
3Q. 2020

Result Summary

Nov. 05. 2020

iMarketKorea

Disclaimer

- This document is provided for the convenience of investors only, financial information of this document may be changed by the audit.
- 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)

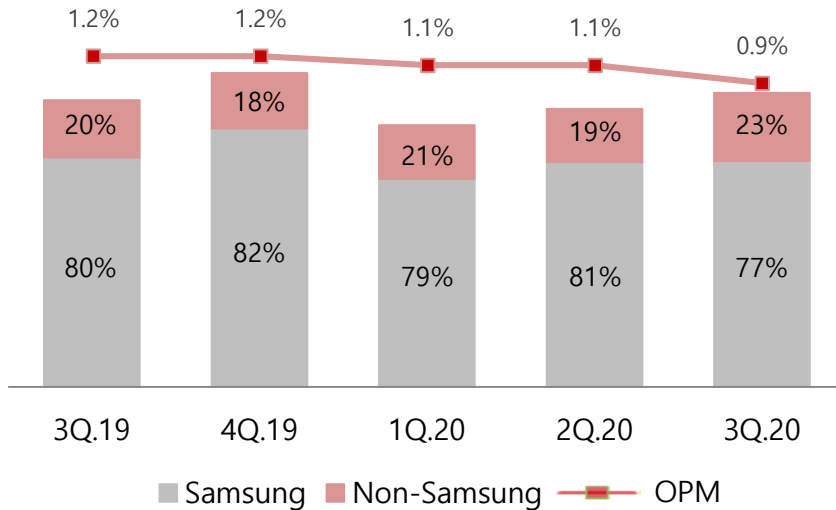
♥ 3Q Result : Sales KRW 725.3 bn (+5.1% QoQ, +4.0% YoY) / OP KRW 9.8 bn (-8.3% QoQ, -21.5% YoY)

Unit : KRW mn	3Q 20	2Q 20	QoQ	3Q 19	YoY
Sales	725,271	689,914	+5.1%	697,477	+4.0%
IMK	531,198	502,443	+5.7%	517,973	+2.6%
Overseas Subsidiaries	40,971	41,207	-0.6%	39,111	+4.8%
Allen Care	122,096	116,842	+4.5%	109,770	+11.2%
Other Subsidiaries	39,802	40,492	-1.7%	37,506	+6.1%
Gross profits	34,728	35,946	-3.4%	38,335	-9.4%
Selling and Administrative Expenses	24,965	25,293	-1.3%	25,902	-3.6%
Operating profits	9,763	10,653	-8.3%	12,433	-21.5%
Pre-tax profits	15,672	8,258	+89.8%	12,267	+27.8%
Net profits	10,907	7,155	+52.4%	8,940	+22.0%

※ Overseas Subsidiaries : IMA, IMV, IMX, IMF / Other Subsidiaries: Interpark-Logistics, Interpark-International, Interpark-Qubridge, Guardian

2. Result Summary (separate)

♥ 3Q Result : Sales KRW 531.2 bn (+5.7% QoQ, +2.6% YoY) / OP KRW 5.0 bn (-8.8% QoQ, -20.7% YoY)

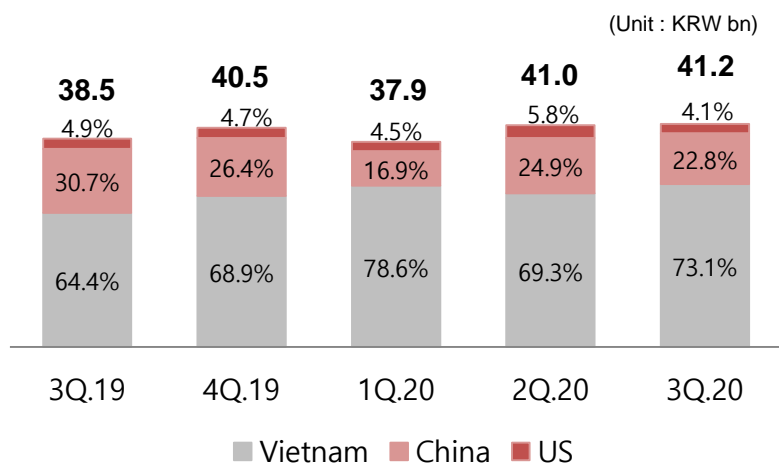


- **Samsung : Sales KRW 407.7 bn (+0.4% QoQ, -1.6% YoY)**
 - Increase in sales of and Raw & Subsidiary Materails (QoQ)
 - Decrease in sales of construction materials (YoY)
- **Non-Samsung : Sales KRW 123.5 bn (+27.9% QoQ, +18.9% YoY)**
 - Increase in sales of IT products and overseas exports

Unit: KRW bn	2020					2019				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	472.5	502.4	531.2	+5.7%	+2.6%	584.4	556.7	518.0	567.0	2,226.1
Samsung	375.6	405.9	407.7	+0.4%	-1.6%	467.4	438.4	414.2	466.8	1,786.7
Non-Samsung	97.0	96.5	123.5	+27.9%	+18.9%	117.0	118.3	103.8	100.2	439.4

3. Overseas Subsidiaries

♥ 3Q Result : Sales KRW 41.2 bn / OP KRW 0.3 bn

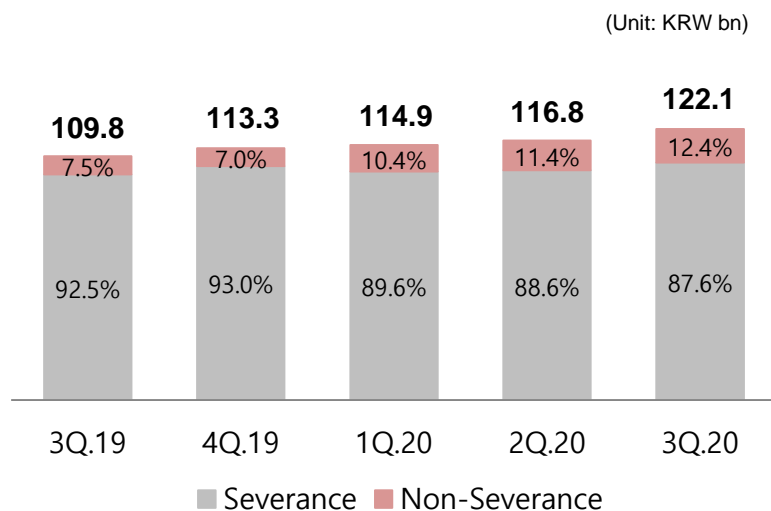


- **Vietnam : Sales KRW 30.1 bn (+6.0% QoQ, +21.7% YoY)**
 - Increase in sales of Non-Samsung customers (QoQ)
 - Increase in sales due to SDV's facility investment (YoY)
- **China : Sales KRW 9.4 bn (-8.4% QoQ, -20.4% YoY)**
 - Decreased sales in safety products sales were related to COVID-19
 - Decrease in sales of Korean company's subsidiaries in China (YoY)
- **US : Sales KRW 1.7 bn (-30.1% QoQ, -12.2% YoY)**
 - MRO service in progress to Samsung Austin Semicon

Unit: KRW bn		2020					2019				
		1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Vietnam	Samsung	21.8	21.8	22.7	+4.3%	+27.3%	16.1	14.4	17.9	20.3	68.7
	Non-Samsung	8.0	6.6	7.4	+11.5%	+7.2%	5.9	7.2	6.9	7.6	27.6
	Total	29.8	28.4	30.1	+6.0%	+21.7%	22.0	21.6	24.8	27.9	96.3
China	Samsung	3.0	3.8	4.5	+16.4%	-48.0%	3.5	4.7	8.6	6.8	23.6
	Non-Samsung	3.4	6.4	4.9	-23.2%	+53.6%	2.0	2.5	3.2	3.8	11.6
	Total	6.4	10.2	9.4	-8.4%	-20.4%	5.5	7.3	11.8	10.7	35.2
US		1.7	2.4	1.7	-30.1%	-12.2%	2.0	1.6	1.9	1.9	7.5
Total		37.9	41.0	41.2	+0.3%	+7.1%	29.5	30.5	38.5	40.5	138.9

4. AllenCare

♥ 3Q Result : Sales 122.1 bn / OP KRW 6.1 bn



- **Severance : Sales KRW 106.9 bn (+3.3% QoQ, +5.2% YoY)**
 - Continuous sales growth from Severance hospital
- **Non-Severance : Sales KRW 15.2 bn (+13.6% QoQ, +85.7% YoY)**
 - Sales increase from Chung-Ang Univ. Hospital and pharmaceutical distributors
 - Increase in sales of new customer (YoY)

Unit: KRW bn	2020					2019				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	114.9	116.8	122.1	+4.5%	+11.2%	100.1	107.1	109.8	113.3	430.3
Severance	102.9	103.5	106.9	+3.3%	+5.2%	93.4	99.5	101.6	105.4	399.9
Non-Severance	12.0	13.3	15.2	+13.6%	+85.7%	6.7	7.6	8.2	8.0	30.4
OP	8.2	6.7	6.1	-8.3%	-27.8%	7.7	8.3	8.5	8.1	32.5
OPM(%)	7.1%	5.7%	5.0%	-0.7%p	-2.7%p	7.7%	7.7%	7.7%	7.1%	7.6%

※ Due to regulations on retail transactions between relatives, medical supplies business of AllenCare was ceased in June 2012. After IMK acquired AllenCare in Mar. 2014, AllenCare resumed its business.

5. Other Subsidiaries

♥ 3Q Result : Sales KRW 39.8 bn / OP KRW 0.01 bn

Unit: KRW mn		3Q 20	2Q 20	QoQ	3Q 19	YoY
Interpark Qubridge	Sales	16,603	17,557	-5.4%	16,085	+3.2%
	OP	53	117	-54.5%	-114	Turn around
Guardian	Sales	7,375	6,885	+7.1%	6,452	+14.3%
	OP	-171	-221	Sustained losses	-419	Sustained losses
Interpark International	Sales	8,720	9,370	-6.9%	8,444	+3.3%
	OP	93	223	-58.2%	-260	Turn around
Interpark Logistics	Sales	7,104	6,680	+6.3%	6,525	+8.9%
	OP	39	-150	Turn around	144	-73.3%

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	Interpark Holdings 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	456 (As of the end of 3Q 2020)
Website	www.imarketkorea.com

Ownership

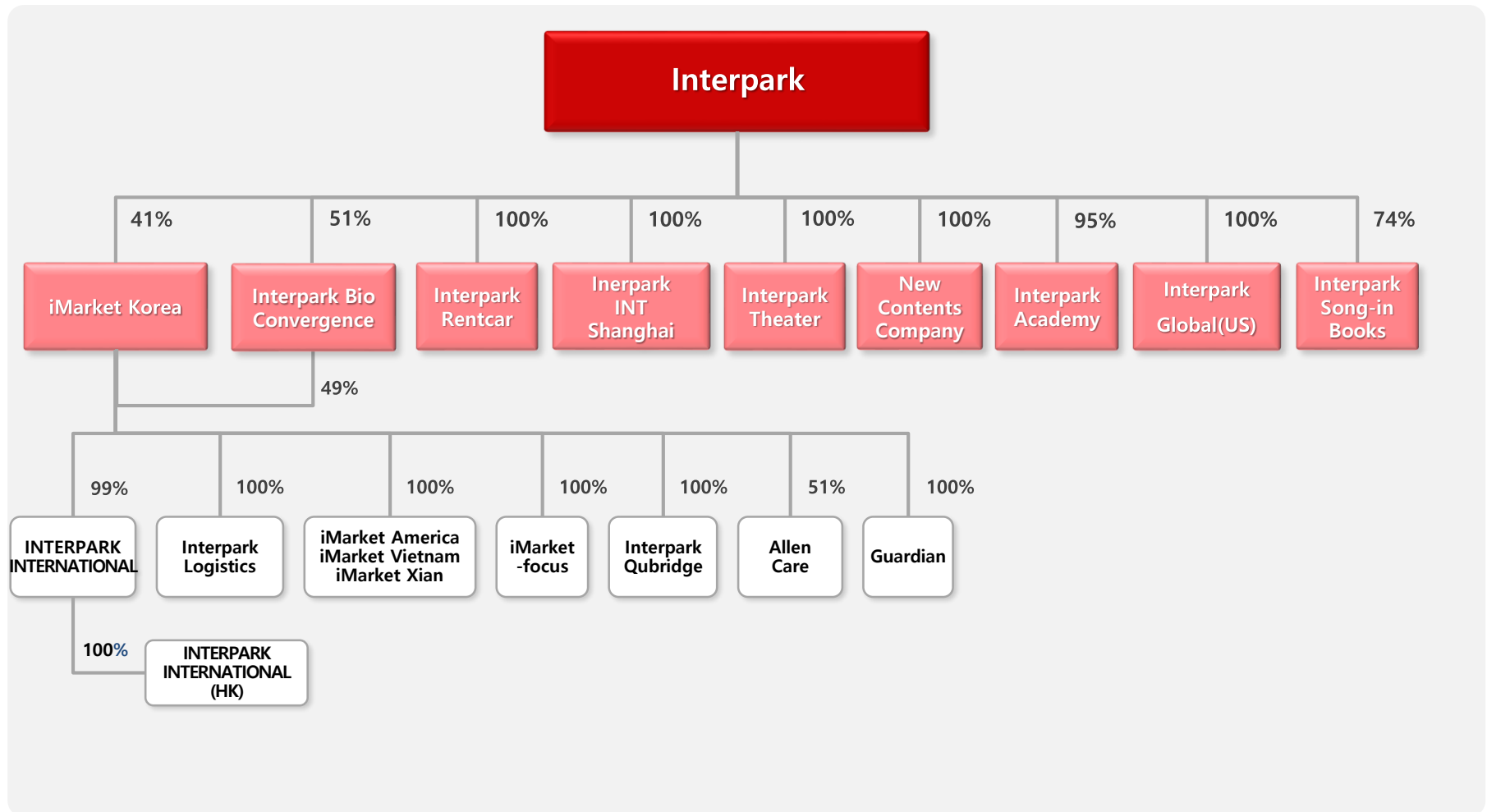
Interpark Holdings Corporation	40.76%
Samsung Electronics and 4 affiliates	8.23%
Baring Asset Management Korea Limited	6.28%
National Pension Service	7.08%
Treasury Stocks	11.10%
Others	26.55%
Total	100.00%

(As of Sep 30, 2020)

※ National Pension Service's ownership is based on equity disclosure on October 6, 2020
 ※ Baring Asset Management Korea Limited's ownership is based on equity on December 31, 2019

Appendix 2 Organization

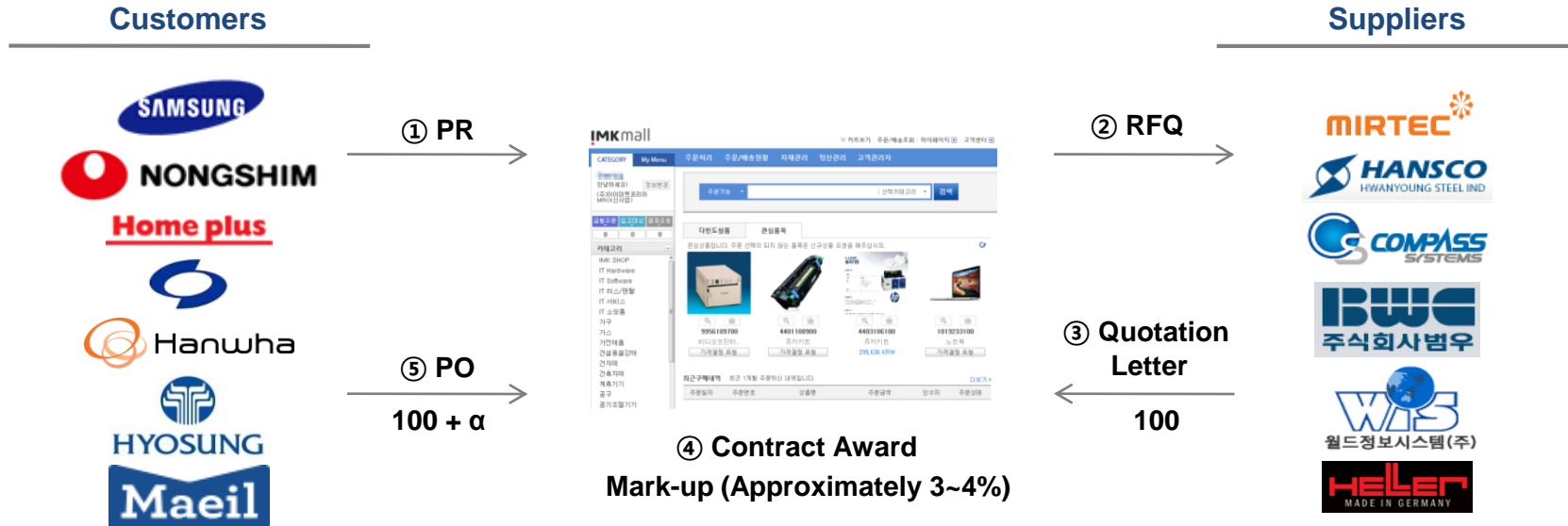
Interpark Corporate Structure



Source: As of September 30, 2020

Appendix 3 Business Model

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



- **New large customers in 2020 :**

- 1) DONG HWA ENTEC Co.,Ltd., etc

- **New large customers in 2019 :**

- 1) SONGWON INDUSTRIAL Co.,Ltd. 2)Hyoseong Electric Co.,Ltd., etc

- **New large customers in 2018 :**

- 1) LOTTE CHILSUNG BEVERAGE CO.,LTD. 2) HYUNDAI ELECTRIC & ENERGY SYSTEMS CO.,LTD. 3) HAPPYCALL CO.,LTD. 4) DODRAM CO.,LTD., 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

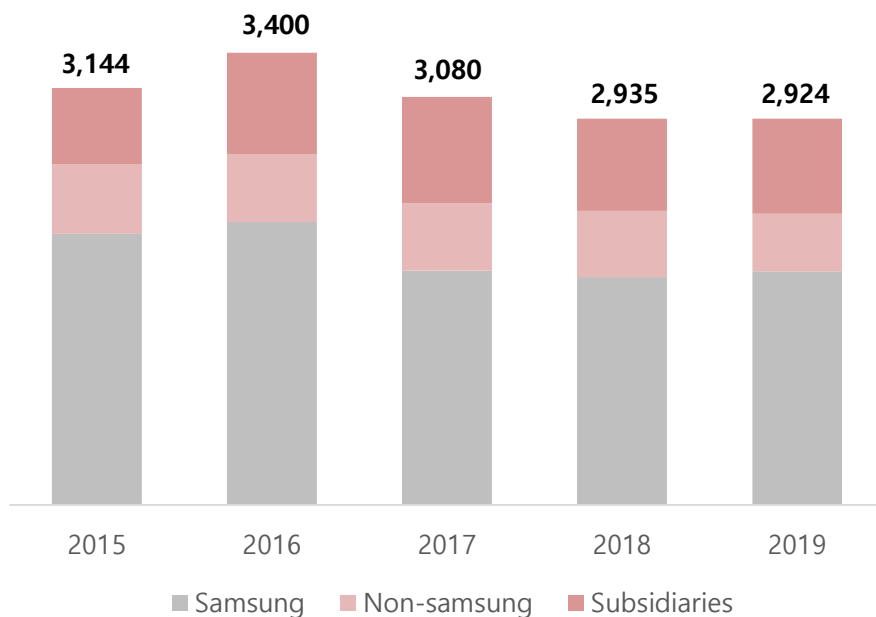
- Uniforms
- Safety Goods

Furniture

- Furniture
- Home Appliances

Appendix 5 Historical Earnings

(Unit: KRW bn)



- **External growth from overseas subsidiaries in 2016**

- Total sales growth thanks to healthy sales growth in Samsung affiliates in the 2H 2016
- Growth in IMV, IMF thanks to adopting TOS business model
- Stable sales growth in Allen care

- **Total sales decreased due to reduced sales to captive clients in 2017**

- Sales to Samsung decreased due to the drop of guaranteed sales
- Growth in IMV thanks to investment in SDV

- **Total sales decreased due to reduced sales to overseas clients in 2018**

- Decrease in IMV sales due to reduction in investment from SDV
- Reduction in sales of low profit customers
- Stable sales growth in Allen care

- **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

Unit: KRW bn	2015	2016	2017	2018	2019
Samsung	2,072	2,163	1,791	1,742	1,787
Non-Samsung	533	520	517	507	439
Sub-total (Separated)	2,605	2,683	2,308	2,249	2,226
Subsidiaries	583	776	813	705	727
Total (Consolidated)	3,144	3,400	3,080	2,935	2,924

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

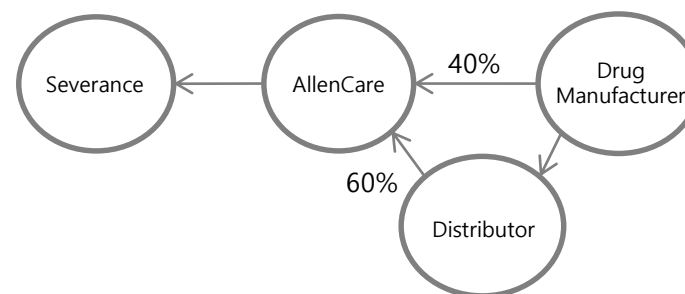
- 1992 : AllenCare Jejung founded by Yonsei University
- 2012 : Pharmaceutical Affairs Act was revised;
 - Jejung suspended supporting ETC products to Yonsei's Severance Hospital
- 2014 : Yonsei University sold a majority stake to IMK
 - Currently, iMarketKorea holds a 51% stake (rest is owned by Yonsei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

Historical Earnings

(Unit: KRW bn)	Sales	Operating Profit
2016	315.1	30.7
2017	342.6	28.9
2018	376.9	29.0
2019	430.3	32.5
3Q.20	353.9	21.0

※ From 2012, the government prohibited hospitals from getting medical supplies from related parties

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 Consolidated Financial Statements

Balance Sheet

Unit: KRW bn	3Q.20	2019
Current assets	877.0	869.1
Cash and cash equivalents	97.3	99.4
Account receivables	494.8	471.7
Inventories	79.8	58.4
Other current assets	205.1	239.6
Non-current asset	225.0	227.7
Investments	41.8	34.2
Tangible assets	38.9	41.8
Intangible assets	134.7	140.9
Other non-current assets	9.6	10.9
Total Asset	1,102.0	1,096.9
Current liabilities	629.1	604.7
Account payable	579.2	547.9
Other current liabilities	49.9	56.8
Non-current liabilities	62.7	65.7
Total Liabilities	691.8	670.3
Equity attributable to owners	356.0	366.1
Capital stock	18.2	18.2
Other contributed capital	87.4	90.8
Components of other capital	-0.1	-0.8
Retained earnings	250.5	258.0
Non-controlling interest	54.2	60.5
Total Shareholders' Equity	410.2	426.5

Income Statement

Unit: KRW bn	3Q.20	2019	2018
Revenue	2,073.7	2,923.8	2,935.2
Gross Profit	108.0	160.3	153.9
Selling and administrative expenses	75.9	108.3	117.7
Salaries	31.9	42.4	41.6
IT expenses	5.6	7.3	7.3
Commission	8.1	12.3	15.1
Rents	2.6	5.5	8.7
Depreciation	3.7	4.3	2.0
Amortization	6.5	11.2	12.6
Others	17.5	25.3	30.4
Operating Profit	32.1	52.0	36.2
Other Profit	5.8	8.4	7.5
Other expenses	7.2	21.9	13.6
Finance income	8.9	7.3	8.1
Finance expenses	3.9	3.2	0.8
Associates and subsidiaries	-0.2	-0.6	-2.6
Pre-tax Profit	35.5	42.1	34.7
Net Profit	25.0	25.8	20.7

Appendix 8 Separate Financial Statements

Balance Sheet

Unit: KRW bn	3Q.20	2019
Current assets	570.5	580.4
Cash and cash equivalents	80.6	83.7
Account receivables	265.0	262.4
Inventories	38.0	19.8
Other current assets	186.9	214.5
Non-current asset	186.5	181.8
Investments	142.5	134.3
Tangible assets	29.0	30.3
Intangible assets	7.7	8.3
Other non-current assets	7.3	8.8
Total Asset	757.0	762.1
Current liabilities	359.1	359.6
Account payable	330.4	328.7
Other current liabilities	28.7	30.9
Non-current liabilities	32.9	33.4
Total Liabilities	392.0	393.0
Paid-in Capital	18.2	18.2
Other Paid-in Capital	82.5	85.9
Earned Surplus	264.3	265.0
Total Equity	365.0	369.1

Income Statement

Unit: KRW bn	3Q.20	2019	2018
Revenue	1,506.2	2,226.1	2,248.9
Gross Profit	58.5	91.1	85.2
Selling and administrative expenses	42.9	60.9	63.1
Salaries	21.0	27.5	24.4
IT expenses	5.2	7.0	7.4
Commission	4.0	6.6	7.5
Rents	1.3	3.0	4.1
Depreciation	1.8	2.0	1.2
Amortization	0.6	2.5	4.0
Others	9.0	12.4	14.6
Operating Profit	15.6	30.2	22.0
Other profit	17.6	19.9	17.2
Other expenses	5.8	10.5	7.3
Finance income	9.0	7.7	8.6
Finance expenses	3.2	2.9	0.8
Associates and subsidiaries	-	-16.0	-13.3
Pre-tax Profit	33.2	28.5	26.5
Net Profit	25.6	17.5	18.1

Thank you