



We Create Connected Experiences that Matter

First Half 2021 Earnings Release

July 26, 2021

Cheil

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

This document is provided for investors' information before H1 FY2021 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.

- H1 2021 Summary
- Financial Summary (K-IFRS consolidated)
- Consolidated Revenue
- Consolidated Operating Profit
- H2 Outlook

1

Financial Performance

GP +13%

OP +34%

- ✓ Top line growth in all regions expanding digital business
- ✓ Achieved largest Q1 & H1 OP improving efficiency

2

Service

Digital +31%
(GP Portion 49%)

- ✓ Maintain sustainable digital growth expanding core competency of digital based platform

3

GEO Markets

NA +45%, China +18%
SEA +18%, HQ +14%

- ✓ Strong growth in NA expanding service and regional coverage
- ✓ Accelerated growth in China/SEA/HQ and recovered net growth in Europe/CIS

4

Clients

Samsung +11%
Non-Samsung +19%

- ✓ Strong growth in both Samsung and Non-Samsung
- ✓ Increased new clients of Non-Samsung in NA and China

Financial Summary (K-IFRS consolidated)

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(KRW billion)

	Q2 2020	Q2 2021	Growth	H1 2020	H1 2021	Growth
	Revenue (Gross Profit)	263.1	316.1	20%	520.2	587.3
SG&A	209.3	244.0	17%	435.9	474.2	9%
Operating Profit	53.8	72.1	34%	84.3	113.1	34%
Non-operating Expenses and Income	△4.8	1.2	-	0.5	5.7	1,040%
Income Before Income Taxes	49.0	73.3	50%	84.8	118.8	40%
Net Income	33.4	55.2	65%	58.5	88.1	51%

Consolidated Revenue Summary

Consolidated Revenue : H1 2020 520.2B → H1 2021 587.3B (67.1B↑)

Q2 2020 263.1B → Q2 2021 316.1B (53.0B↑)

□ HQ (KRW) : H1 2020 133.7B → H1 2021 152.8B (19.1B↑)

- High growth along with expanding digital marketing in major clients and increasing revenue in non-Samsung clients

□ Subsidiaries (KRW) : H1 2020 386.5B → H1 2021 434.5B (48.0B↑)

- Achieved strong performance in all regional markets and subsidiaries including NA, China and emerging markets with increasing digital revenue

* TBG, PTGC, Iris etc.

(KRW billion)

	Q2 2020	Q2 2021	Growth	H1 2020	H1 2021	Growth
	HQ	75.3	87.9	17%	133.7	152.8
Subsidiaries	187.8	228.2	22%	386.5	434.5	12%
Total	263.1	316.1	20%	520.2	587.3	13%

Digital % of total revenue : Full Year 2020 43% → H1 2021 49% (Growth 31%↑ YoY)

□ Portion of digital biz. continuously increased in all regions and HQ

- Headquarter : Full Year 2020 28% → H1 2021 30% (Growth 23%↑ YoY)

- Subsidiaries : Full Year 2020 49% → H1 2021 57% (Growth 32%↑ YoY)

	2010	2015	2020	H1 2021
Digital	19%	28%	43%	49%
BTL	32%	42%	35%	32%
Retail	13%	22%	21%	21%
ATL	49%	30%	22%	19%

Overseas % of total revenue : Full Year 2020 72% → H1 2021 74%

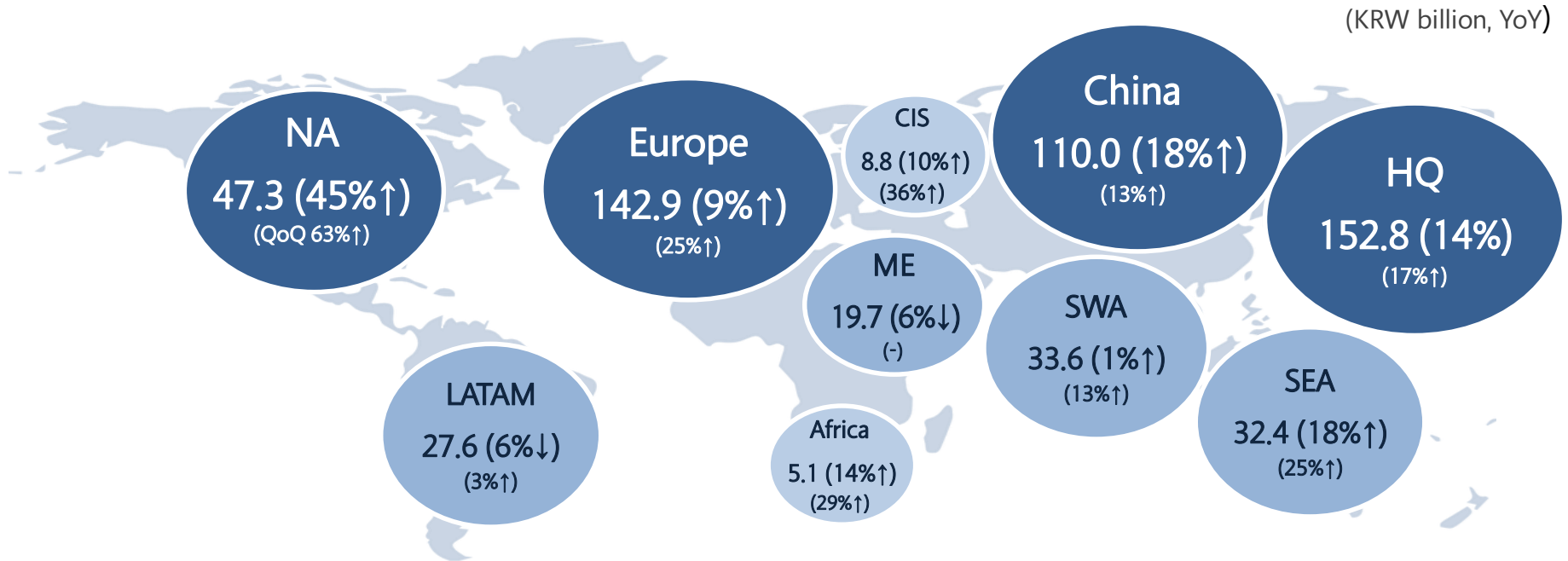
□ NA (45%↑ YoY), China (18%↑) and SEA (18%↑) drove overall overseas growth

* TBG 72%↑

* Pengtai 20%↑

□ Europe (9%↑ YoY), CIS (10%↑), SWA(1%↑) showed rapid recovery

* BMB 71%↑, Iris 4%↑



□ Samsung % of total revenue : Full Year 2020 72% → H1 2021 72% (Growth 11%↑ YoY)

- Increased revenue primarily due to HQ and NA expanding scope of work in Samsung

□ Non-Samsung % of total revenue : Full Year 2020 28% → H1 2021 28% (Growth 19%↑ YoY)

- Diversified clients' portfolio developing non-Samsung clients in HQ and Overseas

* Growth : HQ 27%↑ YoY, Overseas 17%↑

< New Clients : Domestic >



< New Clients : Overseas >



Consolidated OP : H1 2020 84.3B → H1 2021 113.1B (28.8B↑)
 Q2 2020 53.8B → Q2 2021 72.1B (18.3B↑)

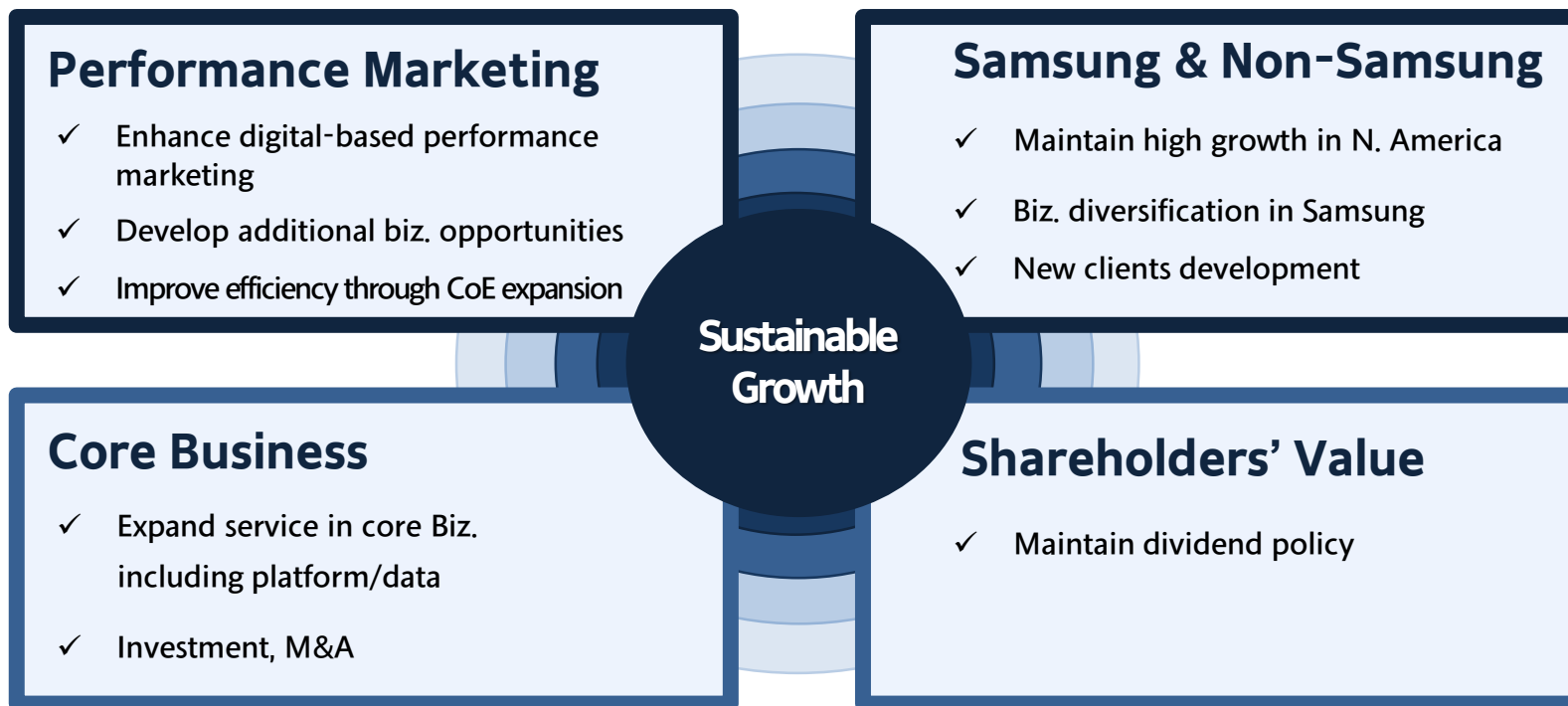
□ Achieved the largest Q2 & H1 operating profit

- Revenue growth +13%↑ YoY while SG&A increased only +9%↑ YoY

(KRW Billion)

	Q2 2020	Q2 2021	Growth	H1 2020	H2 2021	Growth
Revenue (GP)	263.1	316.1	20%	520.2	587.3	13%
SG&A	209.3	244.0	17%	435.9	474.2	9%
Salaries	149.8	177.2	18%	312.1	340.2	9%
Others	59.5	66.8	12%	123.8	134.0	8%
Operating Profit	53.8	72.1	34%	84.3	113.1	34%
OPM	20.4%	22.8%	+2.4%p	16.2%	19.3%	+3.1%p

< Enhance sustainable growth through Biz-Connected Agency >



- EOD -