

STIC Investments

- Seoul
 - Singapore
 - Ho Chi Minh
-

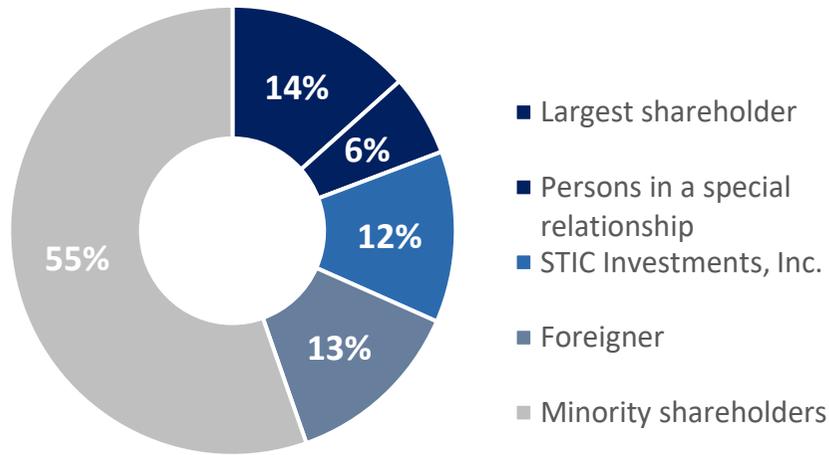
STIC Investments

Company overview

■ Seoul ■ Singapore ■ Ho Chi Minh

▣ Company overview

Shares and Ownership Structure



As of Mar 2024

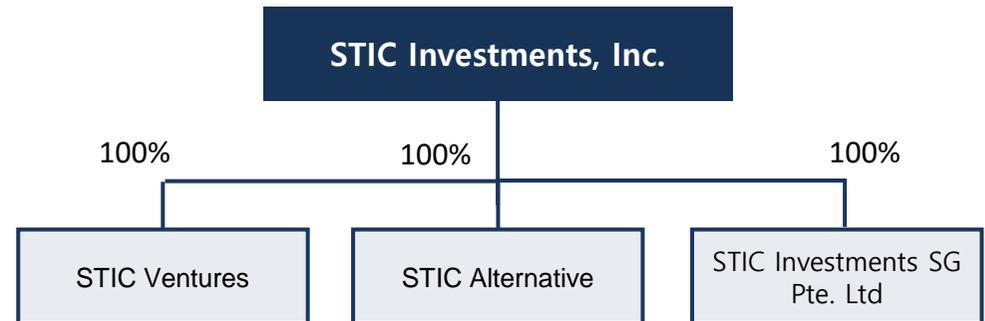
Category	Number of shares issued	Proportion(%)
Largest shareholder	5,600,000	13.44
Persons in a special relationship	2,439,273	5.85
STIC Investments, Inc.	5,129,585	12.31
Foreigner	5,430,998	13.03
Minority shareholders	23,078,319	55.37
Total	41,678,175	100.00

Overview

As of Mar 2024

Company Name	STIC Investments, Inc.	Date of Establishment	Jul 1999
Founder	DO, Yong Hwan	CEO	KWAK, Dong Guel KWAG, Dae Hwan
No. of people	65 (investment professional 44)	No. of subsidiaries	3
Stock Code	KOSPI(026890)	Market Cap	\$234 million
Listing Date	Dec 2021	AUM	\$5.6 billion
Total equity	\$176 million	Number of Shares Issued	41,678,175 shares

Affiliated Companies



▣ **STIC Investments (“STIC”) is one of the most experienced private equity firms in Korea.**

 24 Years	 Key Trend Followers	 Broad Investment Spectrum	 Value Creation Experts	ESG Investors
<ul style="list-style-type: none"> • Founded in 1999, STIC has accumulated 24 years of investment experience and strong track record. • Since the launch of its private equity business in 2006, STIC has managed 18 blind funds and 10 project funds. • STIC has achieved aggregate AUM of KRW 8.5 trillion. 	<ul style="list-style-type: none"> • STIC focuses on “Key Trends” and makes investments in leading companies that operate in newly rising sectors. 	<ul style="list-style-type: none"> • STIC invests in opportunities that range from small-cap to large-cap companies. • STIC makes both minority and buyout investments to fulfil various financial needs of target companies. • STIC provides equity, mezzanine, and debt solutions to its investors. 	<ul style="list-style-type: none"> • STIC has the largest portfolio operations function in Korea. Our full-time Operating Partners actively seek to create value for our portfolio companies. • Our Operating Partners support our portfolio companies in the areas of business strategy, corporate development, R&D, marketing, etc. 	<ul style="list-style-type: none"> • Since foundation, STIC has been strictly following “Socially Responsible Investing”. • STIC’s ESG Framework applies core ESG initiatives in all stages of its investment process. • As a proud signatory of UN PRI, STIC empowers ESG initiatives and duties in its operations.

“Access to Various Investment Opportunities”

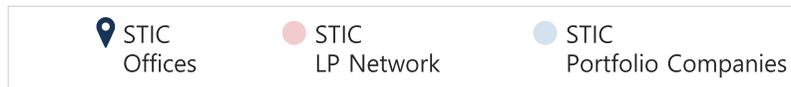
Accumulating 24 years of investment experience, STIC has gained solid trust from its investors.

Foundation
1999

24 years of investment experience and strong track record

Aggregate Investment Experience
200 years

Over 200 years of aggregate investment experience of partners



AUM (in KRW)
7.5 tn

Currently managing 13 blind funds and 7 project funds

Invested Companies
100+

Made 100+ private equity investments since 2006

STIC
Subsid-
-aries



STIC Ventures
✓ Venture Capital



STIC Alternative
✓ RE / Infrastructure

▣ Partners at STIC are seasoned professionals with deep industry expertise.

Executive Managing Partners



YH DO | Chairman

- Founder
- Chairman, KVCA
- CIO, Shinhan Life Insurance
- MBA, Korea University
- BA, Korea University



SW Kang | Head of Risk Management /Strategy

- CIO, KIC
- CEO, Hanwha Asset Management
- BA, Seoul National University



DG Kwak | CIO / Vice Chairman

- Founding member
- Chairman, KITIA
- MBA, Seoul National University
- BA, Youngnam University



JH Chai | Head of Private Equity

- Founder and CEO, Golden Pole
- KI Partners
- MA, Seoul National University
- BA, Seoul National University



Dillion Kwag | COO

- Head of Private Equity, IBK Securities
- Head of Global Investments, NPS
- Head of Risk Management, NPS
- BA, Seoul National University

Managing Partners



KH Lee | Head of Growth Capital

- Investment Manager, KTB Network
- Research Analyst, KISDI
- MBA, Yonsei University
- BA, Yonsei University



IS Kang | Head of Credit

- Investment Manager, Mirae Asset Daewoo
- Research Analyst, Shinyoung Securities
- BA, Seoul National University



JH Ahn | Private Equity

- STIC Investments (2010 ~)
- BA, Seoul National University



KS Park | Head of Biz. Development | Head of ESG

- Barclays / Natixis / Deutsche
- Investment Manager, Samsung Life Insurance
- MBA, Yonsei University
- BA, Yonsei University



SH Lee | Private Equity

- STIC Investments (2006 ~)
- AB, University of Michigan



Jason Cho | Head of Singapore | Private Equity

- Affinity Equity Partners
- Macquarie Capital
- Merrill Lynch
- BS, Cornell University



HJ Lee | Private Equity

- Partner, Bain & Company
- MBA, The University of Chicago
- PA, Yonsei University



JH Lee | Head of Risk Management

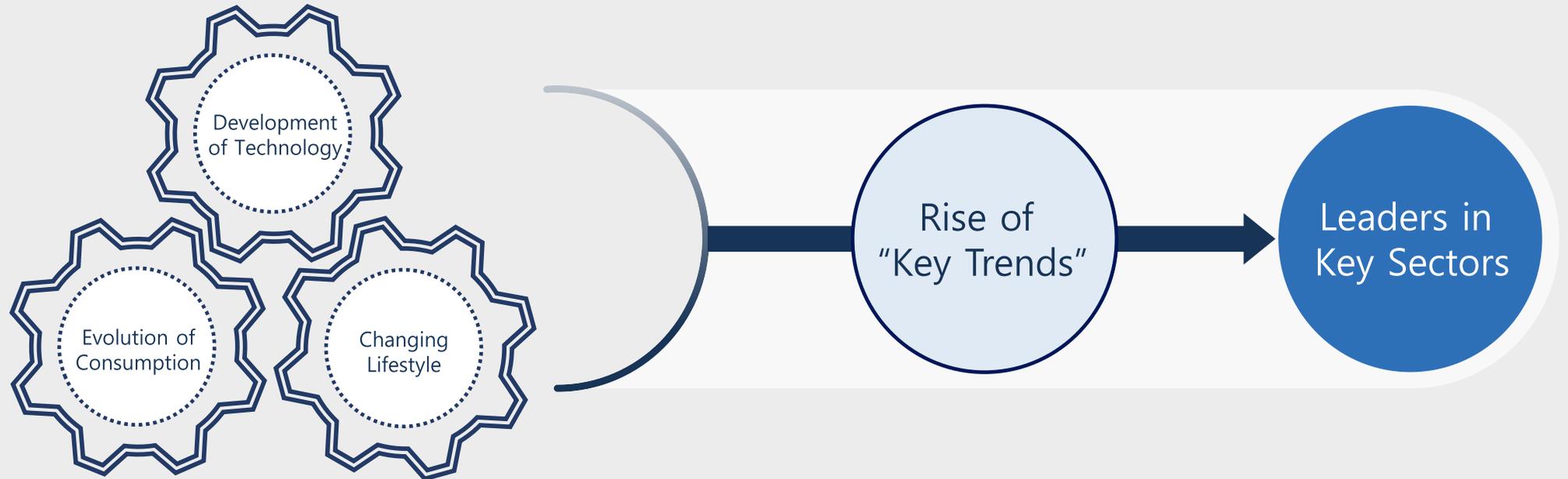
- Partner, Kim & Chang Law Firm
- Law School, Seoul National University
- MBA, Seoul National University
- BA, Seoul National University

STIC Investments

Investment overview

■ Seoul ■ Singapore ■ Ho Chi Minh

STIC focuses on “Key Trends” and invests in leading companies that operate in newly rising sectors.



TREND 01

Digital Transformation

Key Sectors

- E-commerce
- Mobility
- Media/ Entertainment

TREND 02

Energy Transition

Key Sectors

- Eco-friendly Vehicles
- Battery
- Eco-friendly Energy

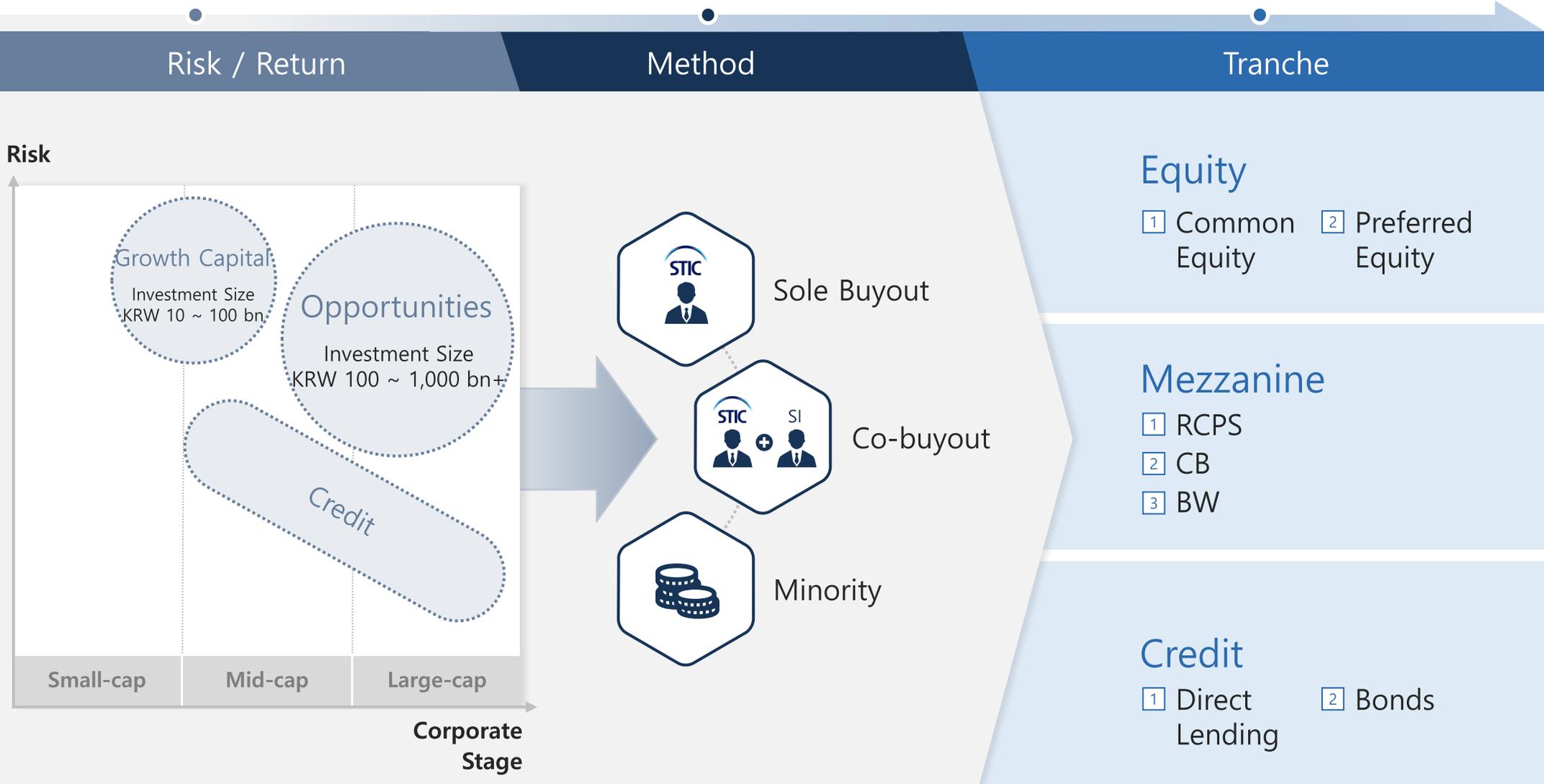
TREND 03

Demographic Change

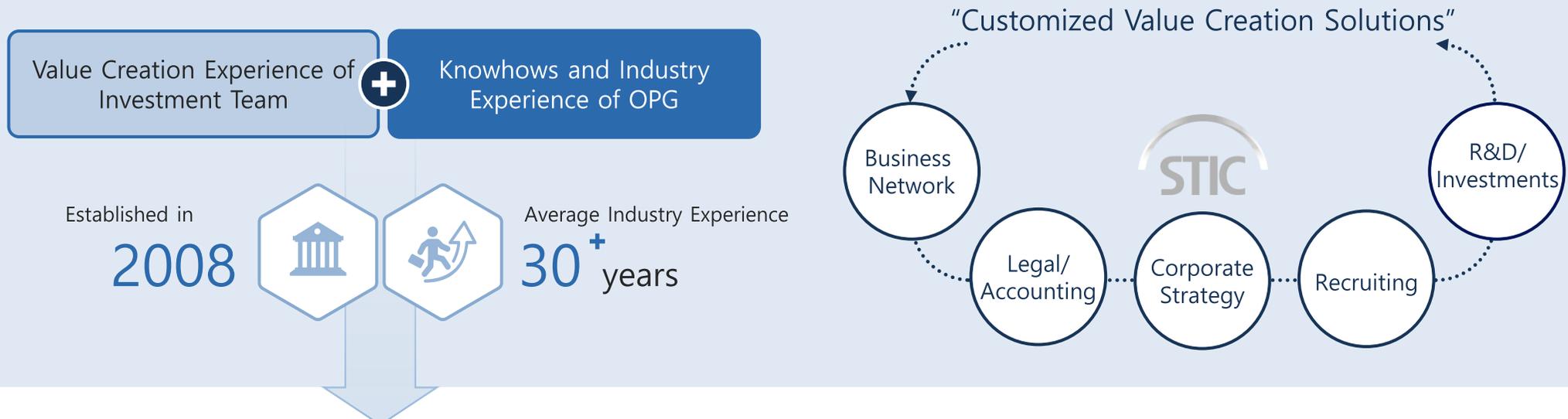
Key Sectors

- Pharmaceutical
- Health Functional Food
- Fitness

STIC's broad investment spectrum provides customized solutions for its investors and target companies.



▣ OPG provides customized value creation solutions for its portfolio companies.



 <p>HP Kim Head of OPG</p> <ul style="list-style-type: none"> • CFO, SK Networks • M.Director, SK Gas • Specialty : M&A, Corporate Strategy 	 <p>JH Bae Operating Partner</p> <ul style="list-style-type: none"> • Ministry of Agriculture, Forestry, and Fisheries • Head of Vietnam, UN FAO • Specialty : Vietnam Operations 	 <p>KT Kim Operating Partner</p> <ul style="list-style-type: none"> • CEO, SK Innovation E&P • Head of CMS, SK • Specialty : R&D, New Businesses
 <p>IC Yee Operating Partner</p> <ul style="list-style-type: none"> • CEO, Hwaseung R&A • EVP, Taihan • M.Director, Hyosung • Specialty : Sales, Marketing, Product Development, Production 	 <p>TG Lee Operating Partner</p> <ul style="list-style-type: none"> • M.Director POSCO, SAMSUNG • CEO, DPC • Specialty : Growth Strategy, Southeast Aisa 	 <p>GH Park Operating Partner</p> <ul style="list-style-type: none"> • CEO, Korea Smart Card • CEO, LG N-SYS, • EVP, LG CNS • Specialty: Corporate Development, Strategy

STIC is actively practicing ESG under the business philosophy of Socially Responsible Investing

STIC ESG Milestone

1999 Socially Responsible Investing

- STIC established "Socially Responsible Investing" as its key business philosophy

2006 Negative Screening

- STIC established its Negative Screening system to avoid investing in companies that operate in non-ESG friendly sectors
- STIC launched its first Shariah-compliant fund for its Middle Eastern investors

2017 Stewardship Code

- STIC introduced its own Stewardship Code to actively participate in the decision-making processes of portfolio companies

2021 UN PRI Signatory



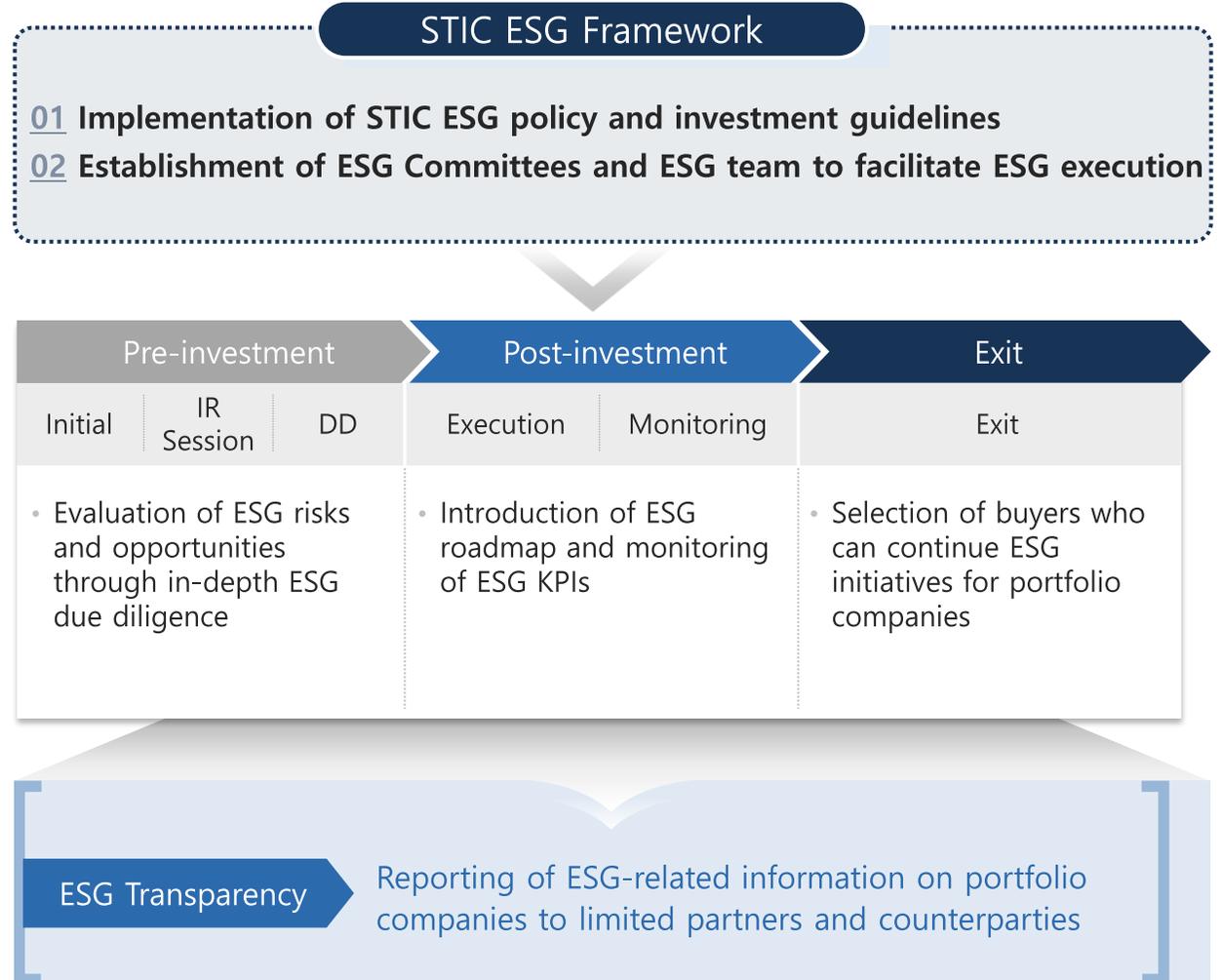
- STIC became a signatory of UN PRI to actively adopt global ESG initiatives and duties

2022 TCFD Supporter



- STIC adopted TCFD recommendations to integrate climate-related risk and opportunity factors into investment decisions

STIC ESG Review Proess



▣ STIC currently manages US\$ 5.6 billion in AUM.

Strategy	Deal Size	Tranche	Type	Vintage	Name	Status	Size (US\$ mn)
Opportunities	Large-cap / Mid-cap	Equity / Mezzanine	Blind	2023	STIC Opportunities III	Investing	1,500
			Blind	2019	STIC Opportunities II	Harvesting	906
			Blind	2016	STIC Opportunities I	Harvesting	448
			Blind	2014	STIC M&A Opportunities	Harvesting	164
			Blind	2014	STIC COPA	Liquidating	371
			Project	2021	STIC Opportunities II – Project I	Harvesting	416
			Project	2021	STIC Opportunities II – Project G	Harvesting	118
			Project	2018	STIC Frontier	Harvesting	153
			Project	2017	STIC M&A Opportunities – Project D	Liquidating	27
Growth Capital	Mid-cap / Small-cap	Equity / Mezzanine	Project	2024	KDB-STIC Regional Development	Investing	72
			Blind	2023	STIC K-Growth	Investing	172
			Blind	2021~22	STIC Asia Growth II	Investing	420
			Blind	2018	STIC Asia Growth I	Harvesting	235
			Blind	2013	STIC Growth III	Harvesting	444
			Blind	2009	STIC Growth II	Liquidated	180
			Blind	2006	STIC Growth I	Liquidated	151
Credit	Large-cap / Mid-cap	Mezzanine / Credit	Project	2023	STIC Eugene Star	Harvesting	223
Others	-		Blind	-	Other Legacy Blinds Funds	Liquidated	553
			Project	-	Other Legacy Project Funds	Liquidated	68
Current AUM							5,669
Aggregate AUM (Including Liquidated Funds)							6,620

STIC focuses on “Key Trends” and invests in leading companies that operate in newly rising sectors.

PE(Opportunities)

Featured Portfolio



LOTTE ENERGY MATERIALS **MUSICOW** DOUBLE DOWN INTERACTIVE OKESTRO®
Grab JUVIS HUMAX Mobility carousell CHAEVI HANCOM HANCOM LIFECARE

Growth Capital

Featured Portfolio



SHINHEUNG SEC COOP MARKETING BY4M STUDIO MEDIAN Diagnostics PERFECT DAY
Timf Team Fresh Carrot ninjacart TIKI.VN DS Electera Open a better future

Ventures

Featured Portfolio



SMLAB Singular Materials Laboratory Giga Vis Giga Vision Inspection System CUROCELL APR
wadiz SPARKPLUS MUSINSA CONTEC PINOTBIO

▣ Key Exits



HYBE	GOLFZON	DAEKYUNG O&T	RFHIC	LIG NEX1
<ul style="list-style-type: none"> • Music label • Investment: KRW 149B • Minority • Multiple: 5.13x 	<ul style="list-style-type: none"> • Indoor golf simulator • Investment: KRW 20B • Minority • Multiple: 4.42x 	<ul style="list-style-type: none"> • Manufacturing oil & fats • Investment: KRW 95B • Sole Buyout • Multiple: 3.46x 	<ul style="list-style-type: none"> • Wireless infrastructure • Investment: KRW 42.8B • Minority • Multiple: 2.61x 	<ul style="list-style-type: none"> • Aerospace and defense • Investment: KRW 150B • Sole Buyout • Multiple: 2.14x

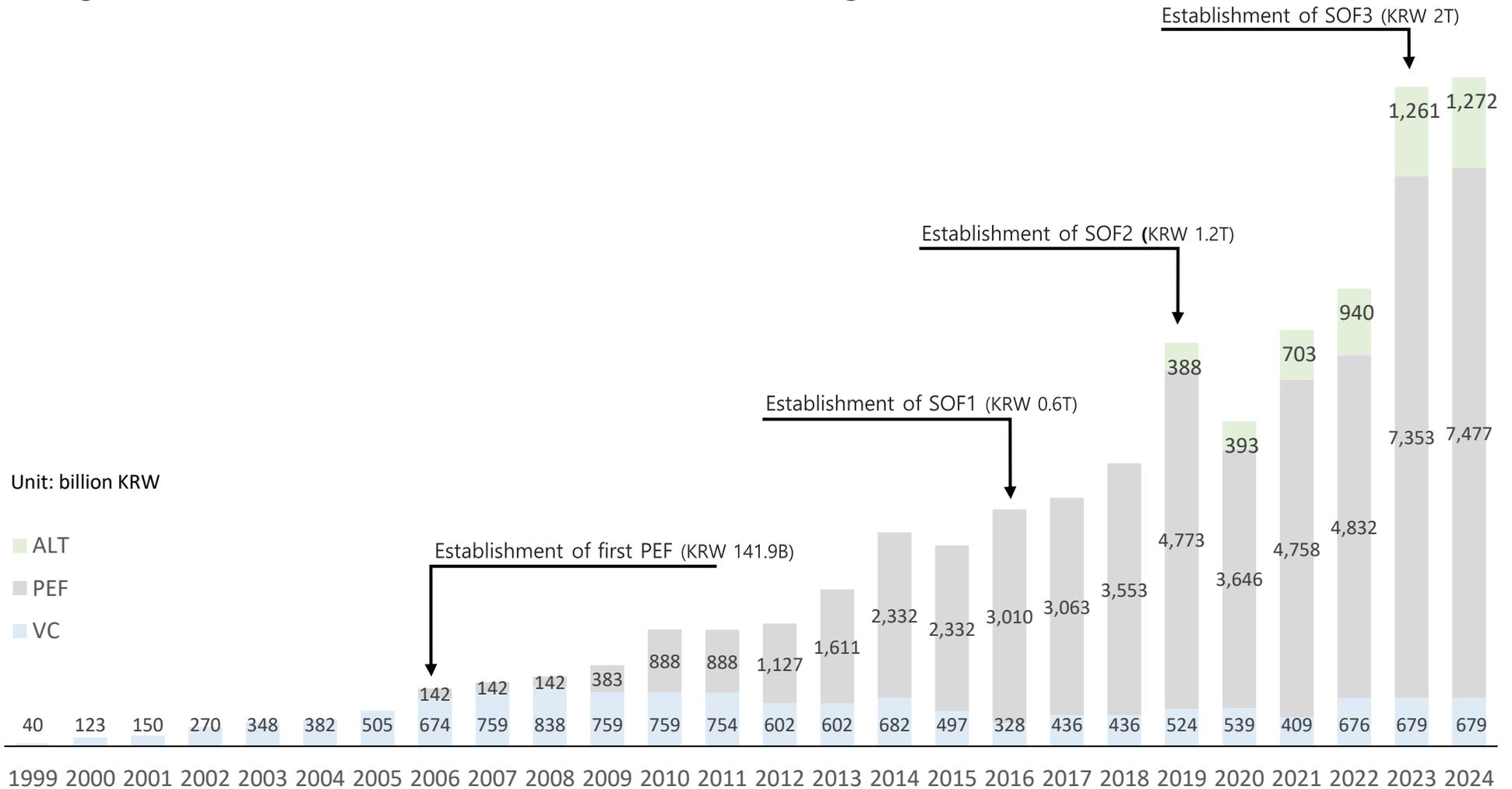


ECOPRO	HK inno.N	Hanwha Systems	ACROSS	MDS Tech
<ul style="list-style-type: none"> • Battery material • Investment: KRW 30B • Minority • Multiple: 1.32x 	<ul style="list-style-type: none"> • Bio healthcare • Investment: KRW 80B • Co-Buyout • Multiple: 1.82x 	<ul style="list-style-type: none"> • Defense electronics • Investment: KRW 150B • Minority • Multiple: 1.62x 	<ul style="list-style-type: none"> • Dermal filler • Investment: KRW 21B • Minority • Multiple: 3.39x 	<ul style="list-style-type: none"> • Embedded IT solutions • Investment: KRW 46.7B • Sole Buyout • Multiple: 2.00x

**Investment amount denoted in KRW*

▣ STIC currently manages a total AUM of KRW 9.4 trillion (PEF 7.5 tn, VC 0.7 tn, Alt 1.2tn)

STIC has grown into a leading PE/VC firm with KRW 9.4 trillion assets under management(AUM) through the continuous establishment of medium to large-size funds



▣ Dividends(2018~2023)

STIC promises to improve shareholder returns by consistently increasing its dividend.

STIC will continue to pay dividends within the range of distributable profits through continuous profit realization considering factors such as cash flow and business environment.

	2018	2019	2020	2021	2022	2023
Total payout (1M KRW)	2,606	2,978	3,395	5,659	7,314	9,143
Dividend per share (KRW)	70	80	90	150	200	250
Payout ratio	22.5%	27.9%	17.0%	9.7%	46.1%	33.1%
Net income¹	11,274	10,669	19,571	58,095	15,856	27,595
Dividend yield²	1.3%	1.6%	1.1%	1.1%	3.6%	3.5%

¹ Consolidated basis

² Based on Business Report for the respective year

STIC Investments

Financial Overview

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▣ FY2023 4Q Highlight

Business performance

Operating Revenue KRW 46.7B, Operating Income KRW 14.9B, Net Income KRW 9.8B(consolidated)

Increased management fee from the establishment of SOF3 → **Increased profit level**

Carried interest from Daekyoung O&T exit → **Earnings momentum for 2023**

Increased labor costs (performance bonus, carried interest), Reduced investment expenses (equity method losses, valuation losses)

Fundraising

STIC K-Growth PEF (Blind Fund, KRW 231.8B), KDB-STIC Regional Development PEF (Project Fund, KRW 215B)

→ KDB-STIC Regional Development PEF is expected to complete investment in Q2 after recruiting additional investors

Investment and Exit

Exit: Daekyoung O&T (3.46x), Cammsys (1.72x), CJ Selecta (1.16x), Systran

Investment (PE): KRW 100B in Okestro

Investment (Growth Capital): KRW 27B in Zeno Health

▣ FY2023 4Q Financial Highlights

Earnings Summary

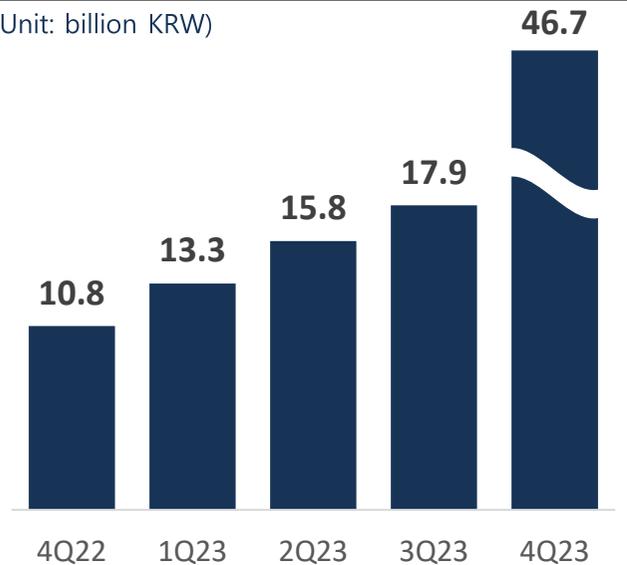
Operating Revenue KRW 46.7B (QoQ +161% / YoY +332%) : Carried interest from Daekyoung O&T exit

Operating Income KRW 14.9B (QoQ +148% / YoY - %) : Increased labor cost (carried interest)

Net Income KRW 9.8B (QoQ +128% / YoY - %) : Bargain purchase gain from the acquisition of STIC Alternative

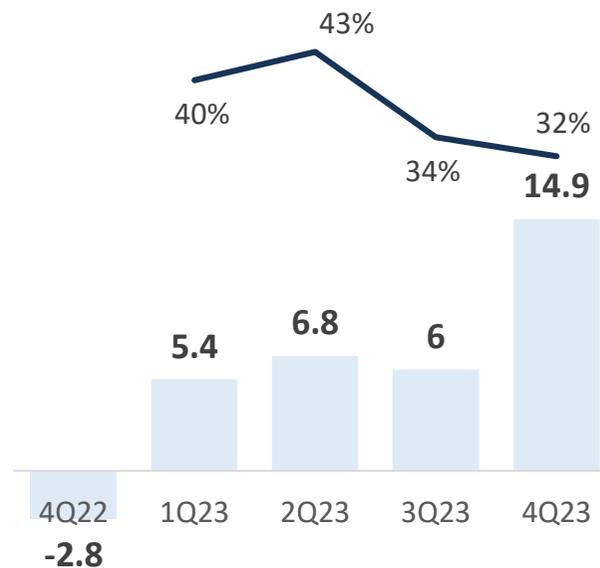
Quarterly Operating Revenue

(Unit: billion KRW)



Quarterly Operating Income

(Unit: billion KRW)



Quarterly Net Income

(Unit: billion KRW)



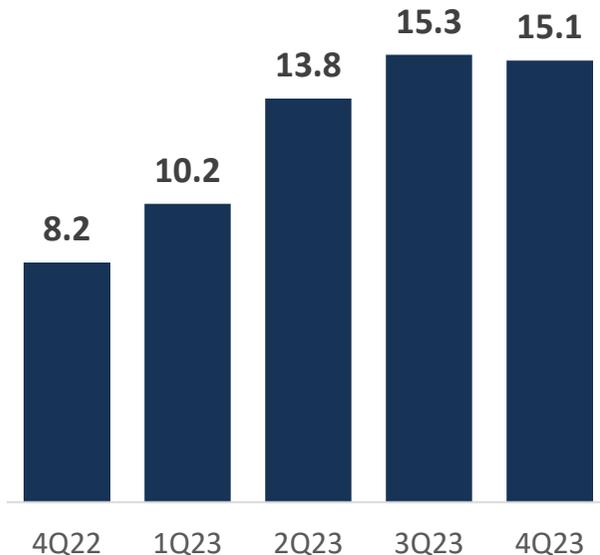
▣ Operating Revenue Breakdown

4Q23 Operating Revenue KRW 46.7B (QoQ +161% / YoY +332%)

- Management fee : AUM follows a similar trend as the last quarter without significant changes
- Carried interest : Carried interest from Daekyoung O&T exit KRW 25.2B and STIC Alternative KRW 0.6B
- Investment income, etc. : Increased return from principal investment

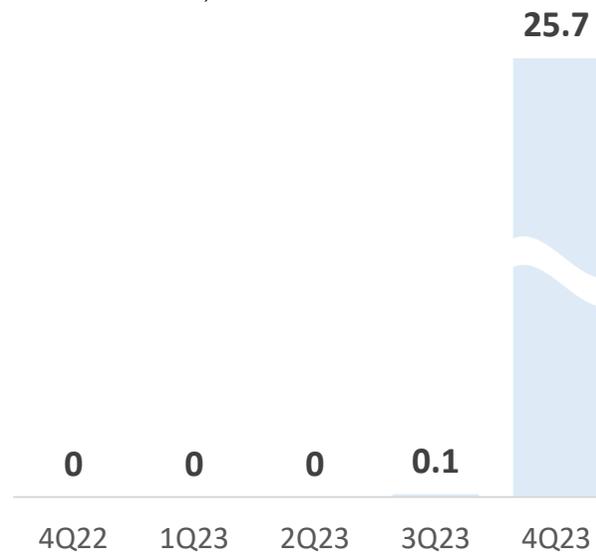
Management Fee

(Unit: billion KRW)



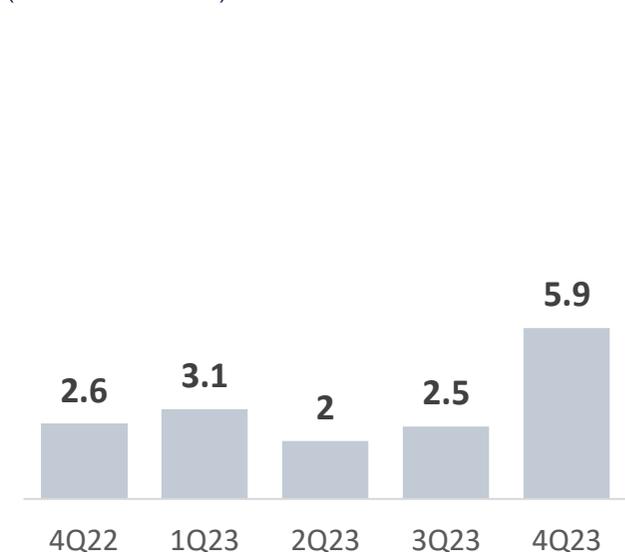
Carried Interest

(Unit: billion KRW)



Investment Income, etc.

(Unit: billion KRW)

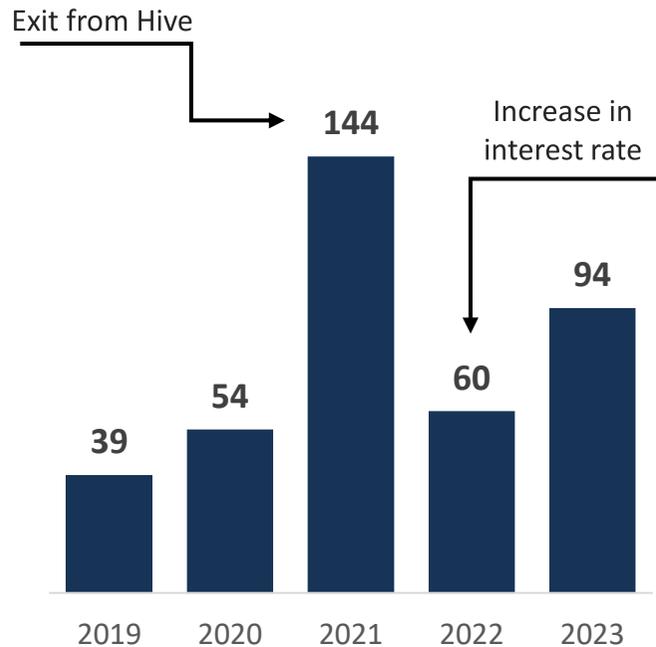


▣ 5-Year Annual Performances (2019 ~ 2023)

- Management fee continues to increase with the growth of fund size (AUM) under management
- Gains from carried interests exiting from Hive in 2021, HK inno.N in 2022 and Daekyoung O&T in 2023
- Delayed exits from investment companies and valuation losses with the increase in interest rate in 2022

Operating Revenue

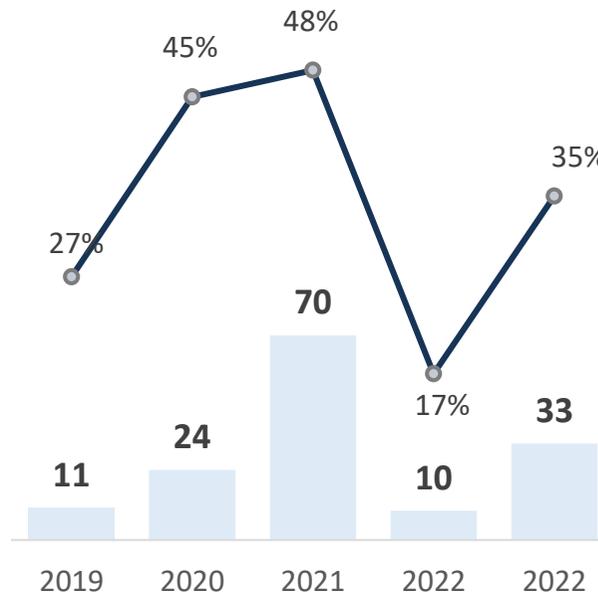
(Unit: billion KRW)



*Includes only investment performances

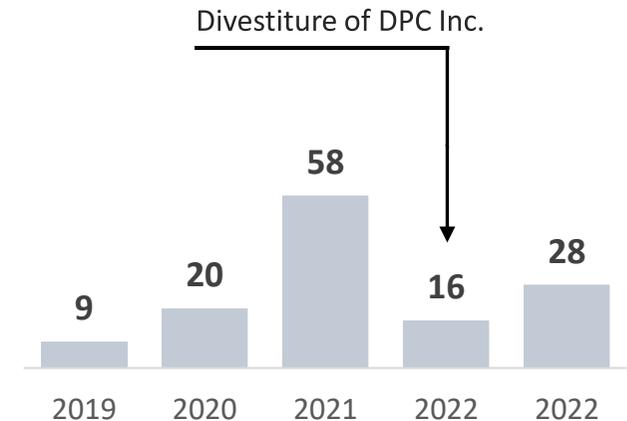
Operating Income/Margin

(Unit: billion KRW)



Net Income

(Unit: billion KRW)



▣ FY2023 Financial Statements Summary - Consolidated

■ Consolidated Balance Sheet

(Unit: million KRW)

과 목	FY2023	FY2022	Gap
Current assets	97,542	74,239	23,303
Non-current assets	187,315	179,710	7,605
Total assets	284,857	253,949	30,908
Current liabilities	27,892	13,749	14,143
Non-current liabilities	4,183	7,898	△3,715
Total liabilities	32,075	21,647	10,428
Share capital	59,675	59,675	0
Other components of equity	△8,706	△8,882	176
Retained earnings	201,591	181,321	20,270
Non-controlling interest	222	188	34
Total equity	252,782	232,302	20,480

■ Consolidated Income Statement

(Unit: million KRW)

과 목	FY2023	FY2022	YoY	
			Gap	Rate
Operating revenue	93,760	60,449	33,311	55.11%
Management fees	54,355	32,777	21,578	65.83%
Carried Interest	25,852	9,862	15,990	162.14%
Investment income*	10,471	13,360	△2,889	△21.62%
Others	3,082	4,450	△1,368	△30.74%
Operating expenses	60,662	50,106	10,556	21.07%
Investment expenses*	6,402	12,662	△6,260	△49.44%
Others	304	189	115	60.85%
Administrative expenses	53,956	37,255	16,701	44.83%
Operating profit	33,098	10,343	22,755	220.00%
Non-operating Income	56	155	△99	△63.87%
Profit from discontinued operations**	-	9,310	△9,310	-
Net profit	27,595	15,856	11,739	74.04%

note*) This is a valuation loss, not a realized loss, and is subject to change based on future macro share price movements.

note**) Gain on sale of DPC Inc.

STIC Investments

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