
4Q. 2022

Result Summary

Feb. 15. 2023

 **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)

 4Q Result : Sales KRW 960.4 bn (+2.1% QoQ, +15.4% YoY) / OP KRW 15.4 bn (+2.5% QoQ, +21.9% YoY)

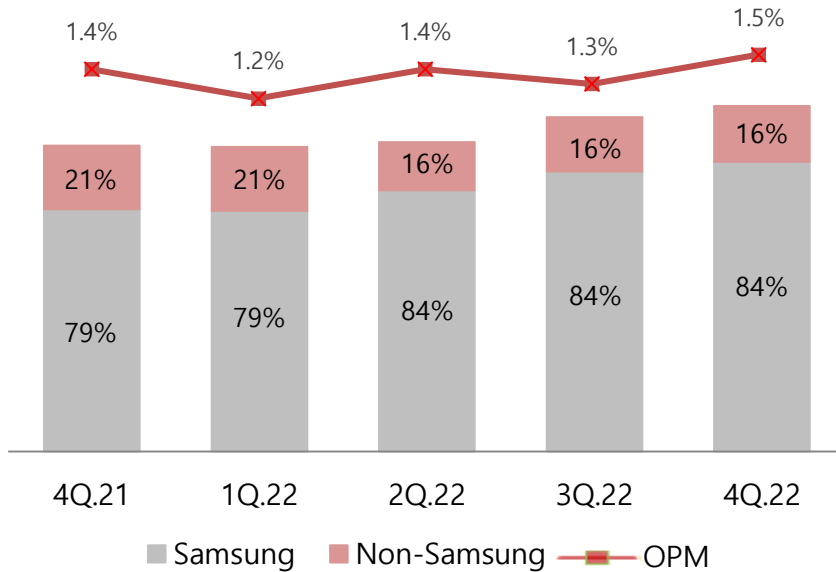
Unit : KRW mn	4Q 22	3Q 22	QoQ	4Q 21	YoY	2022	YoY
Sales	960,436	940,351	+2.1%	831,924	+15.4%	3,588,175	+14.5%
IMK	715,619	692,128	+3.4%	633,345	+13.0%	2,678,991	+13.8%
Overseas Subsidiaries	57,589	60,097	-4.2%	47,196	+22.0%	217,700	+29.6%
Allen Care	152,928	152,739	+0.1%	127,138	+20.3%	561,246	+13.1%
Other Subsidiaries	44,006	44,874	-1.9%	34,116	+29.0%	168,490	+12.8%
Gross profits	42,010	39,505	+6.3%	38,411	+9.4%	157,545	+7.7%
Selling and Administrative Expenses	26,634	24,498	+8.7%	25,800	+3.2%	101,246	+0.4%
Operating profits	15,377	15,008	+2.5%	12,611	+21.9%	56,299	+24.0%
Pre-tax profits	3,358	12,450	-73.0%	16,109	-79.2%	37,284	-40.1%
Net profits	6,319	8,109	-22.1%	12,519	-49.5%	29,103	-34.6%

※ 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)

4Q Result : Sales KRW 715.6 bn (+3.4% QoQ, +13.0% YoY) / OP KRW 10.4 bn (+19.1% QoQ, +18.1% YoY)



- **Samsung : Sales KRW 599.6 bn (+3.4% QoQ, +19.6% YoY)**

- Increase in sales of MRO, IT products (QoQ)

- Increase in sales of construction materials, IT products (YoY)

- **Non-Samsung : Sales KRW 116.0 bn (+3.2% QoQ, -12.1% YoY)**

- Increase in sales of IT products (QoQ)

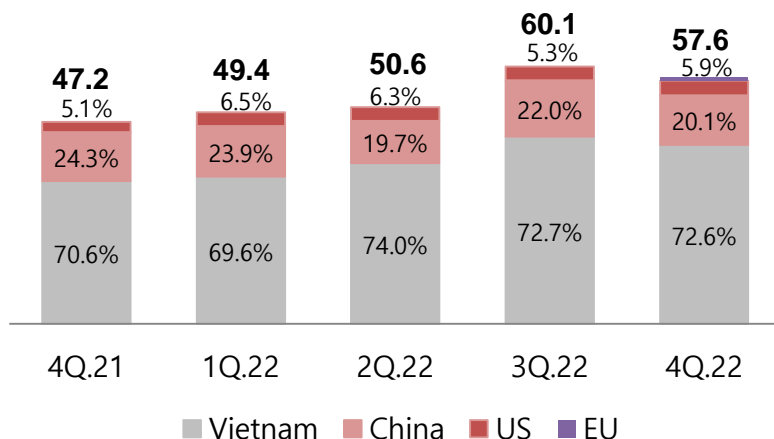
- Decrease in sales of MRO, IT products (YoY)

Unit: KRW bn	2022								2021	
	1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
Sales	630.7	640.5	692.1	715.6	+3.4%	+13.0%	2,679.0	+13.9%	633.4	2,353.5
Samsung	498.4	540.9	579.7	599.6	+3.4%	+19.6%	2,218.6	+19.6%	501.4	1,855.6
Non-Samsung	132.3	99.6	112.4	116.0	+3.2%	-12.1%	460.4	-7.5%	132.0	497.9

3. Overseas Subsidiaries

4Q Result : Sales KRW 57.6 bn / OP KRW 0.1 bn

(Unit : KRW bn)

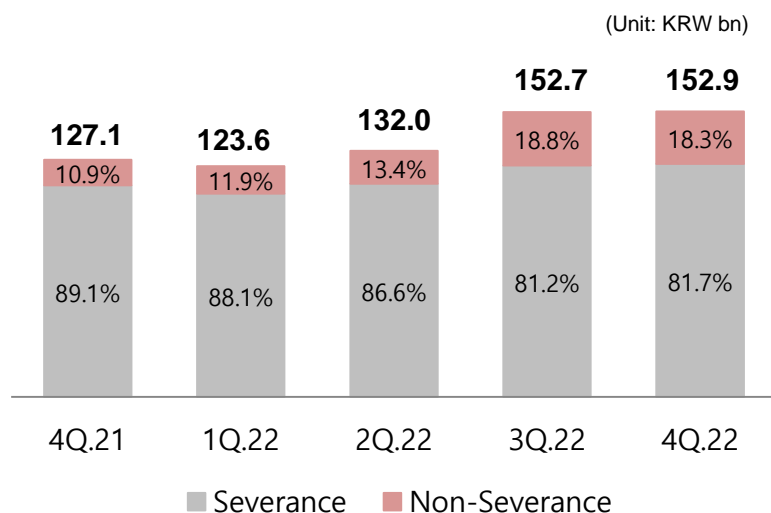


- **Vietnam : Sales KRW 41.8 bn (-4.4% QoQ, +25.7% YoY)**
 - Sales decrease of clients' Non-Samsung (QoQ)
 - Increase in sales due to improved situation of customers (YoY)
- **China : Sales KRW 11.6 bn (-11.9% QoQ, +0.3% YoY)**
 - Decrease in sales due to deteriorated situation of customers (QoQ)
- **US : Sales KRW 3.4 bn (+6.9% QoQ, +41.8% YoY)**
 - Providing MRO service to Samsung Austin Fab

Unit: KRW bn		2022								2021	
		1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
Vietnam	Samsung	22.1	25.2	32.3	33.9	+5.0%	+47.7%	113.5	+31.4%	23.0	86.4
	Non-Samsung	12.3	12.3	11.4	7.9	-30.9%	-23.3%	43.9	+22.2%	10.3	35.9
	Total	34.4	37.5	43.7	41.8	-4.4%	+25.7%	157.4	+28.7%	33.3	122.3
China	Samsung	5.7	5.2	5.0	4.7	-5.7%	-8.4%	20.5	+13.2%	5.1	18.2
	Non-Samsung	6.1	4.7	8.2	6.9	-15.7%	+7.2%	26.0	+52.1%	6.4	17.0
	Total	11.8	9.9	13.2	11.6	-11.9%	+0.3%	46.5	+32.1%	11.5	35.2
US		3.2	3.2	3.2	3.4	+6.9%	+41.8%	13.0	+24.1%	2.4	10.4
EU		-	0.0	0.0	0.8	+1,840.9%	-	0.8	-	-	-
Total		49.4	50.6	60.1	57.6	-4.2%	+22.0%	217.7	+29.6%	47.2	167.9

4. AllenCare

4Q Result : Sales 152.9 bn / OP KRW 7.2 bn



- **Severance : Sales KRW 124.9 bn (+0.7% QoQ, +10.2% YoY)**
 - Stable sales growth from Severance hospital
- **Non-Severance : Sales KRW 28.1 bn (-2.2% QoQ, +102.8% YoY)**
 - Sales decrease from Chung-Ang Univ. Hospital (QoQ)
 - Sales increase from pharmaceutical distributors and new clients (YoY)

Unit: KRW bn	2022								2021	
	1Q	2Q	3Q	4Q	QoQ	YoY	Total	YoY	4Q	Total
Sales	123.6	132.0	152.7	152.9	+0.1%	+20.3%	561.2	+13.1%	127.1	496.3
Severance	108.9	114.3	124.0	124.9	+0.7%	+10.2%	472.0	+6.6%	113.3	442.7
Non-Severance	14.7	17.7	28.7	28.1	-2.2%	+102.8%	89.2	+66.5%	13.8	53.6
OP	5.7	6.4	7.2	7.2	+0.0%	+23.4%	26.6	+12.4%	5.9	23.7
OPM(%)	4.7%	4.8%	4.7%	4.7%	-	+0.1%p	4.7%	-0.1%p	4.6%	4.8%

5. Other Subsidiaries

 4Q Result : Sales KRW 44.0 bn / OL KRW 0.7 bn

Unit : KRW mn		4Q 22	3Q 22	QoQ	4Q 21	YoY
Qubridge	Sales	17,053	16,327	+4.4%	17,195	-0.8%
	OP	184	124	+48.8%	96	+91.1%
Guardian	Sales	3,968	6,225	-36.3%	6,083	-34.8%
	OP	-739	-150	Sustained losses	-379	Sustained losses
IIC Company	Sales	10,836	11,950	-9.3%	7,080	+53.0%
	OP	-34	7	Turn red	-232	Sustained losses
I Logistics	Sales	3,779	3,217	+17.5%	3,758	+0.6%
	OP	133	-54	Turn around	-625	Turn around
DAYLI Next Wave Bio Healthcare Fund	Sales	-	-	-	-	-
	OP	-43	-40	Sustained losses	-81	Sustained losses
Value Point	Sales	8,305	6,815	+21.9%	-	-
	OP	363	153	+136.8%	-	-
IM technology	Sales	66	341	-80.7%	-	-
	OP	-551	-271	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	422 (As of the end of 4Q 2022)
Website	www.imarketkorea.com

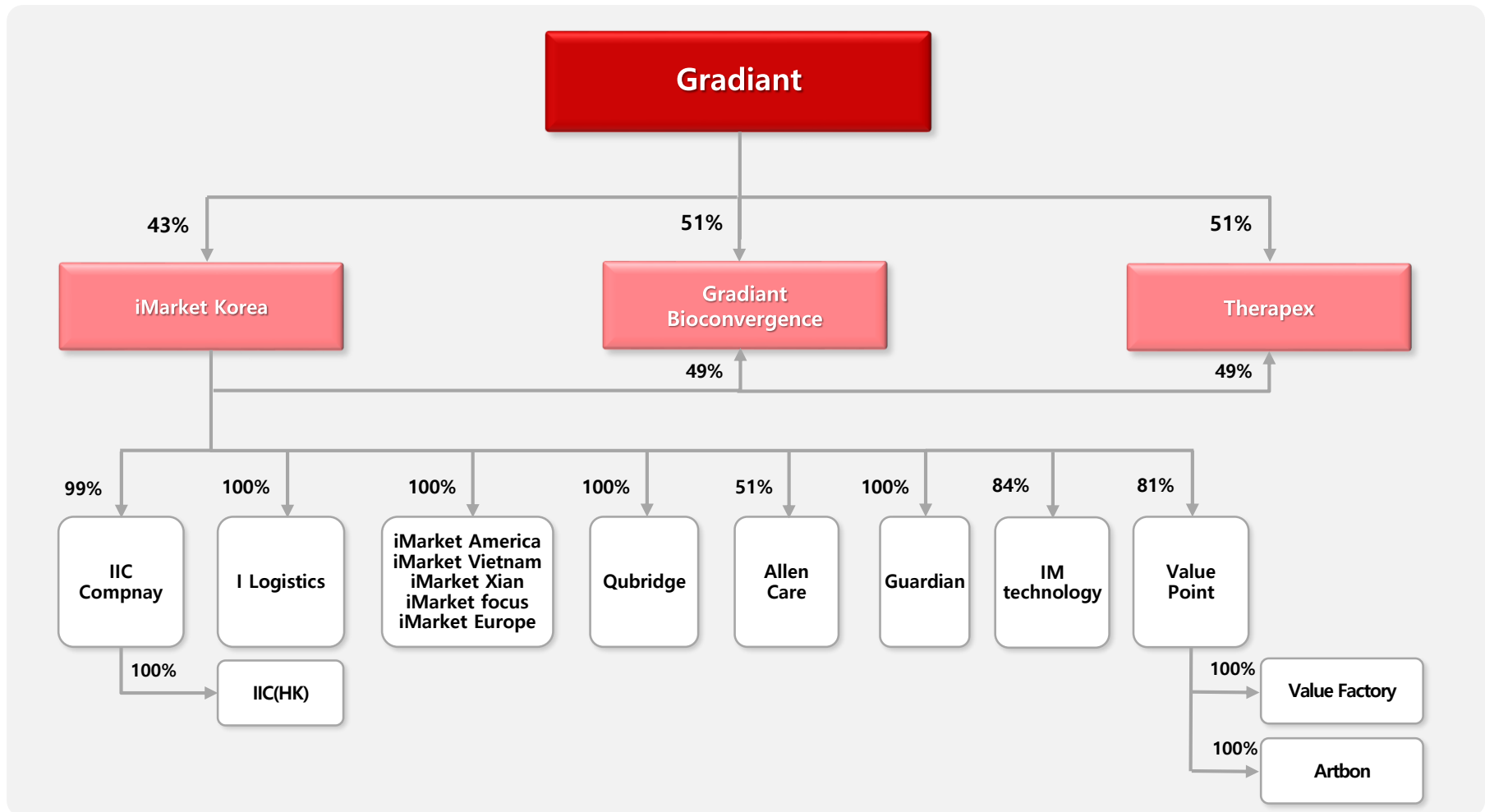
Ownership

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

(As of Dec 31. 2022)

Appendix 2 Organization

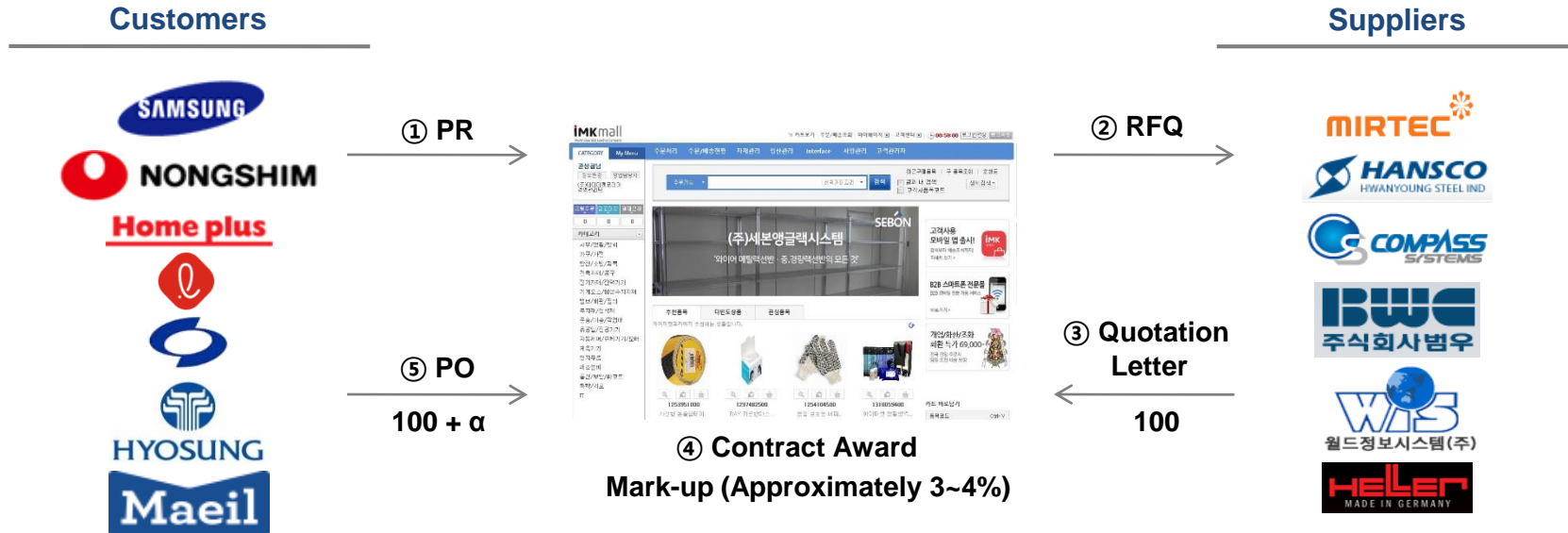
Gradiant Corporate Structure



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 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

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

Industrial Supplies (80%)

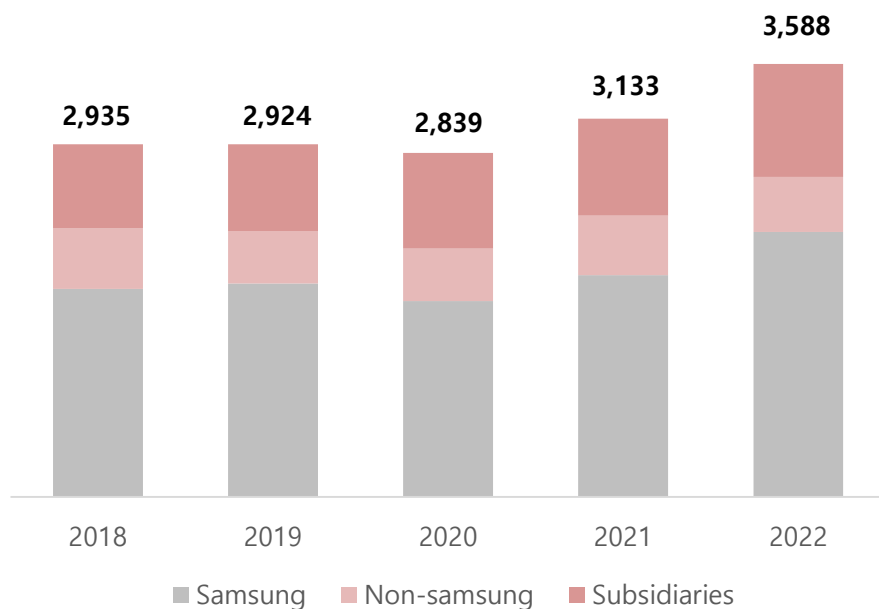
Machinery <ul style="list-style-type: none">▪ Rubber products▪ Bearings and Belts▪ Welders and Consumables▪ General Tools▪ Parts	Electric Facilities <ul style="list-style-type: none">▪ Pipes, Steel valves▪ Valves, Bolts▪ Lamps▪ Work benches, Storage cabinets▪ Filters, etc.	Petrochemical <ul style="list-style-type: none">▪ Water and Waste water treatment agents▪ Fuel and Lubricants▪ Chemical Appliances▪ Gas, etc.
Automation/ Electronic Control <ul style="list-style-type: none">▪ Measuring Instrument▪ Industrial Machines▪ Motors▪ Barcodes, Marking Machines, etc.	Construction Supplies <ul style="list-style-type: none">▪ Steel Bar▪ Cold Rolled Coil▪ Carpet Tile▪ Finishing Materials	Raw and Subsidiary Materials <ul style="list-style-type: none">▪ Production Materials▪ Transport Materials▪ Electronic Parts▪ Packing Materials▪ Equipment, etc.

General Supplies (20%)

Office Supplies <ul style="list-style-type: none">▪ Copying Papers▪ Office Products▪ Health Machines	IT <ul style="list-style-type: none">▪ Ink, Toner▪ Computer▪ Communication Devices, etc.
Household Items <ul style="list-style-type: none">▪ Cleaning Products▪ Food & Confectionaries	Printed Matters <ul style="list-style-type: none">▪ Brochures▪ Envelopes and Name Cards
Safety Supplies <ul style="list-style-type: none">▪ Uniforms▪ Safety Goods	Furniture <ul style="list-style-type: none">▪ 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

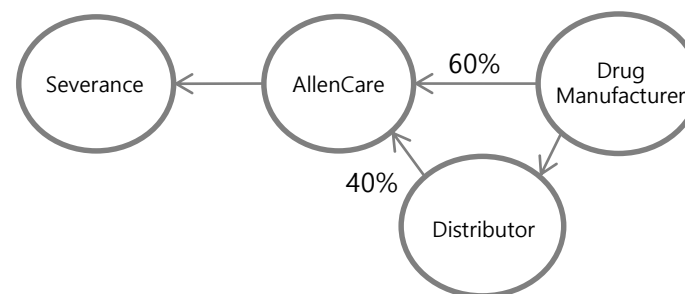
Company Overview

- 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
2018	376.9	29.0
2019	430.3	32.5
2020	474.5	26.3
2021	496.3	23.7
2022	561.2	26.6

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)

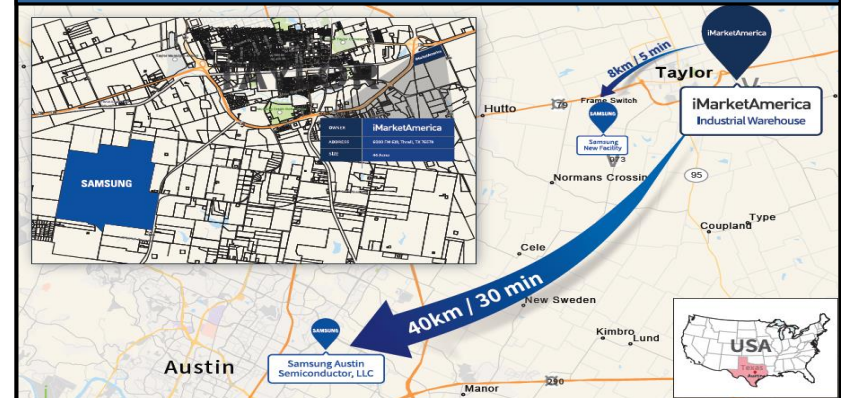
Appendix 7 Business Plan in State of Texas

- Samsung Electronics announced Nov. 2021 the building of a 2nd 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 made a purchase of land and is pursuing investment in a logistics center

IMK Business plan

- **Logistics Services**
 - Secured a Site of about 2 million ft² 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



View of the Logistics Center



Appendix 8 Consolidated Financial Statements

Balance Sheet

Unit: KRW bn	2022	2021
Current assets	927.3	834.9
Cash and cash equivalents	132.4	65.3
Account receivables	601.2	526.6
Inventories	71.6	71.7
Other current assets	122.1	171.3
Non-current asset	297.7	285.3
Investments	83.4	104.0
Tangible assets	66.2	29.5
Intangible assets	126.3	133.5
Other non-current assets	21.8	18.3
Total Asset	1,225.0	1,120.2
Current liabilities	757.6	644.5
Account payable	679.1	583.5
Other current liabilities	78.5	61.0
Non-current liabilities	57.2	58.9
Total Liabilities	814.8	703.4
Equity attributable to owners	358.0	364.0
Capital stock	18.2	18.2
Other contributed capital	107.8	111.5
Components of other capital	1.9	1.4
Retained earnings	230.1	232.9
Non-controlling interest	52.2	52.8
Total Shareholders' Equity	410.2	416.8

Income Statement

Unit: KRW bn	2022	2021	2020
Revenue	3,588.2	3,132.5	2,839.4
Gross Profit	157.5	146.3	142.8
Selling and administrative expenses	101.2	100.9	102.2
Salaries	43.6	42.1	43.7
IT expenses	7.4	7.7	7.4
Commission	10.1	10.1	10.4
Rents	3.1	3.3	3.5
Depreciation	5.1	4.8	4.9
Amortization	9.8	9.1	8.7
Others	22.1	23.8	23.6
Operating Profit	56.3	45.4	40.5
Other Profit	15.2	8.6	11.1
Other expenses	23.6	8.4	10.0
Finance income	6.9	22.2	4.4
Finance expenses	12.0	2.3	6.7
Associates and subsidiaries	-5.5	-3.3	-0.5
Pre-tax Profit	37.3	62.2	38.8
Net Profit	29.1	44.5	28.8

Appendix 9 Separate Financial Statements

Balance Sheet

Unit: KRW bn	2022	2021
Current assets	532.7	510.0
Cash and cash equivalents	86.1	42.9
Account receivables	325.0	295.6
Inventories	25.7	31.0
Other current assets	95.9	140.5
Non-current asset	292.5	272.5
Investments	231.6	213.4
Tangible assets	21.9	23.5
Intangible assets	13.6	16.4
Other non-current assets	25.4	19.2
Total Asset	825.2	782.5
Current liabilities	415.7	378.2
Account payable	385.9	343.4
Other current liabilities	29.8	34.8
Non-current liabilities	24.0	29.6
Total Liabilities	439.7	407.8
Paid-in Capital	18.2	18.2
Other Paid-in Capital	106.6	106.6
Earned Surplus	260.7	249.9
Total Equity	385.5	374.7

Income Statement

Unit: KRW bn	2022	2021	2020
Revenue	2,679.0	2,353.5	2,079.9
Gross Profit	94.7	87.6	78.1
Selling and administrative expenses	59.0	58.6	58.0
Salaries	28.4	28.4	28.8
IT expenses	6.7	7.1	6.8
Commission	5.4	5.5	5.1
Rents	1.8	1.9	1.8
Depreciation	2.8	2.6	2.5
Amortization	2.0	1.1	0.8
Others	11.9	12.0	12.2
Operating Profit	35.7	29.0	20.1
Other profit	31.3	17.6	22.3
Other expenses	20.0	9.5	10.3
Finance income	6.1	22.4	4.5
Finance expenses	9.1	1.4	5.9
Impairment loss on investments in subsidiaries	4.2	-	-
Pre-tax Profit	39.8	58.1	30.7
Net Profit	36.3	44.4	24.6

Thank you