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2024 Earnings release

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1. 2024 Earning release

- Key Highlights
- Total rental accounts
- Consolidated revenue & profits

2. Domestic business

- Revenue & accounts
- Rental gross adds & net adds

3. Overseas business

- Revenue & accounts
- Malaysia
- U.S. & Thailand

4. 2025 Business plan

- Consolidated revenue & profits

※ Appendix

- Consolidated financial reports
- Major subsidiaries results

1-1. Key Highlights

1. Consolidated record

- Surpassing annual revenue of KRW 4.0tn for the first time, achieving historical high annual revenue, operating profit, and net profit
- Achieved 2024 guidance at 102% in revenue and 104% in operating profit

2. Domestic business

- Recorded historical high annual revenue of KRW 2,581.7bn
- Achieved double-digit YoY sales growth of water purifiers, bidets, air purifiers, BEREX and etc. in 4Q'24
- Achieved historical high rental net adds reaching 118k in 4Q'24

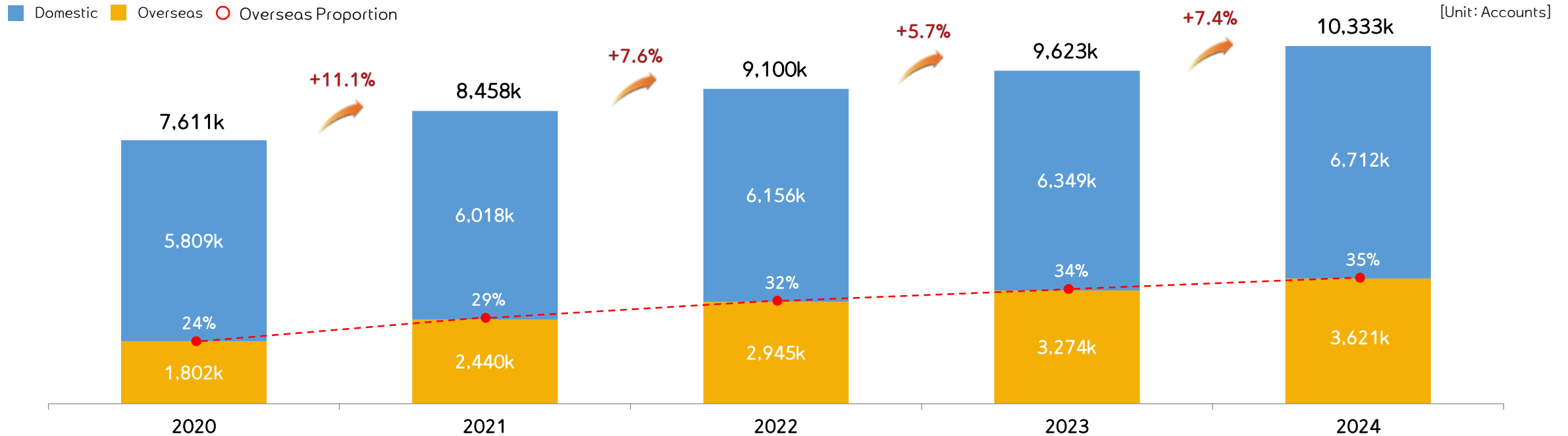
3. Overseas subsidiaries

- Malaysia
 - 1) Annual revenue recorded +6.6% YoY growth, making a successful turnaround
 - 2) Achieved revenue growth of +17% YoY in 4Q'24 driven by double-digit YoY growth of water purifiers, BEREX, and air conditioner sales
- U.S.
 - 1) Sustained and stable annual revenue growth of +4.4% YoY
 - 2) Achieved revenue growth of +12% YoY in 4Q'24 driven by increased sales from direct sales and retail sales channels
- Thailand
 - 1) Annual operating profit turned surplus for the first time and revenue recorded double-digit growth of +24.3% YoY
 - 2) Revenue increased +39.6 YoY in 4Q'24 showing strong growth momentum

1-2. Total rental accounts

Total rental accounts recorded 10.3mn (+7.4% YoY)
Continued growth of overseas proportion to 35%

Total rental accounts

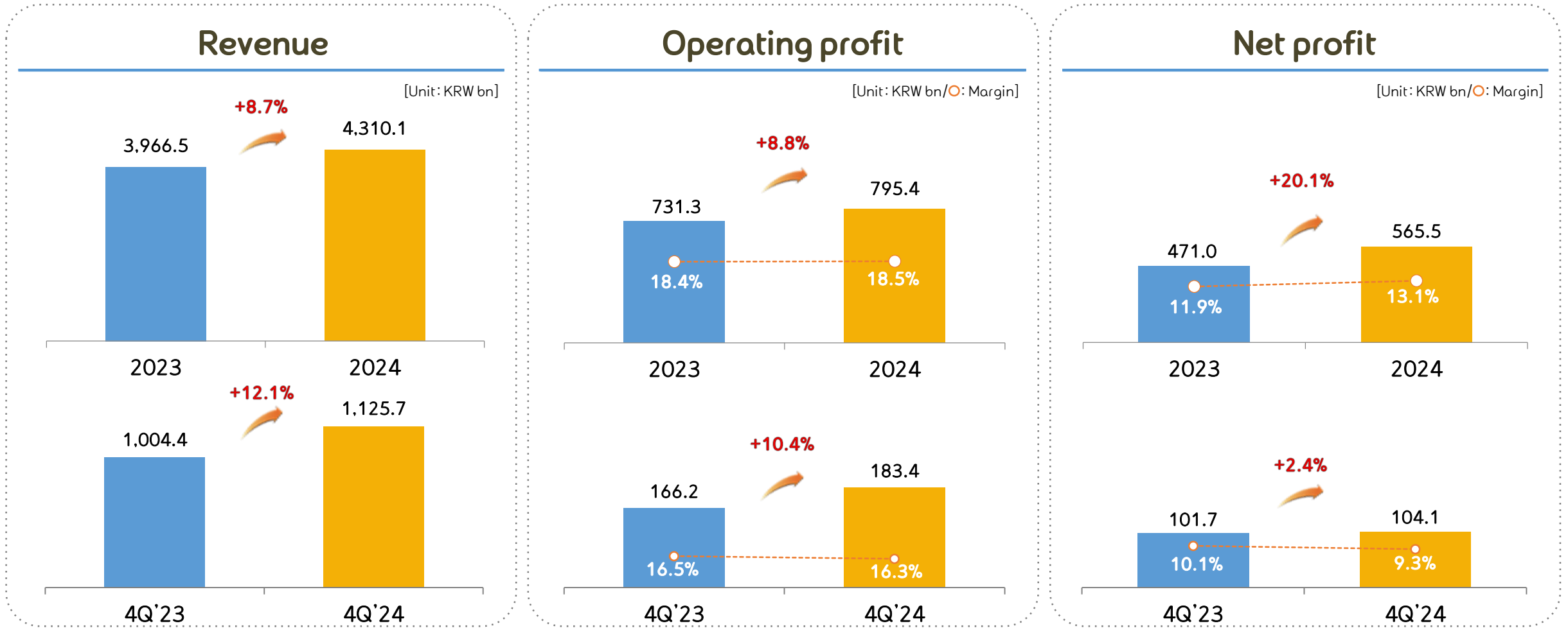


• Targeting stable rental accounts growth and continued expansion of overseas proportion

- Domestic 6.71mn (+5.7% YoY)
- Overseas 3.62mn (+9.7% YoY)
- Overseas portion 35% (+1.0%p YoY)

1-3. Consolidated revenue and profits

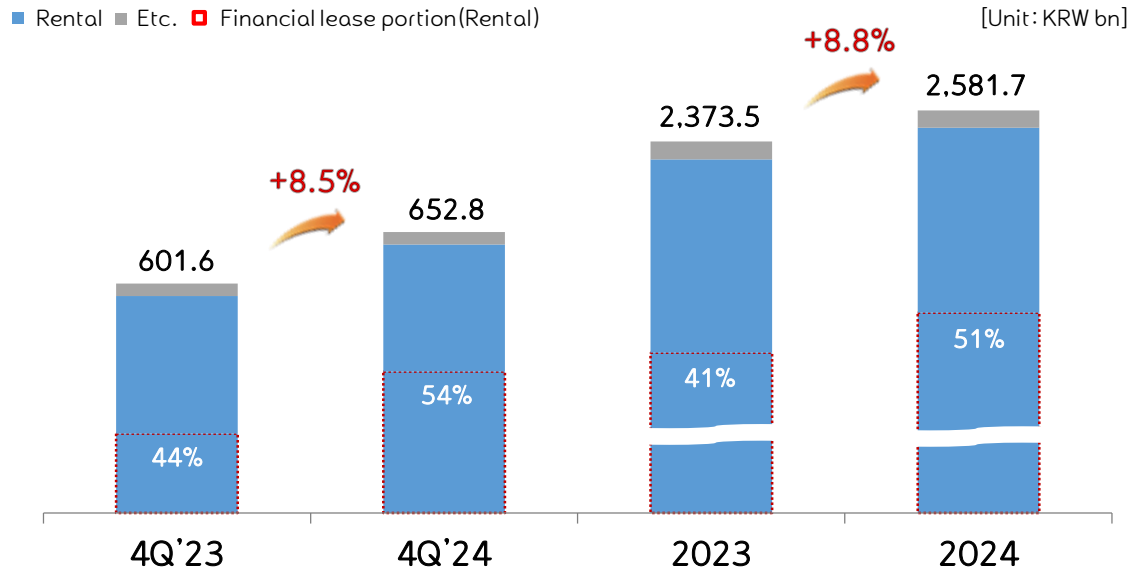
2024 Revenue KRW 4,310.1bn (+8.7% YoY),
 Operating Profit KRW 795.4bn (+ 8.8% YoY), Net Profit KRW 565.5bn (20.1% YoY)
 – Historical high annual Revenue, Operating profit, and Net profit



2-1. Domestic business

2024 Domestic business revenue KRW2,581.7bn (+8.8% YoY)
Continued growth of total accounts 7.13mn (+5.0% YoY)

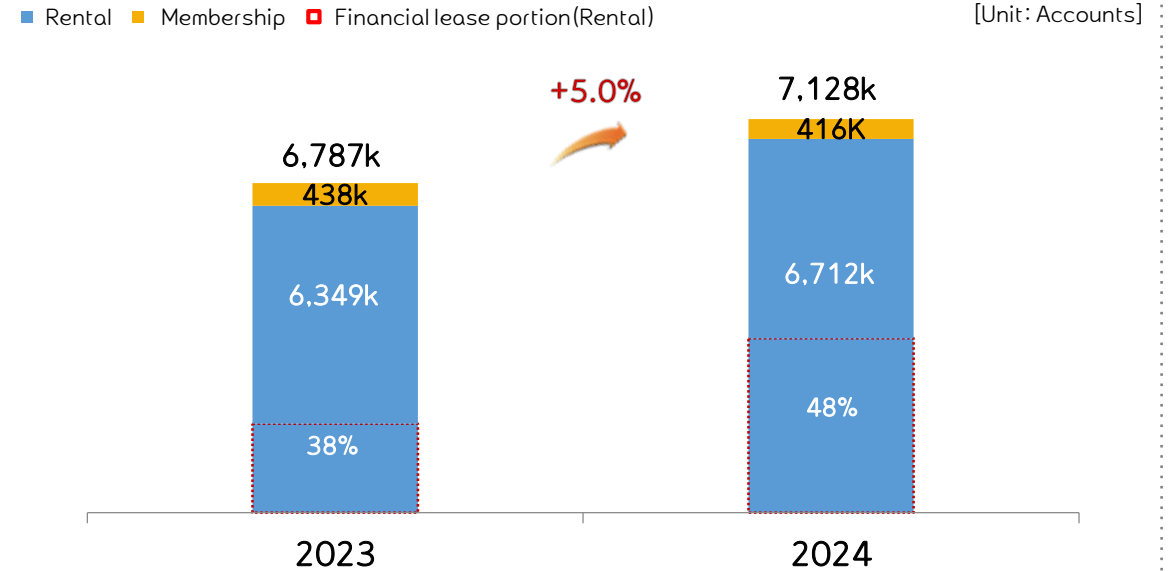
Revenue



- **2024 Domestic business revenue KRW 2,581.7bn**

- 4Q'24 Rental (Operating, Financial) revenue: KRW 622.2bn (+9.1% YoY)
- 4Q'24 Others (Membership, Lump-sum) revenue: KRW30.7bn (-1.7% YoY)
- 2024 revenue growth (+8.8% YoY) driven by increase in sales volume and account growth
: due to strong sales of water purifiers and BEREX products

Accounts



- **2024 Total accounts 7.13mn**

- Rental accounts: 6.71mn (+363k, +5.7% YoY)
- Membership accounts: 416k (-21k, -4.9% YoY)

2-2. Domestic business

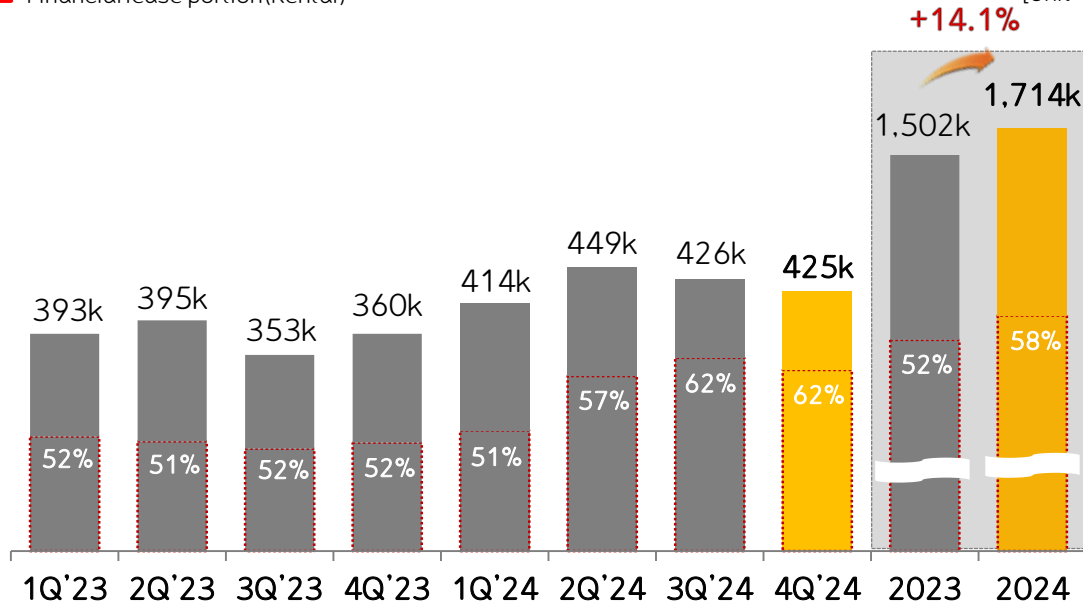
Recorded high annual rental gross adds growth 1.7mn (+14.1% YoY)

Strong growth of rental net adds due to increase of rental gross adds and management of cancellation rate

Rental gross adds¹⁾

■ Financial lease portion(Rental)

[Unit: EA]



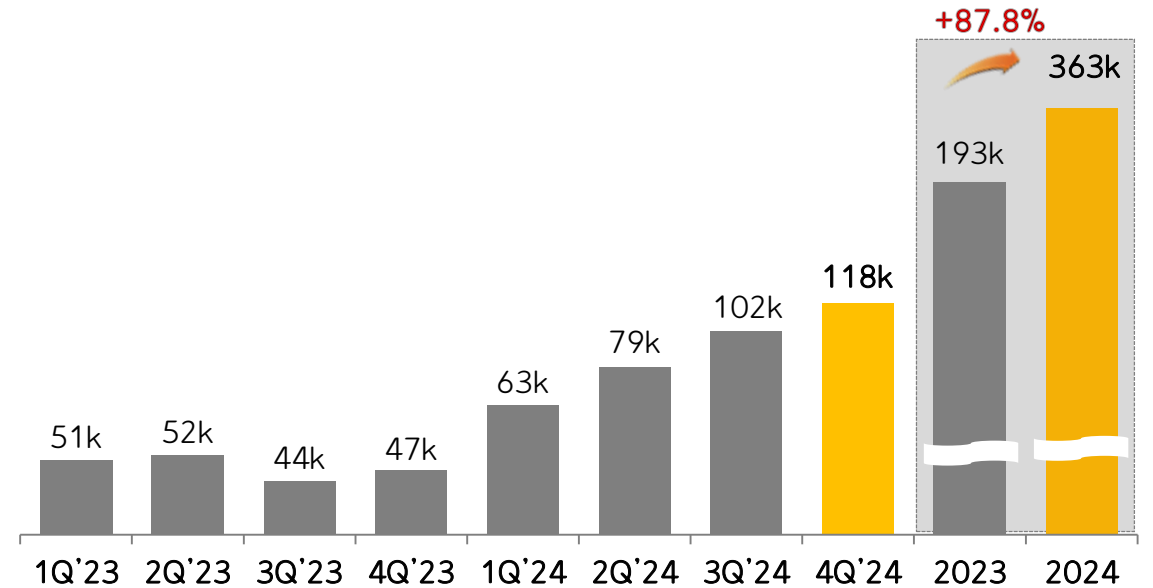
• 2024 Rental gross adds 1.7mn

- 4Q'24 Rental gross adds: 425k (+17.8% YoY, -0.3% QoQ)
- : Double-digit YoY growth of water purifiers, air purifiers, bidets and BEREX product sales
- 2024 Rental gross adds (+14.1% YoY) achieving double-digit growth

¹⁾Including financial lease sales : Applies to all gross adds in this material

Rental net adds

[Unit: Accounts]



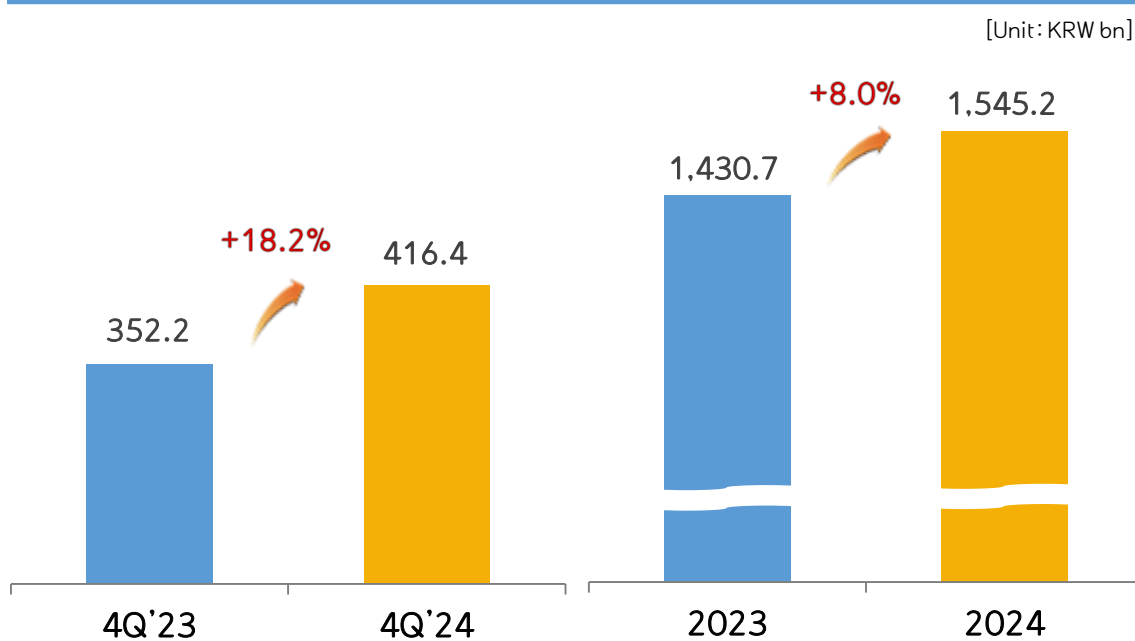
• 2024 Rental net adds 363k

- 4Q'24 Rental net adds: 118k (+151.5% YoY, +15.5% QoQ)
- : Historical high rental net adds among 4Q
- 2024 Rental net adds growth (+87.8 YoY)
- : Strong growth of rental net adds due to increase of rental gross adds and decrease of cancellation rate

3-1. Overseas business

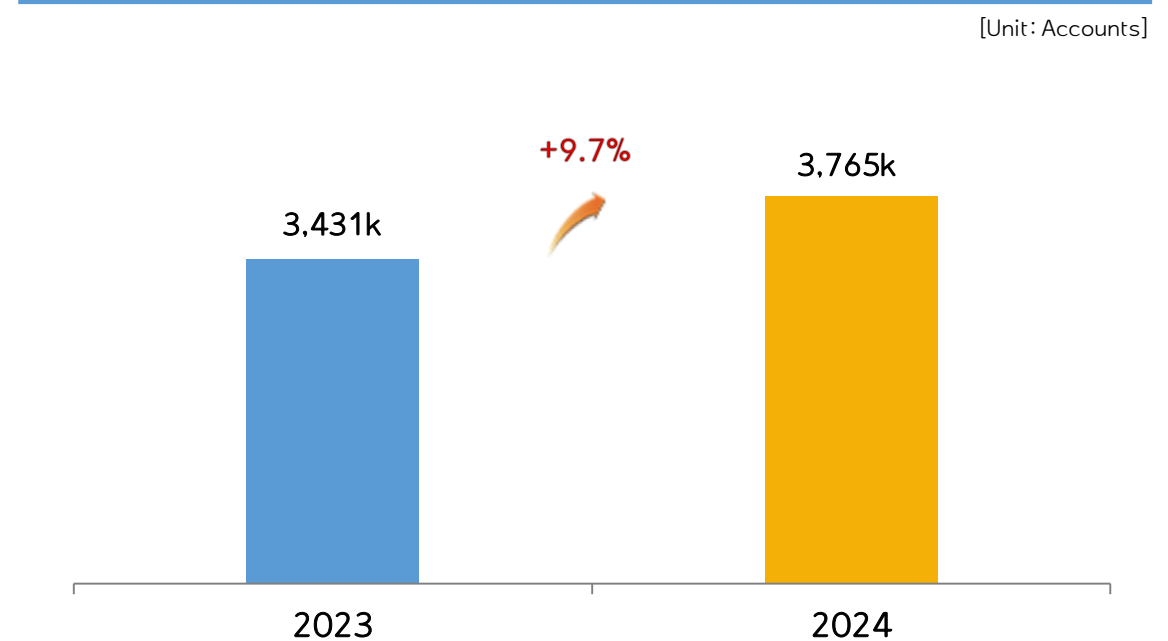
2024 Overseas subsidiaries revenue **KRW 1,545.2bn (+8.0% YoY)**
 Continued growth of total overseas accounts **3.77mn (+9.7% YoY)**

Revenue



- **2024 Overseas subsidiaries revenue KRW 1,545.2bn**
 - 4Q'24 Revenue : KRW 416.4bn(+18.2% YoY)
 - 2024 Revenue: KRW 1,545.2bn(+8.0% YoY)
 - : Continued growth of overseas subsidiaries revenue due to high growth of Malaysia, Thailand, and Indonesia, etc.

Accounts

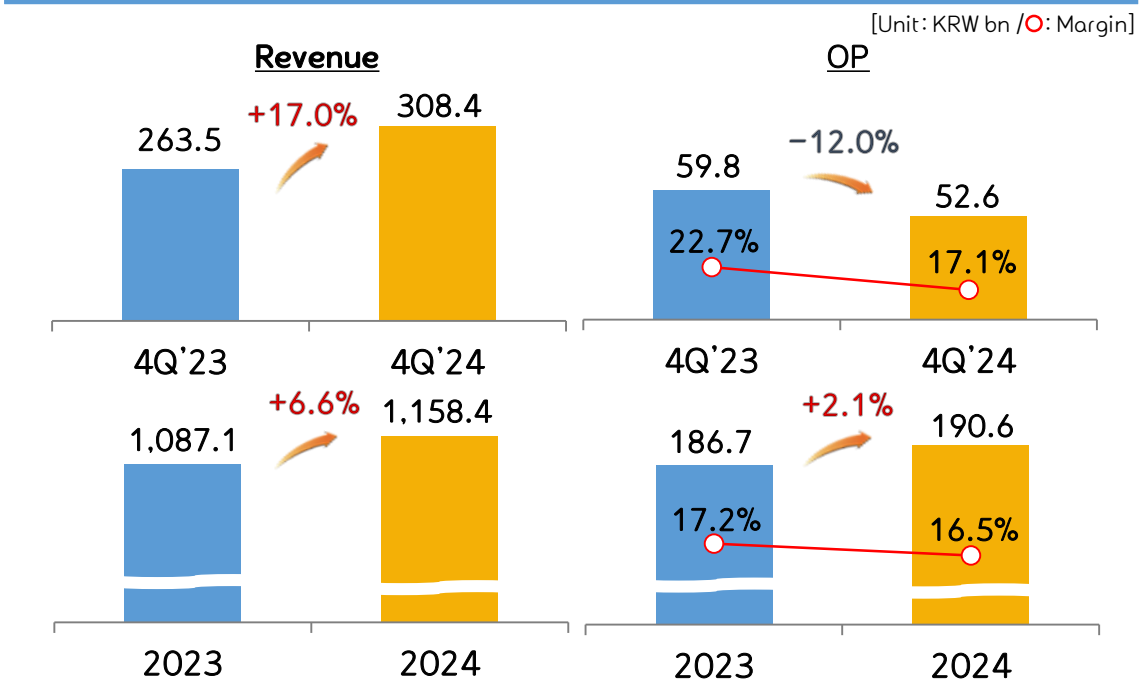


- **2024 Total overseas accounts 3.77mn**
 - Continued growth of overseas subsidiaries accounts in Malaysia, U.S., Thailand and etc.

3-2. Overseas business

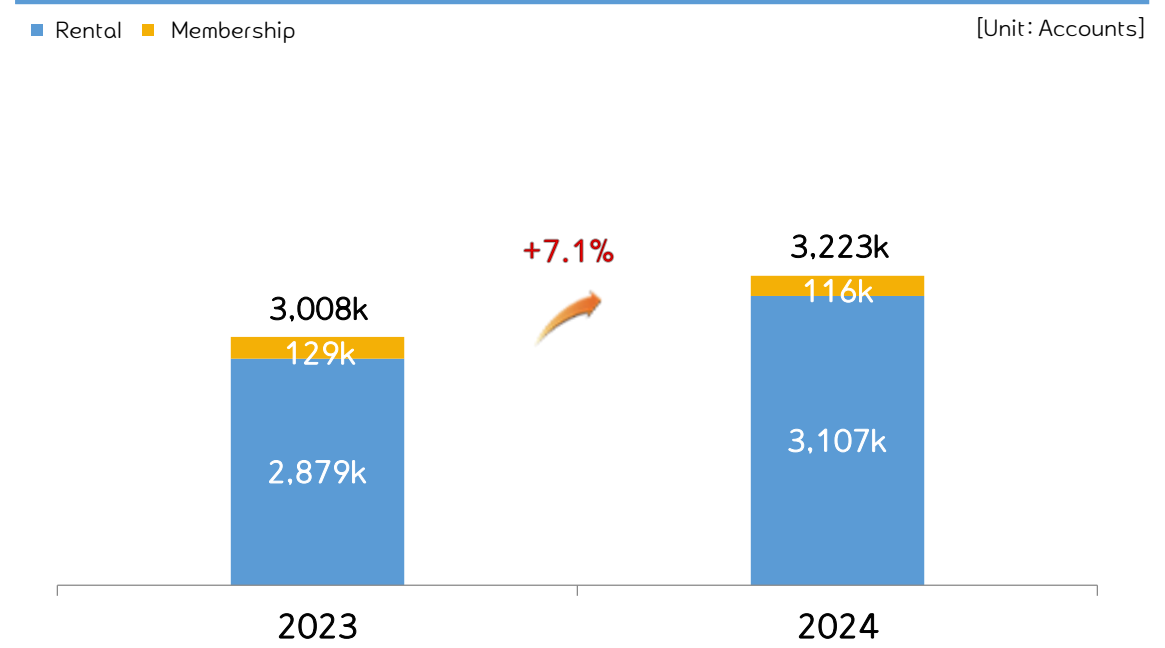
2024 Malaysia revenue **KRW 1,158.4bn(+6.6% YoY)**
Continued stable growth of total accounts **3.22mn(+7.1% YoY)**

Malaysia



- **2024 Malaysia revenue KRW 1,158.4bn, OPM 16.5%**
 - 4Q'24 and annual revenue growth turnaround due to increase of water purifiers, air conditioners and etc.
 - 4Q'24 OPM met expectations despite last year's high base driven by decrease of advertising expenses
 - 2024 OPM declined due to promotions in response to competition

Accounts

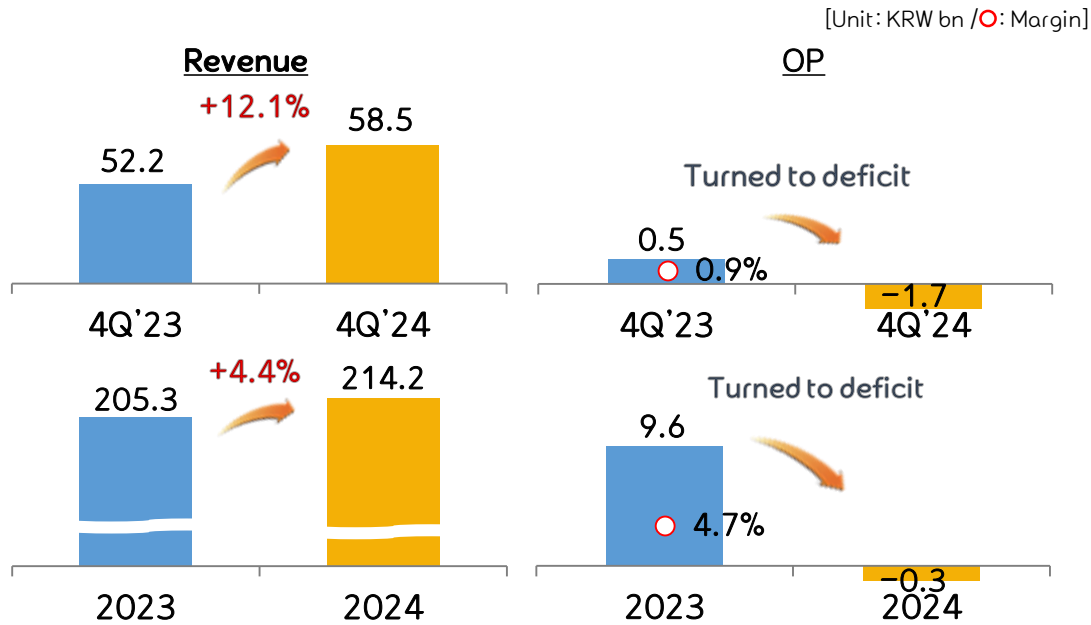


- **2024 Malaysia Total accounts 3.22mn**
 - Rental accounts: 3.11mn (+228k, +7.9% YoY)
 - Membership accounts: 116k (-14k, -10.6% YoY)

3-3. Overseas business

2024 U.S. revenue **KRW 214.2bn(+4.4% YoY)**
 Thailand revenue **KRW 125.7bn(+24.3% YoY)**

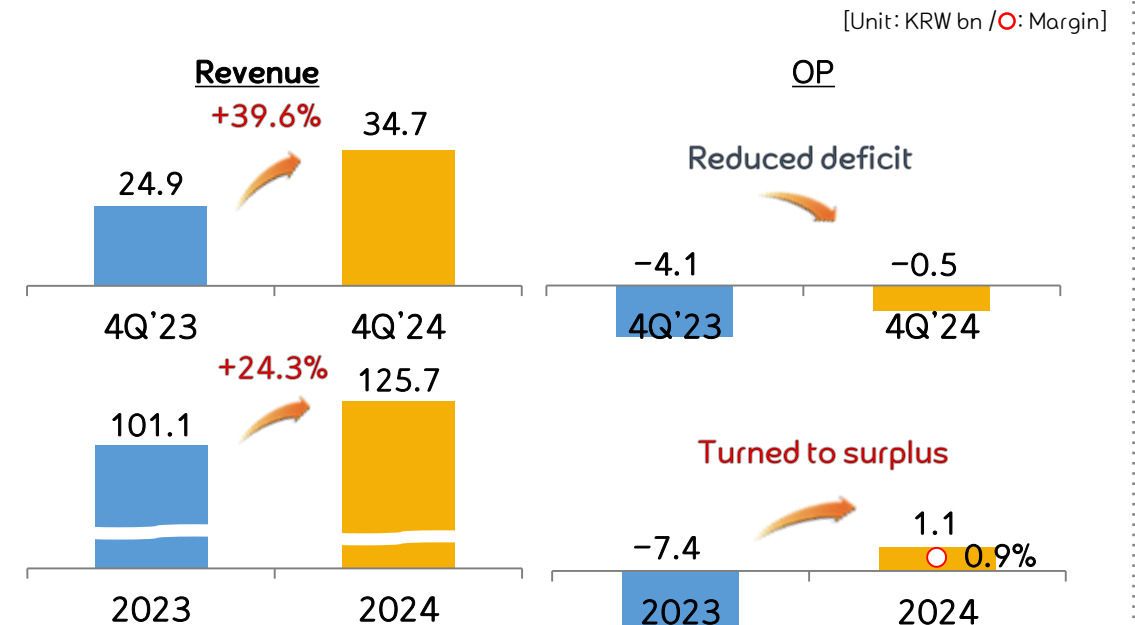
U.S.



• **2024 U.S. revenue KRW 214.2bn, OP turned to a deficit**

- Strong revenue growth in 4Q'24 due to increase in retail channel sell-in sales, driven by year-end promotions and etc.
- Sustained annual revenue growth due to stable account growth of direct sales and increase of retail channel sales
- OP turned to deficit due to the expansion of the China organization in direct sales and etc.

Thailand



• **2024 Thailand revenue KRW 125.7bn, OPM 0.9%**

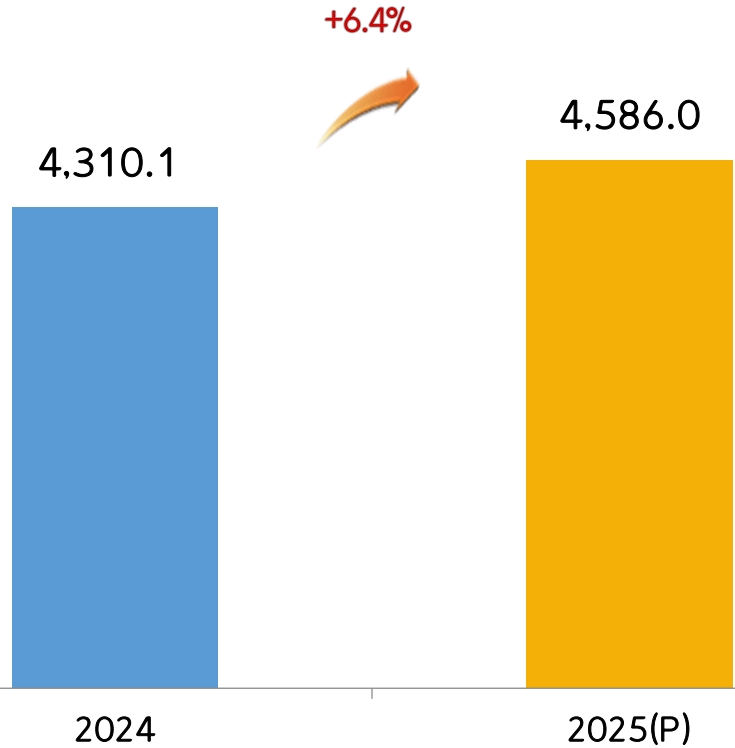
- Strong revenue growth in 4Q'24 showing its strong growth momentum
- One-off deficit in 4Q'24 due to changes in setting allowance for bad debts
- Continued double-digit growth of annual revenue
- Annual OP turned surplus for the first time due to revenue growth

4. 2025 Business Plan

2025 Consolidated revenue KRW 4,586.0bn(+6.4% YoY)
 operating profit KRW 845.0bn(+6.2% YoY)

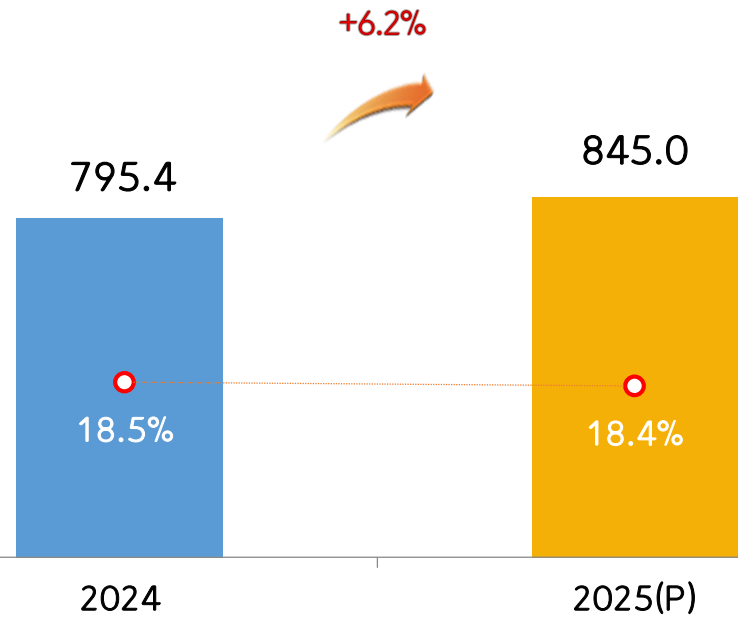
Consolidated revenue

[Unit: KRW bn]



Consolidated operating profit

[Unit: KRW bn/○: Margin]



APPENDIX

- Consolidated financial reports
- Major subsidiaries results

Consolidated financial reports

• Balance Sheet

(Unit: KRW bn)	Dec. '24	Dec. '23
<Assets>	5,761.6	4,851.0
Current Assets	1,771.0	1,591.6
Cash and cash equivalents	129.0	260.3
Accounts receivable	212.1	247.6
Financial lease receivable	1,109.7	822.0
Inventories	240.1	197.9
Non-Current Assets	3,990.6	3,259.3
Fixed assets	1,037.6	1,019.1
Intangible assets	191.3	188.4
Finance lease receivables	2,496.5	1,838.3
<Liabilities>	2,565.4	2,213.2
Current Liabilities	1,878.0	1,509.0
ST Borrowings	465.0	342.6
Current portion of bonds	130.5	269.9
Current portion of LT borrowings	230.0	57.6
Non-Current Liabilities	687.5	704.2
LT Borrowings	42.6	139.5
Corporate bond	499.3	459.4
<Shareholders' Equity>	3,196.1	2,637.8
Debt to Equity Ratio	80.3%	83.9%
Net Debt to Equity Ratio	38.7%	38.2%

• Income Statement

(Unit: KRW bn)	4Q'24	4Q'23	YoY
Revenue	1,125.7	1,004.4	12.1%
COGS	401.2	349.7	14.7%
Gross profits	724.5	654.7	10.7%
SG&A	541.1	488.6	10.8%
Operating profits	183.4	166.2	10.4%
Margin(%)	16.3%	16.5%	-1.5%p
Other income	54.2	8.9	511.1%
Other expenses	49.9	21.7	130.2%
Financial income	0.9	2.1	-56.4%
Financial expenses	20.0	15.9	26.1%
Profit before tax	166.4	145.6	14.3%
Corporate tax	62.3	43.9	41.9%
Net income	104.1	101.7	2.4%
Margin(%)	9.3%	10.1%	-0.9%p

Major subsidiaries results

(단위: 십억원)	4Q'24	4Q'23	YoY	2024	2023	YoY
Malaysia						
Revenue	308.4	263.5	17.0%	1,158.4	1,087.1	6.6%
OP	52.6	59.8	-12.0%	190.6	186.7	2.1%
Margin	17.1%	22.7%		16.5%	17.2%	
U.S.						
Revenue	58.5	52.2	12.1%	214.2	205.3	4.4%
OP	-1.7	0.5	Turned to a deficit	-0.3	9.6	Turned to a deficit
Margin	-	0.9%		-	4.7%	
China						
Revenue	0.7	1.3	-47.3%	2.8	4.9	-43.8%
OP	-0.1	-0.4	-	-0.4	-1.0	-
Margin	-	-		-	-	
Thailand						
Revenue	34.7	24.9	39.6%	125.7	101.1	24.3%
OP	-0.5	-4.1	-	1.1	-7.4	Turned to surplus
Margin	-	-		-	-	
Indonesia						
Revenue	10.4	5.7	81.1%	30.2	17.3	74.8%
OP	-1.6	-2.6	-	-5.6	-8.3	-
Margin	-	-		-	-	
Vietnam						
Revenue	1.6	1.2	36.2%	4.9	4.4	10.6%
OP	-0.8	-2.1	-	-3.3	-8.3	-
Margin	-	-		-	-	
Coway Entech						
Revenue	30.0	26.7	12.5%	74.9	73.7	1.7%
OP	-3.0	2.7	-209.2%	3.0	4.3	-93%
Margin	-9.9	10.2%		0.4%	5.8%	
BEREX Tech						
Revenue	24.2	19.6	23.4%	90.0	76.0	18.4%
OP	2.6	1.6	65.6%	8.4	5.5	52.6%
Margin	10.8%	8.1%		9.4%	7.3%	

- Malaysia** : Turnaround due to increased sales of water purifiers and air conditioners
- U.S.** : Stable growth driven by an increase in rental accounts and retail channels
- China** : Effort for stable settlement and growth
- Thailand** : Maintained double-digit annual growth and achieved an annual operating profit turnaround
- Indonesia** : Sustained strong growth driven by expansion of sales organization and increased sales volume
- Vietnam** : Effort for stable settlement and growth
- Coway Entech** : Operating profit turned negative due to long-term accounts receivable from Pocheon Malkunmul Co.Ltd
- BEREX Tech** : Improved profitability through cost ratio enhancement and increased sales from logistics business expansion

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THANK YOU!

