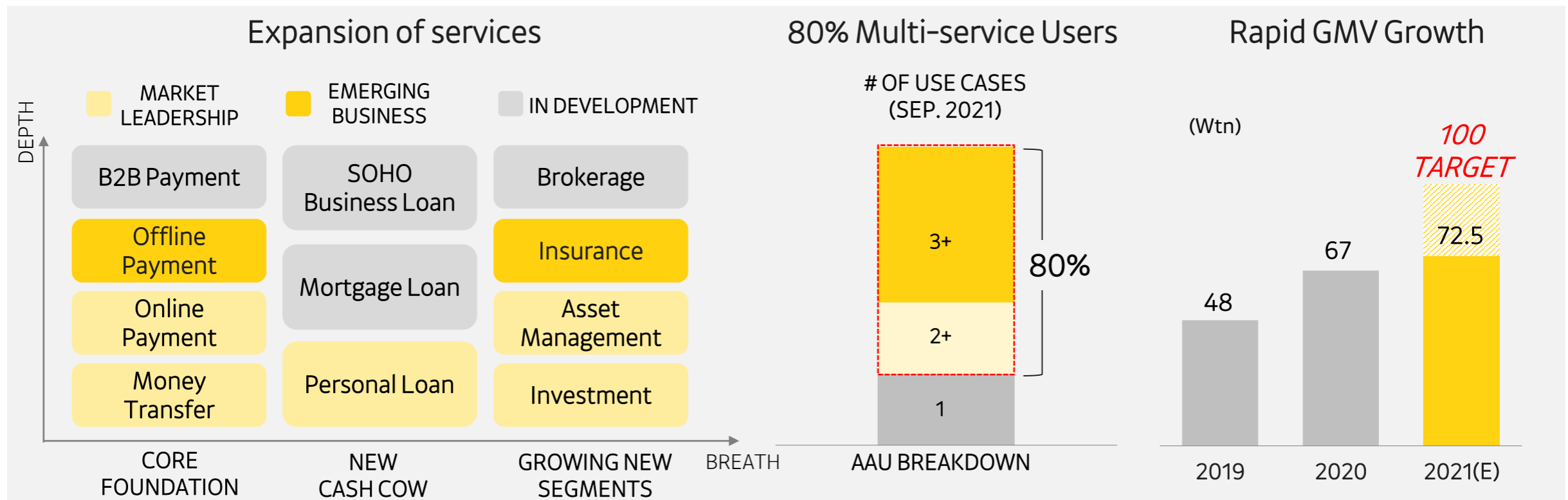
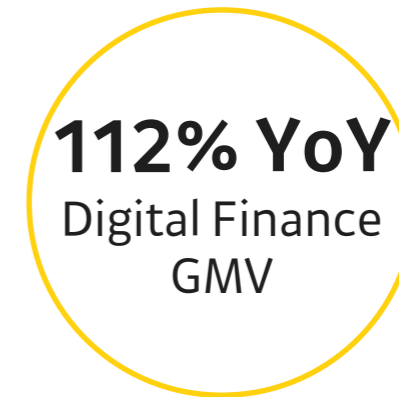
### Kakao Pay Key Indices



1 out of 5 Economically active population in Korea



W67 tn FY2020  
W100 tn FY2021 Target



1) Key indices as of 3Q21



## No.1 Online Banking with Innovative User-Friendly Technology

### **B** Kakao Bank Key Indices



MAU 14.7mn  
#1 Mobile Banking App



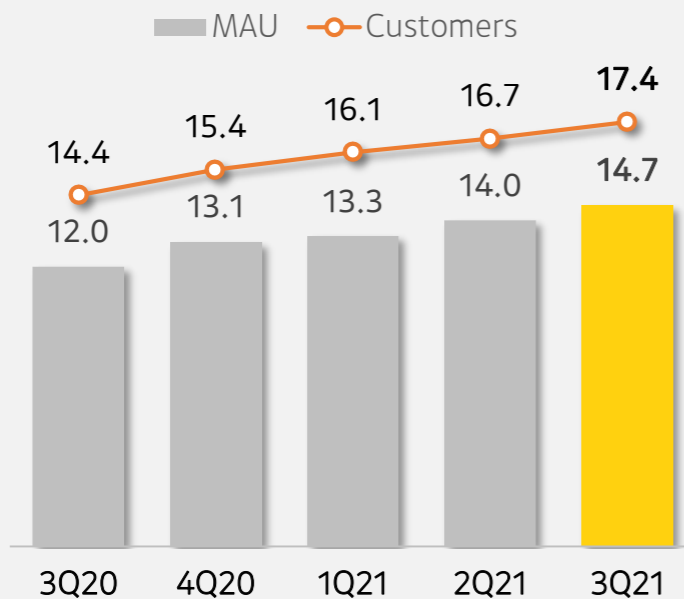
Lending Rate 3.42%  
NIM 1.92%



FY2020 Net Profit  
W113.6bn

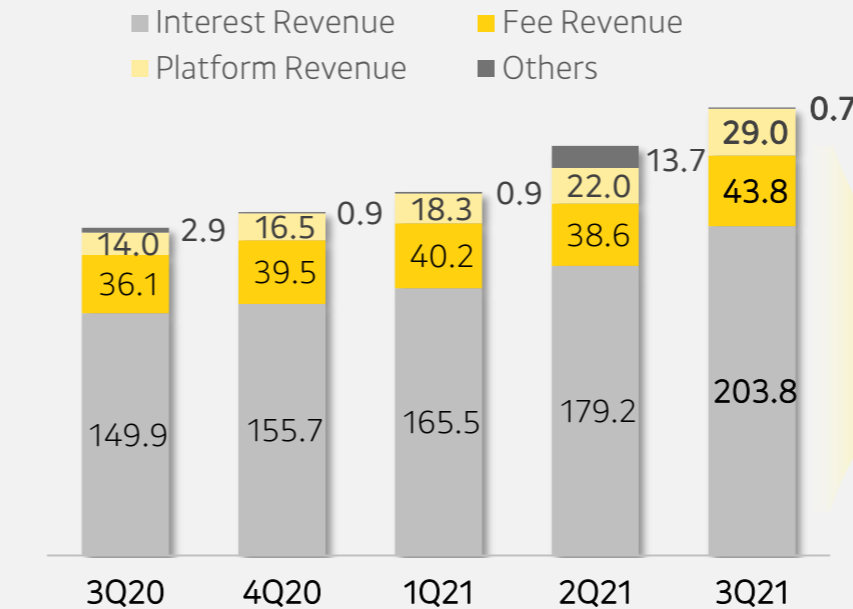
### Working Population Penetration 61%

(mn users)



### Solid Growth from Fee Revenue + Platform Revenue

(Wbn)



**Fee + Platform  
= 27%**

- |                 |   |
|-----------------|---|
| Fee Income      | Debit Card<br>Firm Banking<br>Open Banking<br>FX remittance                               |
| Platform Income | Securities Account<br>Loan Referral<br>Co-branded<br>Credit Card<br>Advertisement<br>Mini |



## B2B Business Expansion with Differentiated AI Technology

### kakaoenterprise Key Services



Integrated Enterprise Platform



Business Service Platform



Kakao i Engine  
Kakao i Home



10 Years of Accumulated Know-hows



Industry Insight based Data

#### All-in-One Work Platform Kakao Work



160k customers within 1 year of launch



AI assistant Kasper



20+ major partner services integration

#### Flexible and Scalable Kakao i Cloud



CSA STAR Gold Rank



Connects all different forms of cloud



Specialized services for each and every industry

#### Packaged with AI Technology Kakao i Connect



Talk



Center



Assistant

Live



Place



Chatbot



Voicebot



Callbot



Customer

## Multi-Platform Game Company Encompassing PC and mobile



### Game Key Indices

**1,100+**  
Publishing

No.1 Mobile Game Platform

**Game Value Chain**

Acquisition of a majority stake in Lionheart Studio

**Global Expansion**

Targets to release every game globally

**Beyond Game**

Sports, Metaverse, NFT  
New business initiatives

### Major Game Line-up



MOBILE



MOONLIGHT SCULPTOR



ODIN



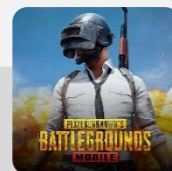
WORLD FLIPPER



PC



ELYON



BATTLE GROUND



ETERNAL RETURN

### Title line-up to be released after 4Q21

| 4Q21                    | 1H22                                    | 2H22                        | 2022                                 |
|-------------------------|---|-----------------------------|--------------------------------------|
| Elyon (Global) [MMORPG] | Odin: Valhalla Rising (Global) [MMORPG] | Project Ares [Action RPG]   | Uma Musume Pretty Derby (Simulation) |
|                         | Dysterra (Early Access) [Survival FPS]  | Eversoul [PvE RPG]          |                                      |
|                         | Kakaopage Play (TBD) [Story]            | Goddess Order [Action RPG]  |                                      |
|                         | Friends Shot: Anyone Golf [Casual]      | XL Games New Title [MMORPG] |                                      |
|                         | Friends Games New Title [Puzzle]        |                             |                                      |

1) Key indices as of 3Q21

## Building a Powerful Value Chain with Korea's Largest Music Platform Melon

**kakao**  
ENTERTAINMENT

### Music Key Indices



Dominant Traffic  
Largest Music Content

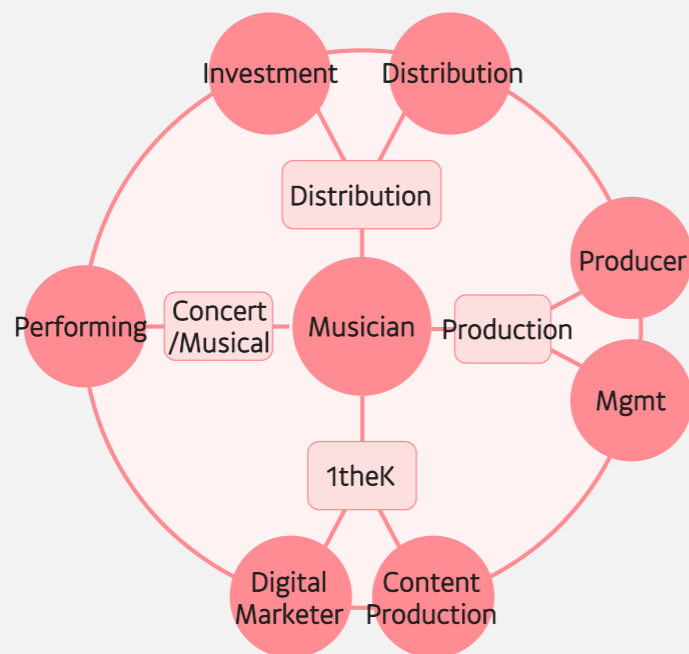


Stable Cash Flow through  
Music Production &  
Investment

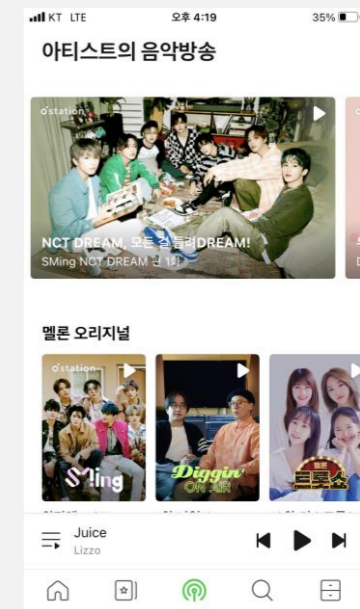
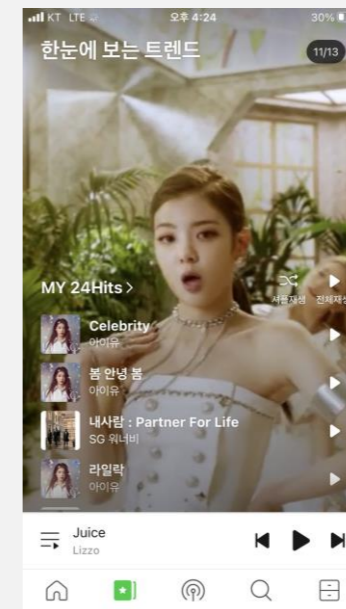
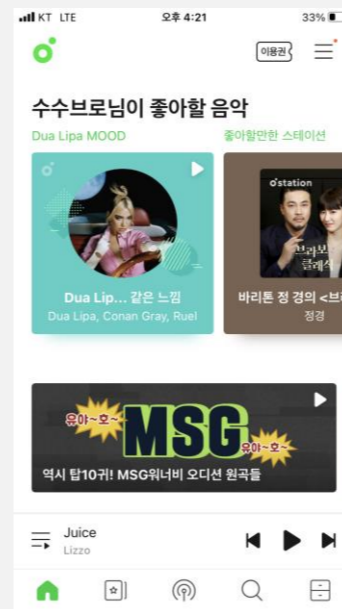


4+ Major Multi-Label  
(Starship, IST, Antenna, FlexM)

### Music Business Portfolio



### Offering Customized Play List and Trendy Audio Contents



## Growth through Innovative Business Model and Original IPs

### Story Key Indices

**W197.1bn**  
3Q21 Piccoma  
Platform GMV

52% YoY

**Global No.1**  
Comic App

Ranked 6<sup>th</sup> globally in  
both app markets

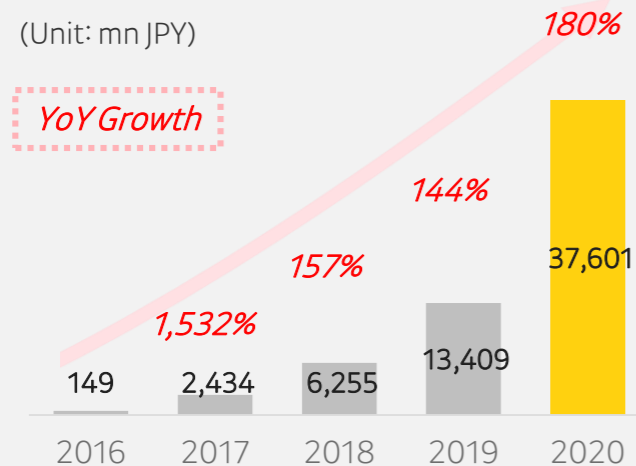
**W232.5bn**  
Entertainment  
GMV

Platform + IP GMV  
56% YoY

**Full Scale  
Global  
Expansion**

North America,  
Southeast Asia, France

### Piccoma's accelerating growth from proven story IPs and unique business model



Piccoma GMV Trend



Globally popular webtoon  
<Only I Level Up>

### Kakao Entertainment Global Expansion



Acquired North  
American Webtoon,  
Web Novel Platform



Global One-build  
Platform  
'Kakao Webtoon'

## Distinguished Content Production Capability and Top-tier Talent Pool

### kakao Media Key Indices

ENTERTAINMENT



6+ Managements  
Subsidiaries



Prominent  
PD/Writer/Director



1.1bn Accumulated Views  
<Insanity in this area>  
<No, thank you>



2021 to 2023 Target  
Movie/Drama/Digital

#### Content Production Capability

##### Talent Pool

Competitive  
casting power

##### Production

Drama (6)  
Movie (2)  
Entertainment(1)

##### Story IP

Original IPs from  
Kakao Page and  
Piccoma

##### Key Creator

Top-notch  
producers with  
the expertise

#### Various Genres of Video Content Studios



<Moonlight  
Film>  
Movie Studio

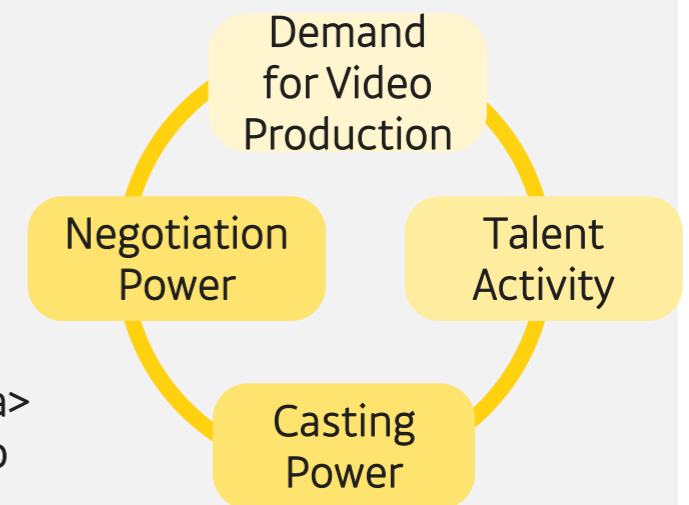


<3Y Corporation>  
Entertainment  
Studio



<Story &  
Pictures Media>  
Drama Studio

#### Synergy Between Video - Management Business



Kakao Ecosystem

Kakao Business

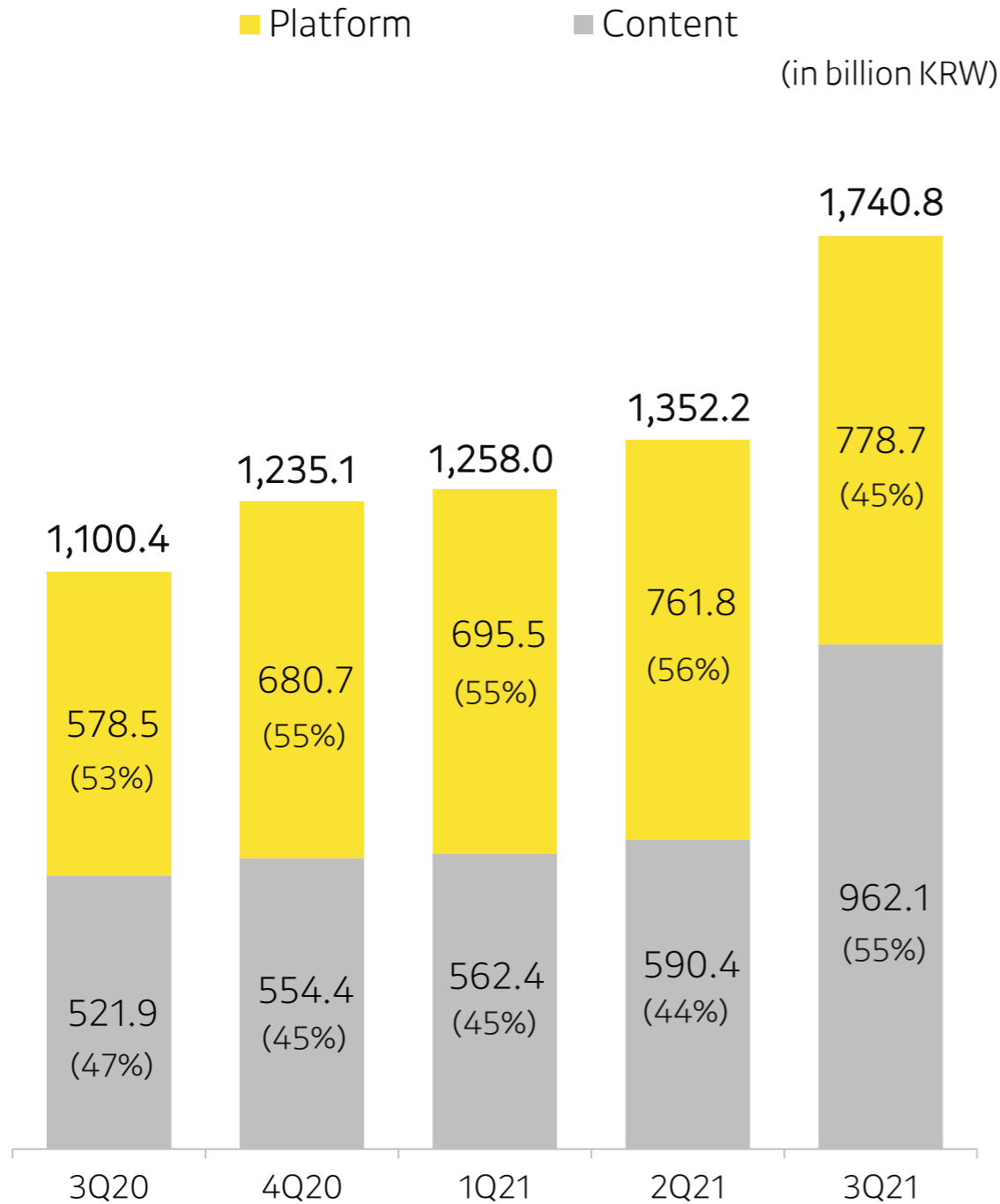
**Financial Overview**



# Revenue

Q3 Revenue YoY +58% / QoQ +29%

Mix - Platform 45% : Content 55%



| Revenue Breakdown |                 |  |
|-------------------|-----------------|--|
| Platform          | Talk Biz        | Advertisement<br>- Bizboard, Talk channel, Emoticon                      |
|                   |                 | Commerce<br>- Gift, Store, Makers, Kakao Friends Online                  |
|                   | Portal Biz      | Daum PC / Mobile<br>Kakao Story / Style / Page<br>Other Subsidiaries' Ad |
|                   | Platform-Others | Mobility, Pay, Enterprise, Other Subsidiaries, Kakao Friends-Others      |
| Content           | Game            | Mobile, PC, Kakao VX   |
|                   | Music           | Melon, Digital Music Distribution, Album Distribution, Music Production  |
|                   | Story           | Entertainment (Page, Kakao Webtoon, IP Distribution)<br>Piccoma          |
|                   | Media           | Video Production, Talent Agency  |

# Platform / Content

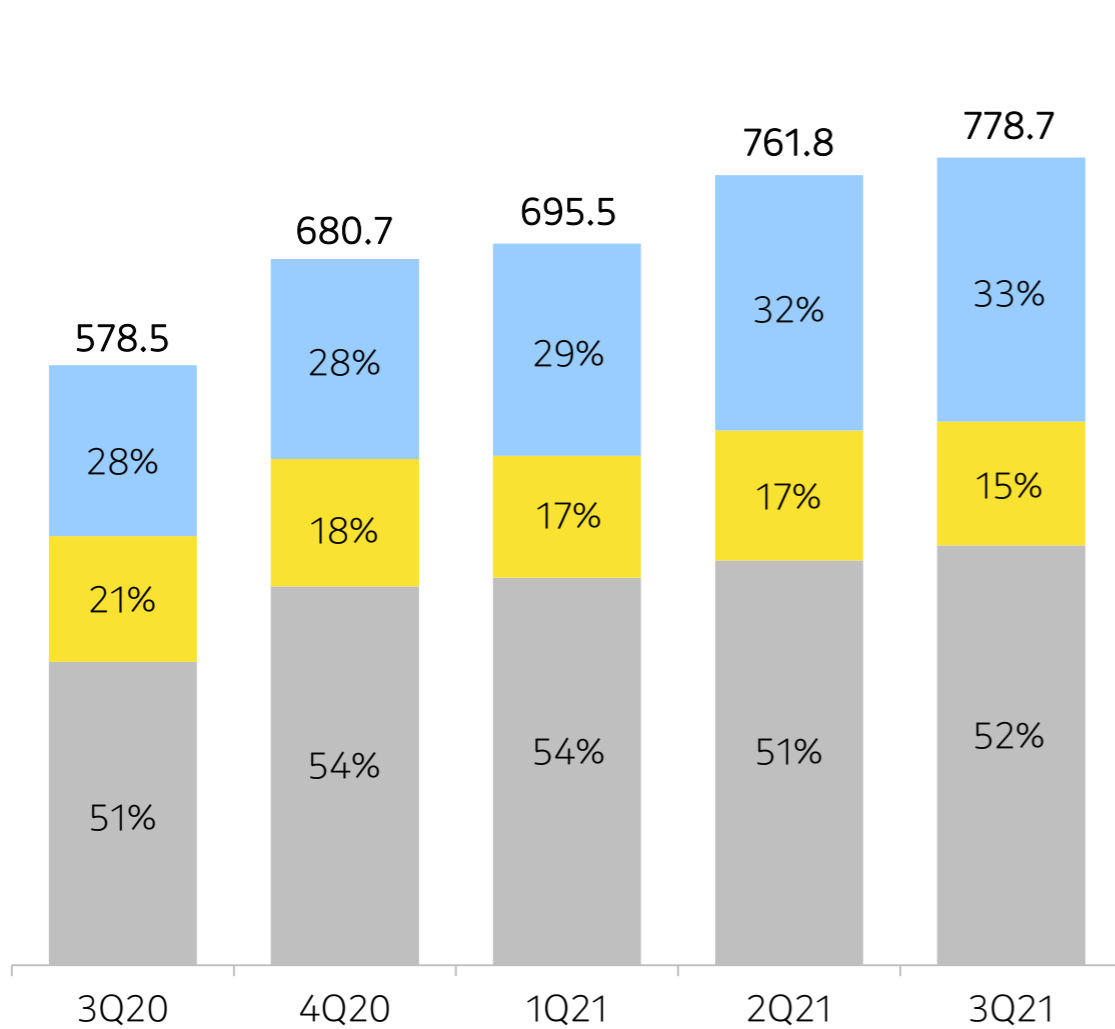
Platform YoY +35% / QoQ +2%

Content YoY +84% / QoQ +63%

## Platform

(in billion KRW)

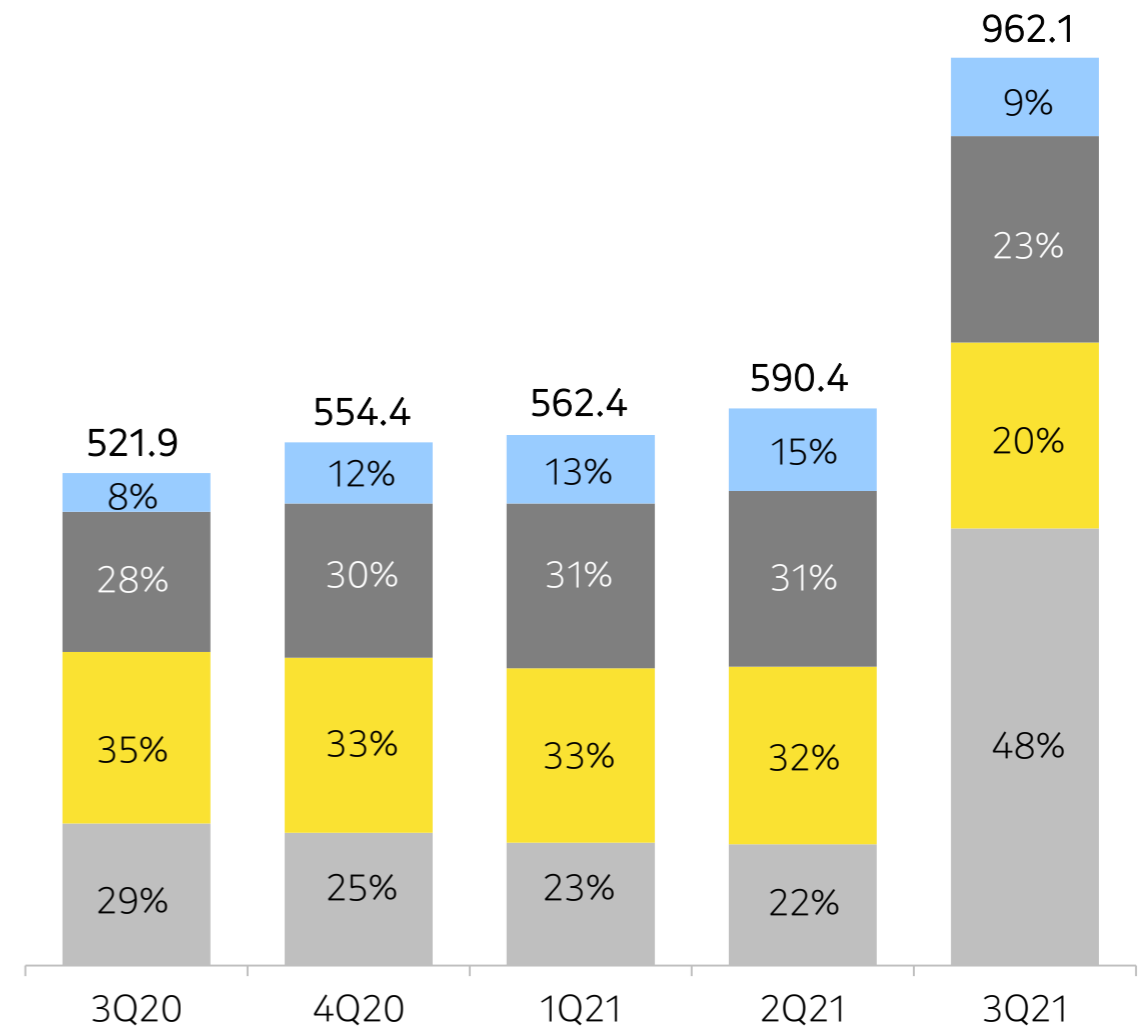
■ Talk biz ■ Portal Biz ■ Platform-Others



## Content

(in billion KRW)

■ Game ■ Music ■ Story ■ Media





# Platform | Talk Biz Portal Biz Platform-Others

Talk Biz YoY +38% / QoQ +4%

Portal Biz YoY -2% / QoQ -5%

Others YoY +54% / QoQ +3%

Solid growth thanks to the virtuous cycle inside Talk Ad. ecosystem and commerce GMV surge

Decrease in revenue due to off-seasonality and service termination of few SA products

Mobility's taxi franchise expansion and Pay's payment GMV increase

## Talk Biz

(in billion KRW)

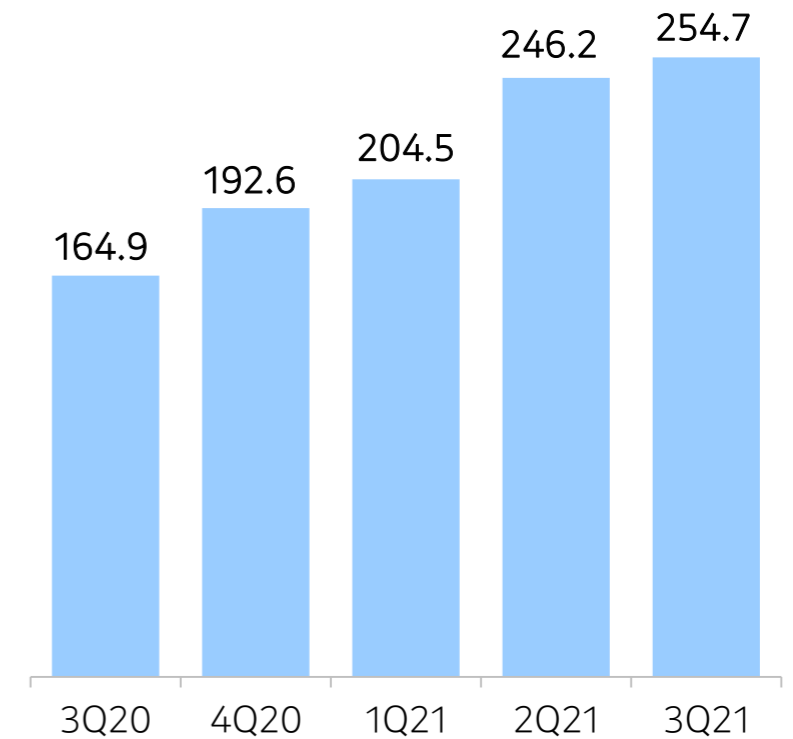
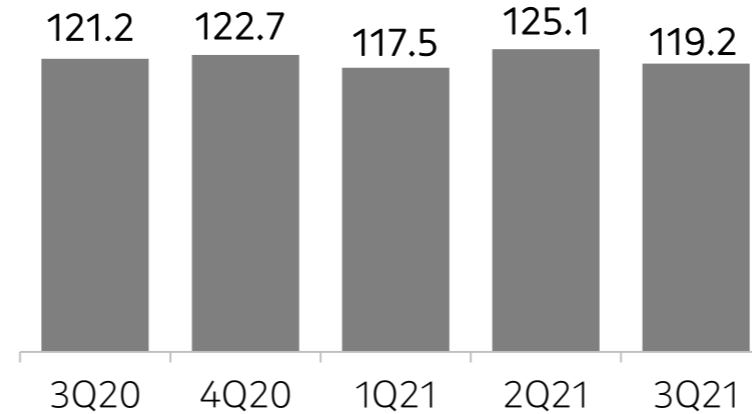
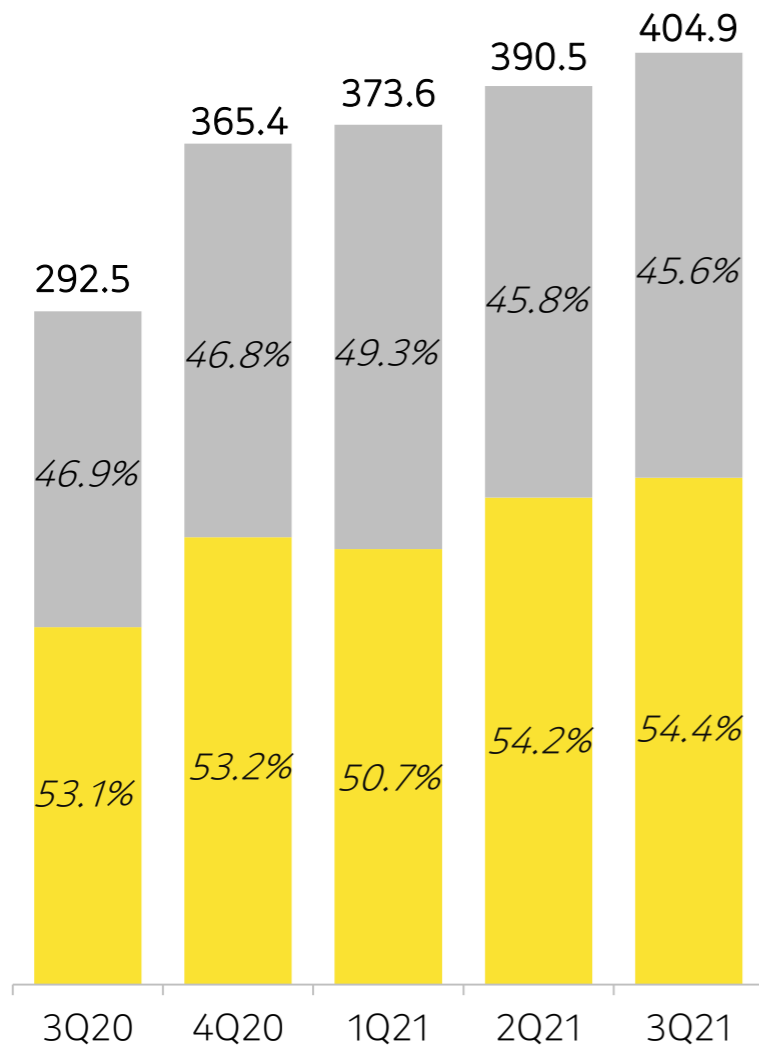
## Portal Biz

(in billion KRW)

## Others

(in billion KRW)

■ Advertisement ■ Commerce



# Content | Game Music

Game YoY +208% / QoQ +260%

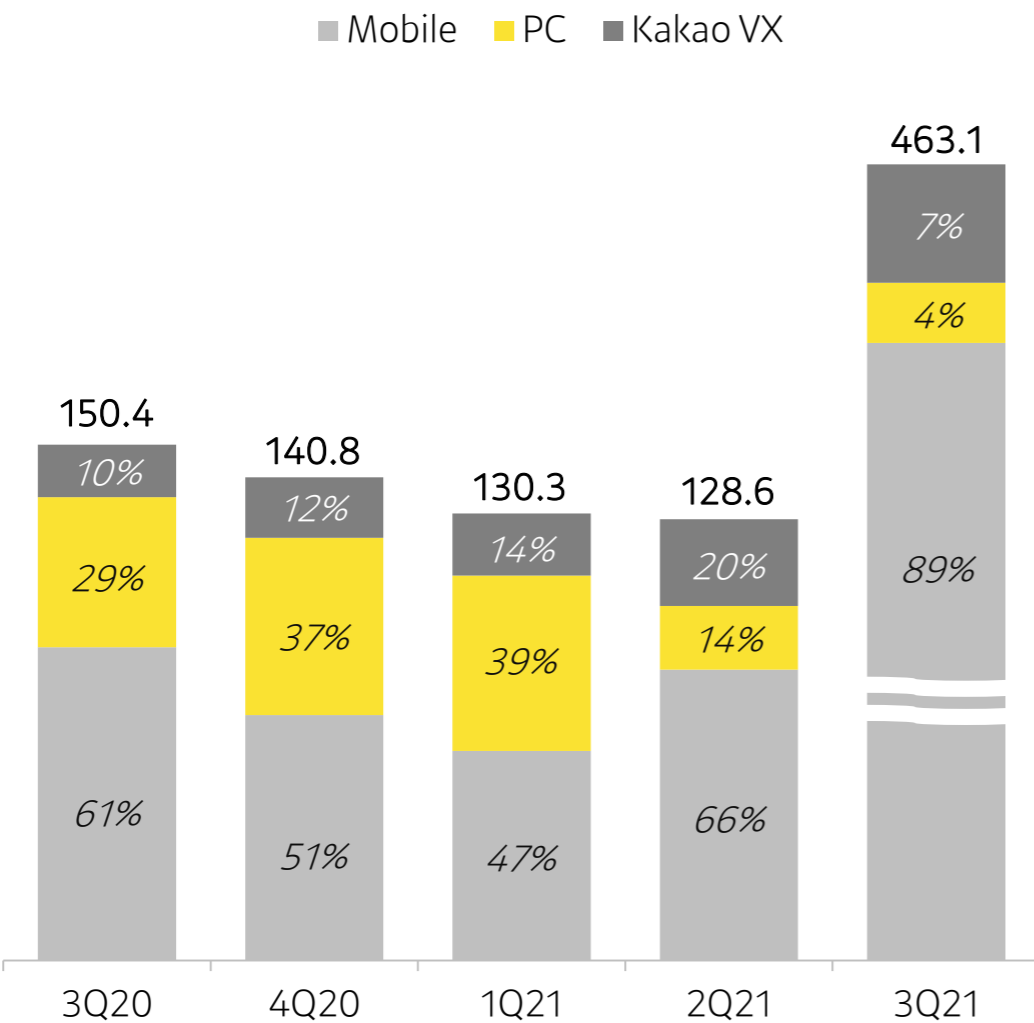
Music YoY +8% / QoQ +5%

Record-high quarterly revenue thanks to Mobile game 'Odin'

Steady revenue coming from Melon, expansion of distribution pipeline

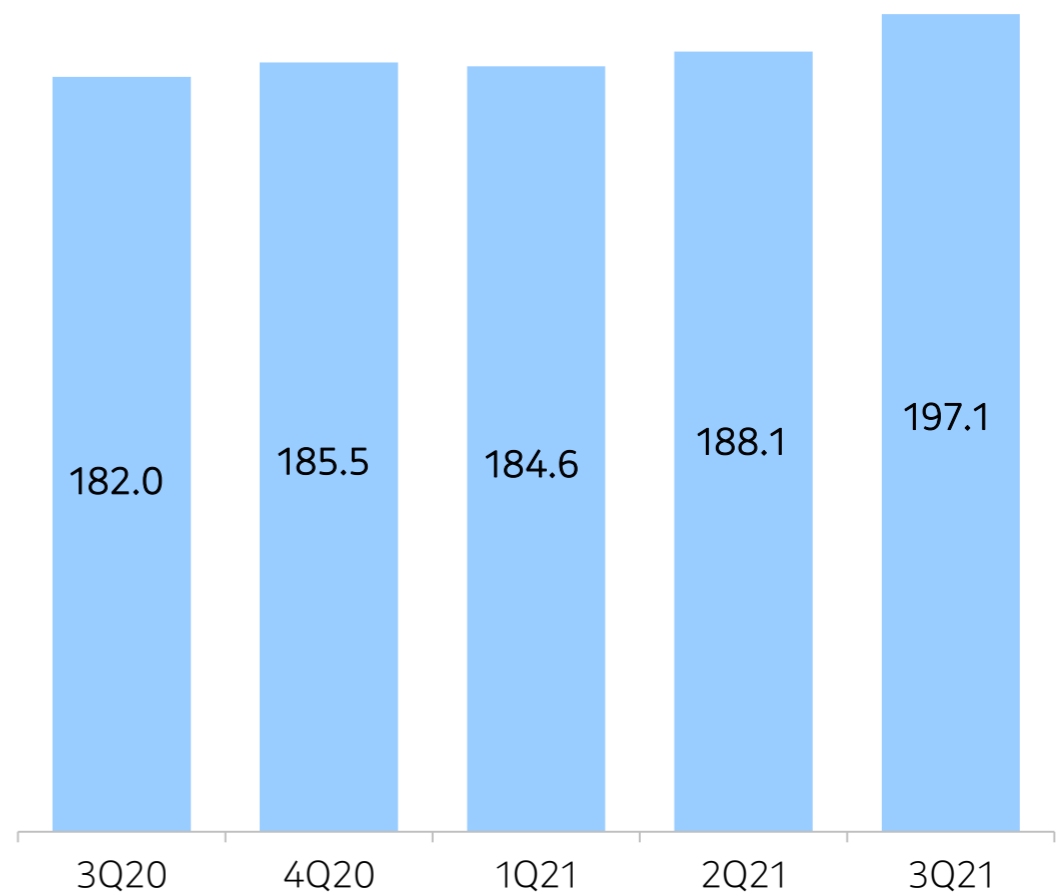
## Game

(in billion KRW)



## Music

(in billion KRW)



# Content | Story Media

Story YoY +47% / QoQ +17%

↳ Entertainment +33% (y) / +20% (q), Piccoma +63% (y) / +15% (q)

Media YoY +102% / QoQ -5%

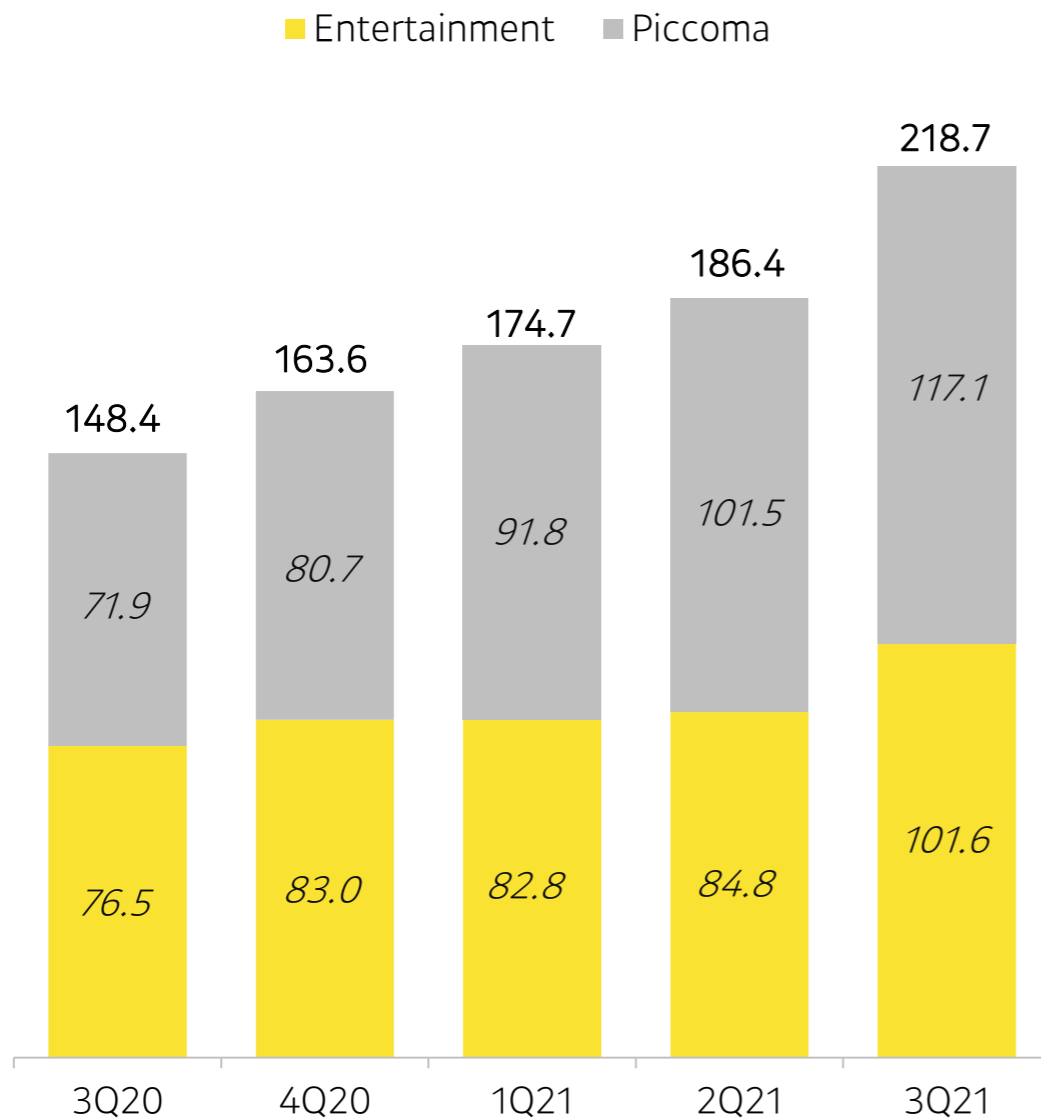
Entertainment - Global network expansion and renewal of domestic Kakao Webtoon

Piccoma - Rapid user base expansion along with the rise in ARPU

Increase in production capability and talent agency contribution

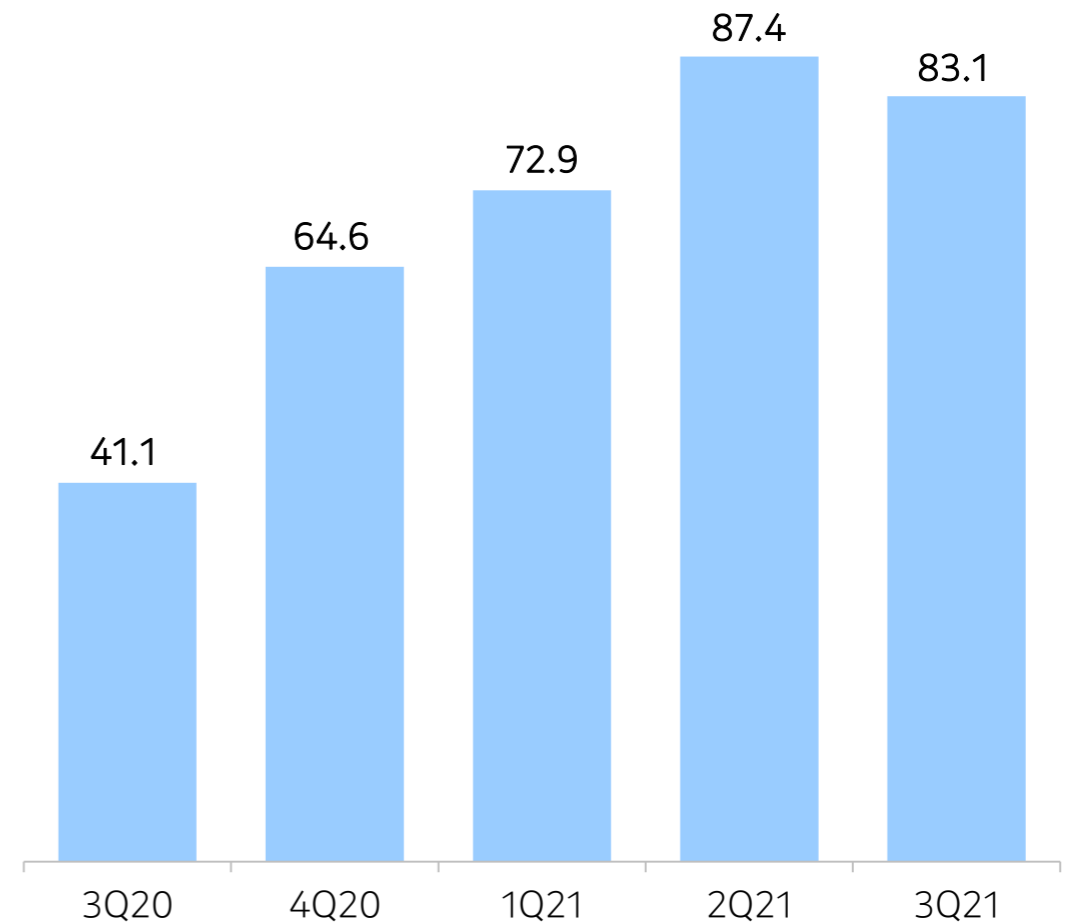
## Story

(in billion KRW)



## Media

(in billion KRW)



# Earnings Summary

(in billion KRW)

|                           | 3Q20    | 2Q21    | 3Q21    | Change  |         |
|---------------------------|---------|---------|---------|---------|---------|
|                           |         |         |         | YoY     | QoQ     |
| Total Revenue             | 1,100.4 | 1,352.2 | 1,740.8 | 58%     | 29%     |
| Platform                  | 578.5   | 761.8   | 778.7   | 35%     | 2%      |
| Talk Biz                  | 292.5   | 390.5   | 404.9   | 38%     | 4%      |
| Portal Biz                | 121.2   | 125.1   | 119.2   | -2%     | -5%     |
| Platform - Others         | 164.9   | 246.2   | 254.7   | 54%     | 3%      |
| Content                   | 521.9   | 590.4   | 962.1   | 84%     | 63%     |
| Game                      | 150.4   | 128.6   | 463.1   | 208%    | 260%    |
| Music                     | 182.0   | 188.1   | 197.1   | 8%      | 5%      |
| Story                     | 148.4   | 186.4   | 218.7   | 47%     | 17%     |
| Media                     | 41.1    | 87.4    | 83.1    | 102%    | -5%     |
| Operating Expenses        | 980.2   | 1,189.6 | 1,572.6 | 60%     | 32%     |
| Operating Profit          | 120.2   | 162.6   | 168.2   | 40%     | 3%      |
| <i>Margin (%)</i>         | 10.9%   | 12.0%   | 9.7%    | -1.2%pt | -2.3%pt |
| Net Profit                | 143.7   | 315.9   | 866.3   | 503%    | 174%    |
| Controlling Interests     | 127.5   | 311.7   | 779.1   | 511%    | 150%    |
| Non-controlling Interests | 16.2    | 4.3     | 87.2    | 438%    | 1,944%  |

# Operating Expenses

(in billion KRW)

|                                       | 3Q20  | 2Q21    | 3Q21    | Change |     |
|---------------------------------------|-------|---------|---------|--------|-----|
|                                       |       |         |         | YoY    | QoQ |
| Operating Expenses                    | 980.2 | 1,189.6 | 1,572.6 | 60%    | 32% |
| Labor Cost                            | 239.3 | 301.0   | 307.2   | 28%    | 2%  |
| Cost of Revenue                       | 463.7 | 530.3   | 805.8   | 74%    | 52% |
| Outsourcing /<br>Infrastructure       | 113.9 | 164.9   | 197.8   | 74%    | 20% |
| Marketing Expense                     | 76.3  | 91.1    | 148.1   | 94%    | 62% |
| Depreciation and<br>Amortization Cost | 66.8  | 78.8    | 89.1    | 33%    | 13% |
| Misc.                                 | 20.3  | 23.4    | 24.7    | 22%    | 6%  |

# Profits

Operating Profit YoY +40% / QoQ +3%

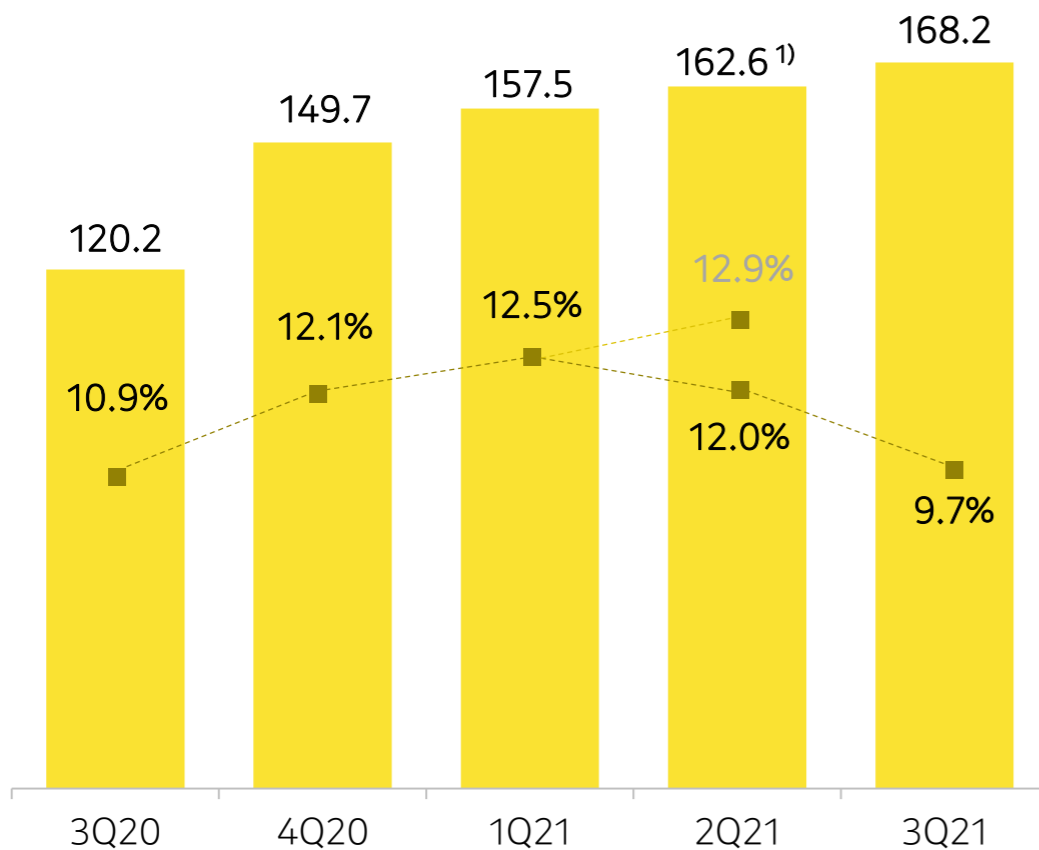
Increase in OP despite active marketing and investing activities thanks to robust revenue stream of core biz and margin improvement of new biz

Net Profit YoY +503% / QoQ +174%

Gain on the disposal of equity investment stake (Kakao Bank's IPO, acquisition of Tapas and Radish) on top of OP improvement

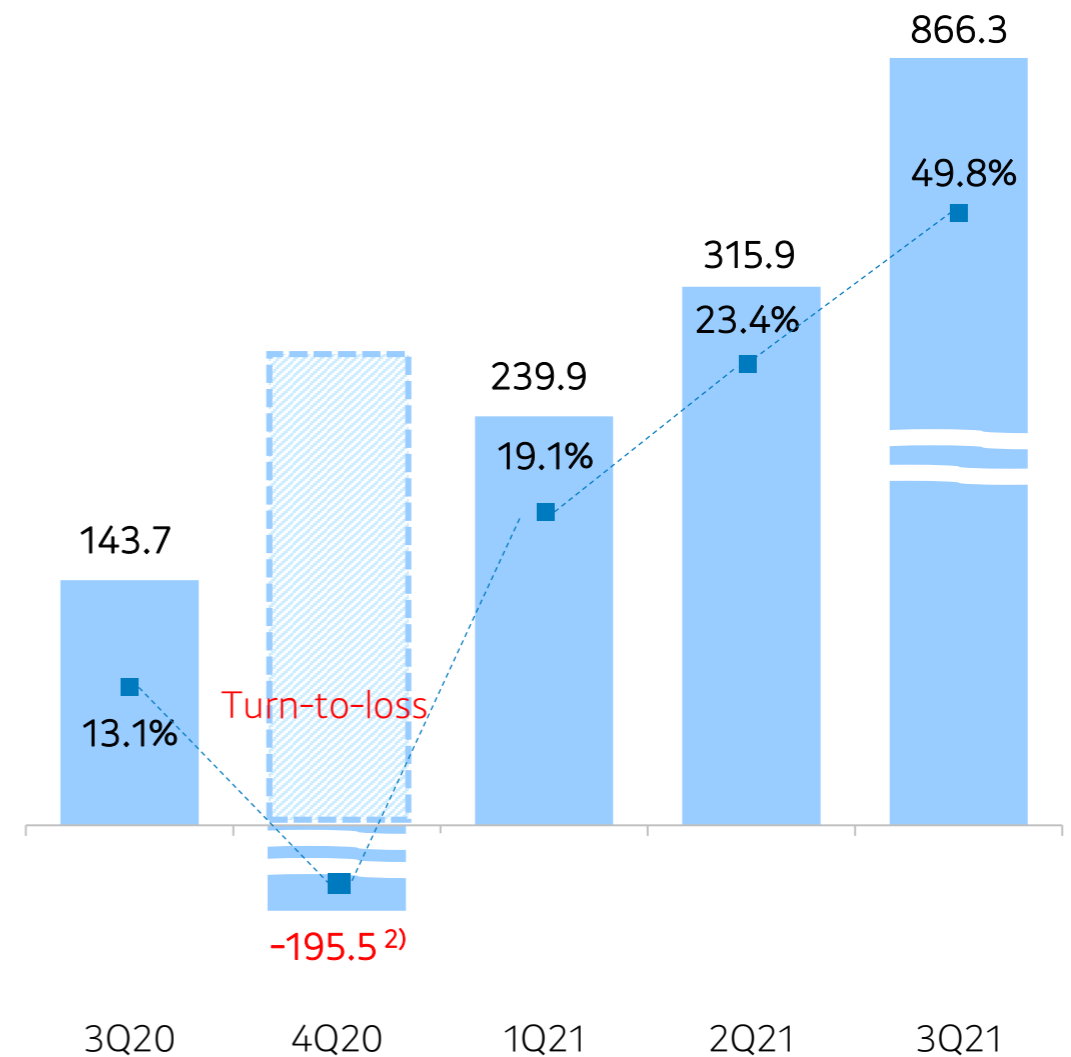
## Operating Profit(M)

(in billion KRW)



## Net Profit(M)

(in billion KRW)



1) 2Q21 One-off Equity Compensation Expense 12.1 billion KRW included  
 2) 4Q20 Impairment Loss on Intangible Assets 454 billion KRW included

# CapEx / Employees

CapEx YoY +15% / QoQ -26%

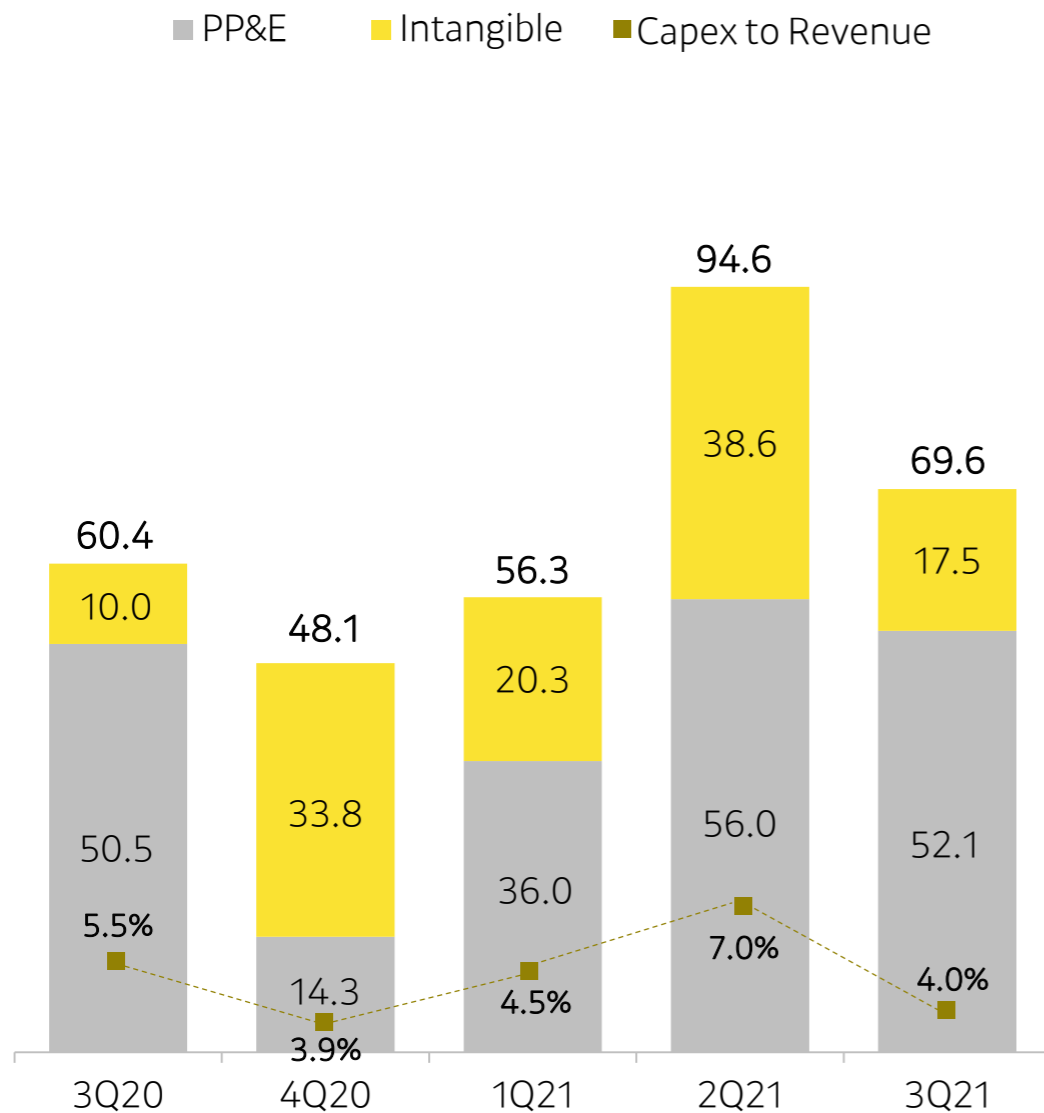
Employees YoY +3,349 / QoQ +1,038

Increase in other intangible asset due to continuous investment in content

Overall increase in headcounts, while Kakao's headcount decreased due to Melon spin-off

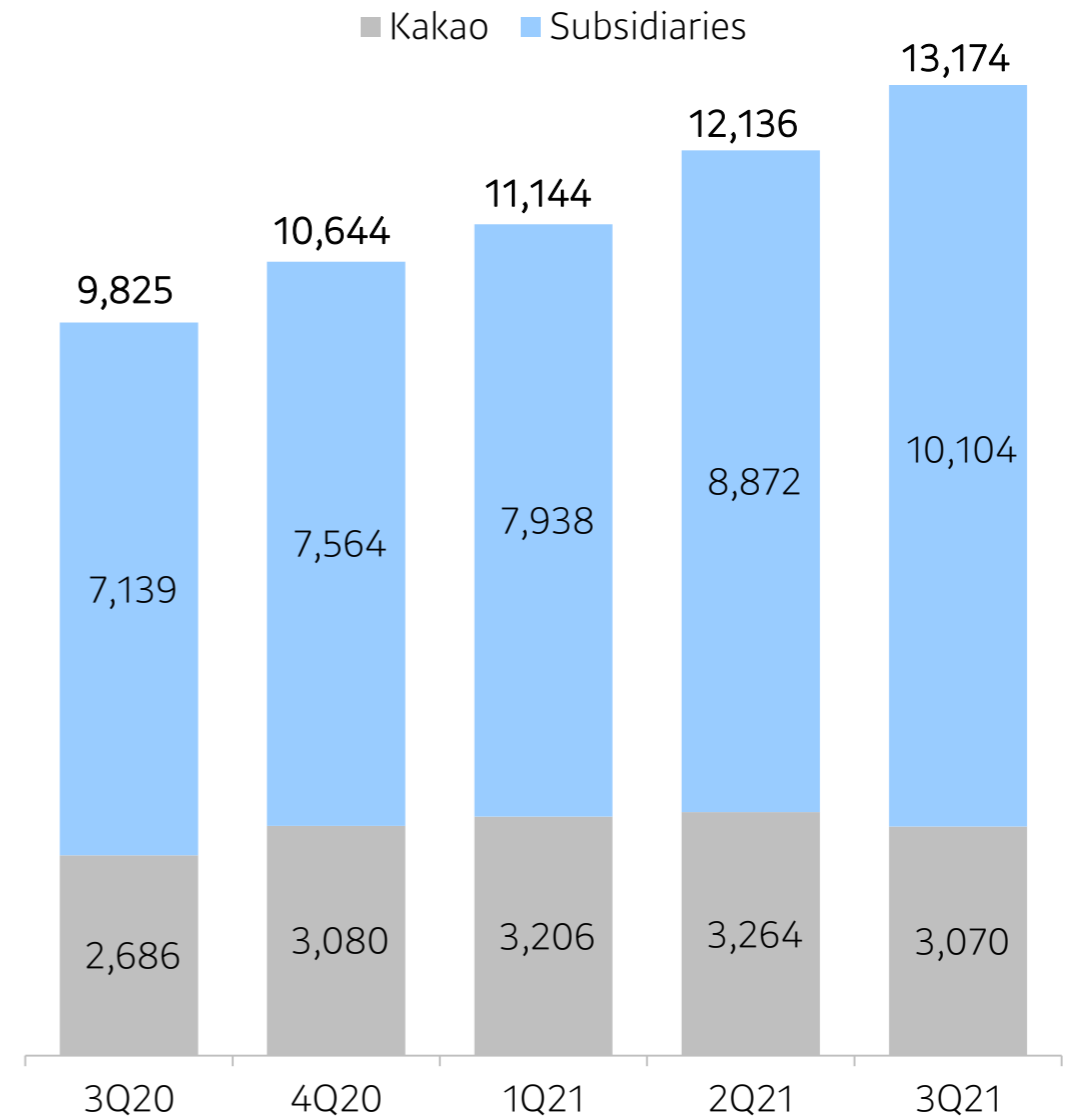
## CapEx

(in billion KRW)



## Employees

(# of people)



# Financial Statements Summary – Consolidated

| Income Statement                   |                |                |                |                |                |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| (in billion KRW)                   | 3Q20           | 4Q20           | 1Q21           | 2Q21           | 3Q21           |
| <b>Total Revenue</b>               | <b>1,100.4</b> | <b>1,235.1</b> | <b>1,258.0</b> | <b>1,352.2</b> | <b>1,740.8</b> |
| Platform                           | 578.5          | 680.7          | 695.5          | 761.8          | 778.7          |
| Talk Biz                           | 292.5          | 365.4          | 373.6          | 390.5          | 404.9          |
| Portal Biz                         | 121.2          | 122.7          | 117.5          | 125.1          | 119.2          |
| New Biz                            | 164.9          | 192.6          | 204.5          | 246.2          | 254.7          |
| Content                            | 521.9          | 554.4          | 562.4          | 590.4          | 962.1          |
| Game                               | 150.4          | 140.8          | 130.3          | 128.6          | 463.1          |
| Music                              | 182.0          | 185.5          | 184.6          | 188.1          | 197.1          |
| Paid Content                       | 148.4          | 163.6          | 174.7          | 186.4          | 218.7          |
| IP Business and Others             | 41.1           | 64.6           | 72.9           | 87.4           | 83.1           |
| <b>Operating Expenses</b>          | <b>980.2</b>   | <b>1,085.5</b> | <b>1,100.4</b> | <b>1,189.6</b> | <b>1,572.6</b> |
| Labor Cost                         | 239.3          | 265.7          | 292.9          | 301.0          | 307.2          |
| Cost of Revenue                    | 463.7          | 491.5          | 493.0          | 530.3          | 805.8          |
| Outsourcing / Infrastructure       | 113.9          | 145.1          | 144.5          | 164.9          | 197.8          |
| Marketing Expense                  | 76.3           | 87.5           | 67.2           | 91.1           | 148.1          |
| Depreciation and Amortization Cost | 66.8           | 78.2           | 79.2           | 78.8           | 89.1           |
| Misc.                              | 20.3           | 17.4           | 23.6           | 23.4           | 24.7           |
| <b>Operating Profit</b>            | <b>120.2</b>   | <b>149.7</b>   | <b>157.5</b>   | <b>162.6</b>   | <b>168.2</b>   |
| <i>Margin (%)</i>                  | <i>10.9%</i>   | <i>12.1%</i>   | <i>12.5%</i>   | <i>12.0%</i>   | <i>9.7%</i>    |
| Other Non-Operating Income         | 48.0           | 181.9          | 54.4           | 66.1           | 799.6          |
| Other Non-Operating Expenses       | 17.6           | 504.3          | 6.6            | 19.2           | 20.7           |
| Financial Income                   | 37.4           | 120.6          | 47.9           | 18.3           | 43.9           |
| Financial Expenses                 | 12.2           | 42.6           | 69.7           | 64.7           | 90.4           |
| Equity-method Income               | 3.8            | -1.3           | 135.1          | 186.7          | 171.2          |
| <b>Profit before Income Tax</b>    | <b>179.6</b>   | <b>-96.0</b>   | <b>318.7</b>   | <b>349.7</b>   | <b>1,071.8</b> |
| Income Tax                         | 35.9           | 99.4           | 78.8           | 33.8           | 205.5          |
| <b>Net Profit</b>                  | <b>143.7</b>   | <b>-195.5</b>  | <b>239.9</b>   | <b>315.9</b>   | <b>866.3</b>   |
| Controlling Interests              | 127.5          | -189.1         | 224.5          | 311.7          | 779.1          |
| Non-controlling Interests          | 16.2           | -6.4           | 15.3           | 4.3            | 87.2           |
| EBITDAR <sup>1)</sup>              | 185.2          | 226.1          | 236.7          | 241.0          | 255.1          |
| Adjusted EBITDAR <sup>1)</sup>     | 199.9          | 237.0          | 258.2          | 279.6          | 269.8          |

| Statement of Financial Position              |                |                 |                 |
|--|----------------|-----------------|-----------------|
| (in billion KRW)                             | 2019.12.31     | 2020.12.31      | 2021.9.30       |
| <b>Current Assets</b>                        | <b>2,829.7</b> | <b>4,462.9</b>  | <b>6,997.7</b>  |
| Cash and Cash Equivalents                    | 1,918.2        | 2,877.5         | 3,433.6         |
| S-T Financial Instruments                    | 207.8          | 694.1           | 941.4           |
| Account Receivable                           | 157.2          | 247.4           | 419.3           |
| Other Current Financial Assets               | 252.5          | 225.1           | 356.8           |
| Other Current Assets                         | 294.0          | 418.9           | 1,846.5         |
| <b>Non-Current Assets</b>                    | <b>5,907.6</b> | <b>6,987.4</b>  | <b>10,355.7</b> |
| Investments in Associates and Joint Ventures | 978.9          | 1,504.4         | 3,006.5         |
| Tangible Assets                              | 349.8          | 430.7           | 498.2           |
| Intangible Assets                            | 3,548.4        | 3,351.6         | 4,448.5         |
| Other Non-current Assets                     | 1,030.4        | 1,700.8         | 2,382.5         |
| Finance Assets                               | -              | 503.7           | 897.8           |
| <b>Total Assets</b>                          | <b>8,737.3</b> | <b>11,954.0</b> | <b>18,231.2</b> |
| <b>Current Liabilities</b>                   | <b>2,433.3</b> | <b>2,929.6</b>  | <b>4,447.4</b>  |
| Account Payable and Other payable            | 578.6          | 836.0           | 1,180.9         |
| Short-term Borrowings                        | 448.6          | 188.4           | 910.1           |
| Income Tax Payable                           | 68.3           | 112.1           | 64.1            |
| Other Current Liabilities                    | 1,337.8        | 1,793.1         | 2,292.3         |
| <b>Non-Current Liabilities</b>               | <b>563.8</b>   | <b>1,166.1</b>  | <b>2,180.0</b>  |
| Non-Current Finance Lease Obligations        | 165.0          | 273.3           | 436.4           |
| Deferred Income Tax Liabilities              | 141.1          | 249.0           | 570.6           |
| Other Non-Current Liabilities                | 257.8          | 643.8           | 1,172.9         |
| Finance Assets                               | -              | 430.6           | 698.7           |
| <b>Total Liabilities</b>                     | <b>2,997.1</b> | <b>4,526.2</b>  | <b>7,326.1</b>  |
| Paid-in Capital                              | 43.2           | 44.3            | 44.6            |
| Capital Surplus                              | 5,043.2        | 5,833.1         | 6,642.7         |
| Other Accumulated Earnings                   | 7.2            | 18.6            | 53.2            |
| Accumulated Other Comprehensive Income       | -16.4          | 86.6            | 406.3           |
| Retained Earnings                            | 148.2          | 316.3           | 1,633.4         |
| Minority Interest                            | 514.8          | 1,128.8         | 2,125.0         |
| <b>Total Equity</b>                          | <b>5,740.1</b> | <b>7,427.7</b>  | <b>10,905.1</b> |
| <b>Total Liabilities &amp; Equity</b>        | <b>8,737.3</b> | <b>11,954.0</b> | <b>18,231.2</b> |

1) EBITDAR: Rental expenses are included in lease amortization from Q1 2019 (EBITDA till FY2018) / Adjusted EBITDAR : included equity compensation expense



# Financial Statements Summary – Parent

| Income Statement                   |              |               |              |              |              |
|------------------------------------|--------------|---------------|--------------|--------------|--------------|
| (in billion KRW)                   | 3Q20         | 4Q20          | 1Q21         | 2Q21         | 3Q21         |
| <b>Total Revenue</b>               | <b>449.5</b> | <b>508.0</b>  | <b>490.9</b> | <b>521.4</b> | <b>468.4</b> |
| <b>Operating Expenses</b>          | <b>377.1</b> | <b>401.5</b>  | <b>414.1</b> | <b>424.1</b> | <b>371.9</b> |
| Labor Cost                         | 81.6         | 85.8          | 102.9        | 95.3         | 89.0         |
| Cost of Revenue                    | 211.3        | 210.1         | 214.9        | 221.6        | 163.8        |
| Outsourcing / Infrastructure       | 43.1         | 55.8          | 55.4         | 64.7         | 73.5         |
| Marketing Expense                  | 5.0          | 7.5           | 3.4          | 4.5          | 4.9          |
| Depreciation and Amortization Cost | 30.8         | 37.6          | 32.1         | 32.1         | 33.9         |
| Misc.                              | 5.3          | 4.7           | 5.3          | 5.8          | 6.8          |
| <b>Operating Profit</b>            | <b>72.4</b>  | <b>106.5</b>  | <b>76.7</b>  | <b>97.3</b>  | <b>96.5</b>  |
| <i>Margin (%)</i>                  | <i>16.1%</i> | <i>21.0%</i>  | <i>15.6%</i> | <i>18.7%</i> | <i>20.6%</i> |
| Other Non-Operating Income         | 21.3         | 23.1          | 3.3          | 5.9          | 44.6         |
| Other Non-Operating Expenses       | 5.1          | 394.5         | 1.2          | 10.7         | 8.6          |
| Financial Income                   | 2.8          | 22.8          | 37.6         | 18.4         | 49.2         |
| Financial Expenses                 | 1.5          | 16.8          | 17.5         | 2.7          | 17.6         |
| <b>Profit before Income Tax</b>    | <b>90.0</b>  | <b>-258.9</b> | <b>98.9</b>  | <b>108.1</b> | <b>164.1</b> |
| Income Tax                         | 12.9         | 25.9          | 20.3         | 10.0         | -56.3        |
| <b>Net Profit</b>                  | <b>77.1</b>  | <b>-284.8</b> | <b>78.6</b>  | <b>98.2</b>  | <b>220.5</b> |
| EBITDAR <sup>1)</sup>              | 103.1        | 144.5         | 109.0        | 129.3        | 130.3        |

| Statement of Financial Position                            |                |                |                |
|--|----------------|----------------|----------------|
| (in billion KRW)   | 2019.12.31     | 2020.12.31     | 2021.9.30      |
| <b>Current Assets</b>                                      | <b>1,014.0</b> | <b>1,782.4</b> | <b>2,413.5</b> |
| Cash and Cash Equivalents                                  | 647.1          | 1,356.9        | 722.8          |
| S-T Financial Instruments                                  | 15.6           | 65.5           | 385.4          |
| Account Receivable   | 95.0           | 120.5          | 122.7          |
| Other Current Assets                                       | 256.3          | 239.5          | 1,182.6        |
| <b>Non-Current Assets</b>                                  | <b>5,470.3</b> | <b>5,563.1</b> | <b>6,287.4</b> |
| Investments in Associates, Subsidiaries and Joint Ventures | 2,212.4        | 2,393.4        | 3,236.9        |
| Tangible Assets  | 248.3          | 272.1          | 304.6          |
| Intangible Assets  | 2,458.6        | 2,106.2        | 1,567.8        |
| Other Non-current Assets                                   | 551.1          | 791.3          | 1,178.1        |
| <b>Total Assets</b>  | <b>6,484.4</b> | <b>7,345.5</b> | <b>8,700.9</b> |
| <b>Current Liabilities</b>                                 | <b>1,371.0</b> | <b>1,421.6</b> | <b>1,719.1</b> |
| Account Payable and Other payable                          | 686.7          | 1,035.7        | 450.0          |
| Short-term Borrowings                                      | 429.1          | 58.0           | 0              |
| Income Tax Payable   | 38.1           | 49.8           | 23.9           |
| Other Current Liabilities                                  | 217.1          | 278.1          | 1,245.1        |
| <b>Non-Current Liabilities</b>                             | <b>255.1</b>   | <b>598.5</b>   | <b>700.6</b>   |
| Non-Current Finance Lease Obligations                      | 88.6           | 121.9          | 192.6          |
| Deferred Income Tax  | 88.0           | 108.2          | 97.6           |
| Other Non-Current Liabilities                              | 78.4           | 368.3          | 410.4          |
| <b>Total Liabilities</b>                                   | <b>1,626.1</b> | <b>2,020.1</b> | <b>2,419.7</b> |
| Paid-in Capital  | 43.2           | 44.3           | 44.6           |
| Capital Surplus  | 4,462.3        | 4,986.9        | 5,324.1        |
| Other Accumulated Earnings                                 | 41.3           | 18.6           | 53.2           |
| Accumulated Other Comprehensive Income                     | -2.9           | 66.5           | 266.0          |
| Retained Earnings  | 314.5          | 209.2          | 593.4          |
| <b>Total Equity</b>  | <b>4,858.3</b> | <b>5,325.4</b> | <b>6,281.3</b> |
| <b>Total Liabilities &amp; Equity</b>                      | <b>6,484.4</b> | <b>7,345.5</b> | <b>8,700.9</b> |

1) EBITDAR: Rental expenses are included in lease amortization from Q1 2019 (EBITDA till FY2018)

**Thank You**

