
3Q. 2023

Result Summary

Nov. 8. 2023


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- This document contains that are not historical in nature but concern future results and business plans, strategies and objectives, and other matters that may be deemed to be "forward-looking statements".
- iMarketKorea cannot guarantee that any forward-looking statement will be realized although iMarketKorea does believe that its assumptions underlying its forward-looking statements are reasonable.
- Achievement of future results is subject to risks and uncertainties, which could cause iMarketKorea's results to differ materially from those which are presented.

Contents

1. Result Summary (consolidated)	-----	3
2. Result Summary (separate)	-----	4
3. Overseas Subsidiaries	-----	5
4. AllenCare	-----	6
5. Other Subsidiaries	-----	7
6. Appendix	-----	8

1. Result Summary (consolidated)

 3Q Result : Sales KRW 810.2 bn (-3.9% QoQ, -13.9% YoY) / OP KRW 12.1 bn (-11.8% QoQ, -19.6% YoY)

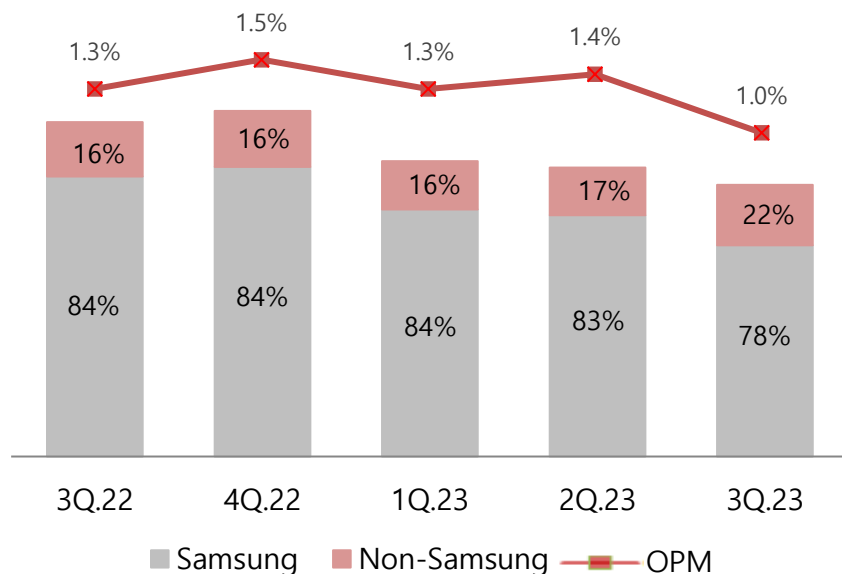
Unit : KRW mn	3Q 23	2Q 23	QoQ	3Q 22	YoY
Sales	810,021	842,659	-3.9%	940,351	-13.9%
IMK	562,204	598,427	-6.1%	692,128	-18.8%
Overseas Subsidiaries	47,137	47,653	-1.1%	60,097	-21.6%
Allen Care	170,514	164,006	+4.0%	152,739	+11.6%
Other Subsidiaries	53,955	25,106	+114.9%	44,874	+20.2%
Gross profits	36,579	38,954	-6.1%	39,505	-7.4%
Selling and Administrative Expenses	24,507	25,259	-3.0%	24,498	+0.0%
Operating profits	12,072	13,694	-11.8%	15,008	-19.6%
Pre-tax profits	7,451	2,873	+159.3%	12,450	-40.2%
Net profits	4,570	2,667	+71.4%	8,109	-43.6%

※ Overseas Subsidiaries : IMA, IMV, IMX, IMF, IME

※ Other Subsidiaries: I Logistics, IIC Company, Qubridge, Guardian, DAYLI Next Wave Bio Healthcare Fund, Value Point, IM technology

2. Result Summary (separate)

3Q Result : Sales KRW 562.2 bn (-6.1% QoQ, -18.8% YoY) / OP KRW 5.7 bn (-31.6% QoQ, -34.5% YoY)



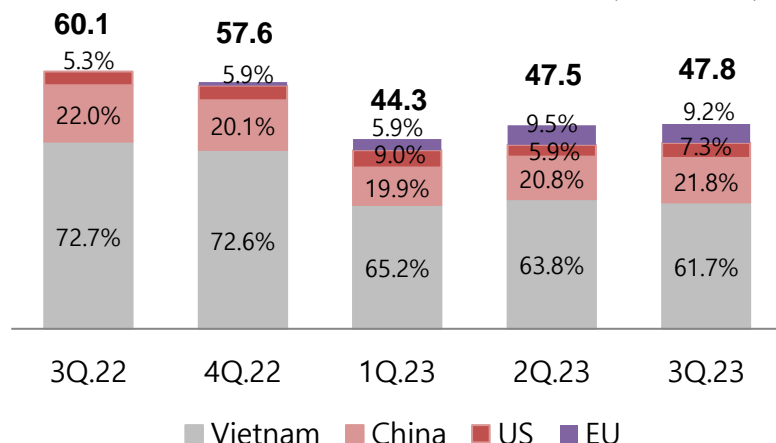
- **Samsung : Sales KRW 437.1 bn (-12.5% QoQ, -24.6% YoY)**
 - Decrease in sales of Construction materials, MRO (QoQ, YoY)
 - Decrease in sales of Construction materials, Raw & Subsidiary materials (YoY)
- **Non-Samsung : Sales KRW 125.1 bn (+26.5% QoQ, +11.3% YoY)**
 - Increase in sales of IT Products (QoQ, YoY)

Unit: KRW bn	2023					2022				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	611.2	598.4	562.2	-6.1%	-18.8%	630.7	640.5	692.1	715.6	2,679.0
Samsung	511.5	499.5	437.1	-12.5%	-24.6%	498.4	540.9	579.7	599.6	2,218.6
Non-Samsung	99.7	98.9	125.1	+26.5%	+11.3%	132.3	99.6	112.4	116.0	460.4

3. Overseas Subsidiaries

3Q Result : Sales KRW 47.8 bn / OL KRW 0.6 bn

(Unit : KRW bn)

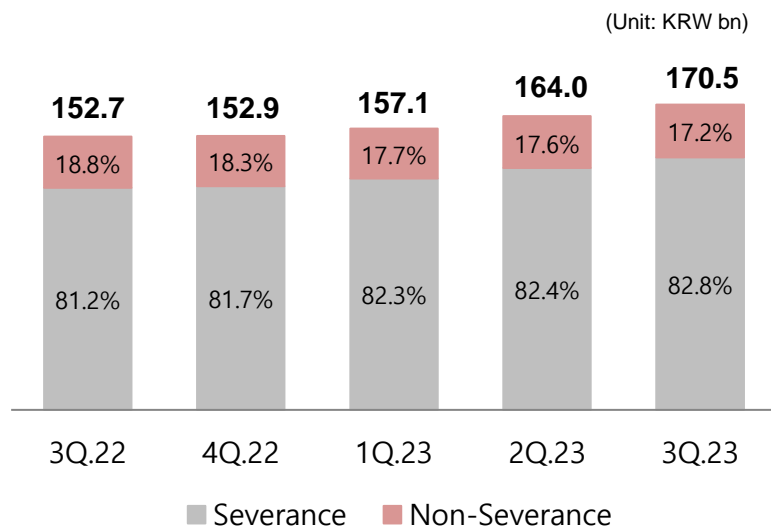


- **Vietnam : Sales KRW 29.5 bn (-2.8% QoQ, -32.6% YoY)**
- Decrease in sales due to deteriorating market conditions of customers
- **China : Sales KRW 10.4 bn (+4.9% QoQ, -20.9% YoY)**
- Decrease in sales due to deteriorating market conditions of customers
- **US : Sales KRW 3.5 bn (+24.6% QoQ, +10.3% YoY)**
- Recovery in sales to previous year's level after decrease in sales in 2nd quarter
- **EU : Sales KRW 4.4 bn (-1.8% QoQ, +10,512.1% YoY)**
- Providing MRO service to Samsung SDI Hungary

Unit: KRW bn		2023					2022				
		1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Vietnam	Samsung	21.3	20.4	18.5	-9.4%	-42.8%	22.1	25.2	32.3	33.9	113.5
	Non-Samsung	7.6	9.9	11.0	+11.0%	-3.9%	12.3	12.3	11.4	7.9	43.9
	Total	28.9	30.3	29.5	-2.8%	-32.6%	34.4	37.5	43.7	41.8	157.4
China	Samsung	4.3	4.4	3.9	-11.0%	-20.6%	5.7	5.2	5.0	4.7	20.5
	Non-Samsung	4.5	5.5	6.5	+17.7%	-21.1%	6.1	4.7	8.2	6.9	26.0
	Total	8.8	9.9	10.4	+4.9%	-20.9%	11.8	9.9	13.2	11.6	46.5
US		4.0	2.8	3.5	+24.6%	+10.3%	3.2	3.2	3.2	3.4	13.0
EU		2.6	4.5	4.4	-1.8%	+10,512%	-	0.0	0.0	0.8	0.8
Total		44.3	47.5	47.8	+0.6%	-6.1%	49.4	50.6	60.1	57.6	217.7

4. AllenCare

3Q Result : Sales 170.5 bn / OP KRW 8.1 bn



- **Severance : Sales KRW 141.1 bn (+4.4% QoQ, +13.7% YoY)**
 - Stable sales growth from Severance hospital
- **Non-Severance : Sales KRW 29.5 bn (+1.9% QoQ, +2.6% YoY)**
 - Sales increase from pharmaceutical distributors and new clients

Unit: KRW bn	2023					2022				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	157.1	164.0	170.5	+4.0%	+11.6%	123.6	132.0	152.7	152.9	561.2
Severance	129.3	135.1	141.1	+4.4%	+13.7%	108.9	114.3	124.0	124.9	472.0
Non-Severance	27.8	28.9	29.5	+1.9%	+2.6%	14.7	17.7	28.7	28.1	89.2
OP	7.5	7.7	8.1	+4.7%	+11.3%	5.7	6.4	7.2	7.2	26.6
OPM(%)	4.8%	4.7%	4.7%	-	-	4.7%	4.8%	4.7%	4.7%	4.7%

5. Other Subsidiaries

 3Q Result : Sales KRW 38.7 bn / OP KRW 0.6 bn

Unit : KRW mn		3Q 23	2Q 23	QoQ	3Q 22	YoY
Qubridge	Sales	14,307	14,252	+0.4%	16,327	-12.4%
	OP	-40	47	Turn red	124	Turn red
IIC Company	Sales	12,623	14,963	-15.6%	11,950	+5.6%
	OP	223	307	-27.5%	7	+3,288.7%
Value Point	Sales	8,332	7,371	+13.0%	6,815	+22.3%
	OP	880	-535	Turn around	153	+474.5%
I Logistics	Sales	2,923	3,015	-3.0%	3,217	-9.1%
	OP	61	68	-10.9%	-54	Turn around
IM technology	Sales	520	755	-31.1%	341	+52.7%
	OP	-511	-263	Sustained losses	-271	Sustained losses
DAYLI Next Wave Bio Healthcare Fund	Sales	-	-	-	-	-
	OP	-36	-42	Sustained losses	-40	Sustained losses
Guardian	Sales	-	-	-	6,225	-
	OP	-16	-11	Sustained losses	-150	Sustained losses

Appendix 1 Company Introduction

Originally created as Samsung Electronics Internet venture, Samsung affiliates invested in us before we were transformed into an MRO supplier for the Samsung Group (providing supplies to Samsung manufacturing companies). In 2005, we began offering our services to non-Samsung affiliates and then listed in 2010. In 2011, Samsung sold its 48.7% stake in iMarketKorea to Interpark Holdings Consortium (includes Woori PE (11.5%)).

Company Profile

Company Name	iMarketKorea Inc
Controlling Shareholder	Gradiant Corporation
Date of Foundation	December 8, 2000
Date of IPO	July 30, 2010
CEO	Nam In bong
Paid in Capital	KRW 18.2 billion
# of Employees	431 (As of the end of 3Q 2023)
Website	www.imarketkorea.com

Ownership

Gradiant Corporation	43.1%
Samsung Electronics and 4 affiliates	8.7%
National Pension Service	3.4%
Baring Asset Management Korea Limited	2.5%
Treasury Stocks	5.9%
Others	36.4%
Total	100.0%

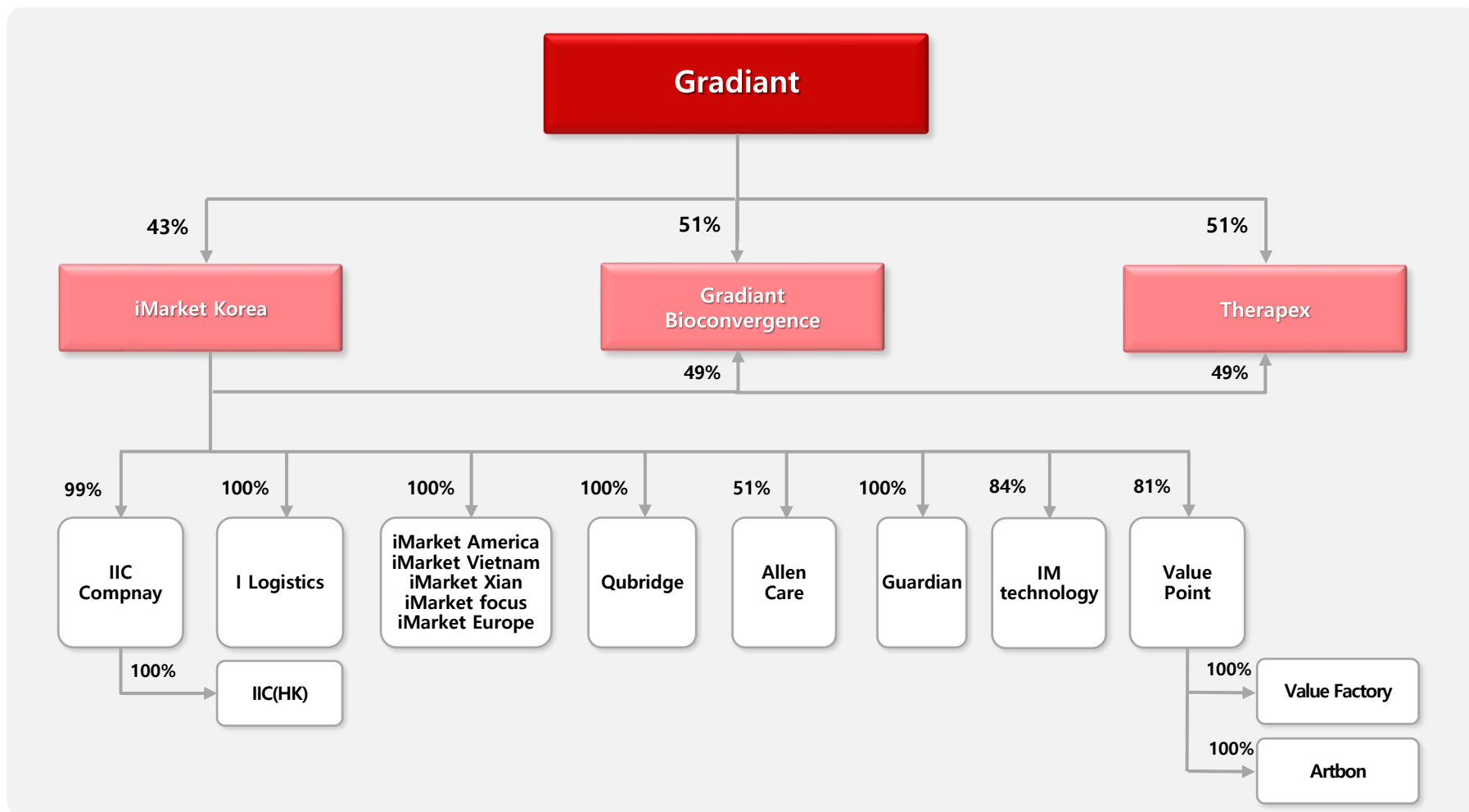
(As of Sep 30, 2023)

※ National Pension Service’s ownership is based on Dec 31, 2022

※ Baring Asset Management Korea Limited’s ownership is based on Dec 31, 2022

Appendix 2 Organization

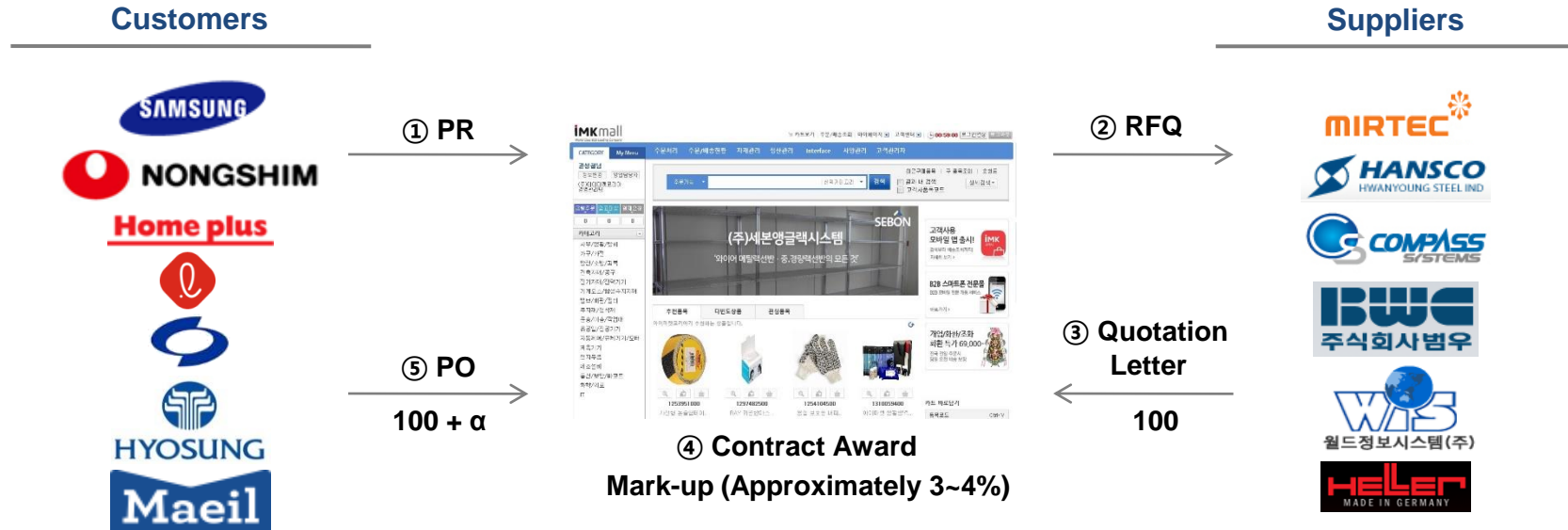
Gradiant Corporate Structure



Source: As of December 31, 2022

Appendix 3 Business Model

We handle everything related to procurement, which includes our procurement services for domestic and overseas customers



• New large customers in 2023 :

1) SAMWOO Co.,Ltd. 2) H GREEN POWER INC. 3) SAMBARK LFT Co.,Ltd. etc

• New large customers in 2022 :

1) Haevichi Hotels&Resorts Co.,Ltd. 2) SEKONIX Co.,LTD. etc

• New large customers in 2021 :

1) ECOPRO GEM CO.,LTD. 2) SEEGENE, INC. 3) SAMPYO Industry 4) SAMPYO Cement Co.,Ltd. 5) SP Nature Co.,Ltd. 6) SHINSEGAE FOOD Inc. etc

Appendix 4 Product Line-Up

We provide a comprehensive procurement service covering all materials, small MRO units, and distribution of hard-to-get materials and equipment

Industrial Supplies (80%)

Machinery

- Rubber products
- Bearings and Belts
- Welders and Consumables
- General Tools
- Parts

Electric Facilities

- Pipes, Steel valves
- Valves, Bolts
- Lamps
- Work benches, Storage cabinets
- Filters, etc.

Petrochemical

- Water and Waste water treatment agents
- Fuel and Lubricants
- Chemical Appliances
- Gas, etc.

Automation/ Electronic Control

- Measuring Instrument
- Industrial Machines
- Motors
- Barcodes, Marking Machines, etc.

Construction Supplies

- Steel Bar
- Cold Rolled Coil
- Carpet Tile
- Finishing Materials

Raw and Subsidiary Materials

- Production Materials
- Transport Materials
- Electronic Parts
- Packing Materials
- Equipment, etc.

General Supplies (20%)

Office Supplies

- Copying Papers
- Office Products
- Health Machines

IT

- Ink, Toner
- Computer
- Communication Devices, etc.

Household Items

- Cleaning Products
- Food & Confectionaries

Printed Matters

- Brochures
- Envelopes and Name Cards

Safety Supplies

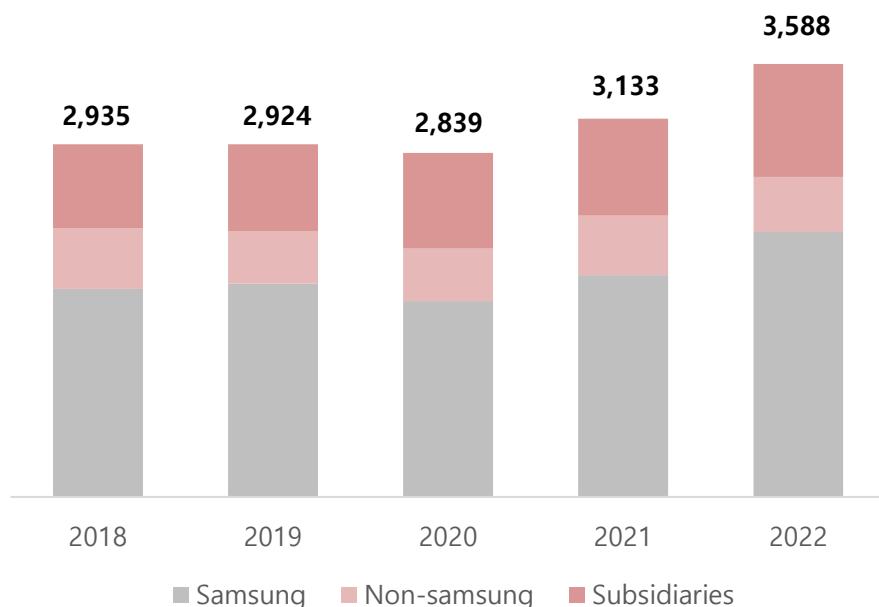
- Uniforms
- Safety Goods

Furniture

- Furniture
- Home Appliances

Appendix 5 Historical Earnings

(Unit: KRW bn)



Unit: KRW bn	2018	2019	2020	2021	2022
Samsung	1,742	1,787	1,638	1,855	2,219
Non-Samsung	507	439	442	498	460
Sub-total (Separated)	2,249	2,226	2,080	2,353	2,679
Subsidiaries	695	727	799	814	947
Total (Consolidated)	2,935	2,924	2,839	3,133	3,588

- **Total sales decreased due to reduced sales to Non-Samsung clients in 2019**
 - Growth in sales due to increased volume of some Samsung clients
 - Reduction in sales of low profit customers
 - Stable sales growth in Allen care
- **Decrease in sales of customers affected by COVID-19 in 2020**
 - Reduction in export sales
 - Reduction in sales due to decreased volume of some Samsung clients
 - Stable sales growth in Allen care
- **Increase in sales of major clients in 2021**
 - Increase in IMK sales due to enlargement in investment from major clients
 - Growth in sales of non-Samsung clients
- **Increase in sales of major clients in 2022**
 - Increase in IMK sales due to enlargement in investment from Samsung clients
 - Allen Care's sales increase from new clients
 - Increased sales of overseas subsidiaries due to improved situation of customers

Appendix 6 AllenCare

Pharmaceutical distributor for Severance Hospital

Disposed 51% of share to IMK due to the revised law

IMK acquired AllenCare in order to expand its business into the healthcare market

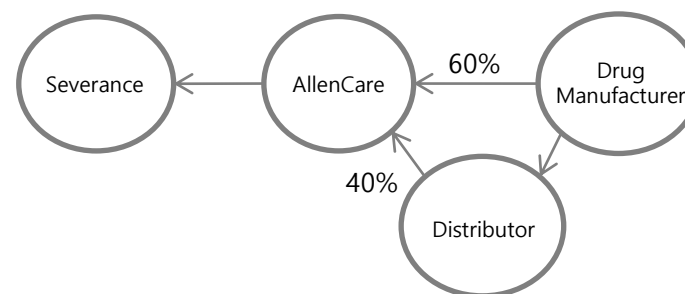
Company Overview

- 1992 : AllenCare Jejung founded by Yonsei University
- 2012 : Pharmaceutical Affairs Act was revised;
 - Jejung suspended supporting ETC products to Yonsei's Severance Hospital
- 2014 : Yonsei University sold a majority stake to IMK
 - Currently, iMarketKorea holds a 51% stake (rest is owned by Yonsei University)

Historical Earnings

(Unit: KRW bn)	Sales	Operating Profit
2019	430.3	32.5
2020	474.5	26.3
2021	496.3	23.7
2022	561.2	26.6
3Q.23	491.6	23.3

Business Model



Background

1) Normalized business by enhancing IMK's purchasing power and systems.

Acquired in Mar 2014, resumed operations in Apr 2014

2) Supported growth of the new cancer center

3) Reflected amortization costs of intangible assets in IMK's consolidated earnings

(KRW 157.6 bn or KRW 570 mn per month)

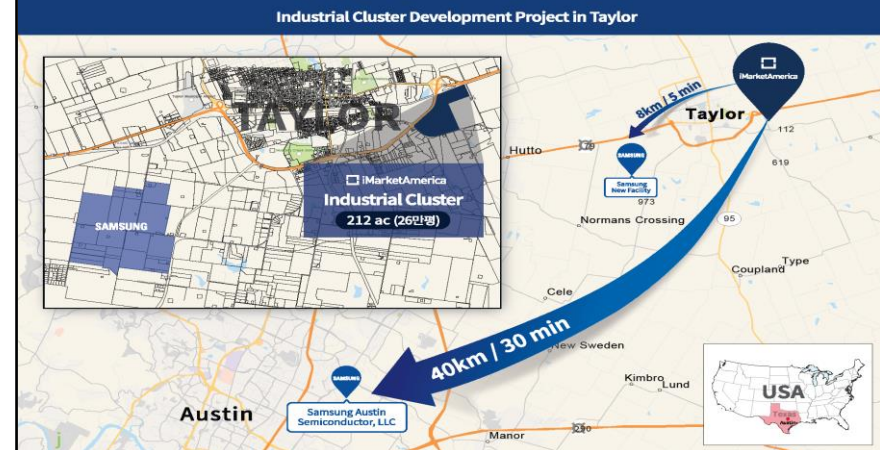
Appendix 7 Business Plan in State of Texas

- Samsung Electronics semiconductor foundry plant is under construction for the production starting from 2024 in Taylor City, Texas.
- Business-friendly policies in this area continue to attract high-tech companies such as Tesla and Apple to this vicinity (also known as "Silicon Hills")
- iMarketKorea has completed the purchase of 9M sqf of land site by June, to develop an industrial cluster for high-tech industries like semiconductor, EV, etc.

IMK Promotion Status of Project

- **Purchase of the 1st site for the purpose of establishing a distribution center(DEC, 2022)**
 - Secured a Site of about 2 Mil SQF for the creation of Logistics center near Samsung Electronics plant in Taylor City.
- **KOTRA Collaboration Business Briefing and Visit to the Site(Mar, 2023)**
 - Participated in the US investment investigation delegation collaborated with KOTRA, held IMK business briefings, and visited the site.
- **MOU signing ceremony with Taylor City, Participation in U.S. Economic Mission (APR, 2023)**
 - Consultation on Taylor City's cooperation including, but not limiting permits related to industrial cluster development, utility construction, incentives, etc.
 - Participated in high-tech industry forums at the White House through economic missions of the Republic of Korea.
- **Purchase of the 2nd site for the purpose of creating a high-tech industrial cluster(JUN, 2023)**
 - Purchase of about 7 Mil SQF land for the purpose of developing and creating industrial clusters specialized for the semiconductor, electric vehicle, and secondary battery industries.

Projected Investment Site



View of the Logistics Center



Taylor City MOU signing ceremony



Appendix 8 Consolidated Financial Statements

Balance Sheet

Unit: KRW bn	3Q.23	2022
Current assets	893.0	927.3
Cash and cash equivalents	128.8	132.4
Account receivables	585.6	601.2
Inventories	81.8	71.6
Other current assets	96.8	122.1
Non-current asset	359.4	297.7
Investments	84.2	83.4
Tangible assets	134.4	66.2
Intangible assets	120.5	126.3
Other non-current assets	20.3	21.8
Total Asset	1,252.4	1,225.0
Current liabilities	774.7	757.6
Account payable	655.5	679.1
Other current liabilities	119.2	78.5
Non-current liabilities	74.6	57.2
Total Liabilities	849.3	814.8
Equity attributable to owners	352.7	358.0
Capital stock	18.2	18.2
Other contributed capital	110.0	107.8
Components of other capital	3.1	1.9
Retained earnings	221.4	230.1
Non-controlling interest	50.4	52.2
Total Shareholders' Equity	403.1	410.2

Income Statement

Unit: KRW bn	3Q.23	2022	2021
Revenue	2,500.5	3,588.2	3,132.5
Gross Profit	113.2	157.5	146.3
Selling and administrative expenses	73.8	101.2	100.9
Salaries	31.7	43.6	42.1
IT expenses	5.5	7.4	7.7
Commission	6.2	10.1	10.1
Rents	2.4	3.1	3.3
Depreciation	4.1	5.1	4.8
Amortization	6.9	9.8	9.1
Others	17.0	22.1	23.8
Operating Profit	39.4	56.3	45.4
Other Profit	6.0	15.2	8.6
Other expenses	10.3	23.6	8.4
Finance income	6.5	6.9	22.2
Finance expenses	15.1	12.0	2.3
Associates and subsidiaries	-6.9	-5.5	-3.3
Pre-tax Profit	19.6	37.3	62.2
Net Profit	13.7	29.1	44.5

Appendix 9 Separate Financial Statements

Balance Sheet

Unit: KRW bn	3Q.23	2022
Current assets	500.9	532.7
Cash and cash equivalents	85.2	86.1
Account receivables	291.6	325.0
Inventories	28.8	25.7
Other current assets	95.3	95.9
Non-current asset	296.8	292.5
Investments	236.7	231.6
Tangible assets	22.5	21.9
Intangible assets	12.9	13.6
Other non-current assets	24.7	25.4
Total Asset	797.7	825.2
Current liabilities	364.3	415.7
Account payable	339.7	385.9
Other current liabilities	24.6	29.8
Non-current liabilities	43.4	24.0
Total Liabilities	407.7	439.7
Paid-in Capital	18.2	18.2
Other Paid-in Capital	108.4	106.6
Earned Surplus	263.4	260.7
Total Equity	390.0	385.5

Income Statement

Unit: KRW bn	3Q.23	2022	2021
Revenue	1,771.9	2,679.0	2,353.5
Gross Profit	65.3	94.7	87.6
Selling and administrative expenses	43.5	59.0	58.6
Salaries	20.6	28.4	28.4
IT expenses	5.0	6.7	7.1
Commission	3.5	5.4	5.5
Rents	1.3	1.8	1.9
Depreciation	2.5	2.8	2.6
Amortization	1.4	2.0	1.1
Others	9.2	11.9	12.0
Operating Profit	21.8	35.7	29.0
Other profit	15.1	31.3	17.6
Other expenses	10.1	20.0	9.5
Finance income	6.4	6.1	22.4
Finance expenses	13.3	9.1	1.4
Impairment loss on investments in subsidiaries	-	4.2	-
Pre-tax Profit	19.9	39.8	58.1
Net Profit	18.2	36.3	44.4

Thank you