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**4Q. 2020**

**Result Summary**

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**Feb. 15. 2021**

**iMarketKorea**

# Disclaimer

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- 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.

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# 1. Result Summary (consolidated)

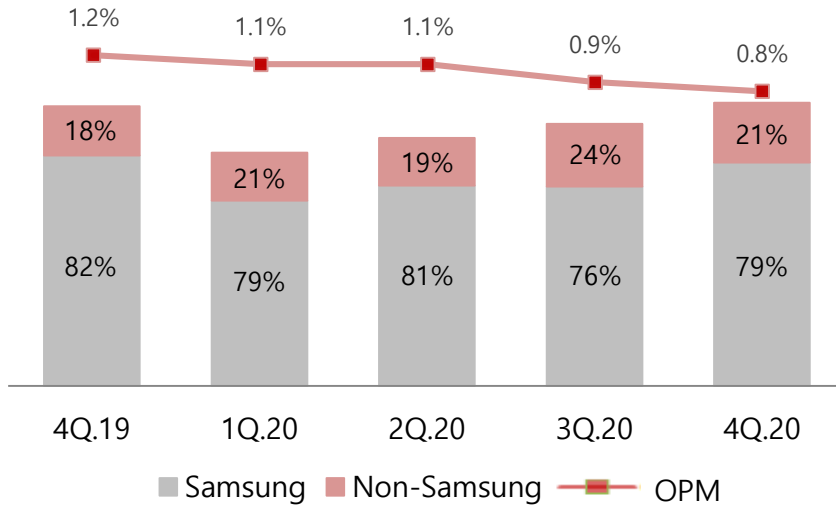
♥ 4Q Result : Sales KRW 765.8 bn (+5.6% QoQ, +1.7% YoY) / OP KRW 8.4 bn (-14.2% QoQ, -34.0% YoY)

Unit : KRW mn	4Q 20	3Q 20	QoQ	4Q 19	YoY	2020	YoY
<b>Sales</b>	<b>765,755</b>	<b>725,271</b>	<b>+5.6%</b>	<b>752,888</b>	<b>+1.7%</b>	<b>2,839,411</b>	<b>-2.9%</b>
IMK	573,673	531,198	+8.0%	567,049	+1.2%	2,079,858	-6.6%
Overseas Subsidiaries	41,628	40,680	+2.3%	40,486	+2.8%	160,208	+15.3%
Allen Care	120,645	122,096	-1.2%	113,323	+6.5%	474,503	+10.3%
Other Subsidiaries	40,506	39,802	+1.8%	41,241	-1.8%	164,529	+4.4%
<b>Gross profits</b>	<b>34,738</b>	<b>34,728</b>	<b>+0.0%</b>	<b>39,293</b>	<b>-11.6%</b>	<b>142,754</b>	<b>-10.9%</b>
Selling and Administrative Expenses	26,362	24,965	+5.6%	26,600	-0.9%	102,238	-5.6%
<b>Operating profits</b>	<b>8,377</b>	<b>9,763</b>	<b>-14.2%</b>	<b>12,693</b>	<b>-34.0%</b>	<b>40,516</b>	<b>-22.1%</b>
Pre-tax profits	3,229	15,672	-79.4%	3,076	+5.0%	38,771	-8.0%
<b>Net profits</b>	<b>3,835</b>	<b>10,907</b>	<b>-64.8%</b>	<b>-824</b>	<b>Turn around</b>	<b>28,800</b>	<b>+11.7%</b>

※ Overseas Subsidiaries : IMA, IMV, IMX, IMF / Other Subsidiaries: Interpark-Logistics, Interpark-International, Interpark-Qubridge, Guardian, DAYLI Next Wave Bio Healthcare Fund

## 2. Result Summary (separate)

♥ 4Q Result : Sales KRW 573.7 bn (+8.0% QoQ, +1.2% YoY) / OP KRW 4.5 bn (-9.9% QoQ, -34.4% YoY)

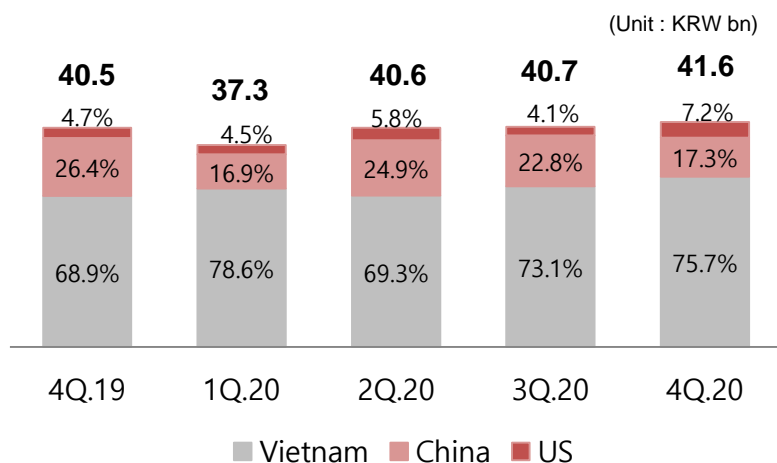


- **Samsung : Sales KRW 452.7 bn (+12.% QoQ, -3.0% YoY)**
  - Increase in sales of construction materials and MRO by expanding investment (QoQ)
  - Decrease in sales of IT products and Raw & Subsidiary materials (YoY)
- **Non-Samsung : Sales KRW 121.0 bn (-4.8% QoQ, +20.6% YoY)**
  - Decrease in sales of IT products (QoQ)
  - Increase in sales of steel products (YoY)

Unit: KRW bn	2020								2019	
	1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
<b>Sales</b>	<b>472.5</b>	<b>502.4</b>	<b>531.2</b>	<b>573.7</b>	<b>+8.0%</b>	<b>+1.2%</b>	<b>2,079.9</b>	<b>-6.6%</b>	<b>567.0</b>	<b>2,226.1</b>
Samsung	375.5	405.9	404.2	452.7	+12.0%	-3.0%	1,638.4	-8.3%	466.8	1,786.7
Non-Samsung	97.0	96.5	127.0	121.0	-4.8%	+20.6%	441.5	+0.5%	100.2	439.4

### 3. Overseas Subsidiaries

♥ 4Q Result : Sales KRW 41.6 bn / OP KRW 0.3 bn

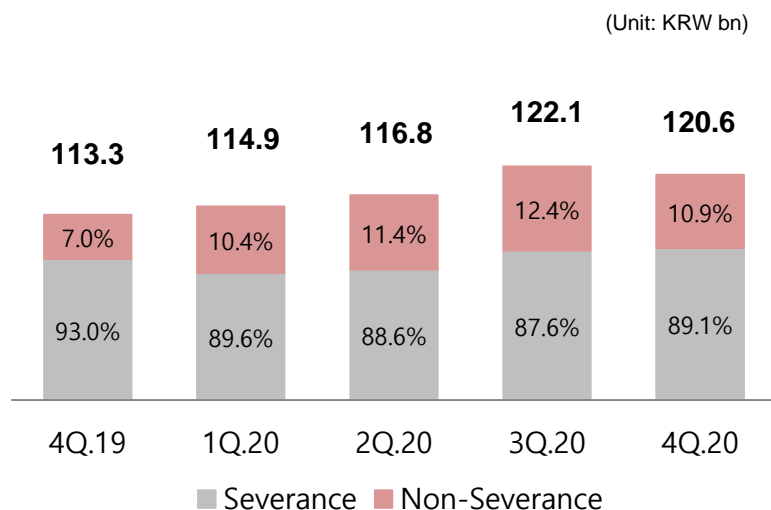


- **Vietnam : Sales KRW 31.5 bn (+6.0% QoQ, +12.8% YoY)**
  - Increase in sales of Non-Samsung customers (QoQ)
  - Increase in sales due to SDV's facility investment (YoY)
- **China : Sales KRW 7.2 bn (-22.9% QoQ, -32.2% YoY)**
  - Decrease in sales of Korean company's subsidiaries in China
- **US : Sales KRW 2.9 bn (+81.2% QoQ, +52.0% YoY)**
  - Increase in sales due to SAS' facility investment

Unit: KRW bn		2020								2019	
		1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
Vietnam	Samsung	21.4	21.5	22.4	22.9	+2.0%	+12.6%	88.1	+28.3%	20.3	68.7
	Non-Samsung	7.9	6.5	7.3	8.6	+18.1%	+13.4%	30.3	+9.9%	7.6	27.6
	<b>Total</b>	<b>29.3</b>	<b>28.0</b>	<b>29.7</b>	<b>31.5</b>	<b>+6.0%</b>	<b>+12.8%</b>	<b>118.4</b>	<b>+23.0%</b>	<b>27.9</b>	<b>96.3</b>
China	Samsung	3.0	3.8	4.5	4.9	+9.3%	-28.6%	16.2	-31.8%	6.8	23.6
	Non-Samsung	3.3	6.4	4.9	2.3	-52.0%	-38.6%	17.0	+47.4%	3.9	11.6
	<b>Total</b>	<b>6.3</b>	<b>10.2</b>	<b>9.4</b>	<b>7.2</b>	<b>-22.9%</b>	<b>-32.2%</b>	<b>33.2</b>	<b>-5.8%</b>	<b>10.7</b>	<b>35.2</b>
US		1.7	2.3	1.6	2.9	+81.2%	+52.0%	8.6	+15.2%	1.9	7.5
<b>Total</b>		<b>37.3</b>	<b>40.6</b>	<b>40.7</b>	<b>41.6</b>	<b>+2.3%</b>	<b>+2.8%</b>	<b>160.2</b>	<b>+15.3%</b>	<b>40.5</b>	<b>138.9</b>

## 4. AllenCare

♥ 4Q Result : Sales 120.6 bn / OP KRW 5.3 bn



- **Severance : Sales KRW 107.4 bn (+0.4% QoQ, +1.9% YoY)**
  - Continuous sales growth from Severance hospital
- **Non-Severance : Sales KRW 13.2 bn (-12.6% QoQ, +66.6% YoY)**
  - Increase in sales of new customer (YoY)

Unit: KRW bn	2020								2019	
	1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
Sales	114.9	116.8	122.1	120.6	-1.2%	+6.5%	474.5	+10.3%	113.3	430.3
Severance	102.9	103.5	106.9	107.4	+0.4%	+1.9%	420.7	+5.2%	105.4	399.9
Non-Severance	12.0	13.3	15.2	13.2	-12.6%	+66.6%	53.8	+76.9%	7.9	30.4
OP	8.2	6.7	6.1	5.3	-13.5%	-34.5%	26.3	-19.2%	8.1	32.5
OPM(%)	7.1%	5.7%	5.0%	4.4%	-0.6%p	-2.7%p	5.5%	-2.1%p	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

♥ 4Q Result : Sales KRW 40.5 bn / OL KRW 0.08 bn

Unit: KRW mn		4Q 20	3Q 20	QoQ	4Q 19	YoY
Interpark Qubridge	Sales	18,576	16,603	+11.9%	18,779	-1.1%
	OP	73	53	+37.3%	82	-11.1%
Guardian	Sales	6,678	7,375	-9.4%	6,815	-2.0%
	OP	-262	-171	Sustained losses	-542	Sustained losses
Interpark International	Sales	8,692	8,720	-0.3%	9,058	-4.0%
	OP	209	93	+125.2%	-109	Turn around
Interpark Logistics	Sales	6,560	7,104	-7.7%	6,590	-0.4%
	OP	-32	39	Turn red	157	Turn red
DAYLI Next Wave Bio Healthcare Fund	Sales	-	-	-	-	-
	OP	-68	-1	Sustained losses	-	-

※ Establishment date – DAYLI Next Wave Bio Healthcare Fund : July 2020.



## 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

<b>Company Name</b>	iMarketKorea Inc
<b>Controlling Shareholder</b>	Interpark Corporation
<b>Date of Foundation</b>	December 8, 2000
<b>Date of IPO</b>	July 30, 2010
<b>CEO</b>	Nam In bong
<b>Paid in Capital</b>	KRW 18.2 billion
<b># of Employees</b>	447 (As of the end of 4Q 2020)
<b>Website</b>	www.imarketkorea.com

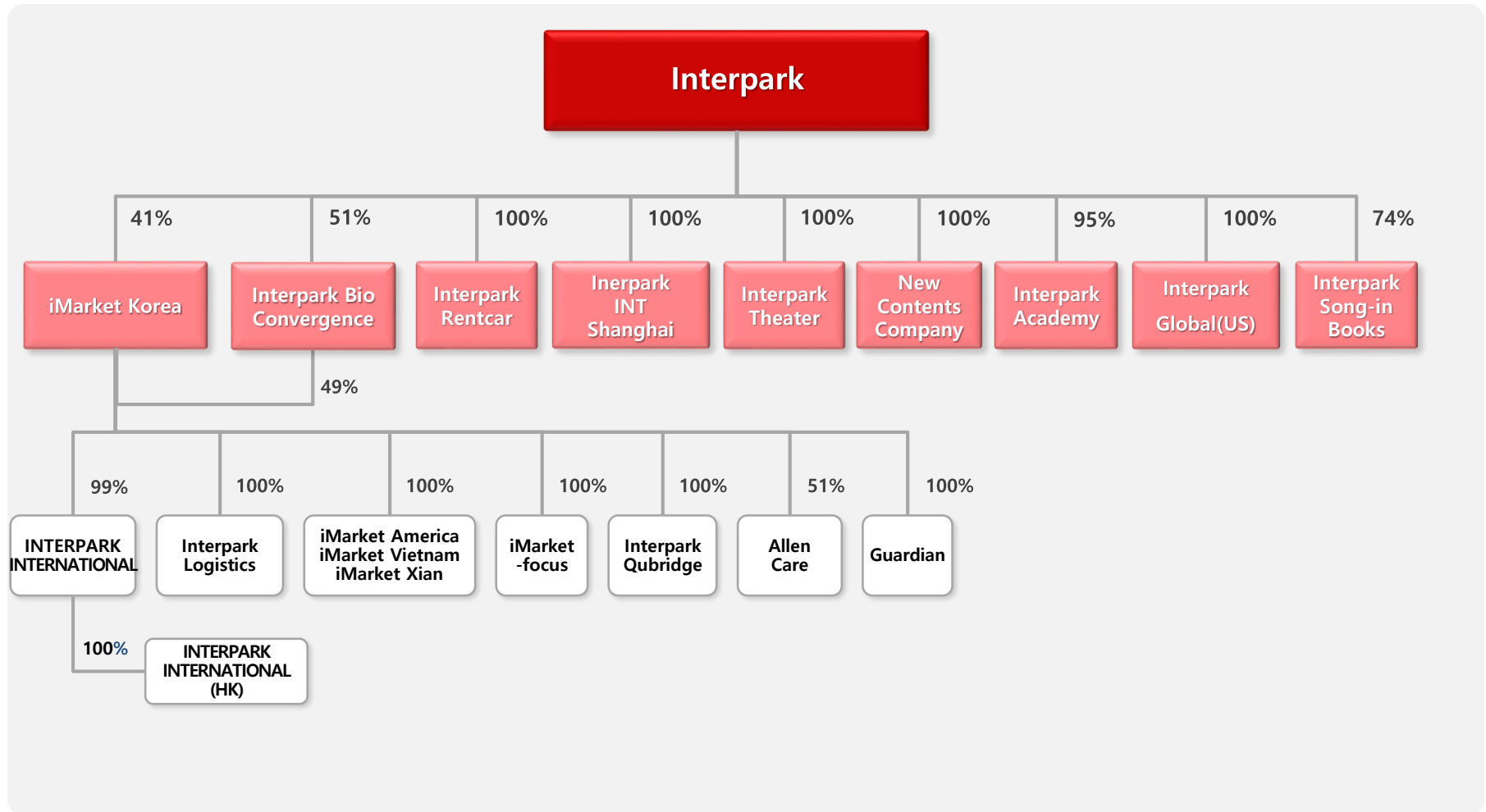
### Ownership

<b>Interpark Corporation</b>	<b>40.8%</b>
Samsung Electronics and 4 affiliates	8.2%
Baring Asset Management Korea Limited	5.5%
National Pension Service	6.5%
Treasury Stocks	11.1%
Others	27.9%
<b>Total</b>	<b>100.0%</b>

(As of Dec 31, 2020)

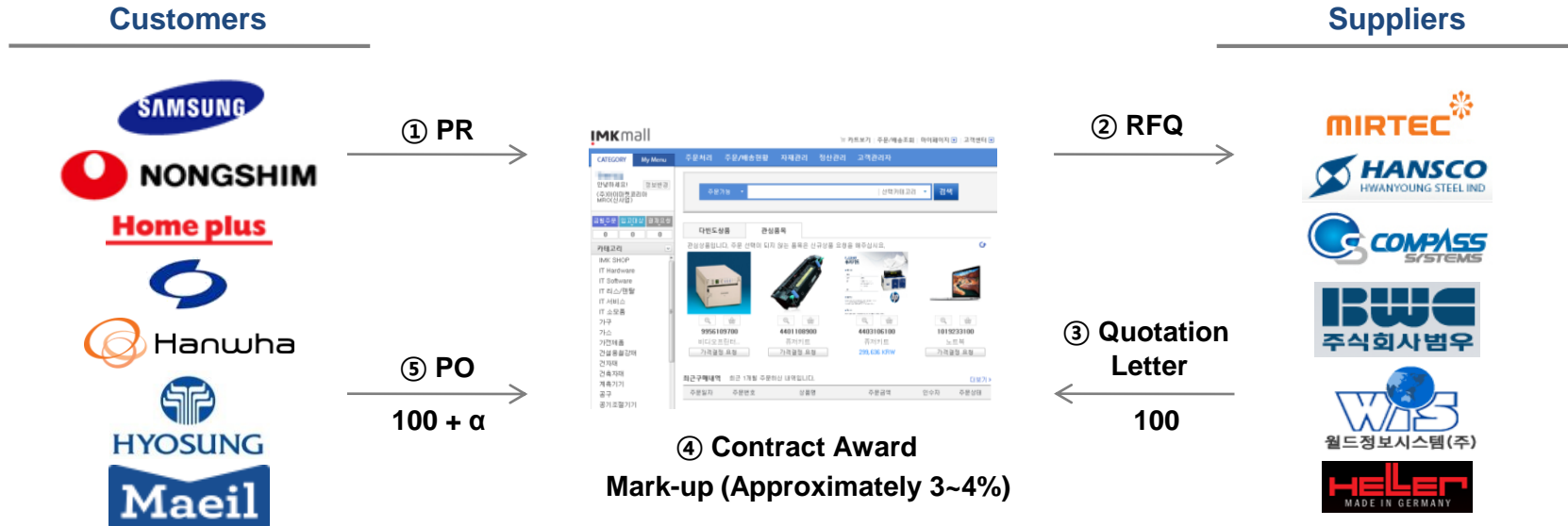
## Appendix 2 Organization

### Interpark Corporate Structure



# 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., 2) British American Tobacco Korea., 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

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

### Industrial Supplies (79%)

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#### 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 (21%)

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#### 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

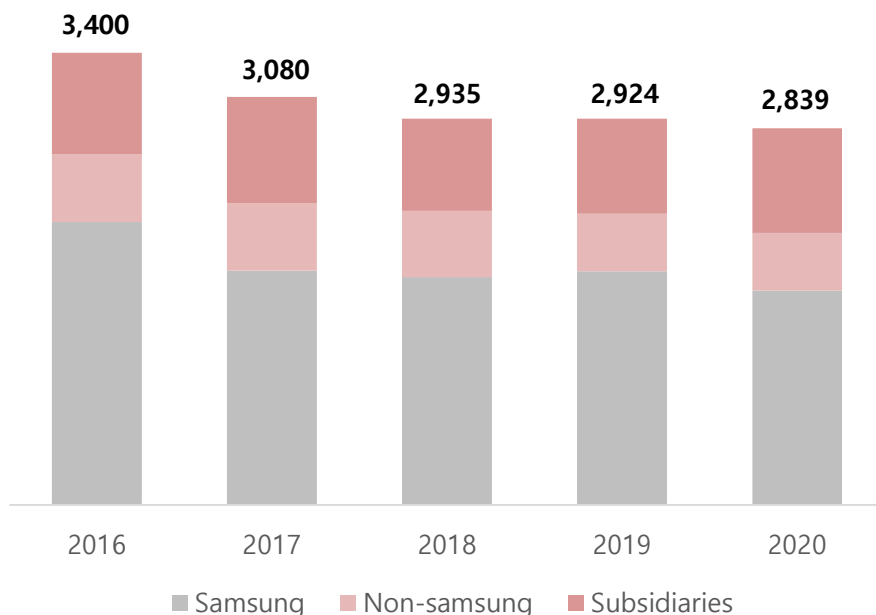
- Uniforms
- Safety Goods

#### Furniture

- Furniture
- Home Appliances

## Appendix 5 Historical Earnings

(Unit: KRW bn)



- **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
- **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

Unit: KRW bn	2016	2017	2018	2019	2020
Samsung	2,163	1,791	1,742	1,787	1,638
Non-Samsung	520	517	507	439	442
<b>Sub-total (Separated)</b>	<b>2,683</b>	<b>2,308</b>	<b>2,249</b>	<b>2,226</b>	<b>2,080</b>
Subsidiaries	776	813	705	727	799
<b>Total (Consolidated)</b>	<b>3,400</b>	<b>3,080</b>	<b>2,935</b>	<b>2,924</b>	<b>2,839</b>

## 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

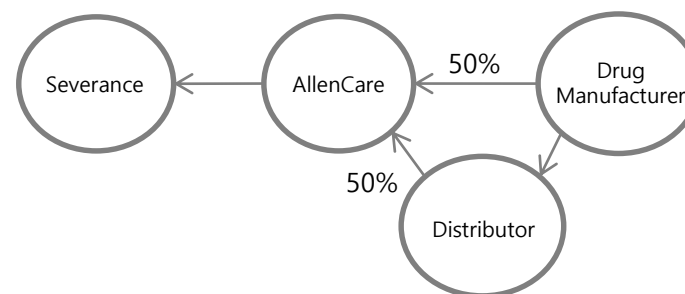
- 1992 : AllenCare Jejung founded by Yonsei University
- 2012 : Pharmaceutical Affairs Act was revised;
  - Jejung suspended supporting ETC products to Yonsei's Severance Hospital
- 2014 : Yonsei University sold a majority stake to IMK
  - Currently, iMarketKorea holds a 51% stake (rest is owned by Yonsei 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
2020	474.5	26.3

※ 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	2020	2019
Current assets	866.8	869.1
Cash and cash equivalents	83.5	99.4
Account receivables	519.1	471.7
Inventories	73.5	58.4
Other current assets	190.7	239.6
Non-current asset	244.0	227.8
Investments	56.6	34.2
Tangible assets	39.2	41.8
Intangible assets	132.5	140.9
Other non-current assets	15.7	10.9
<b>Total Asset</b>	<b>1,110.8</b>	<b>1,096.9</b>
Current liabilities	631.4	604.7
Account payable	579.9	547.9
Other current liabilities	51.5	56.8
Non-current liabilities	62.5	65.7
<b>Total Liabilities</b>	<b>693.9</b>	<b>670.3</b>
Equity attributable to owners	361.4	366.1
Capital stock	18.2	18.2
Other contributed capital	87.3	90.8
Components of other capital	-1.0	-0.8
Retained earnings	256.9	258.0
Non-controlling interest	55.6	60.5
<b>Total Shareholders' Equity</b>	<b>416.9</b>	<b>426.5</b>

### Income Statement

Unit: KRW bn	2020	2019	2018
Revenue	2,839.4	2,923.8	2,935.2
Gross Profit	142.8	160.3	153.9
Selling and administrative expenses	102.2	108.3	117.7
Salaries	43.7	42.4	41.6
IT expenses	7.4	7.3	7.3
Commission	10.4	12.3	15.1
Rents	3.5	5.5	8.7
Depreciation	4.9	4.3	2.0
Amortization	8.7	11.2	12.6
Others	23.6	25.3	30.4
Operating Profit	40.5	52.0	36.2
Other Profit	11.1	8.4	7.5
Other expenses	10.0	21.9	13.6
Finance income	9.8	7.3	8.1
Finance expenses	12.1	3.2	0.8
Associates and subsidiaries	-0.5	-0.6	-2.6
Pre-tax Profit	38.8	42.1	34.7
Net Profit	28.8	25.8	20.7

## Appendix 8 Separate Financial Statements

### Balance Sheet

Unit: KRW bn	2020	2019
Current assets	564.1	580.4
Cash and cash equivalents	72.2	83.7
Account receivables	287.8	262.4
Inventories	33.1	19.8
Other current assets	171.0	214.5
Non-current asset	211.6	181.8
Investments	157.2	134.3
Tangible assets	29.9	30.3
Intangible assets	7.4	8.3
Other non-current assets	17.1	8.8
<b>Total Asset</b>	<b>775.7</b>	<b>762.1</b>
Current liabilities	374.6	359.6
Account payable	343.6	328.7
Other current liabilities	31.0	30.9
Non-current liabilities	32.9	33.4
<b>Total Liabilities</b>	<b>407.5</b>	<b>393.0</b>
Paid-in Capital	18.2	18.2
Other Paid-in Capital	82.5	85.9
Earned Surplus	2,67.5	265.0
<b>Total Equity</b>	<b>368.2</b>	<b>369.1</b>

### Income Statement

Unit: KRW bn	2020	2019	2018
Revenue	2,079.9	2,226.1	2,248.9
Gross Profit	78.1	91.1	85.2
Selling and administrative expenses	58.0	60.9	63.1
Salaries	28.8	27.5	24.4
IT expenses	6.8	7.0	7.4
Commission	5.1	6.6	7.5
Rents	1.8	3.0	4.1
Depreciation	2.5	2.0	1.2
Amortization	0.8	2.5	4.0
Others	12.2	12.4	14.6
Operating Profit	20.1	30.2	22.0
Other profit	22.3	19.9	17.2
Other expenses	10.3	10.5	7.3
Finance income	9.9	7.7	8.6
Finance expenses	11.3	2.9	0.8
Associates and subsidiaries	-	-16.0	-13.3
Pre-tax Profit	30.7	28.5	26.5
Net Profit	24.6	17.5	18.1



Thank you