

**contentree**  
JoongAng

# Investor Relations

AUG 2024

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# 1H24 Snapshot

## Reinforced content popularity

### <ALL 8 Netflix service contents Record Global Top 10>



<Doctor Slump>  
Top 10 in  
9 weeks



<Welcome to  
Samdalri>  
Top 10 in  
8 weeks



<Frankly  
Speaking>  
Top 10 in  
2 weeks



<My Name is  
Loh Kiwan>  
Top 10 in  
3 weeks



<The Atypical  
Family>  
Top 10 in  
7 weeks



<Badland  
Hunters>  
Top 10 in  
4 weeks



<Miss Night  
And Day>  
Top 10 in  
7 weeks



<Parasyte:  
The Grey>  
Top 10 in  
4 weeks



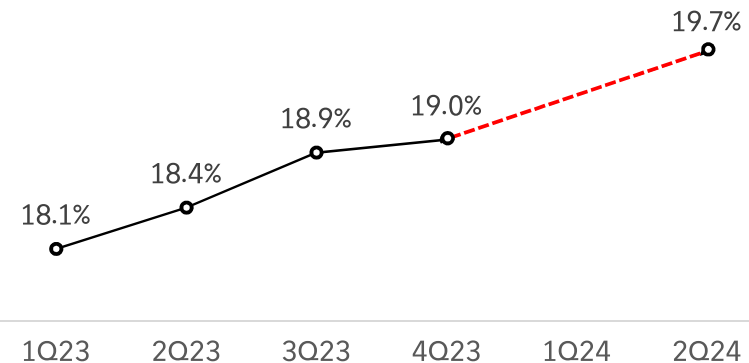
### **SLL PLUSM** <The Roundup: Punishment>

The top-grossing film series  
Attracted 11.5mn viewers

## Expanded M/S



Quarterly M/S



- 1H24 on a cumulative basis, Megabox audience growth(+13.2%) outpaced domestic box office growth (+7.8% YoY)
- Newly opened a cinema at Suwon Starfield



- Newly opened 2 branches at Suwon Starfield
- On a cumulative basis in the 1H24, the sales share of large mall branches is about 35% (based on domestic sales)

# 2Q24 Financial Results

## Recorded Revenue of KRW226.8B, Operating Loss of KRW6.5B

### Income Statement

(KRW 0.1 Billion)

	2Q23	1Q24	2Q24	YoY(%)	QoQ(%)
Revenue	2,794	2,209	2,268	(18.8%)	2.6%
Content					
SLL	1,792	1,030	1,271	(29.1%)	23.4%
Plus M	102	280	128	26.0%	(54.2%)
Space					
Megabox	621	575	584	(6.0%)	1.6%
Playtime	136	188	144	5.6%	(23.6%)
Others	143	109	141	(1.2%)	29.9%
Gross Profit	800	618	631	(21.1%)	2.2%
SG&A	722	718	697	(3.5%)	(3.0%)
Operating Profit	78	(100)	(65)	Loss continued	Loss continued
Net Profit	(150)	(308)	(255)	Loss continued	Loss continued

- Others includes rent, IT and HLL(consolidated) results
- Due to the change in accounting policy, the 2023 financial statements may differ from the disclosures in the business report

### Comment

- **SLL**  
: Due to the adverse base effect of overseas labels, SLL sales and profits declined yoy
- **Megabox**  
: Sales grew in reverse along with the decline in box office, but maintained a surplus due to the improvement in the performance of the PlusM
- **Playtime**  
: Sales continued to grow backed by increase in ATP and the increase in visitors to overseas subsidiaries, but recorded a slight deficit due to the increase in costs.

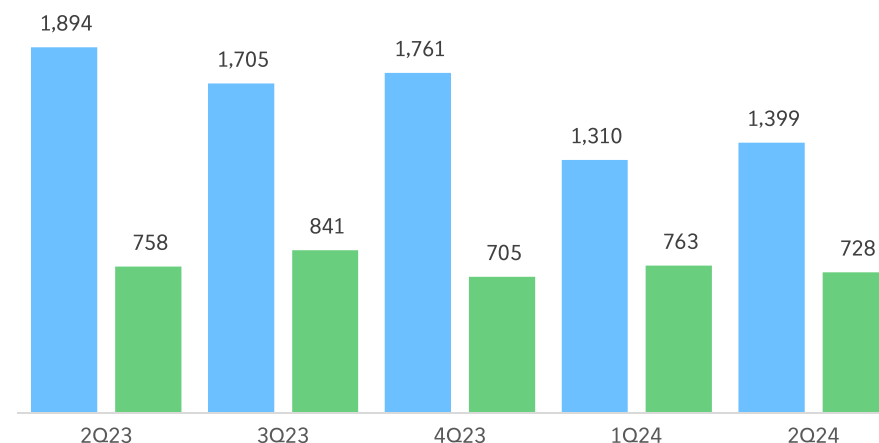
### Key Metrics

(KRW 0.1 Billion)

#### Revenue

Content

Space

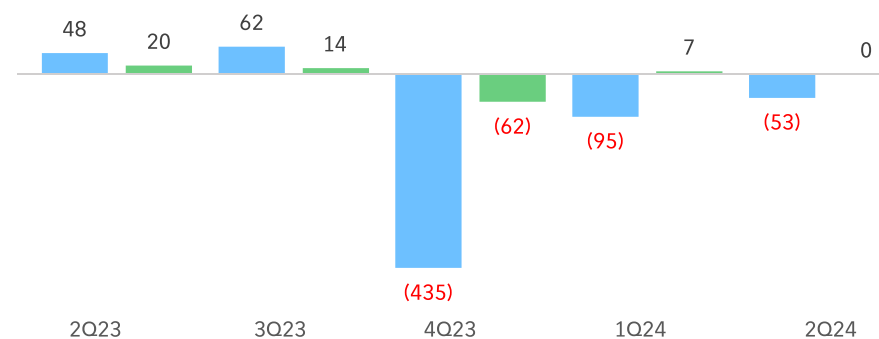


#### Operating Income

(KRW 0.1 Billion)

Content

Space



**SLL**

# 2Q24 Financial Results

Revenue of 127.1bn & EBITDA of 24.3bn, continued profit improvement trend

## Income Statement

(KRW 0.1 Billion)

	2Q23	1Q24	2Q24	YoY	QoQ
Non-Consolidated	Revenue	716	840	+58.6%	+35.1%
	Captive	579	572	+13.0%	+14.3%
	Non-Cap	3	115	+15,530.7%	+257.9%
	Others	134	153	-47.4%	-53.8%
	EBITDA	285	259	+21.5%	+33.9%
	O.I.	62	46	+4.0%	+39.5%
Consolidated	Revenue	1,792	1,030	-29.1%	+23.4%
	EBITDA	328	172	-25.8%	+41.9%
	O.I.	48	(95)	Turn Red	+44.6%

\* EBITDA = Operating Income + Depreciation/Amortization costs

## Commentary

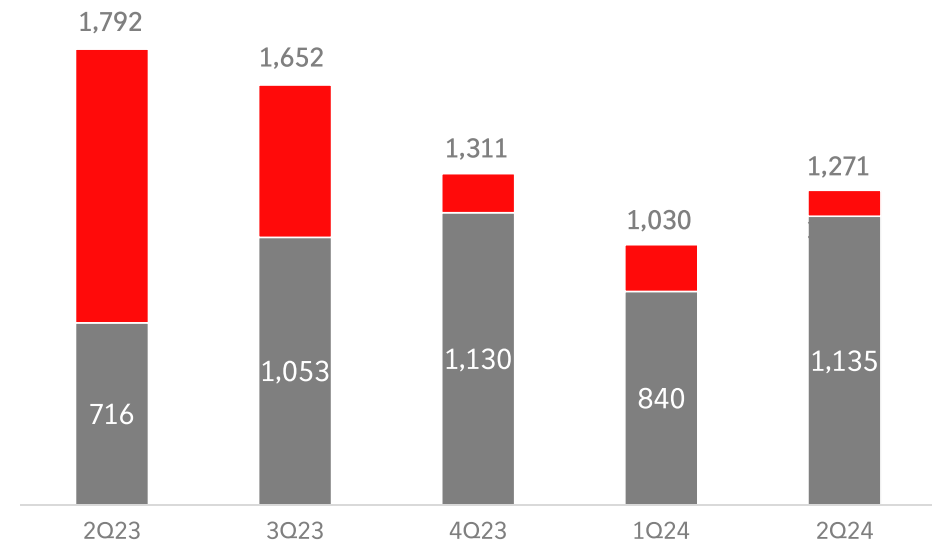
- ① Although the number of Captive episodes decreased, 100% pre-sales to WWOTT and regional platforms syndication lead to expanded revenue and profit of SLL standalone
- ② SLL standalone Non-Cap revenue increased due to the increase of the number of OTT Original content productions in 2Q24
- ③ SLL consolidated revenue & profit decreased compare to 2Q23 due to the base effect of delivery of <The Summer...S2> of wiip in 2Q23
- ④ Continuous profit improvement expected in 2H24 with the anticipated profit recognition from <The Roundup: The Punishment>

## Key Metrics

(KRW 0.1 Billion)

### Revenue

■ Non-Consolidated ■ Consolidated

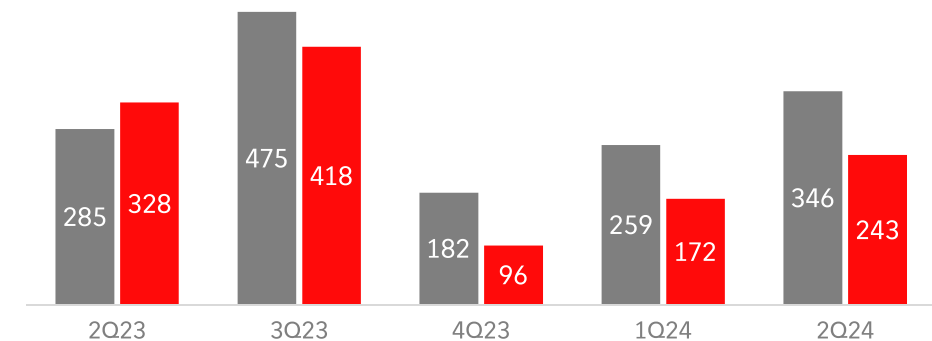


(KRW 0.1 Billion)

### EBITDA

O.I. 48 62 (435) (95) (53)

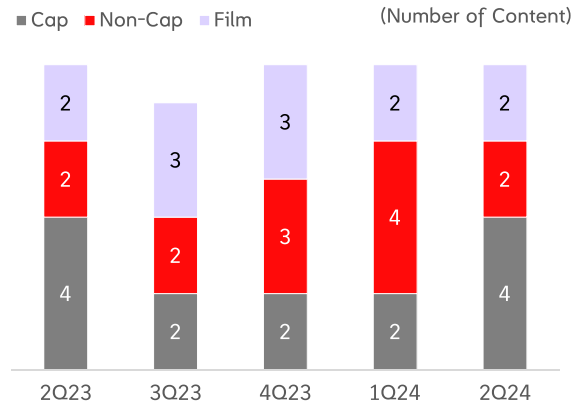
■ Non-Consolidated ■ Consolidated



# 2Q24 Content Key Performances

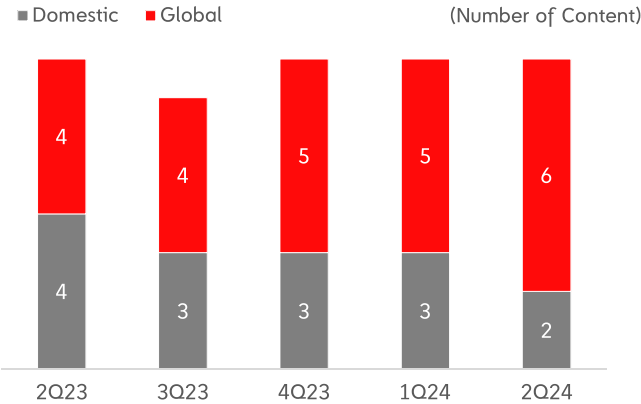
High popularities of Captive dramas & films have proven SLL's production competitiveness

### Numbers of Content by Category

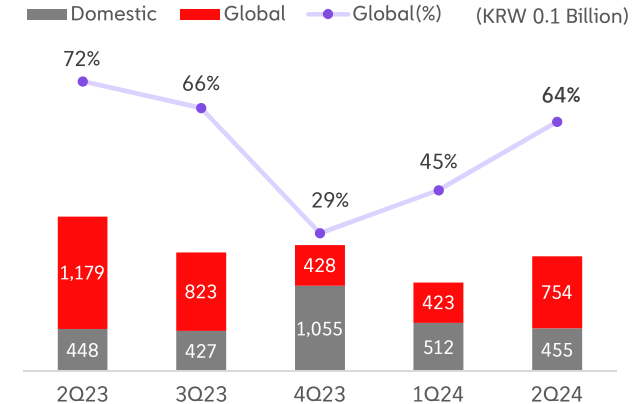


※ Based on the initial release date

### Numbers of Content by Region



### Global Sales



※SLL Consolidated, Domestic/Global production & distribution sales only

## The Atypical Family



**NETFLIX**

Release May 4, 2024

Cast Jang Ki-yong, Chun Woo-hee  
Netflix Global TV Show Top 10  
for 7 consecutive weeks

## Miss Night And Day



**NETFLIX**

Release June 15, 2024

Cast Lee Jung-eun, Jeong Eun-ji  
Netflix Global TV Show No.3  
Highest Viewing Rate 11.7%

## My Sweet Mobster



**U-NEXT Rakuten VIKI viiu**

Release June 12, 2024

Cast Um Tae-goo, Han Seon-hwa  
Viki No.1 viewership over 110  
countries

## The Roundup: Punishment



**Multiplex**

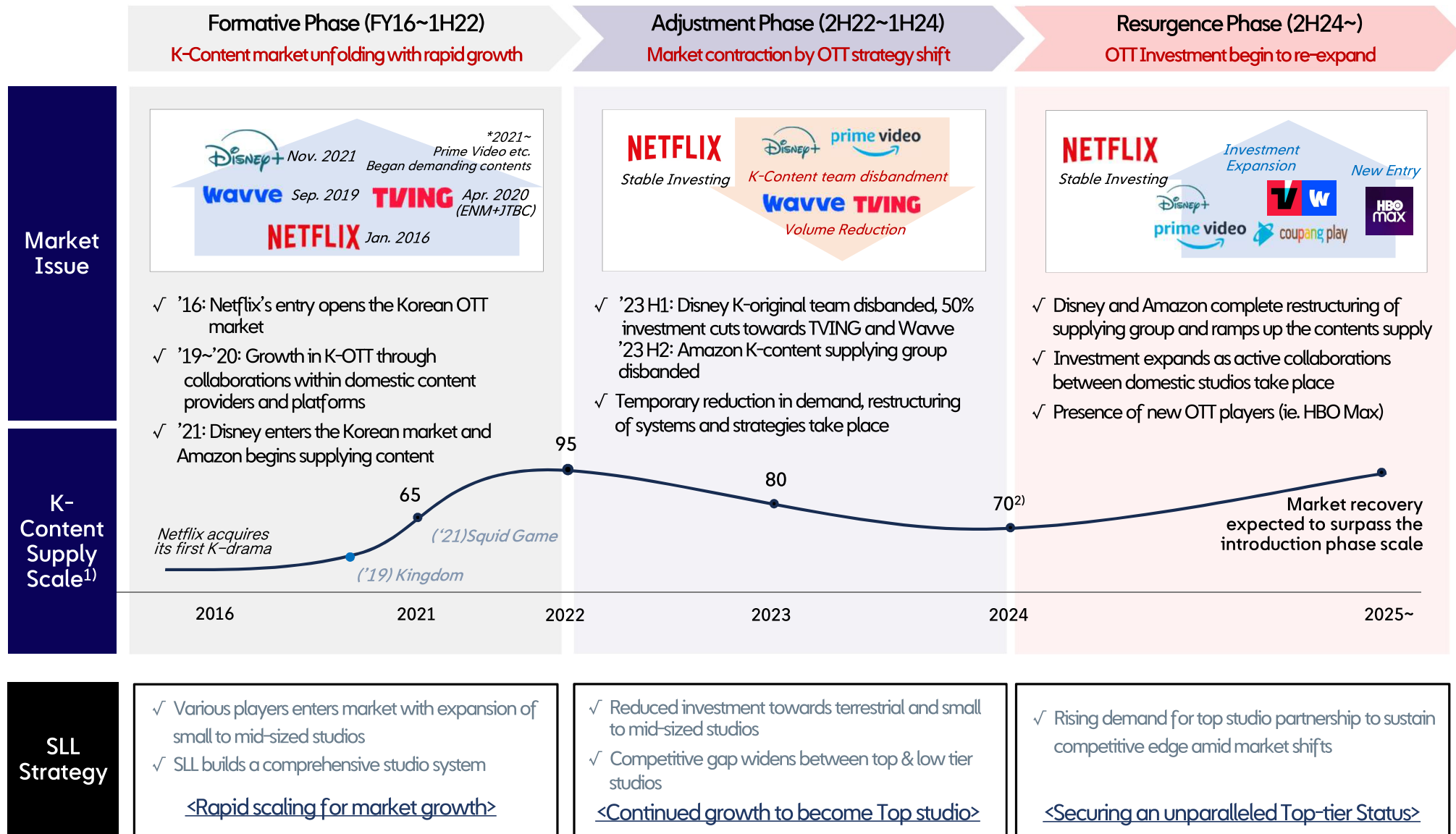
Release April 24, 2024

Cast Don Lee, Kim Moo-yul  
Attracted 11.5mn viewers  
1st Korean film achieve triple 10mn



# Changes in Market Dynamics

OTT's content demand re-expanding, with high growth expected centered around Top-Tier studios

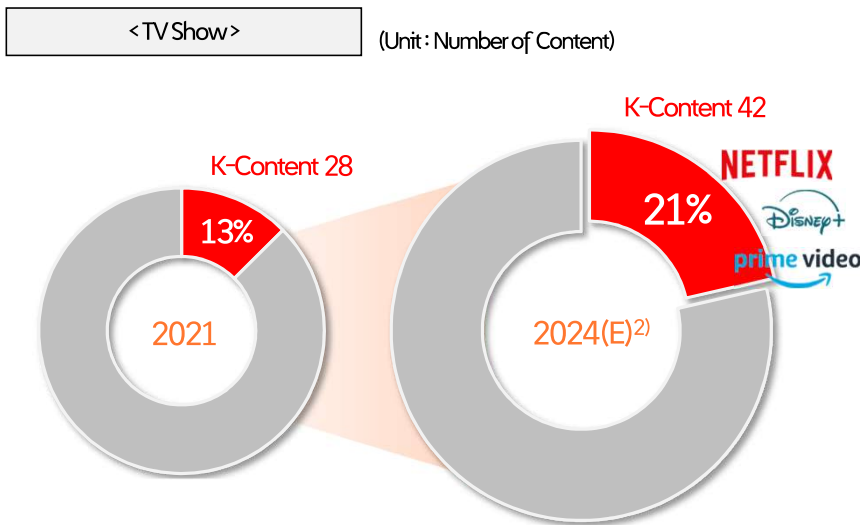
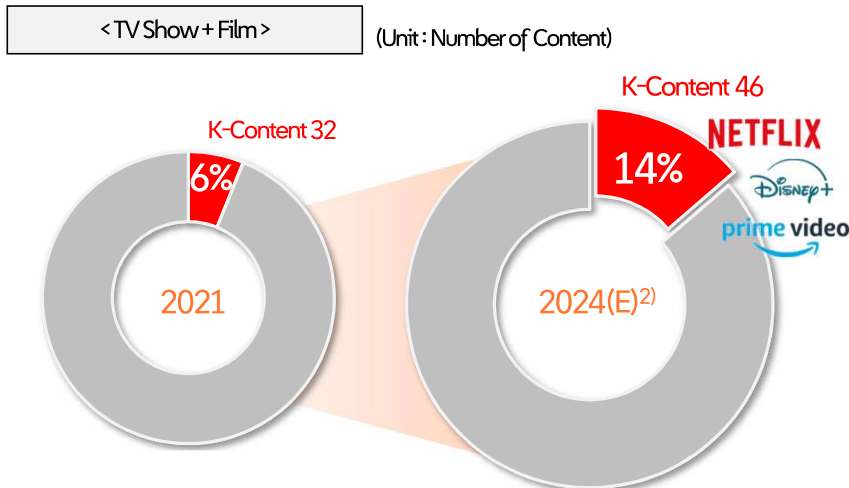


1) The number of K-Content(OTT Original + Licensed) programs released within the domestic and global OTT platforms 2) Annualized basis of the performance in 1H24

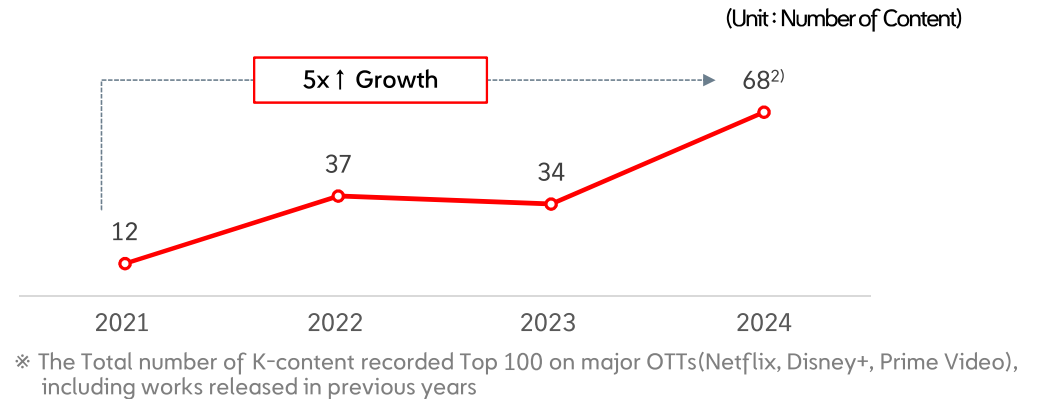
# K-Content Market is continuously growing

The Status of K-Content keep recording growth both quantitatively & qualitatively

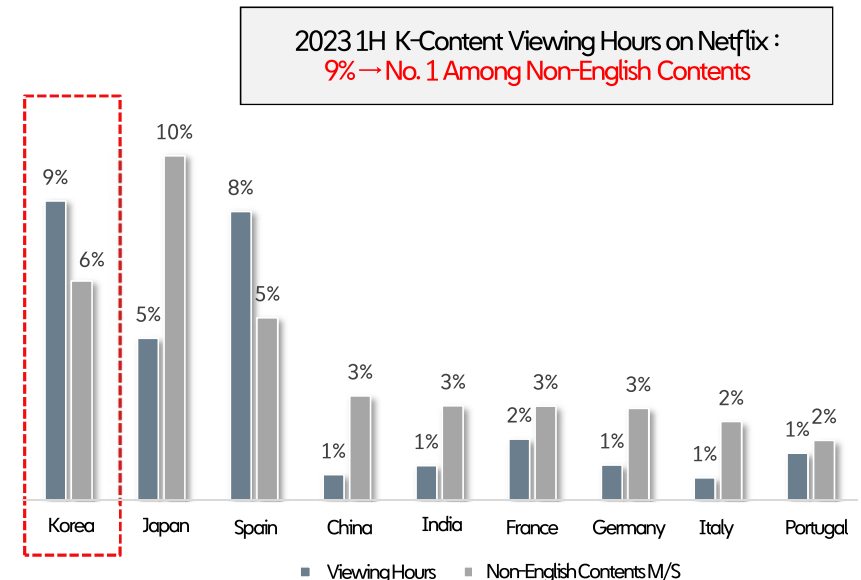
## Quantitative Growth : K-Contents M/S in Major OTTs<sup>1)</sup>



## Qualitative Growth : K-Content Top 100 record on Major OTTs<sup>1)</sup>



## Quantitative Growth : Netflix Viewing Hours & Non-English Contents M/S













































Data Source : Flixpatrol, Statista

1) Major OTTs : Netflix, Disney+, Prime Video 2 Annualized basis of the performance in 1H24

# 2024 Content Lineup

※ The details are subject to change, and the English titles are working titles

	1H24(16)				2H24(10+a)			
		Title	Q	Production		Title	Q	Production
CAPTIVE		Queen of Divorce   	1Q	SLL, Drama House		Family by Choice   	4Q	SLL, HighZium
		Doctor Slump 	1Q	SLL, HighZium		Romance in the House 	3Q	SLL
		Frankly Speaking 	2Q	SLL		Good Boy 	4Q	SLL, Drama House
		The Atypical Family 	2Q	SLL, Drama House		Brief Encounters 	4Q	SLL, HighZium
		My Sweet Mobster   	2Q	SLL				
		Miss Night and Day 	2Q	SLL				
NON CAPTIVE		HIDE 	1Q	SLL		Mr. Plankton	4Q	HighZium
		Parasyte: The Grey	2Q	Climax		The Frog	3Q	SLL
		Bodkin S1	2Q	wiip		HELLBOUND S2	4Q	Climax
		Pyramid Game	1Q	Film Monster		The Starry Night	4Q	SLL
		Flex X Cop	1Q	B.A.		Seoul Busters	3Q	B.A.
		Charmingly Clumsy Cops	1Q	B.A.				
FILM		Badland Hunters	1Q	Climax		Officer Black Belt	3Q	Climax
		My Name Is Loh Kiwan	1Q	HighZium				
	<i>Multiplex</i>	The Roundup: Punishment 	2Q	B.A				
	<i>Multiplex</i>	Hijack 1971	2Q	Perfect Storm				

## Appendix

### Most Anticipated Cap/Non-Cap Scripted Series & Films in 3Q24



Romance in the House

**NETFLIX**

Cast Ji Jin-hee, Kim Ji-soo

Production SLL

Release August 10, 2024



The Frog

**NETFLIX**

Cast Kim Yun-seok, Yoon Kye-sang

Production SLL

Release August 23, 2024



Officer Black Belt

**NETFLIX**

Cast Kim Woo-bin, Kim Sung-kyun

Production Climax Studio

Release September, 2024



Seoul Busters

**Disney+**

Cast Kim Dong-wook, Park Ji-hwan

Production B.A. Ent

Release September, 2024

**M E G A B O X**

**MEET PLAY SHARE™**

# 2Q24 Financial Results

Recorded revenue of KRW71.2B, Operating Profit of KRW 0.1B

## Income Statement

(KRW 0.1 Billion)

	2Q23	1Q24	2Q24	YoY(%)	QoQ(%)
<b>Revenue</b>	<b>724</b>	<b>854</b>	<b>712</b>	<i>(1.6%)</i>	<i>(16.6%)</i>
Screen	346	321	310	<i>(10.5%)</i>	<i>(3.5%)</i>
F&B	143	123	135	<i>(6.0%)</i>	<i>9.5%</i>
Advertising	60	44	61	<i>1.9%</i>	<i>41.2%</i>
Investment /Distribution	102	280	128	<i>26.0%</i>	<i>(54.2%)</i>
Others	72	87	78	<i>8.7%</i>	<i>(10.4%)</i>
<b>Operating Income</b>	<b>13</b>	<b>(14)</b>	<b>1</b>	<i>(90.7%)</i>	<i>Turn Black</i>
<b>EBITDA</b>	<b>154</b>	<b>119</b>	<b>133</b>	<i>(13.2%)</i>	<i>11.6%</i>

\*Revenue of 'Others' includes premium screen theaters.

## Commentary

### Revenue decreased 1.6% YoY

- The box office decreased by -3.7%yoy, and ATP by -4.2% yoy, which inevitably led to a decline in screening revenue, but revenue fall slightly thanks to Plus M business

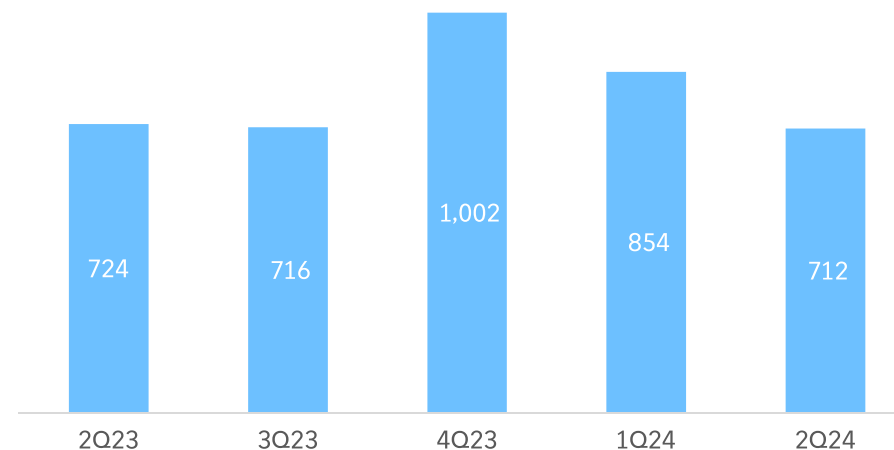
### Recorded Operating Profit of KRW 0.1B

- Despite cost reductions in the theater sector, the profit declined due to the downturn in the advertising market and the increase in the cost of advertising revenue.

## Key Metrics

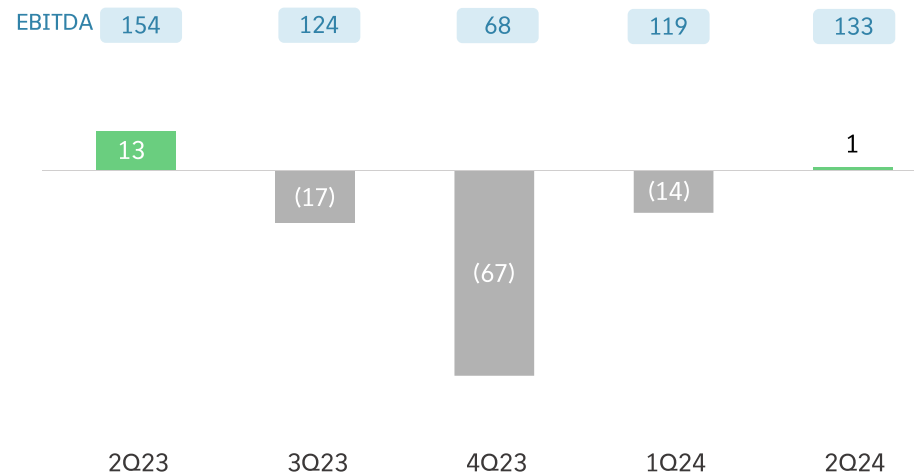
(KRW 0.1 Billion)

### Revenue



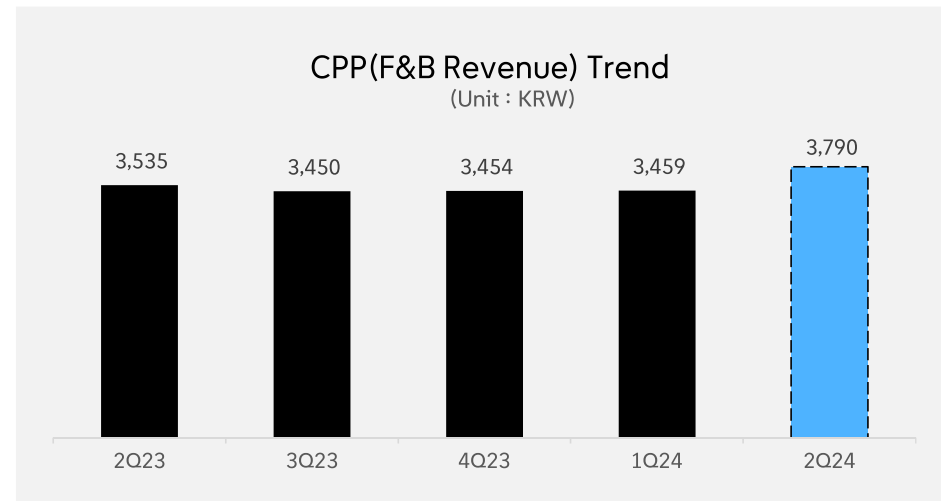
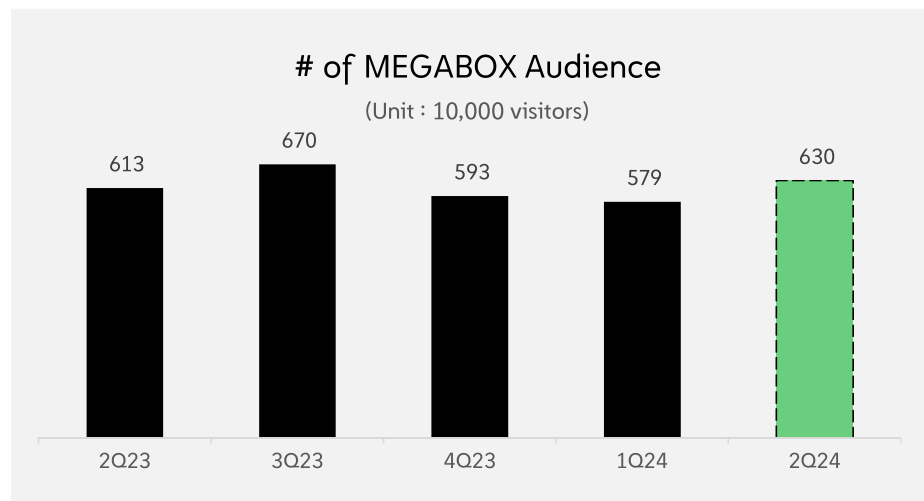
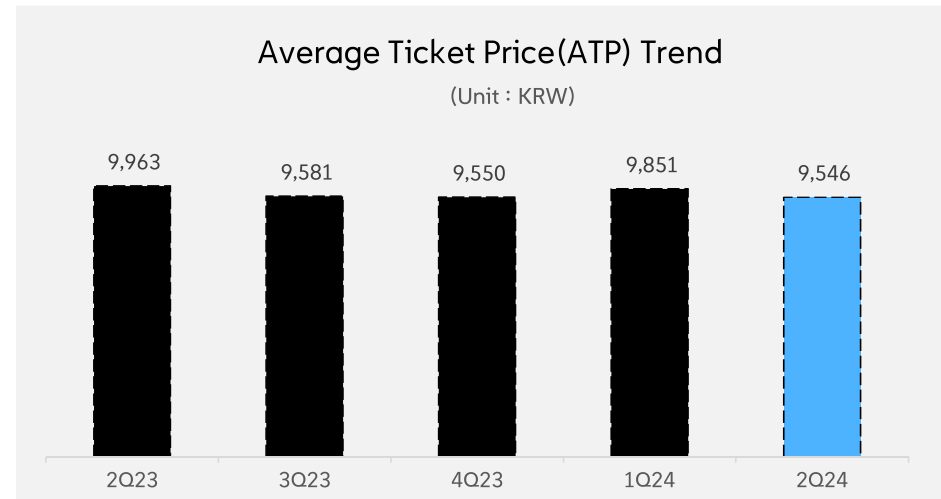
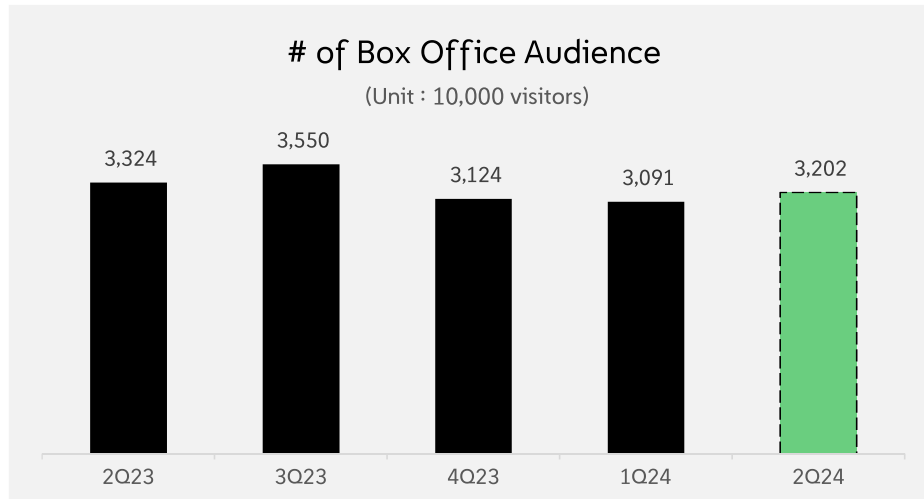
### Operating Income

(KRW 0.1 Billion)



# Theater

Expanded Market Share from 2Q23 18.4% to 2Q24 19.7% (+1.3%p)



\*Audience of Direct & Customer branch in total



# 2024 Lineup



<Dead Man>

Distributor

1Q



<The Roundup: Punishment>

Distributor

2Q



<ESCAPE>

Main investor/Distributor

3Q



<Revolover>

Main investor/Distributor

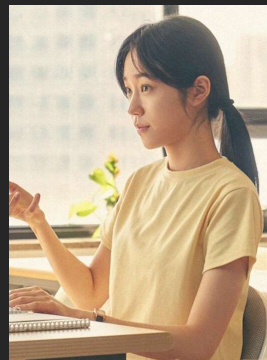
3Q



<Love in the Big City>

Main investor/Distributor

4Q



<Hear Me>

Investor/Distributor

4Q



<Bogota>

Main investor/Distributor

2H



<Gangnam-B side>

Main investor/Producer



<CROSS>

Main investor





# 2H24 Box Office Lineup

Domestic			Foreign		
Release	Title	Cast	Release	Title	Cast
7/3	<b>PLUSM</b> <Escape>	Lee Jae-hoon	7/24	<DEADPOOL & WOLVERINE>	Ryan Reynolds
7/12	<PROJECT SILENCE>	Lee Sun-kyun	7/24	<Super Bad>	-
7/31	<Pilot>	Cho Jeong-seok	8/14	<Twisters>	Glen Powell
8/7	<b>PLUSM</b> <Revolver>	Ji Chang-wook	Aug	<Alien Romulus>	Cailee Spaeny
8/14	<Victory>	Hyeri	Sep	<Beetlejuice Beetlejuice>	Michael Keaton
8/14	<Land of Happiness>	Cho Jeong-seok	Sep	<Speak No Evil>	James McAvoy
Sep	<Veteran 2>	Hwang Jeong-min	Sep	<Wolfs>	Brad Pitt
10/2	<b>PLUSM</b> <Love in the Big City>	Kim Go-eun	Oct	<Jocker 2>	Joaquin Phoenix
Oct	<Amazon Active Players>	Ryu Seong-ryong	Oct	<Venom : The Last Dance>	Tom Hardy
	<Hidden Face>	Song Seung-heon	Nov	<Civil War>	Kirsten Dunst
	<b>PLUSM</b> <Hear Me>	Nho Yoon-seo	Nov	<Moana2>	-
	<b>PLUSM</b> <Bogota>	Song Joong-ki	Nov	<Wicked Part 1>	Ariana Grande
	<Harbin>	Hyun-bin	Dec	<Kraven the Hunter>	Russell Crowe
	<The Big Family>	Kim Yoon=s		⋮	

*Above lineups are written as of now, and could be changed further*



# 2024 Financial Results

Recorded revenue of KRW14.4B, Operating Loss of KRW0.1B

## Income Statement

(Unit : KRW 0.1 Billion)

	2023	1Q24	2Q24	YoY(%)	QoQ(%)
Revenue	136	188	144	5.6%	(23.6%)
Domestic	120	169	121	0.4%	(28.3%)
Fee	99	136	93	(6.1%)	(31.4%)
Product	19	30	23	24.1%	(22.1%)
Others	3	3	5	76.3%	43.9%
Global	16	19	23	44.6%	18.0%
Operating Profit	6	21	(1)	Turn Red	Turn Red
EBITDA	39	57	34	(12.2%)	(39.9%)

## Commentary

### Revenue increased 5.6% YoY

- Domestic: #of visitors decreased by 8.7% yoy due to the closure of 3 branches and the off-season effect, but sales grew slightly due to the increase in ATP and the expansion of product revenue.
- Global : Despite the closure of one low-cost brand branch in VN, #of visitors increased by 15.0% yoy, driving sales growth in the second quarter

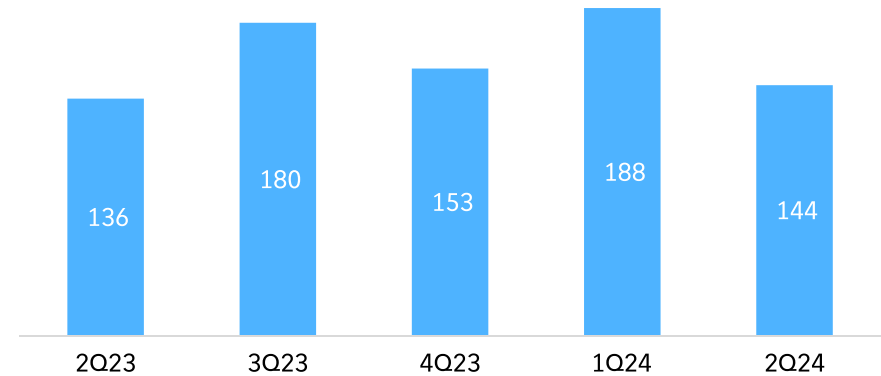
### Recorded Operating Loss of KRW 0.1B

- Turn red due to temporary costs occurred from closure/opening of

## Key Metrics

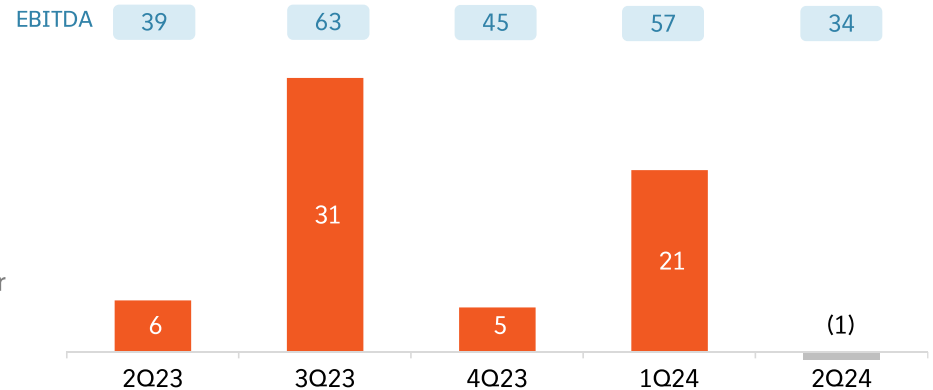
(Unit : KRW 0.1 Billion)

### Revenue



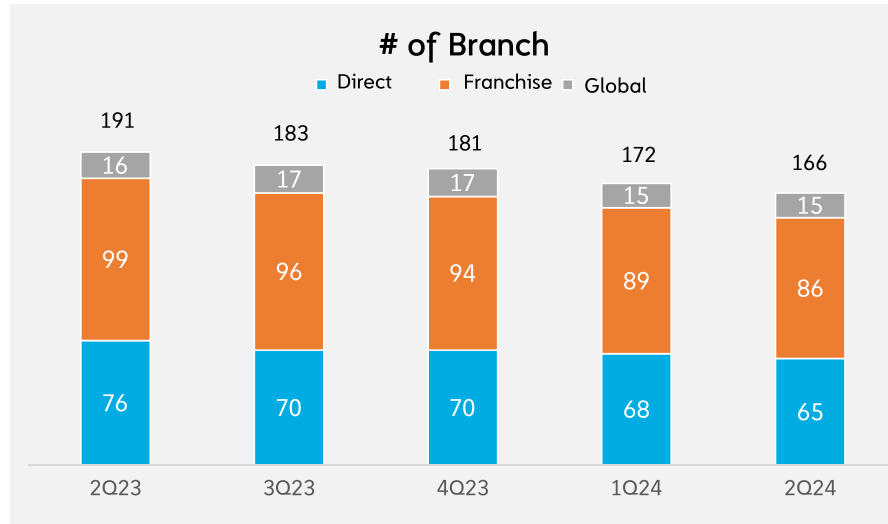
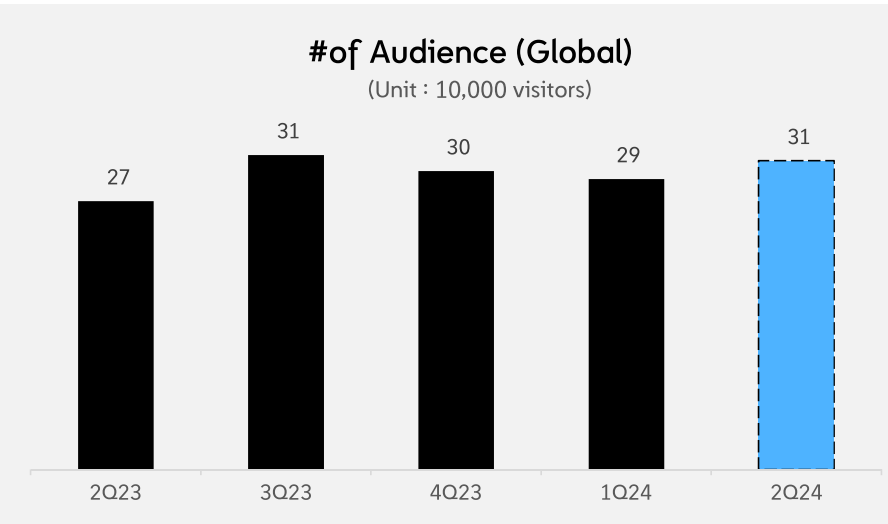
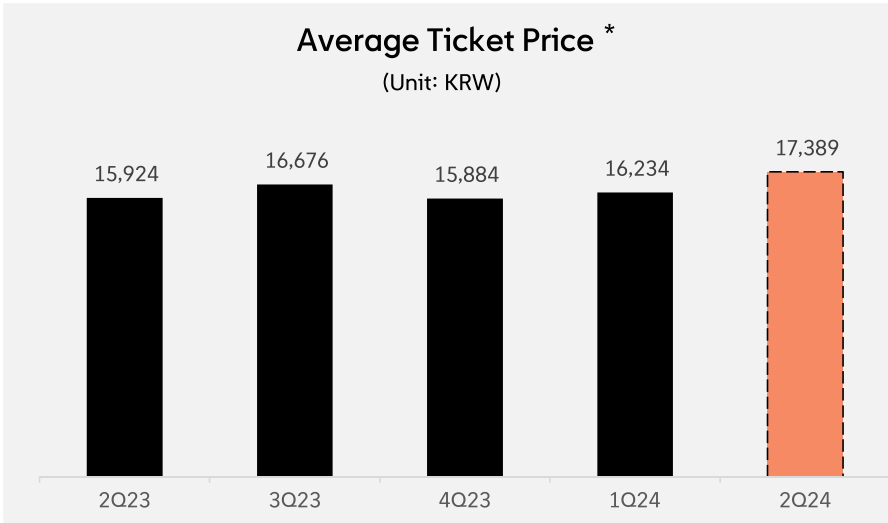
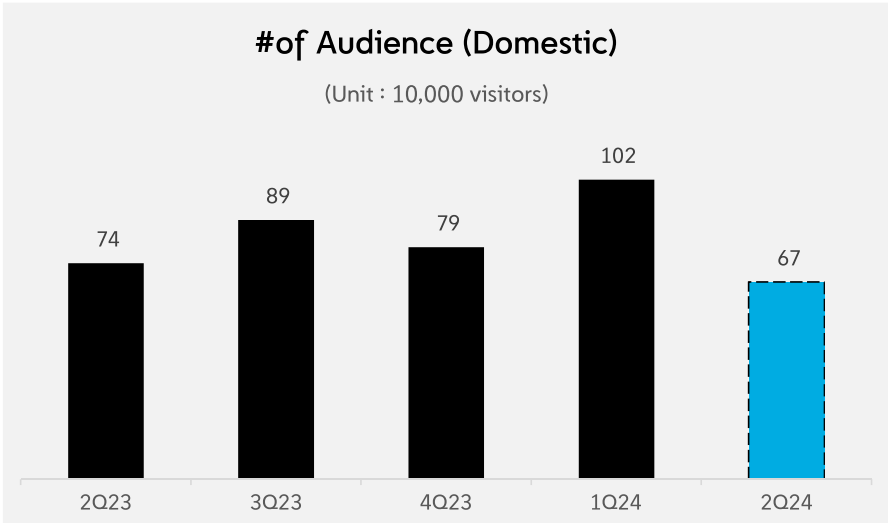
### Operating Income

(Unit : KRW 0.1 Billion)



# PLAYTIME

Average Ticket Price increased +9.2% YoY



# Appendix

## Financial Statement

### Consolidated B/S

(Unit : KRW 0.1 Billion)

	2024	2023	2022
Current Asset	6,819	5,358	6,597
Non-Current Asset	21,542	19,528	19,284
<b>Total Asset</b>	<b>28,361</b>	<b>24,886</b>	<b>25,881</b>
Current Liability	14,535	11,493	11,623
Non-Current Liability	9,025	8,027	7,768
<b>Total Liability</b>	<b>23,559</b>	<b>19,520</b>	<b>19,391</b>
Equity attributable to parent	332	493	1,411
Capital	963	963	963
Paid-up Capital	1,187	1,198	1,352
Earned Surplus	(2,739)	(2,335)	(1,434)
others	921	932	530
Non-controlling interests	4,468	4,608	5,080
<b>Total Equity</b>	<b>4,800</b>	<b>5,101</b>	<b>6,490</b>

### Consolidated P/L

(Unit : KRW 0.1 Billion)

	1H24	2023	2022
<b>Revenue</b>	<b>4,477</b>	<b>9,930</b>	<b>8,521</b>
Gross Profit	1,249	2,297	1,915
SG&A	1,415	2,974	2,631
<b>Operating Income</b>	<b>(166)</b>	<b>(676)</b>	<b>(716)</b>
Non operating expense	(419)	(1,183)	(108)
Profit (loss) Before tax	(585)	(1,859)	(824)
<b>Net Profit</b>	<b>(560)</b>	<b>(1,931)</b>	<b>(769)</b>
Profit (loss), attributable to parent	(403)	(1,449)	(402)
Profit (loss), attributable to non-controlling interests	(157)	(482)	(367)

Due to changes in accounting policies, the 2023 financial statements may differ from those disclosed in the business report.