

STIC Investments

- Seoul
 - Singapore
 - Ho Chi Minh
-

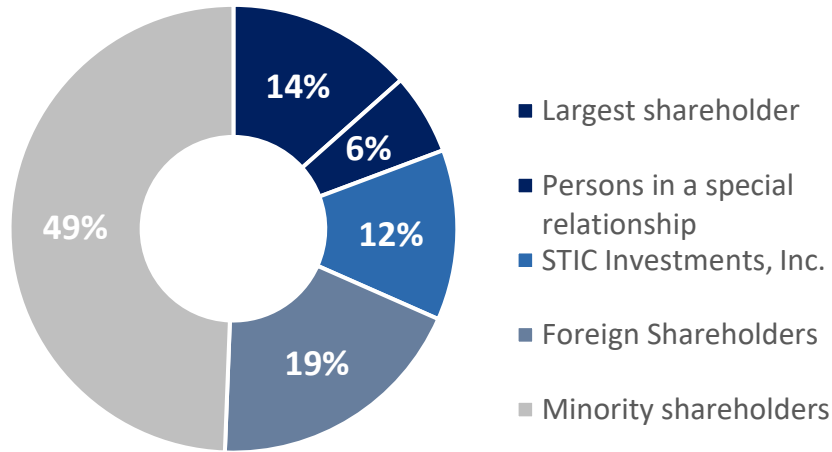
STIC Investments

Company overview

■ Seoul ■ Singapore ■ Ho Chi Minh

▣ Company overview

Ownership Structure



As of Jun 2024

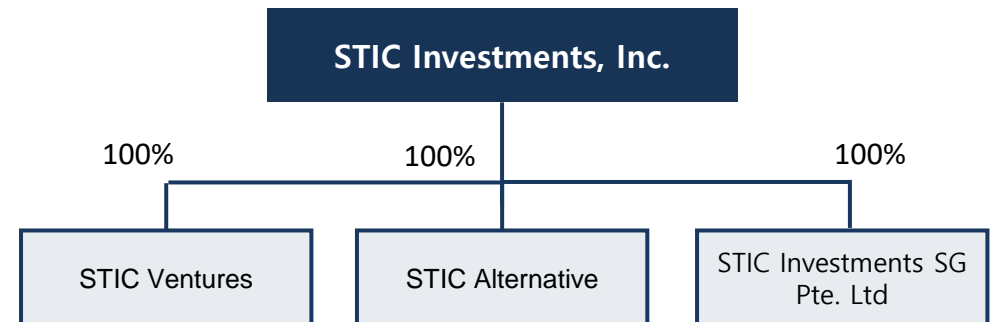
Category	Number of shares issued	Proportion(%)
Largest shareholder	5,600,000	13.44
Persons in a special relationship	2,445,610	5.86
STIC Investments, Inc.	5,129,585	12.31
Foreign Shareholders	7,917,361	19.00
Minority shareholders	20,585,619	49.39
Total	41,678,175	100.00

Overview





As of Jun 2024

Company Name	STIC Investments, Inc.	Date of Establishment	Jul 1999
Founder	DO, Yong Hwan	CEO	KWAK, Dong Guel KWAG, Dae Hwan
No. of Employee	70 (investment professional 45)	No. of Subsidiaries	3
Stock Code	KOSPI(026890)	Market Cap	KRW 398.4B
Listing Date	Dec 2021	AUM	KRW 7.6T
Total equity	KRW 252.8B	Number of Shares Issued	41,678,175 shares

Affiliated Companies



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

 25 Years	 Key Trend Followers	 Broad Investment Spectrum	 Value Creation Experts	ESG Investors
<ul style="list-style-type: none"> • Founded in 1999, STIC has accumulated 25 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 8.8 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 25 years of investment experience, STIC has gained solid trust from its investors.

Foundation
1999

25 years of investment experience and strong track record

Aggregate Investment Experience
200 years

Over 200 years of aggregate investment experience of partners

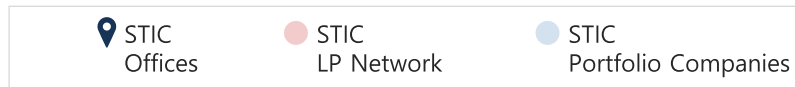


AUM (in KRW)
7.6 tn

Currently managing 13 blind funds and 6 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

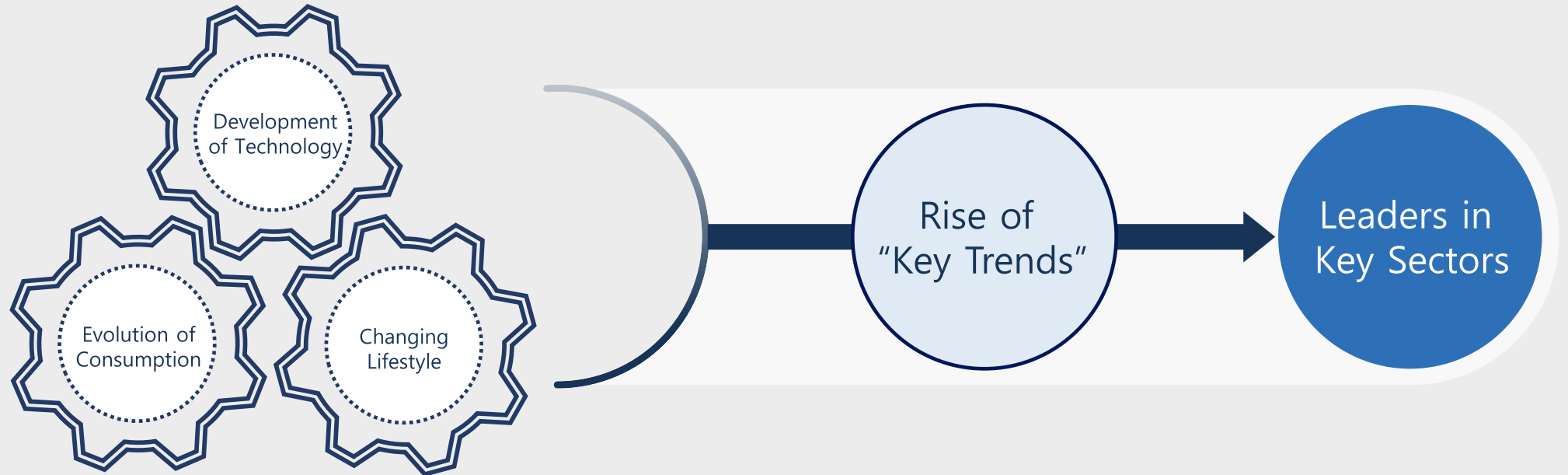
- Partner, Kim & Chang Law Firm
- Law School, Seoul National University
- MBA, Seoul National University
- BA, Seoul National University

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

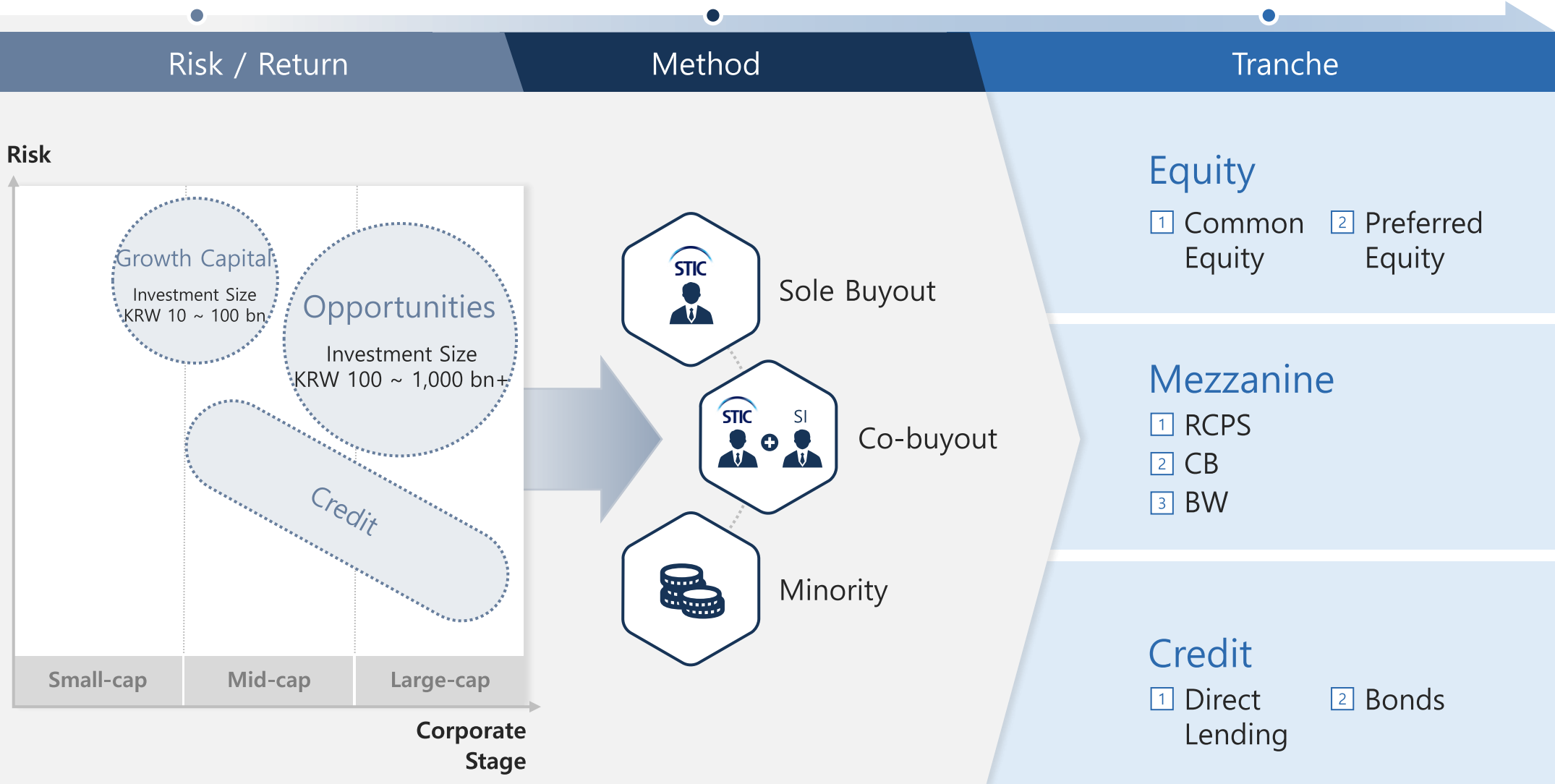
TREND 03

Demographic Change

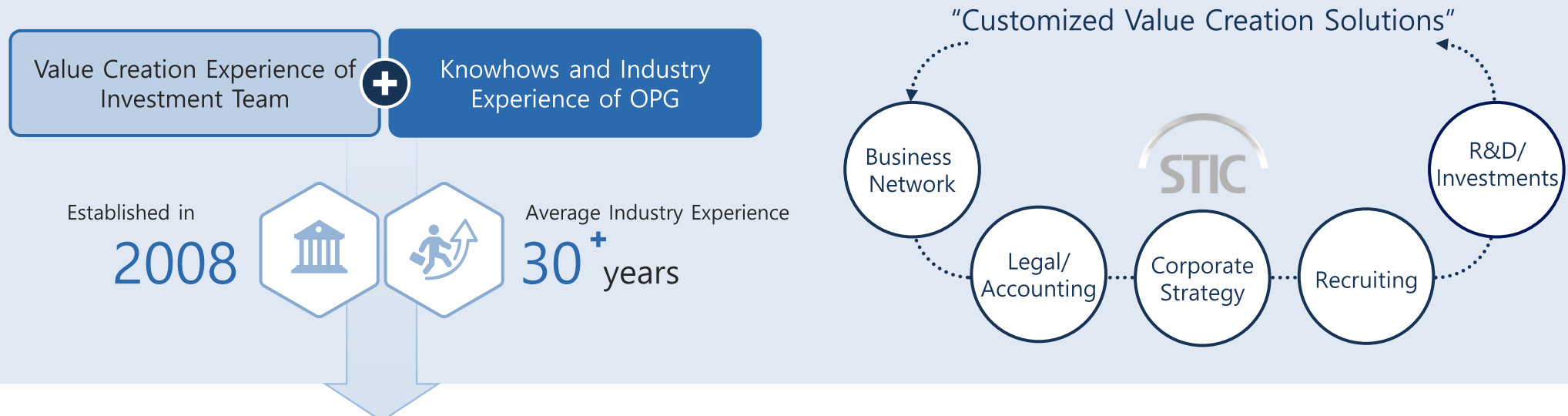
Key Sectors

- 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.



HP Kim | Head of OPG

- CFO, SK Networks
- M.Director, SK Gas
- **Specialty** : M&A, Corporate Strategy



JH Bae | Operating Partner

- Ministry of Agriculture, Forestry, and Fisheries
- Head of Vietnam, UN FAO
- **Specialty** : Vietnam Operations



KT Kim | Operating Partner

- CEO, SK Innovation E&P
- Head of CMS, SK
- **Specialty** : R&D, New Businesses



KU Kang | Operating Partner

- CEO, DaeKyungO&T



IC Yee | Operating Partner

- CEO, Hwaseung R&A
- EVP, Taihan
- M.Director, Hyosung
- **Specialty** : Sales, Marketing, Product Development, Production



TG Lee | Operating Partner

- M.Director POSCO, SAMSUNG
- CEO, DPC
- **Specialty** : Growth Strategy, Southeast Aisa



GH Park | Operating Partner

- 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**

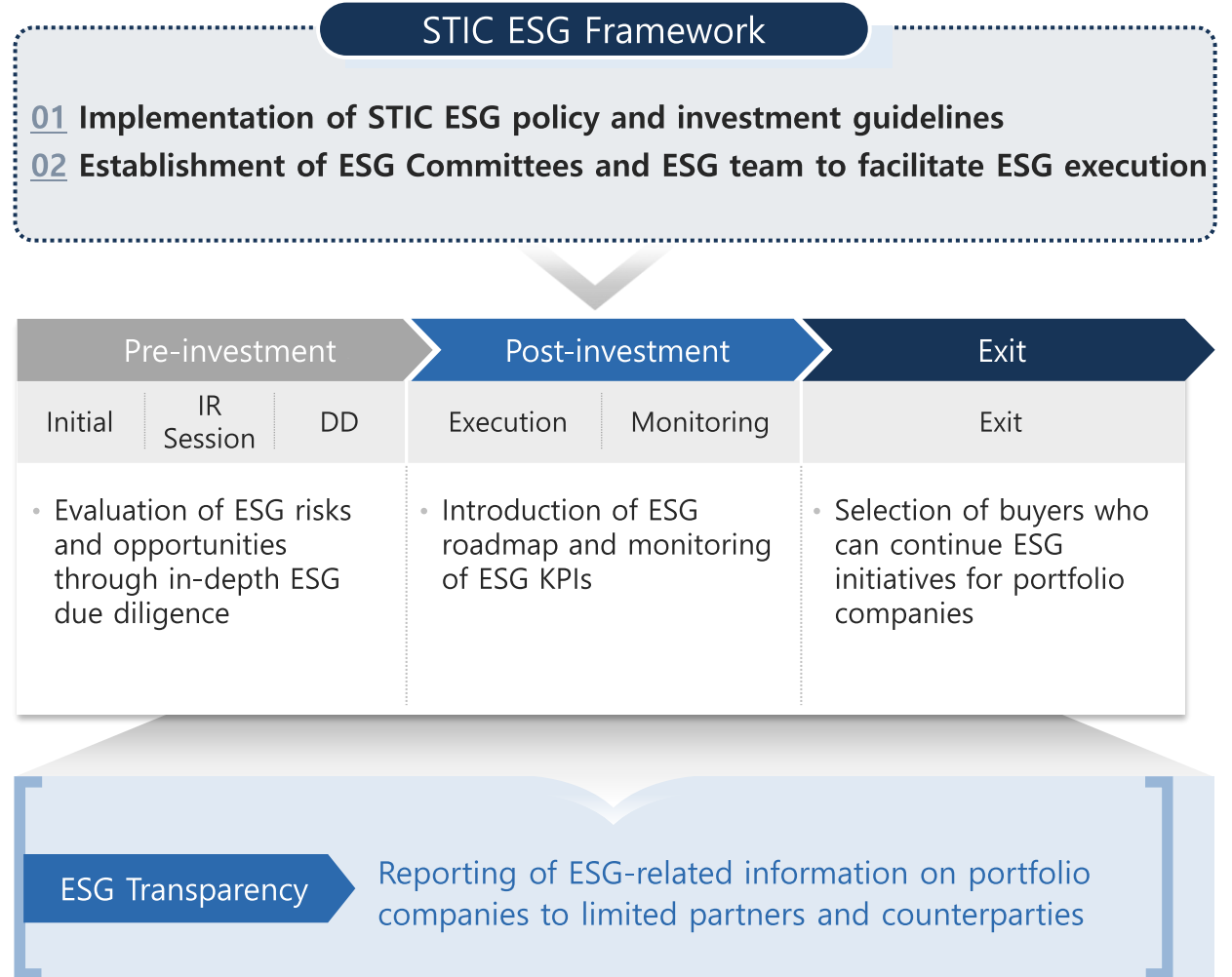
 - STIC established its Negative Screening system to avoid investing in companies that operate in non-ESG friendly sectors
 - STIC launched its first Shariah-compliant fund for its Middle Eastern investors
- 2017 Stewardship Code**

 - 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 KRW 7.6T in AUM.

Strategy	Deal Size	Tranche	Type	Vintage	Name	Status	In KRW(1B)
Opportunities	Large-cap / Mid-cap	Equity / Mezzanine	Blind	2023	STIC Opportunities III	Investing	2,020
			Blind	2019	STIC Opportunities II	Harvesting	1,220
			Blind	2016	STIC Opportunities I	Harvesting	603
			Blind	2014	STIC M&A Opportunities	Harvesting	221
			Blind	2014	STIC COPA	Liquidating	500
			Project	2021	STIC Opportunities II – Project I	Harvesting	560
			Project	2021	STIC Opportunities II – Project G	Harvesting	159
			Project	2018	STIC Frontier	Harvesting	173
			Project	2017	STIC M&A Opportunities – Project D	Liquidated	37
Growth Capital	Mid-cap / Small-cap	Equity / Mezzanine	Project	2024	KDB-STIC Regional Development	Harvesting	215
			Blind	2023	STIC K-Growth	Investing	232
			Blind	2021~22	STIC Asia Growth II	Investing	555
			Blind	2018	STIC Asia Growth I	Harvesting	317
			Blind	2013	STIC Growth III	Harvesting	483
			Blind	2009	STIC Growth II	Liquidated	241
			Blind	2006	STIC Growth I	Liquidated	142
Credit	Large-cap / Mid-cap	Mezzanine / Credit	Project	2023	STIC Eugene Star	Harvesting	300
Others	-		Blind	-	Other Legacy Blinds Funds	Liquidated	744
			Project	-	Other Legacy Project Funds	Liquidated	91
Current AUM							7,558
Aggregate AUM (Including Liquidated Funds)							8,813

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 HUMANX Mobility HANCOM HANCOM LIFECARE CHAEVI
JAEWON carousell

Growth Capital

Featured Portfolio



SHINHEUNG SEC PERFECT DAY BY4M STUDIO MEDIAN Diagnostics COOP MARKETING
DN SOLUTIONS
Timf Team Fresh Carrot ninjacart *b KB Bukopin

Ventures

Featured Portfolio



SMLAB Singular Materials Laboratory MetisX CUROCELL AUTOCRYPT DS Electera Open a better future
wadiz SPARKPLUS MUSINSA PINOTBIO CONTEC

▣ Key Exits



HYBE

- Music label
- Investment: KRW 149B
- Minority
- Multiple: 5.13x



GOLFZON

- Indoor golf simulator
- Investment: KRW 20B
- Minority
- Multiple: 4.42x



DAEKYUNG O&T

- Manufacturing oil & fats
- Investment: KRW 95B
- Sole Buyout
- Multiple: 3.46x



RFHIC

- Wireless infrastructure
- Investment: KRW 42.8B
- Minority
- Multiple: 2.61x

LIG NEX1

- Aerospace and defense
- Investment: KRW 150B
- Sole Buyout
- Multiple: 2.14x



UBcare

- Healthcare solution
- Investment: KRW 80B
- Minority
- Multiple: 1.72x

HK inno.N

- Bio healthcare
- Investment: KRW 80B
- Co-Buyout
- Multiple: 1.82x



Hanwha Systems

- Defense electronics
- Investment: KRW 150B
- Minority
- Multiple: 1.62x



ACROSS

- Dermal filler
- Investment: KRW 21B
- Minority
- Multiple: 3.39x



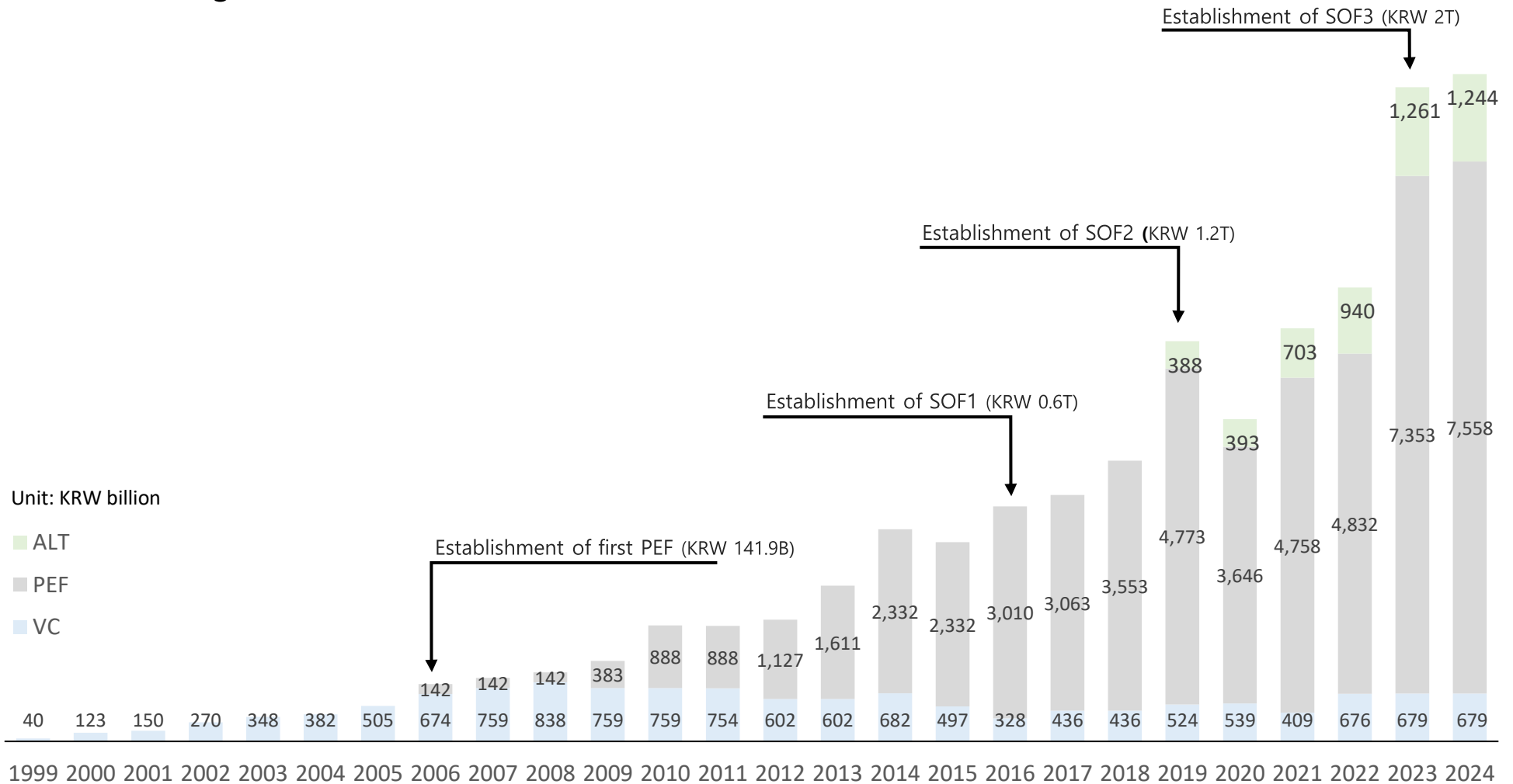
MDS Tech

- 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 9.5 trillion (PEF 7.6tn, VC 0.7tn, Alt 1.2tn)

STIC has become a leading PE/VC firm with KRW 9.5 trillion AUM by consistently establishing medium to large-sized funds.



▣ Dividends(2018~2023)

STIC is actively leading shareholder returns by continuously increasing dividends.

STIC will continue to make our best efforts to expand dividends by consistently realizing profits.

	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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-

Business performance

Operating Revenue KRW 16.8B, Operating Income KRW 0.1B, Net Income KRW Δ 2.6B(consolidated)

AUM stable at KRW 9.5T, with management fees consistently generating KRW 15B in quarterly revenue

Valuation losses on subsidiary investments (STIC Ventures, STIC Alternative Asset Management)

Fundraising

No new fundraising during the quarter.

Investment and Exit

Investment

- KRW 280B in JAEWON INDUSTRIAL CO., LTD(Pre-IPO)
- KRW 250B in DN Solutions Co., Ltd.(Pre-IPO)

▣ FY2024 2Q Financial Highlights

Earnings Summary

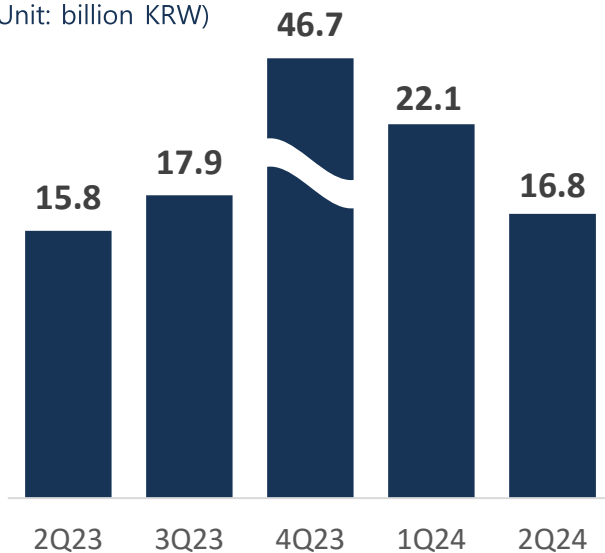
Operating Revenue KRW 16.8B (QoQ Δ 24%) : Decrease in fund valuation gain by KRW 5.7B

Operating Income KRW 0.1B (QoQ Δ 99%) : Increase in fund losses by KRW 4.5B

Net Income KRW Δ 2.6B (QoQ Turned to a deficit)

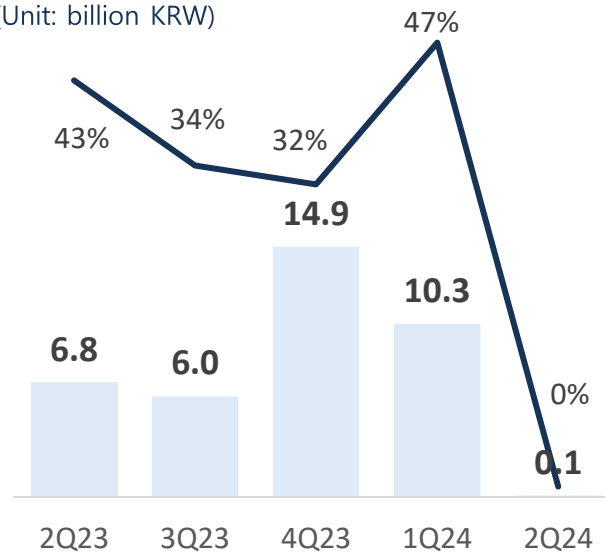
Quarterly Operating Revenue

(Unit: billion KRW)



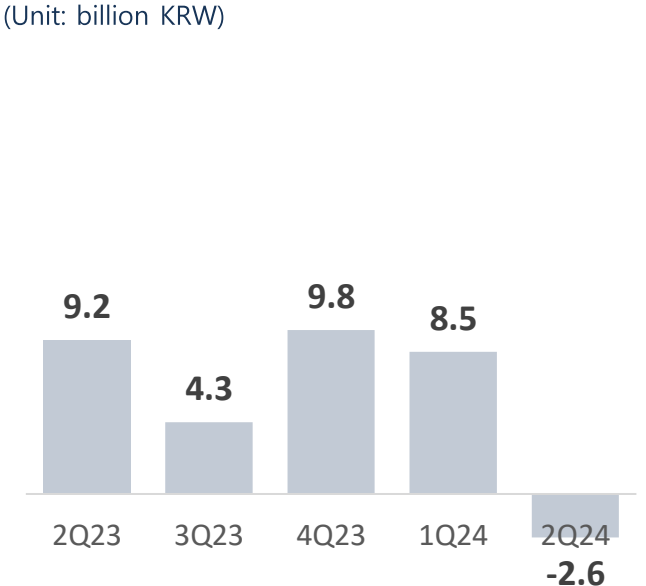
Quarterly Operating Income

(Unit: billion KRW)



Quarterly Net Income

(Unit: billion KRW)



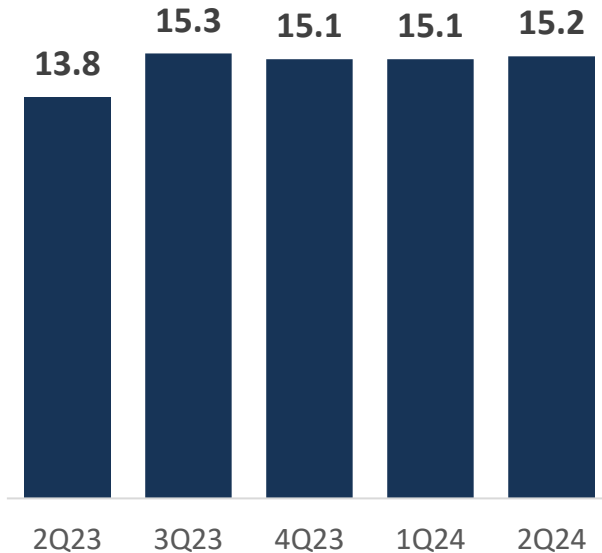
▣ Operating Revenue Breakdown

2Q24 Operating Revenue KRW 16.8B (QoQ Δ 24%)

- Management Fee: Stable KRW 15B per quarter
- Investment Income, etc.: Decrease in fund valuation gain

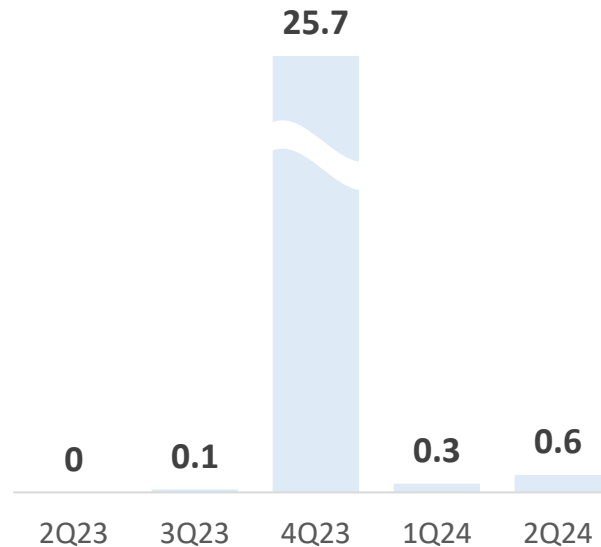
Management Fee

(Unit: billion KRW)



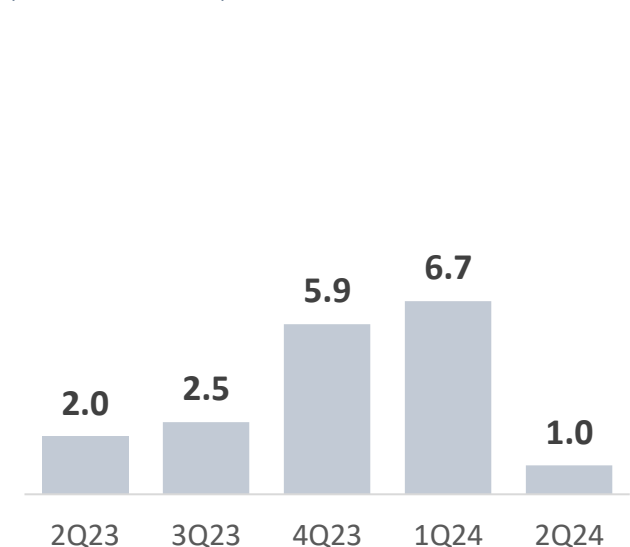
Carried Interest

(Unit: billion KRW)



Investment Income, etc.

(Unit: billion KRW)

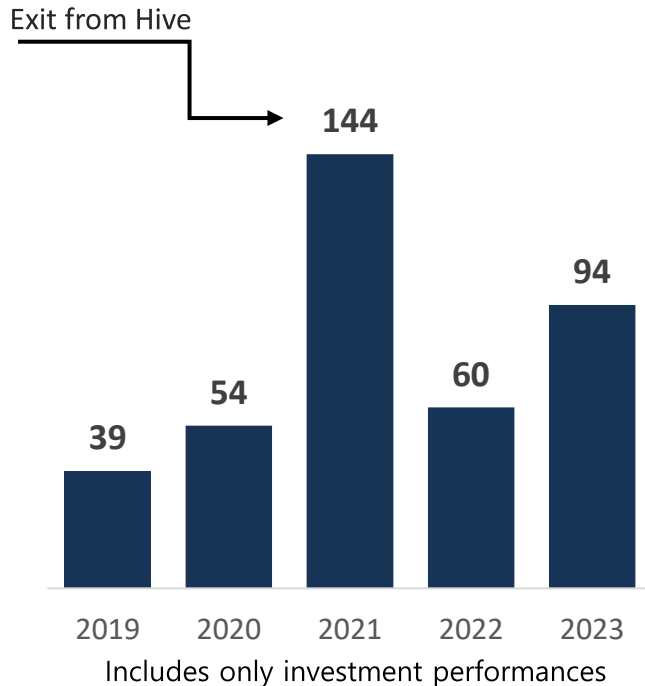


▣ 5-Year Annual Performances (2019 ~ 2023)

- Management fee continues to increase with the growth of fund size (AUM) under management
- Main source of carried interests: Exits from Hive in 2021, HK inno.N in 2022 and Daekyoung O&T in 2023
- Decreased Operating Income in *2022 from the increase in interest rate.

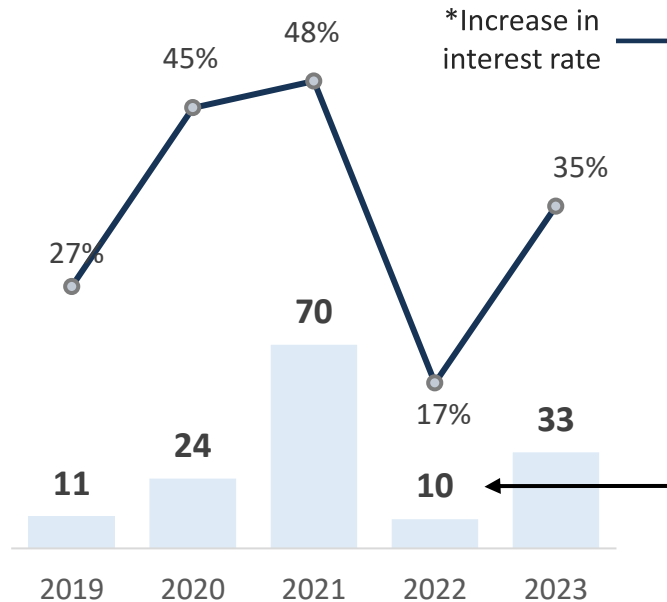
Operating Revenue

(Unit: billion KRW)



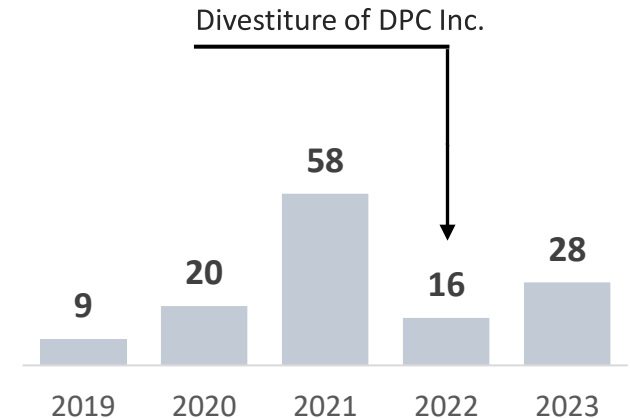
Operating Income/Margin

(Unit: billion KRW)



Net Income

(Unit: billion KRW)



▣ 2Q FY2024 Financial Statements Summary - Consolidated

■ Consolidated Balance Sheet

(Unit: million KRW)

Accounting title	2Q2024	4Q2023	Gap
Current assets	80,825	97,542	△16,717
Non-current assets	188,686	187,315	1,371
Total assets	269,511	284,857	△15,346
Current liabilities	14,483	27,892	△13,409
Non-current liabilities	5,415	4,183	1,232
Total liabilities	19,898	32,075	△12,177
Share capital	59,675	59,675	0
Other components of equity	△8,625	△8,706	81
Retained earnings	198,307	201,591	△3,284
Non-controlling interest	256	222	34
Total equity	249,612	252,782	△3,170

■ Consolidated Income Statement

(Unit: million KRW)

Accounting title	1H2024	1H2023	YoY	
			Gap	Rate
Operating revenue	38,878	29,150	9,728	33.37%
Management fees	30,321	23,981	6,340	26.44%
Carried Interest	909	-	909	-
Investment income*	6,380	3,491	2,889	82.76%
Others	1,267	1,678	△411	△24.49%
Operating expenses	28,565	17,026	11,539	67.77%
Investment expenses*	6,134	1,107	5,027	454.11%
Others	120	95	25	26.32%
Administrative expenses	22,310	15,824	6,486	40.99%
Operating Income	10,313	12,123	△1,810	△14.93%
Profit before tax	8,365	16,303	△7,938	△48.69%
Net profit	5,864	13,443	△7,579	△56.38%

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

STIC Investments

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