
1Q. 2021

Result Summary

May. 7. 2021

iMarketKorea

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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”.
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- 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)

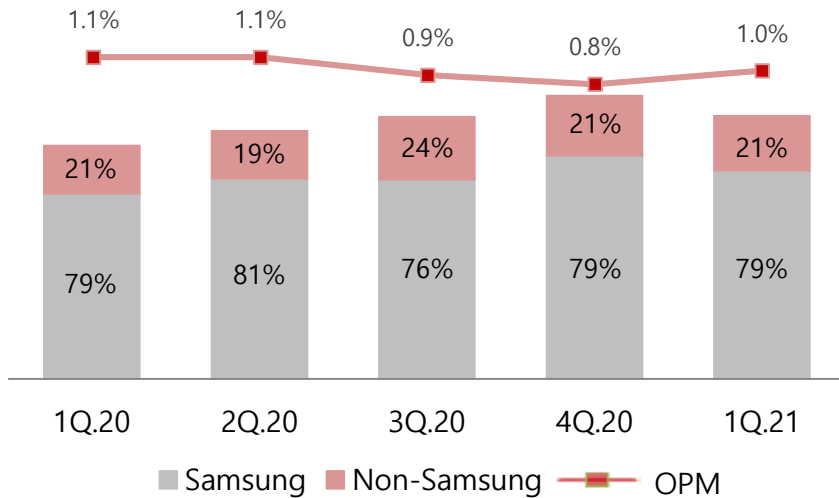
♥ 1Q Result : Sales KRW 721.6 bn (-5.8% QoQ, +9.6% YoY) / OP KRW 8.7 bn (+4.2% QoQ, -25.5% YoY)

Unit : KRW mn	1Q 21	4Q 20	QoQ	1Q 20	YoY
Sales	721,636	765,755	-5.8%	658,472	+9.6%
IMK	533,207	573,673	-7.1%	472,544	+12.8%
Overseas Subsidiaries	36,052	41,628	-10.0%	37,637	-5.0%
Allen Care	121,637	120,645	+0.8%	114,921	+5.8%
Other Subsidiaries	38,173	40,506	-5.8%	43,729	-12.7%
Gross profits	33,497	34,738	-3.6%	37,342	-10.3%
Selling and Administrative Expenses	24,766	26,362	-6.1%	25,619	-3.3%
Operating profits	8,732	8,377	+4.2%	11,723	-25.5%
Pre-tax profits	7,755	3,229	+140.2%	11,612	-33.2%
Net profits	4,151	3,835	+8.2%	6,903	-39.9%

※ 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)

♥ 1Q Result : Sales KRW 533.2 bn (-7.1% QoQ, +12.8% YoY) / OP KRW 5.1 bn (+12.8% QoQ, -1.1% YoY)



• **Samsung : Sales KRW 422.0 bn (-6.8 QoQ, +12.4% YoY)**

- Decrease in sales of MRO (QoQ)
- Increase in sales of construction materials and Raw & Subsidiary materials (YoY)

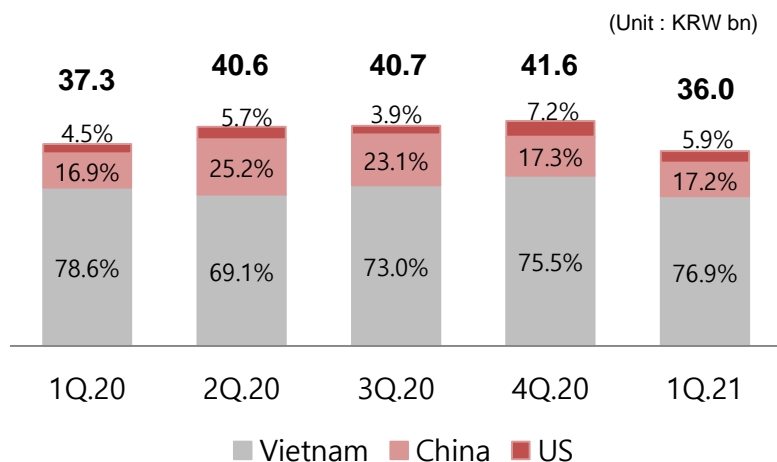
• **Non-Samsung : Sales KRW 111.2 bn (-8.1% QoQ, +14.6% YoY)**

- Decrease in sales of MRO and steel products (QoQ)
- Increase in sales of IT products and steel products (YoY)

Unit: KRW bn	2021			2020				
	1Q	QoQ	YoY	1Q	2Q	3Q	4Q	합계
Sales	533.2	-7.1%	+12.8%	472.5	502.4	531.2	573.7	2,079.9
Samsung	422.0	-6.8%	+12.4%	375.5	405.9	404.2	452.7	1,638.4
Non-Samsung	111.2	-8.1%	+14.6%	97.0	96.5	127.0	121.0	441.5

3. Overseas Subsidiaries

♥ 1Q Result : Sales KRW 36.0 bn / OL KRW 0.02 bn

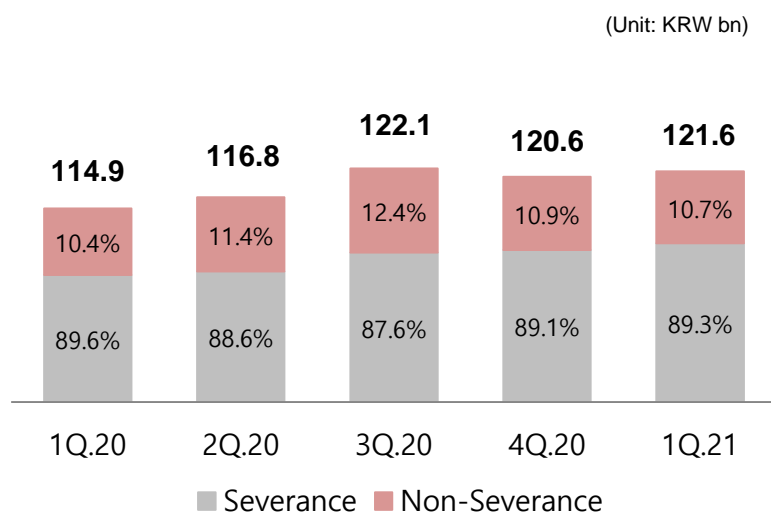


- **Vietnam : Sales KRW 27.7 bn (-11.9% QoQ, -5.4% YoY)**
- Sales decreased due to the termination of investment in SDV
- **China : Sales KRW 6.2 bn (-13.9% QoQ, -1.8% YoY)**
- Sales decrease of clients' foreign subsidiaries
- **US : Sales KRW 2.1 bn (-28.5% QoQ, +23.6% YoY)**
- Providing MRO service to Samsung Austin Fab

Unit: KRW bn		2021			2020				
		1Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Vietnam	Samsung	19.7	-13.8%	-8.2%	21.4	21.5	22.4	22.9	88.1
	Non-Samsung	8.0	-6.6%	+2.3%	7.9	6.5	7.3	8.6	30.3
	Total	27.7	-11.9%	-5.4%	29.3	28.0	29.7	31.5	118.4
China	Samsung	4.1	-15.5%	+37.5%	3.0	3.8	4.5	4.9	16.2
	Non-Samsung	2.1	-10.7%	-36.9%	3.3	6.4	4.9	2.3	17.0
	Total	6.2	-13.9%	-1.8%	6.3	10.2	9.4	7.2	33.2
US		2.1	-28.5%	+23.6%	1.7	2.3	1.6	2.9	8.6
Total		36.0	-13.4%	-3.4%	37.3	40.6	40.7	41.6	160.2

4. AllenCare

♥ 1Q Result : Sales 121.6 bn / OP KRW 5.6 bn



- **Severance : Sales KRW 108.6 bn (+1.2% QoQ, +5.6% YoY)**

- Continuous sales growth from Severance hospital

- **Non-Severance : Sales KRW 13.0 bn (-2.1% QoQ, +8.0% YoY)**

- Sales decreased due to the expiration of the Ewha Medical Center contract (QoQ)

- Sales increase from Chung-Ang Univ. Hospital and pharmaceutical distributors (YoY)

Unit: KRW bn	2021			2020				
	1Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	121.6	+0.8%	+5.8%	114.9	116.8	122.1	120.6	474.5
Severance	108.6	+1.2%	+5.6%	102.9	103.5	106.9	107.4	420.7
Non-Severance	13.0	-2.1%	+8.0%	12.0	13.3	15.2	13.2	53.8
OP	5.6	+5.5%	-31.4%	8.2	6.7	6.1	5.3	26.3
OPM(%)	4.6%	+0.2%p	-2.5%p	7.1%	5.7%	5.0%	4.4%	5.5%

※ 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

♥ 1Q Result : Sales KRW 38.2 bn / OL KRW 0.25 bn

Unit: KRW mn		1Q 21	4Q 20	QoQ	1Q 20	YoY
Interpark Qubridge	Sales	17,152	18,576	-7.7%	19,327	-11.3%
	OP	75	73	+2.9%	167	-54.8%
Guardian	Sales	6,347	6,678	-5.0%	6,513	-2.5%
	OP	-212	-262	Sustained losses	-273	Sustained losses
Interpark International	Sales	8,015	8,692	-7.8%	10,402	-22.9%
	OP	126	209	-39.8%	380	-66.8%
Interpark Logistics	Sales	6,660	6,560	+1.5%	7,488	-11.1%
	OP	-238	-32	Sustained losses	-73	Sustained losses
DAYLI Next Wave Bio Healthcare Fund	Sales	-	-	-	-	-
	OP	-3	-68	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

Company Name	iMarketKorea Inc
Controlling Shareholder	Interpark 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	437 (As of the end of 1Q 2021)
Website	www.imarketkorea.com

Ownership

Interpark Corporation	43.2%
Samsung Electronics and 4 affiliates	8.7%
Baring Asset Management Korea Limited	5.4%
National Pension Service	6.4%
Treasury Stocks	5.9%
Others	30.4%
Total	100.0%

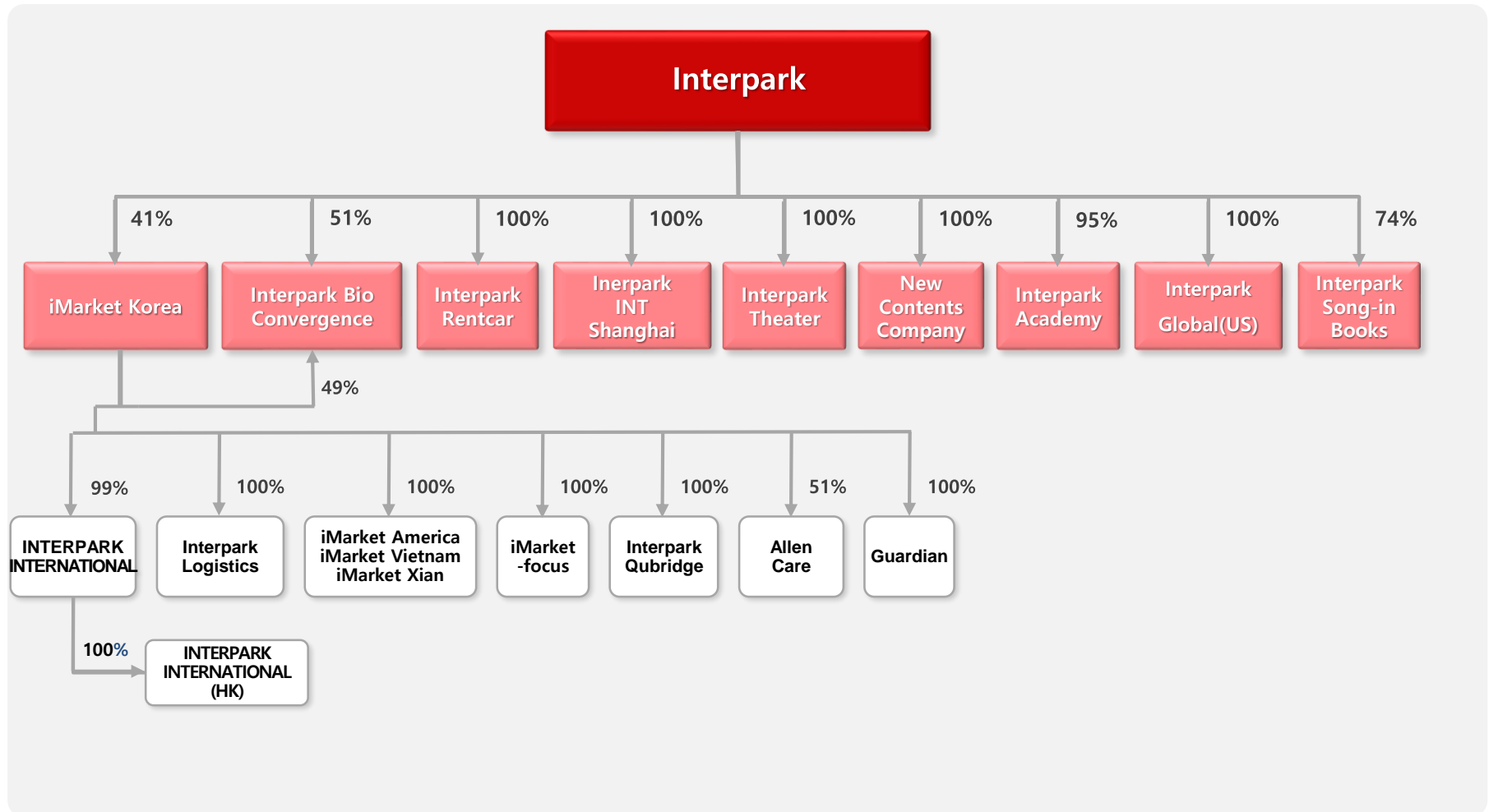
(As of March 31, 2021)

※ National Pension Service's ownership is based on equity disclosure on April 5, 2021

※ Baring Asset Management Korea Limited's ownership is based on equity on February 9, 2021

Appendix 2 Organization

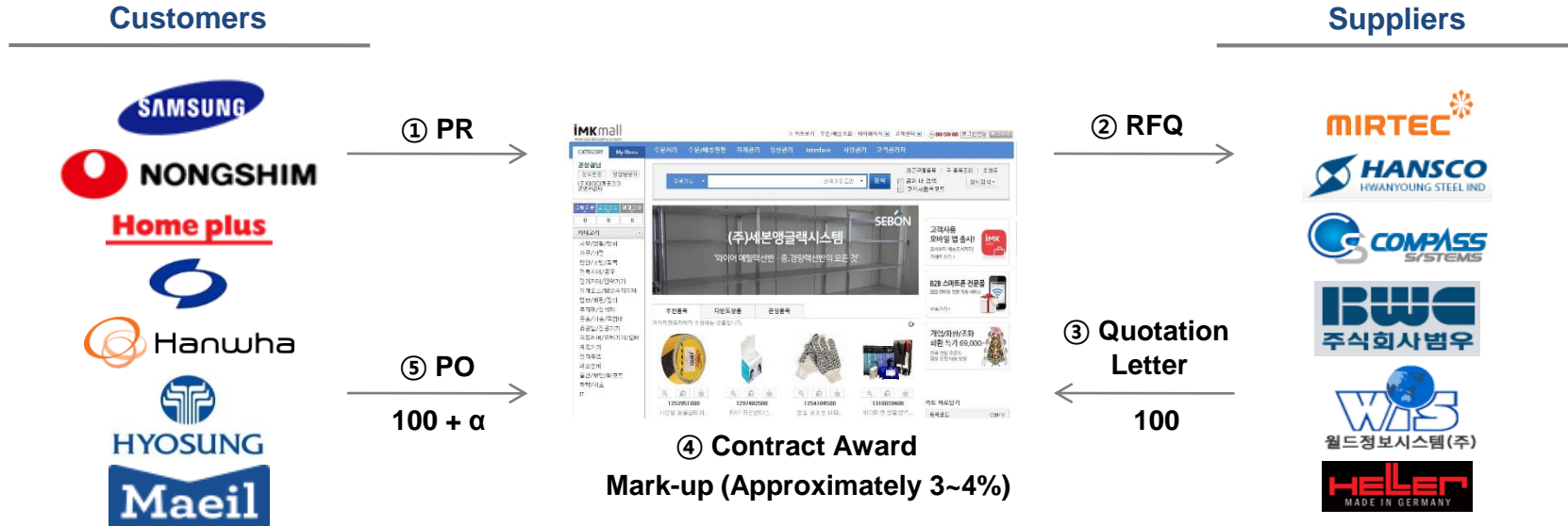
Interpark Corporate Structure



Source: As of December 31, 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 2021 :**

- 1) ECOPRO GEM CO.,LTD., 2) SEEGENE, INC., etc

• **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

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 (79%)

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%)

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

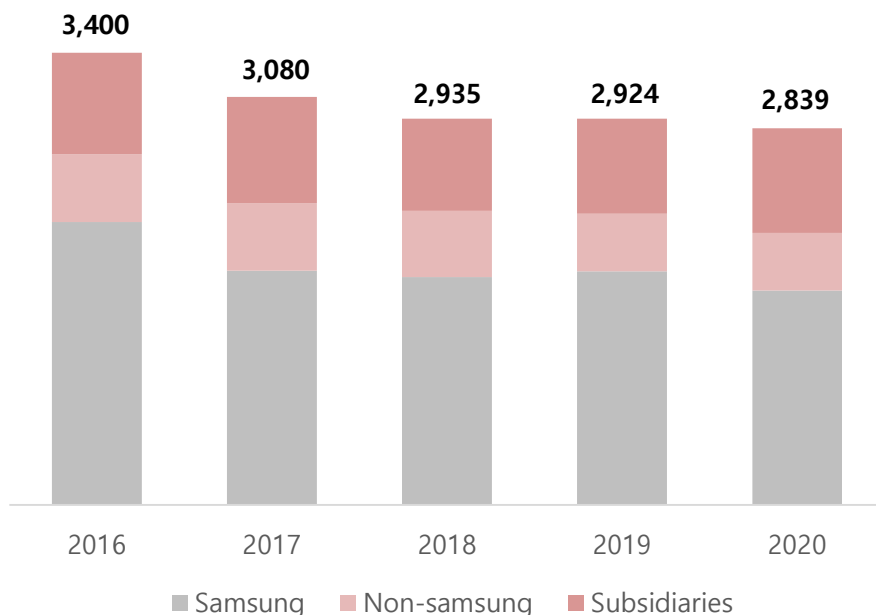
- Uniforms
- Safety Goods

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
Sub-total (Separated)	2,683	2,308	2,249	2,226	2,080
Subsidiaries	776	813	705	727	799
Total (Consolidated)	3,400	3,080	2,935	2,924	2,839

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

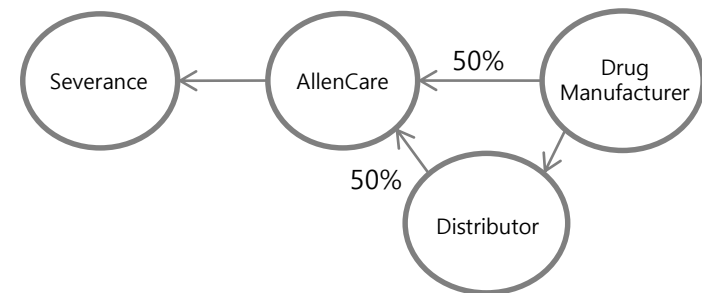
- 1992 : AllenCare Jejung founded by Yonsei University
- 2012 : Pharmaceutical Affairs Act was revised;
 - Jejung suspended supporting ETC products to Yonsei's Severance Hospital
- 2014 : Yonsei University sold a majority stake to IMK
 - Currently, iMarketKorea holds a 51% stake (rest is owned by Yonsei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

Historical Earnings

(Unit: KRW bn)	Sales	Operating Profit
2017	342.6	28.9
2018	376.9	29.0
2019	430.3	32.5
2020	474.5	26.3
1Q.21	121.6	5.6

※ 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	1Q.21	2020
Current assets	876.8	866.8
Cash and cash equivalents	93.6	83.5
Account receivables	511.1	519.1
Inventories	77.8	73.5
Other current assets	194.3	190.7
Non-current asset	237.1	244.0
Investments	53.9	56.6
Tangible assets	38.1	39.2
Intangible assets	130.4	132.5
Other non-current assets	14.7	15.7
Total Asset	1,113.9	1,110.8
Current liabilities	662.7	631.4
Account payable	581.7	579.9
Other current liabilities	81.0	51.5
Non-current liabilities	58.9	62.5
Total Liabilities	721.6	693.9
Equity attributable to owners	344.4	361.4
Capital stock	18.2	18.2
Other contributed capital	111.4	87.3
Components of other capital	-0.4	-1.0
Retained earnings	215.2	256.9
Non-controlling interest	47.9	55.6
Total Shareholders' Equity	392.3	416.9

Income Statement

Unit: KRW bn	1Q.21	2020	2019
Revenue	721.6	2,839.4	2,923.8
Gross Profit	33.5	142.8	160.3
Selling and administrative expenses	24.8	102.2	108.3
Salaries	10.3	43.7	42.4
IT expenses	1.9	7.4	7.3
Commission	2.3	10.4	12.3
Rents	0.9	3.5	5.5
Depreciation	1.2	4.9	4.3
Amortization	2.2	8.7	11.2
Others	6.0	23.6	25.3
Operating Profit	8.7	40.5	52.0
Other Profit	2.5	11.1	8.4
Other expenses	3.4	10.0	21.9
Finance income	1.2	9.8	7.3
Finance expenses	0.7	12.1	3.2
Associates and subsidiaries	-0.5	-0.5	-0.6
Pre-tax Profit	7.8	38.8	42.1
Net Profit	4.2	28.8	25.8

Appendix 8 Separate Financial Statements

Balance Sheet

Unit: KRW bn	1Q.21	2020
Current assets	578.8	564.1
Cash and cash equivalents	81.8	72.2
Account receivables	274.9	287.8
Inventories	33.9	33.1
Other current assets	188.2	171.0
Non-current asset	207.2	211.6
Investments	154.6	157.2
Tangible assets	29.1	29.9
Intangible assets	7.3	7.4
Other non-current assets	16.2	17.1
Total Asset	786.0	775.7
Current liabilities	396.1	374.6
Account payable	347.3	343.6
Other current liabilities	48.8	31.0
Non-current liabilities	31.4	32.9
Total Liabilities	427.5	407.5
Paid-in Capital	18.2	18.2
Other Paid-in Capital	106.5	82.5
Earned Surplus	233.8	2,67.5
Total Equity	358.5	368.2

Income Statement

Unit: KRW bn	1Q.21	2020	2019
Revenue	533.2	2,079.9	2,226.1
Gross Profit	19.3	78.1	91.1
Selling and administrative expenses	14.2	58.0	60.9
Salaries	6.8	28.8	27.5
IT expenses	1.7	6.8	7.0
Commission	1.1	5.1	6.6
Rents	0.5	1.8	3.0
Depreciation	0.6	2.5	2.0
Amortization	0.2	0.8	2.5
Others	3.3	12.2	12.4
Operating Profit	5.1	20.1	30.2
Other profit	11.7	22.3	19.9
Other expenses	3.3	10.3	10.5
Finance income	1.2	9.9	7.7
Finance expenses	.5	11.3	2.9
Associates and subsidiaries	-	-	-16.0
Pre-tax Profit	14.2	30.7	28.5
Net Profit	10.6	24.6	17.5

Thank you