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**3Q. 2022**

**Result Summary**

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**Nov. 9. 2022**

 **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)

 3Q Result : Sales KRW 940.4 bn (+9.4% QoQ, +20.2% YoY) / OP KRW 15.0 bn (+5.8% QoQ, +29.5% YoY)

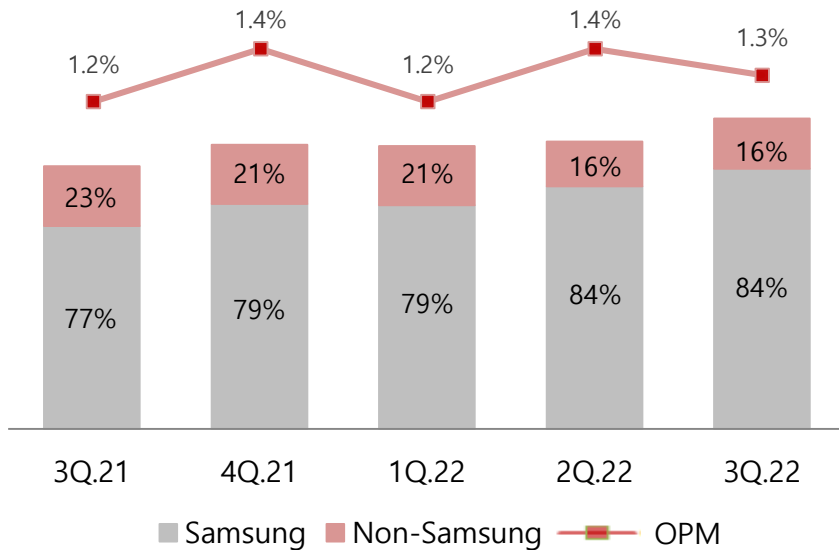
Unit : KRW mn	3Q 22	2Q 22	QoQ	3Q 21	YoY
<b>Sales</b>	<b>940,351</b>	<b>859,450</b>	<b>+9.4%</b>	<b>782,189</b>	<b>+20.2%</b>
IMK	692,128	640,542	+8.1%	585,586	+18.2%
Overseas Subsidiaries	60,097	50,607	+18.8%	40,490	+48.4%
Allen Care	152,739	131,991	+15.7%	126,197	+21.0%
Other Subsidiaries	44,874	45,819	-2.1%	38,564	+16.4%
<b>Gross profits</b>	<b>39,505</b>	<b>39,413</b>	<b>+0.2%</b>	<b>37,135</b>	<b>+6.4%</b>
Selling and Administrative Expenses	24,498	25,223	-2.9%	25,543	-4.1%
<b>Operating profits</b>	<b>15,008</b>	<b>14,190</b>	<b>+5.8%</b>	<b>11,592</b>	<b>+29.5%</b>
Pre-tax profits	12,450	11,513	+8.1%	15,413	-19.2%
<b>Net profits</b>	<b>8,109</b>	<b>7,871</b>	<b>+3.0%</b>	<b>10,706</b>	<b>-24.3%</b>

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

※ Other Subsidiaries: I Logistics, IIC Company, Qubridge, Guardian, DAYLI Next Wave Bio Healthcare Fund, Value Point, V.T.Composite

## 2. Result Summary (separate)

**3Q Result : Sales KRW 692.1 bn (+8.1% QoQ, +18.2% YoY) / OP KRW 8.7 bn (-2.0% QoQ, +21.6% YoY)**

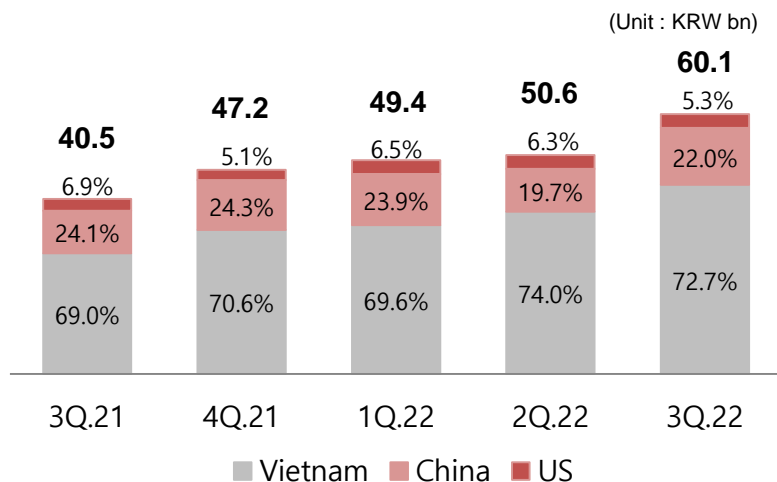


- **Samsung : Sales KRW 579.7 bn (+7.2% QoQ, +28.1% YoY)**
  - Increase in sales of construction materials
- **Non-Samsung : Sales KRW 112.4 bn (+12.8% QoQ, -15.6% YoY)**
  - Increase in sales of IT products (QoQ)
  - Decrease in sales of MRO, IT products (YoY)

Unit: KRW bn	2022					2021				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
<b>Sales</b>	<b>630.7</b>	<b>640.5</b>	<b>692.1</b>	<b>+8.1%</b>	<b>+18.2%</b>	<b>533.2</b>	<b>601.3</b>	<b>585.6</b>	<b>633.4</b>	<b>2,353.5</b>
Samsung	498.4	540.9	579.7	+7.2%	+28.1%	422.0	479.8	452.4	501.4	1,855.6
Non-Samsung	132.3	99.6	112.4	+12.8%	-15.6%	111.2	121.5	133.2	132.0	497.9

### 3. Overseas Subsidiaries

3Q Result : Sales KRW 60.1 bn / OP KRW 1.0 bn

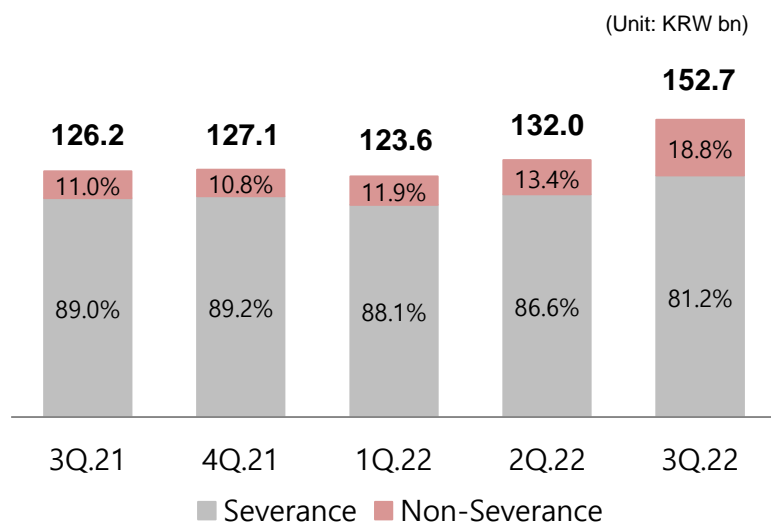


- **Vietnam : Sales KRW 43.7 bn (+16.6% QoQ, +56.6% YoY)**  
- Increase in sales due to improved situation of customers
- **China : Sales KRW 13.2 bn (+32.2% QoQ, +34.8% YoY)**  
- Sales increase of clients' international subsidiaries
- **US : Sales KRW 3.2 bn (+0.3% QoQ, +13.2% YoY)**  
- Providing MRO service to Samsung Austin Fab

Unit: KRW bn		2022					2021				
		1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Vietnam	Samsung	22.1	25.2	32.3	+28.1%	+56.6%	19.7	23.1	20.6	23.0	86.4
	Non-Samsung	12.3	12.3	11.4	-7.0%	+56.6%	8.0	10.3	7.3	10.3	35.9
	<b>Total</b>	<b>34.4</b>	<b>37.5</b>	<b>43.7</b>	<b>+16.6%</b>	<b>+56.6%</b>	<b>27.7</b>	<b>33.4</b>	<b>27.9</b>	<b>33.3</b>	<b>122.3</b>
China	Samsung	5.7	5.2	5.0	-5.9%	+3.3%	4.1	4.2	4.8	5.1	18.2
	Non-Samsung	6.1	4.7	8.2	+74.8%	+65.1%	2.1	3.5	5.0	6.4	17.0
	<b>Total</b>	<b>11.8</b>	<b>9.9</b>	<b>13.2</b>	<b>+32.2%</b>	<b>+34.8%</b>	<b>6.2</b>	<b>7.7</b>	<b>9.8</b>	<b>11.5</b>	<b>35.2</b>
US		3.2	3.2	3.2	+0.3%	+13.2%	2.1	3.1	2.8	2.4	10.4
<b>Total</b>		<b>49.4</b>	<b>50.6</b>	<b>60.1</b>	<b>+18.8%</b>	<b>+48.4%</b>	<b>36.0</b>	<b>44.2</b>	<b>40.5</b>	<b>47.2</b>	<b>167.9</b>

## 4. AllenCare

3Q Result : Sales 152.7 bn / OP KRW 7.2 bn



- **Severance : Sales KRW 124.0 bn (+8.5% QoQ, +10.4% YoY)**

- Stable sales growth from Severance hospital

- **Non-Severance : Sales KRW 28.7 bn (+62.0% QoQ, +107.5% YoY)**

- Sales increase from Chung-Ang Univ. Hospital, pharmaceutical distributors and new clients

Unit: KRW bn	2022					2021				
	1Q	2Q	3Q	QoQ	YoY	1Q	2Q	3Q	4Q	Total
Sales	123.6	132.0	152.7	+15.7%	+21.0%	121.6	121.3	126.2	127.1	496.3
Severance	108.9	114.3	124.0	+8.5%	+10.4%	108.6	108.4	112.4	113.3	442.7
Non-Severance	14.7	17.7	28.7	+62.0%	+107.5%	13.0	12.9	13.8	13.8	53.6
OP	5.7	6.4	7.2	+13.6%	+15.0%	5.6	5.9	6.3	5.9	23.7
OPM(%)	4.7%	4.8%	4.7%	-0.1%p	-0.3%p	4.6%	4.9%	5.0%	4.6%	4.8%

## 5. Other Subsidiaries

 3Q Result : Sales KRW 44.9 bn / OL KRW 0.2 bn

Unit : KRW mn		3Q 22	2Q 22	QoQ	3Q 21	YoY
Qubridge	Sales	16,327	17,611	-7.3%	18,689	-12.6%
	OP	124	-85	Turn around	-1	Turn around
Guardian	Sales	6,225	5,940	+4.8%	6,044	+3.0%
	OP	-150	-277	Sustained losses	-261	Sustained losses
IIC Company	Sales	11,950	10,794	+10.7%	6,602	+81.0%
	OP	7	65	-89.8%	-244	Turn around
I Logistics	Sales	3,217	3,484	-7.7%	7,228	-55.5%
	OP	-54	241	Turn red	490	Turn red
DAYLI Next Wave Bio Healthcare Fund	Sales	-	-	-	-	-
	OP	-40	-41	Sustained losses	-39	Sustained losses
Value Point	Sales	6,815	7,700	-11.5%	-	-
	OP	153	608	-74.8%	-	-
V.T.Composite	Sales	341	289	+17.7%	-	-
	OP	-271	-370	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

<b>Company Name</b>	iMarketKorea Inc
<b>Controlling Shareholder</b>	Gradiant 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>	431 (As of the end of 3Q 2022)
<b>Website</b>	www.imarketkorea.com

### Ownership

<b>Gradiant Corporation</b>	<b>43.1%</b>
Samsung Electronics and 4 affiliates	8.7%
National Pension Service	3.4%
Baring Asset Management Korea Limited	2.3%
Treasury Stocks	5.9%
Others	36.6%
<b>Total</b>	<b>100.0%</b>

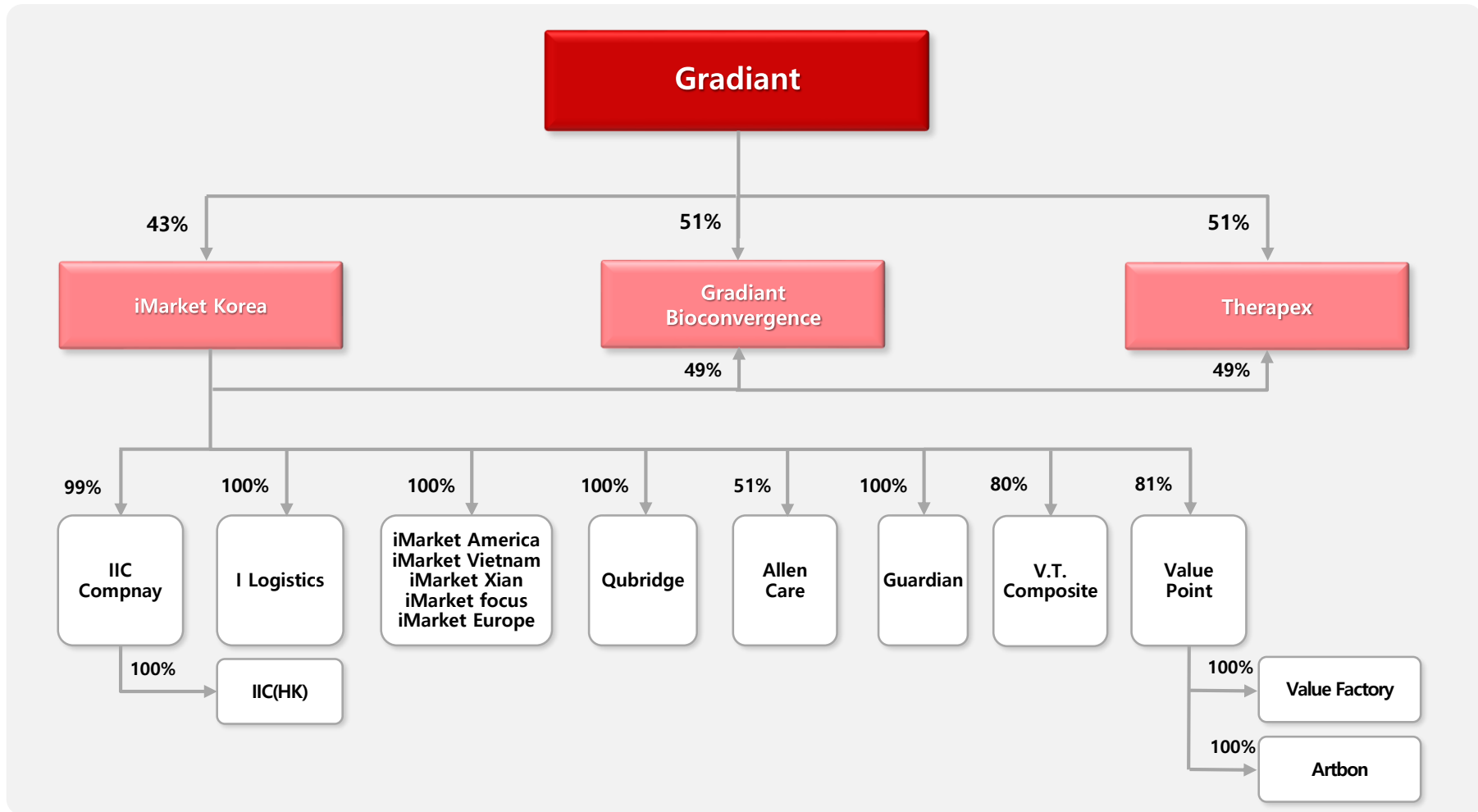
(As of Sep 30, 2022)

※ National Pension Service's ownership is based on Dec 31, 2021

※ Baring Asset Management Korea Limited's ownership is based on Dec 31, 2021

## Appendix 2 Organization

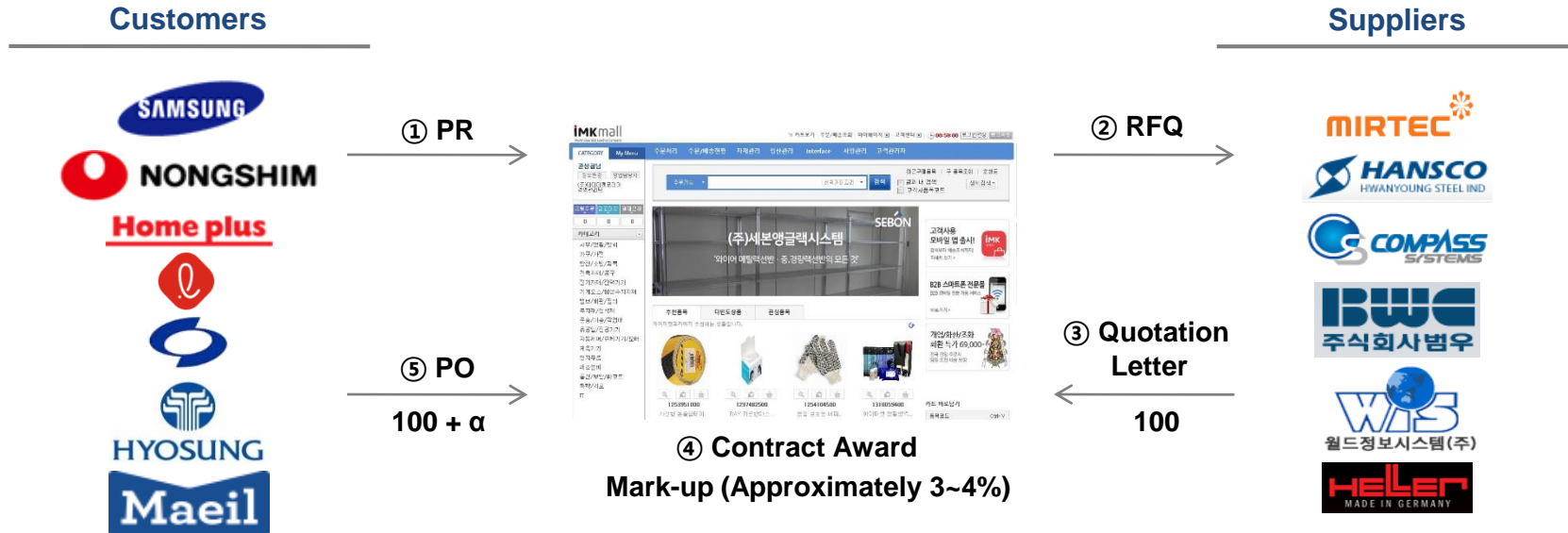
### Gradiant Corporate Structure



Source: As of June 30, 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 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

• **New large customers in 2020 :**

- 1) DONG HWA ENTEC Co.,Ltd., 2) British American Tobacco Korea, 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

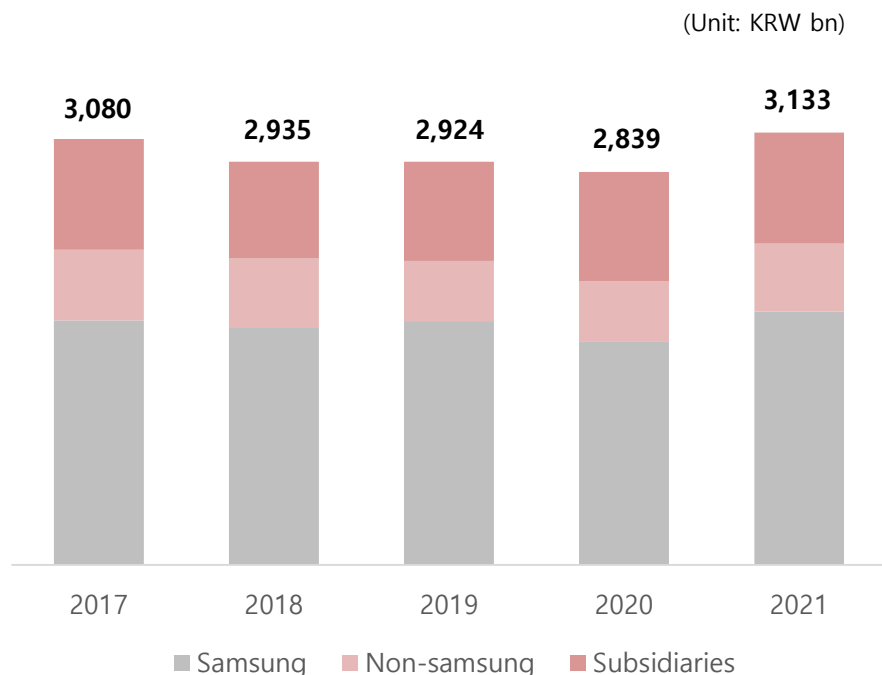
#### Safety Supplies

- Uniforms
- Safety Goods

#### Furniture

- Furniture
- Home Appliances

## Appendix 5 Historical Earnings



- **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

- **Increase in sales of major clients in 2021**

- Increase in IMK sales due to enlargement in investment from major client
- Growth in sales of non-Samsung clients

Unit: KRW bn	2017	2018	2019	2020	2021
Samsung	1,791	1,742	1,787	1,638	1,855
Non-Samsung	517	507	439	442	498
<b>Sub-total (Separated)</b>	<b>2,308</b>	<b>2,249</b>	<b>2,226</b>	<b>2,080</b>	<b>2,353</b>
Subsidiaries	813	705	727	799	814
<b>Total (Consolidated)</b>	<b>3,080</b>	<b>2,935</b>	<b>2,924</b>	<b>2,839</b>	<b>3,133</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**

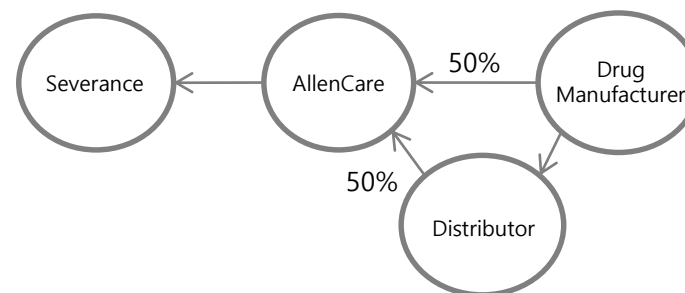
### Company Overview

- 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
2018	376.9	29.0
2019	430.3	32.5
2020	474.5	26.3
2021	496.3	23.7
3Q.22	408.3	19.4

### 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 announced Nov. 2021 the building of a 2<sup>nd</sup> Foundry plant in Taylor, Texas
- Investment is about \$200 billion, construction is expected to end in the second half of 2024
- IMK is planning to provide logistics and business travel support services for Samsung Elec. and cooperative companies
- IMK signed a site contract and is pursuing investment in logistics center

## IMK Business plan

### • Logistics Services

- Secured a Site of about 2.0 million ft<sup>2</sup> for the creation of Logistics center near Samsung plant in Taylor

### • Accommodation/Airline Ticket Booking Services

- Managing business-only hotel near Samsung plant(20min by car)
- Providing Dedicated reservation services for the business trip

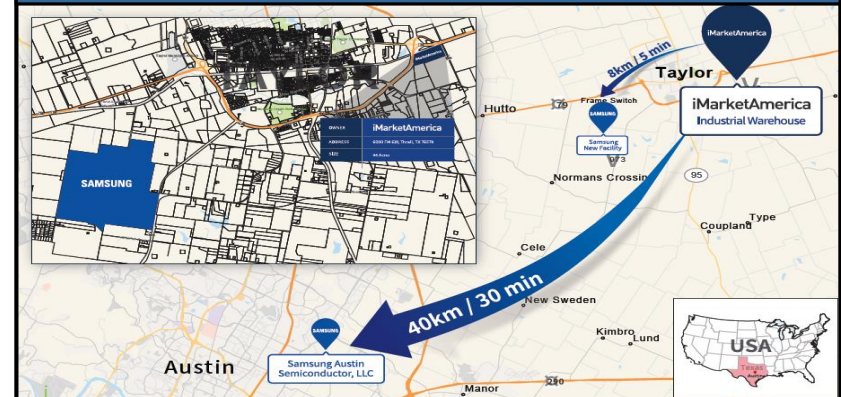
### • Helping entry procedures

- Helping Visa/ESTA Issuances and formalities from our customer dedicated team

### • Shuttle Services

- Providing customized shuttle services for business travelers between Airport↔Accommodation, Accommodation↔Site

## Projected Investment Site



## Bird's-eye view of the Logistics Center



## Appendix 8 Consolidated Financial Statements

### Balance Sheet

Unit: KRW bn	3Q.22	2021
Current assets	878.8	834.9
Cash and cash equivalents	82.2	65.3
Account receivables	593.4	526.6
Inventories	84.7	71.7
Other current assets	118.5	171.3
Non-current asset	292.9	285.3
Investments	94.2	104.0
Tangible assets	55.6	29.5
Intangible assets	128.5	133.5
Other non-current assets	14.6	18.3
<b>Total Asset</b>	<b>1,171.7</b>	<b>1,120.2</b>
Current liabilities	696.3	644.5
Account payable	631.7	583.5
Other current liabilities	64.6	61.0
Non-current liabilities	59.0	58.9
<b>Total Liabilities</b>	<b>755.3</b>	<b>703.4</b>
Equity attributable to owners	366.0	364.0
Capital stock	18.2	18.2
Other contributed capital	111.5	111.5
Components of other capital	5.1	1.4
Retained earnings	231.2	232.9
Non-controlling interest	50.4	52.8
<b>Total Shareholders' Equity</b>	<b>416.4</b>	<b>416.8</b>

### Income Statement

Unit: KRW bn	3Q.22	2021	2020
Revenue	2,617.7	3,132.5	2,839.4
Gross Profit	115.5	146.3	142.8
Selling and administrative expenses	74.6	100.9	102.2
Salaries	31.7	42.1	43.7
IT expenses	5.6	7.7	7.4
Commission	7.4	10.1	10.4
Rents	2.2	3.3	3.5
Depreciation	3.7	4.8	4.9
Amortization	7.4	9.1	8.7
Others	16.6	23.8	23.6
Operating Profit	40.9	45.4	40.5
Other Profit	9.0	8.6	11.1
Other expenses	16.1	8.4	10.0
Finance income	7.5	22.2	4.4
Finance expenses	3.4	2.3	6.7
Associates and subsidiaries	-4.0	-3.3	-0.5
Pre-tax Profit	33.9	62.2	38.8
Net Profit	22.8	44.5	28.8



## Appendix 9 Separate Financial Statements

### Balance Sheet

Unit: KRW bn	3Q.22	2021
Current assets	506.8	510.0
Cash and cash equivalents	56.7	42.9
Account receivables	317.2	295.6
Inventories	34.1	31.0
Other current assets	98.8	140.5
Non-current asset	293.7	272.5
Investments	240.4	213.4
Tangible assets	23.5	23.5
Intangible assets	14.1	16.4
Other non-current assets	15.7	19.2
<b>Total Asset</b>	<b>800.5</b>	<b>782.5</b>
Current liabilities	394.2	378.2
Account payable	356.8	343.4
Other current liabilities	37.4	34.8
Non-current liabilities	25.7	29.6
<b>Total Liabilities</b>	<b>419.9</b>	<b>407.8</b>
Paid-in Capital	18.2	18.2
Other Paid-in Capital	106.6	106.6
Earned Surplus	255.8	249.9
<b>Total Equity</b>	<b>380.6</b>	<b>374.7</b>

### Income Statement

Unit: KRW bn	3Q.22	2021	2020
Revenue	1,963.4	2,353.5	2,079.9
Gross Profit	69.3	87.6	78.1
Selling and administrative expenses	44.0	58.6	58.0
Salaries	21.1	28.4	28.8
IT expenses	5.0	7.1	6.8
Commission	4.1	5.5	5.1
Rents	1.3	1.9	1.8
Depreciation	2.0	2.6	2.5
Amortization	1.5	1.1	0.8
Others	9.0	12.0	12.2
Operating Profit	25.3	29.0	20.1
Other profit	18.4	17.6	22.3
Other expenses	15.8	9.5	10.3
Finance income	7.2	22.4	4.5
Finance expenses	2.3	1.4	5.9
Pre-tax Profit	32.8	58.1	30.7
Net Profit	25.0	44.4	24.6

Thank you