

First Half 2024 Earnings Release

July 31, 2024

The financial information in this document is consolidated earning results based on K-IFRS.

This document is provided for investors' information before 1H FY2024 reviewed financial statements are released. The review outcomes may cause some parts of this document to be revised.

This document contains "forward-looking statements" - that is, statements related to future, not past events.

In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", or "will". Forward-looking statements by their nature address matters that are, to different degrees, uncertain.

For us, particular uncertainties which could adversely or positively affect our future results include: the behavior of financial markets, including fluctuations in exchange rates, interest rates and commodity prices; strategic actions including dispositions and acquisitions. These uncertainties may cause our actual results to be materially different from those expressed in this document.

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Financial Performance

Gross Profit 7%↑
Operating Profit 3%↑

- ✓ Expanded growth through BTL/Digital biz in domestic/overseas market
- ✓ Showed 3%↑ OP growth due to increased in labor investment

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Service

Digital Portion 54%
(YoY : 8%↑)

- ✓ BTL biz increase due to Olympics related projects
- ✓ Continued solid growth through expansion of digital dotcom/e-commerce services

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Clients

Captive & Non-Samsung
Turned to net growth
(Non-Samsung portion 27%)

- ✓ Developed new Non-Samsung clients in growing industries
- ✓ Defensed GP growth by digital biz and Olympics related projects

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GEO Markets

NA/LA/MENA
Centered
Overseas 8%↑

- ✓ Strong growth with Non-Samsung clients in NA/LA/MENA with BTL biz
- ✓ Defensed EU growth by Olympics related projects

(KRW billion)

	Q2 2023	Q2 2024	YoY	1H 2023	1H 2024	YoY
Revenue (Gross Profit)	424.7	453.4	7%	788.8	844.2	7%
SG&A	340.0	365.2	7%	650.7	701.4	8%
Operating Profit	84.7	88.2	4%	138.1	142.8	3%
Non-operating Expenses and Income	6.0	4.9	△18%	12.8	13.7	7%
Income Before Income Taxes	90.7	93.1	3%	150.9	156.5	4%
Net Income	65.3	65.3	-	106.6	108.8	2%

Consolidated Revenue : 1H 2023 788.8B → 1H 2024 844.2B (55.4B↑)
Q2 2023 424.7B → Q2 2024 453.4B (28.7B↑)

- HQ (KRW) : 1H 2023 172.8B → 1H 2024 181.5B (8.7B↑)
 - 5% Growth through expansion of digital D2C/platform biz for major clients
- Subsidiaries (KRW) : 1H 2023 616.0B → 1H 2024 662.7B (46.7B↑)
 - Defensed revenue by digital/BTL biz in NA/LA/MENA

	(KRW billion)					
	Q2 2023	Q2 2024	YoY	1H 2023	1H 2024	YoY
HQ	101.5	105.8	4%	172.8	181.5	5%
Subsidiaries	323.2	347.6	8%	616.0	662.7	8%
Total	424.7	453.4	7%	788.8	844.2	7%

- By Service : Expansion of overseas digital biz, including performance marketing and increase in BTL volume such as Olympics promotions

	2020	2021	2022	2023	1H 2024
Digital	43%	50%	53%	54%	54%
BTL	35%	30%	30%	29%	32%
Retail	21%	20%	19%	18%	18%
ATL	22%	20%	17%	17%	14%

- By Clients : Development of new clients from growing industries such as healthcare, beauty, and etc. to strengthen the non-Samsung portfolio

< HQ >



< Overseas >



Consolidated OP : 1H 2023 138.1B → 1H 2024 142.8B (4.7B↑)
Q2 2023 84.7B → Q2 2024 88.2B (3.5B↑)

□ Revenue grew by 7% and SG&A expense increased by 8% due to investment in digital-focused labor, resulting in 3% growth in operating profit

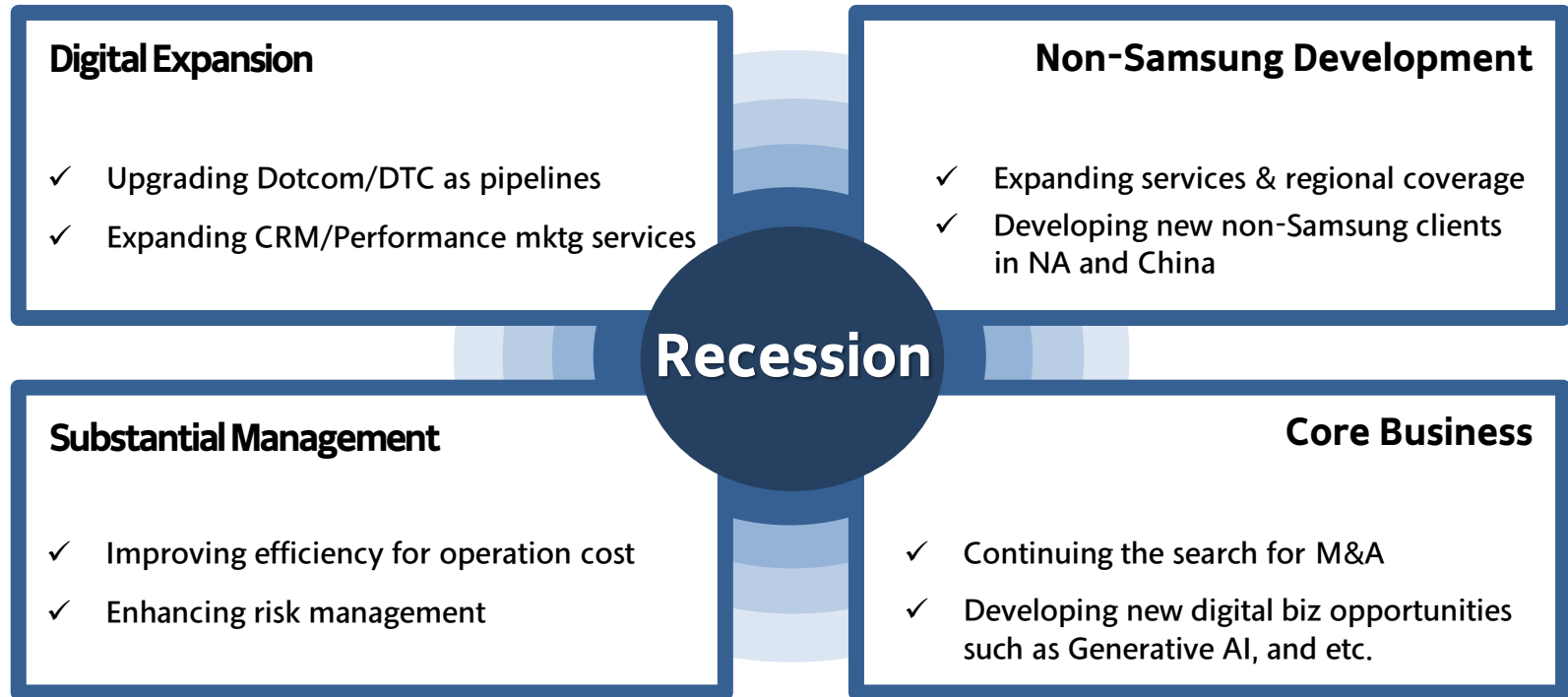
(KRW Billion)

	Q2 2023	Q2 2024	YoY	1H 2023	1H 2024	YoY
Revenue(GP)	424.7	453.4	7%	788.8	844.2	7%
SG&A	340.0	365.2	7%	650.7	701.4	8%
Salaries	244.9	264.4	8%	469.0	510.2	9%
Others	95.1	100.8	6%	181.7	191.2	5%
Operating Profit	84.7	88.2	4%	138.1	142.8	3%

※ No. of Overall employees : June 2023 → 6,921 / December 2023 → 7,175 / June 2024 → 7,334
· Overseas: June 2023 → 5,545 / December 2023 → 5,712 / June 2024 → 5,856

Minimize the impact of external uncertainties & strengthen business foundation
for sustainable growth via digital biz and non-Samsung expansion

Top-line growth rate 5%↑ and Margin Defense



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