CONNEC+

We Create Connected Experiences that Matter

Fourth Quarter 2024 Earnings Release

February 4, 2025

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

This document is provided for investors' information before Q4 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.

2024 Summary

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1 Financial Performance

GP +7%

OP +4%

- ✓ Revenue increase due to BTL/Digital biz expansion in both domestic/overseas
- ✓ OP limit to +4% growth due to labor cost increase

2 Service

BTL +19%↑

(Digital Portion 54%)

- ✓ BTL service increase in overseas especially due to Olympic related projects
- ✓ Digital biz expansion continue for dot-com and e-commerce service

3 Clients

Captive +11%↑

Non-Samsung △2%↓

- ✓ Captive revenue increase due to Digital biz and Olympic related projects
- ✓ Negative growth for Non-Samsung due to loss of clients in major regions

4 GEO Markets

Steady growth in NA, LA, MENA

- ✓ Solid growth in NA, LA, and MENA thanks to BTL and Non-Samsung biz expansion
- ✓ Underperform in EU/China due to Non-Samsung biz volume decrease

Financial Summary (K-IFRS consolidated)

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(KRW billion)

	'23. 4Q	'24. 4Q	Growth	2023	2024	Growth
Revenue (Gross Profit)	**429.2**	**454.8**	**6%**	**1,618.9**	**1,727.5**	**7%**
SG&A	353.2	372.4	5%	1,311.4	1,406.8	7%
Operating Profit	**76.0**	**82.4**	**8%**	**307.5**	**320.7**	**4%**
Non-operating Expenses and Income (*)	△42.4	△16.4	-	△22.7	△7.2	-
Income Before Income Taxes	33.6	66.1	97%	284.8	313.5	10%
Net Income	17.3	38.8	124%	190.1	208.3	10%

(*) 4Q Non-Operating Expenses and Income △16.4 : Goodwill impairment of Iris △29.4, foreign exchange gain +7.9, earn-out payment reimbursement +3.9, etc.

※ Dividend for the FY2024 : KRW 1,230 / Share (Payout 60%)

Consolidated Revenue Summary

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Consolidated Revenue(KRW) : 2023 1,618.9B → 2024 1,727.5B (+108.6B↑)

□ Seoul Office (KRW) : FY2023 349.2B → 2024 373.5B (+24.3B↑)

- Net growth in both Captive and Non-Samsung due to Retail/Digital biz (YoY +7%↑)

□ Subsidiaries (KRW) : FY2023 1,269.7B → 2024 1,354.0B (+84.3B↑)

- Despite underperformance in some subsidiaries, shown growth in NA/LA/MENA

(KRW)

	'23. 4Q	'24. 4Q	Growth	2023	2024	Growth
Seoul Office	88.3	95.2	8%	349.2	373.5	7%
Subsidiaries	340.9	359.6	5%	1,269.7	1,354.0	6%
Total	**429.2**	**454.8**	**6%**	**1,618.9**	**1,727.5**	**7%**

Consolidated Revenue | by Service & Clients

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☐ Digital Portion : FY2024 54%

	2021	2022	2023	2024
Digital	50%	53%	54%	54%
BTL	30%	29%	29%	30%
Retail	20%	19%	18%	18%
ATL	20%	18%	17%	16%

☐ Non-Samsung Portion : FY2023 30% → 2024 27% (Growth: YoY △2%↓)

< Seoul Office Non-Samsung Top5 >

동서식품
신한금융지주
kt
KGC인삼공사
GM KOREA 한국지엠

< Overseas Non-Samsung Top5 >

INDIVIOR
AMERICAN EXPRESS
POPEYES LOUISIANA KITCHEN
Little Caesars
PHILIP MORRIS INTERNATIONAL

Consolidated OP

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Consolidated OP(KRW) : FY2023 307.5B → 2024 320.7B (+13.2B↑)

□ OP grew by +4% due to a +7% increase in SG&A expense

* investment on hiring digital specialists

(KRW Billion)

		'23. 4Q	'24. 4Q	Growth	2023	2024	Growth
Revenue (GP)		**429.2**	**454.8**	**6%**	**1,618.9**	**1,727.5**	**7%**
SG&A		353.2	372.4	5%	1,311.4	1,406.8	7%
	Salaries	244.7	269.9	10%	931.9	1,024.8	10%
	Others	108.5	102.5	△6%	379.5	382.0	1%
Operating Profit		**76.0**	**82.4**	**8%**	**307.5**	**320.7**	**4%**
	OPM	17.7%	18.1%	+0.40%p	19.0%	18.6%	△0.40%p

※ Head count : As of 2023 7,175 → 2024 7,433 (YoY +258)
(Overseas) (5,712) (5,938) (+226)

2025 Outlook

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Minimize the Impact of External Uncertainties by Expanding Digital/Retail Biz and Developing New Non-Samsung Clients

Top-line growth rate +5%↑(YoY) and profitability improvement

Operational Excellence

Biz Expansion

- ✓ Strengthen digital platform/retail/data-centered main biz and expand the area

Non-Samsung Development

- ✓ Reinforce area of expertise in industries such as automobile/healthcare/travel/f&b and search for new big clients

Substantial Management

- ✓ Continue the operational excellence, including offshore operations
- ✓ improve profitability of the underperform biz

Shareholder Value ↑

- ✓ Strengthen the biz foundation through M&A
- ✓ Maintain strong shareholder return

Thank you