



INVESTOR RELATIONS

October 2020 | KineMaster Corporation



Disclaimer

The financial information contained in this document is based on consolidated K-IFRS and has not been reviewed by an independent auditor.

Therefore, the information and financial data contained in this document are subject to change upon an independent auditor's review.

KineMaster Corporation is not liable for providing future updates on all figures included in this document. Investors should consider this document as only a single factor in making their investment decision.

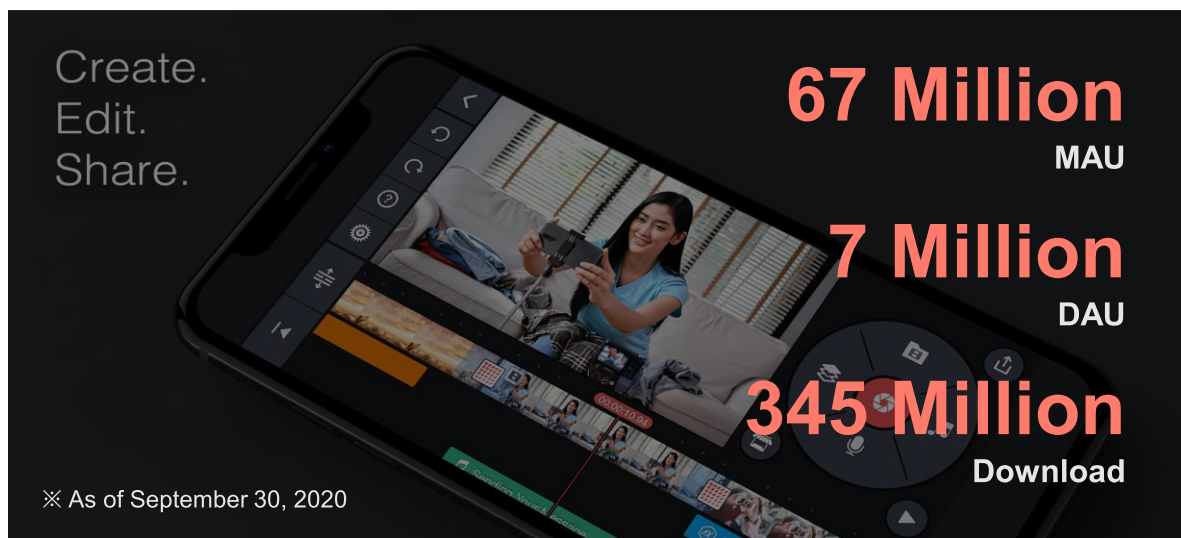


Contents

01. Business KineMaster / PlayerSDK	4
02. 3Q 2020 KineMaster / PlayerSDK Performance	6
03. 3Q 2020 Earnings Summary	10
04. Market Trend Video Editing App Market	14
05. Appendix History / Governance	20

Business | KineMaster; The Most Powerful Video Editing App on Mobile

- > An intuitive user interface and experience-based mobile video editing app
- > Subscription model ; remove watermark and ads, full access to premium assets added every week
- > Asset store provides professional assets, such as music, sound effects, visual effects and transitions, stickers, animated overlays, and fonts
- > The editing app to create professional video content without a computer with Multi-layered, Chroma Key, Speed Adjust, Transition, Subtitles, Reverse, Color Filters, and Advanced Audio Editing Feature



**Subscription
& Ads**
\$3.99/month, \$22.99/year
Ads for free users

languages
Support for more than
18 languages and CS

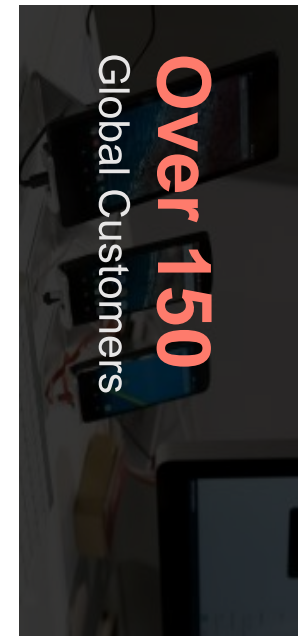
OS
iOS & Android

Country
Global services to
more than 155
countries



Business | Player SDK; Multiscreen Player SDK for video apps

- > Provide highest video quality for OTT service providers
- > Smartphones & Tablets, Smart TVs, STBs, Web Browsers
- > Excellent and timely customer support



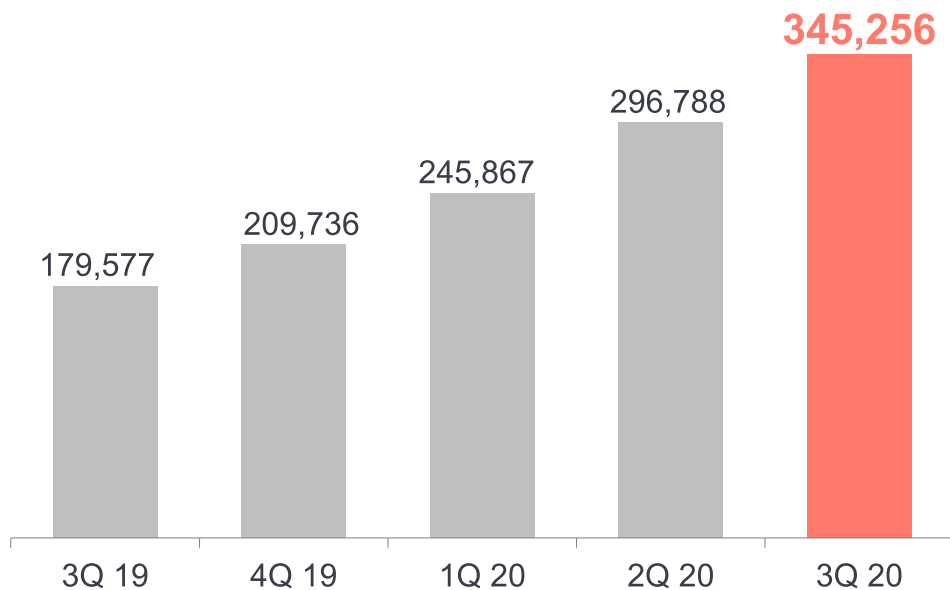


3Q 2020 | KineMaster Download

> Cumulative Downloads

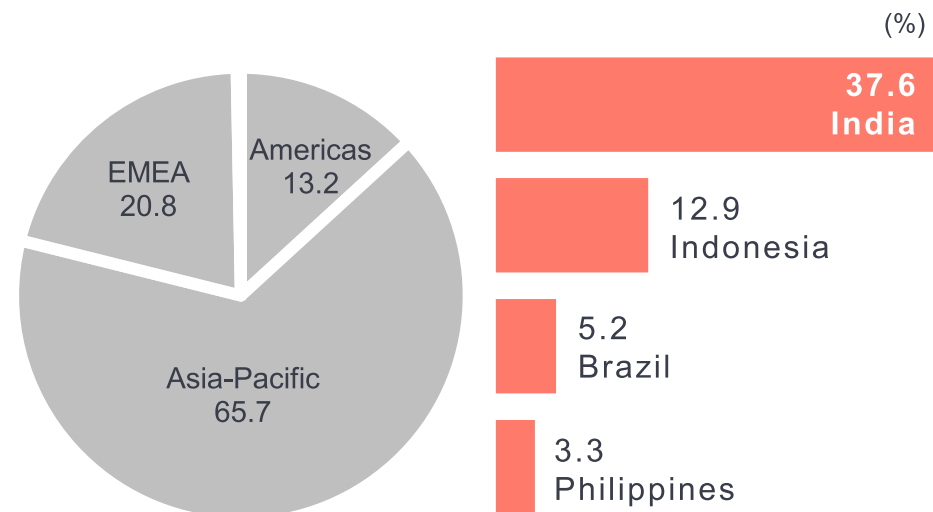
Accumulated downloads YoY +92% / QoQ +16% in 3Q20

(in thousands)



> 3Q Downloads by Country

India and Indonesia account for about 50.6% of Asia-Pacific



※ The figure above is a download by country that occurred in Q3.

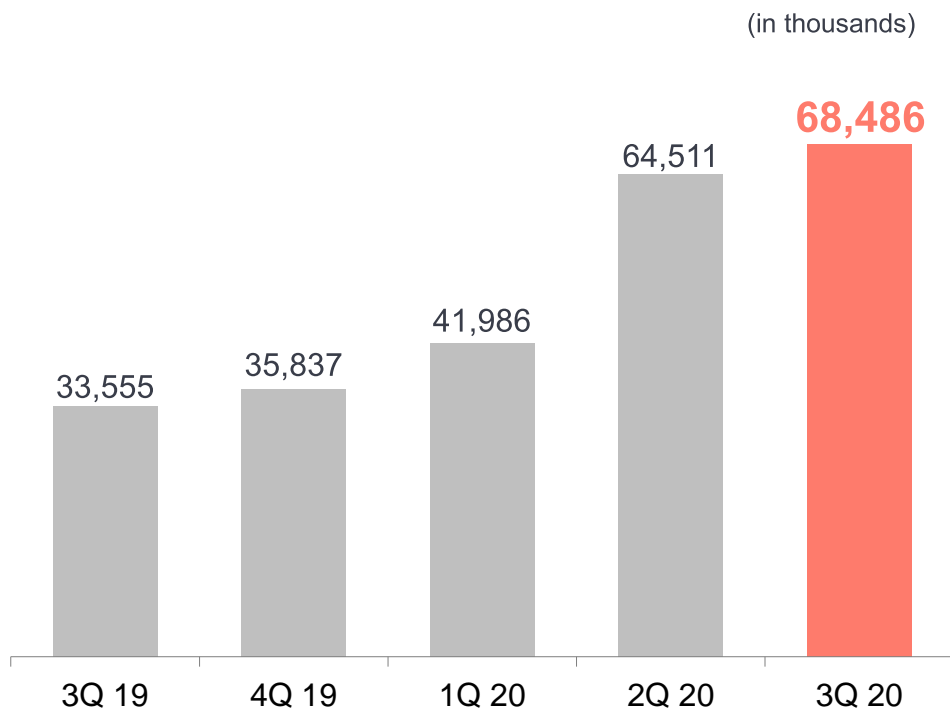
※ Iraq 3.2%, Pakistan 3.1%, Egypt 3.0%, United States 2.9%, China 2.2%, Bangladesh 2.1% are included in the top ranks.



3Q 2020 | KineMaster MAU

> KineMaster MAU

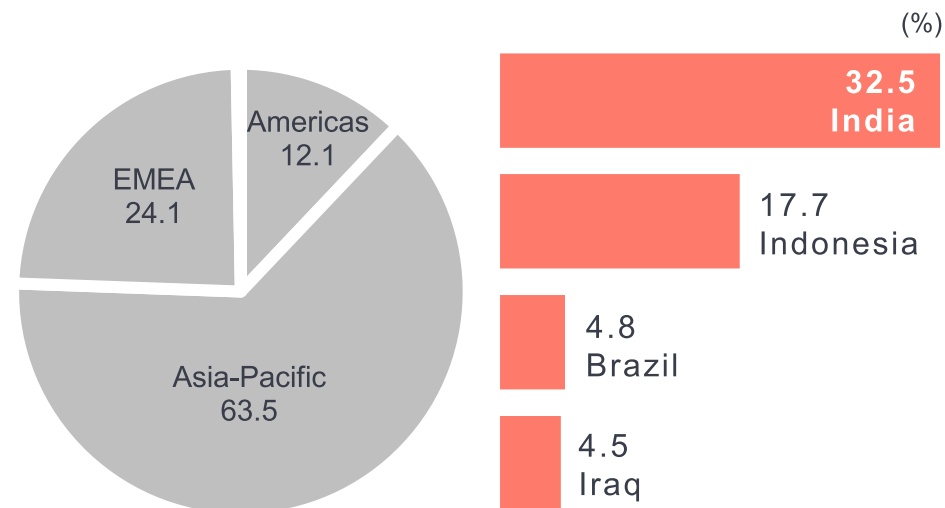
MAU YoY +104% / QoQ +6% in 3Q20



※ Average of monthly MAU.

> MAU by Country

India and Indonesia account for about 50.2% of Asia-Pacific



※ Android + iOS MAU based on Android, and iOS in 3Q20.

※ Egypt 3.7%, Philippines 3.1%, Pakistan 2.6%, United States 2.5%, Bangladesh 1.9%, Russia 1.6% are included in the top ranks.

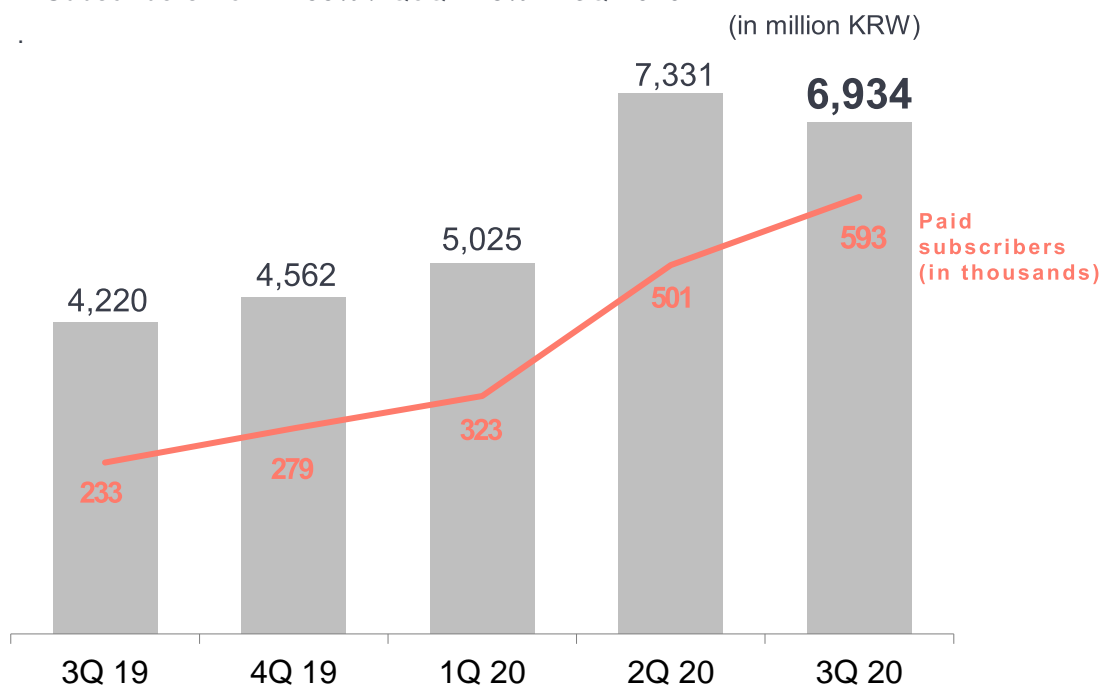


3Q 2020 | KineMaster Revenue

> KineMaster Revenue

Revenue YoY +64% / QoQ -5% in 3Q 2020

Subscribers YoY +155% / QoQ +18% in 3Q 2020

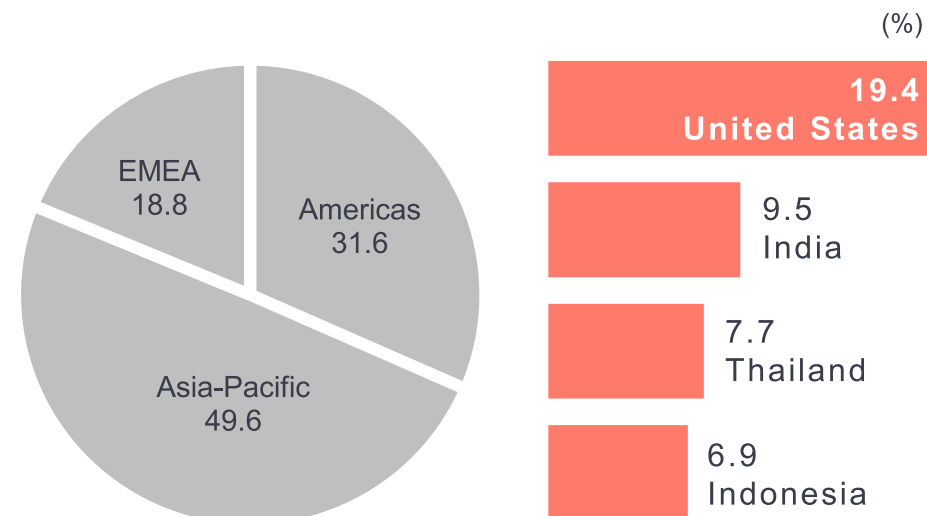


※ The total revenue includes subscriptions, Ads, and Premium IP Asset with the highest percentage of subscription revenue.

※ The number of subscribers is the average for each quarter, and Android includes users during the free trial period.

> Revenue by Country

United States account for about 19.4% of Americas



※ Cumulative revenue based on Android, and iOS in 3Q20.

※ Brazil 6.5%, Korea 6.5%, China 5.7%, Philippines 3.3%, Japan 3.0%

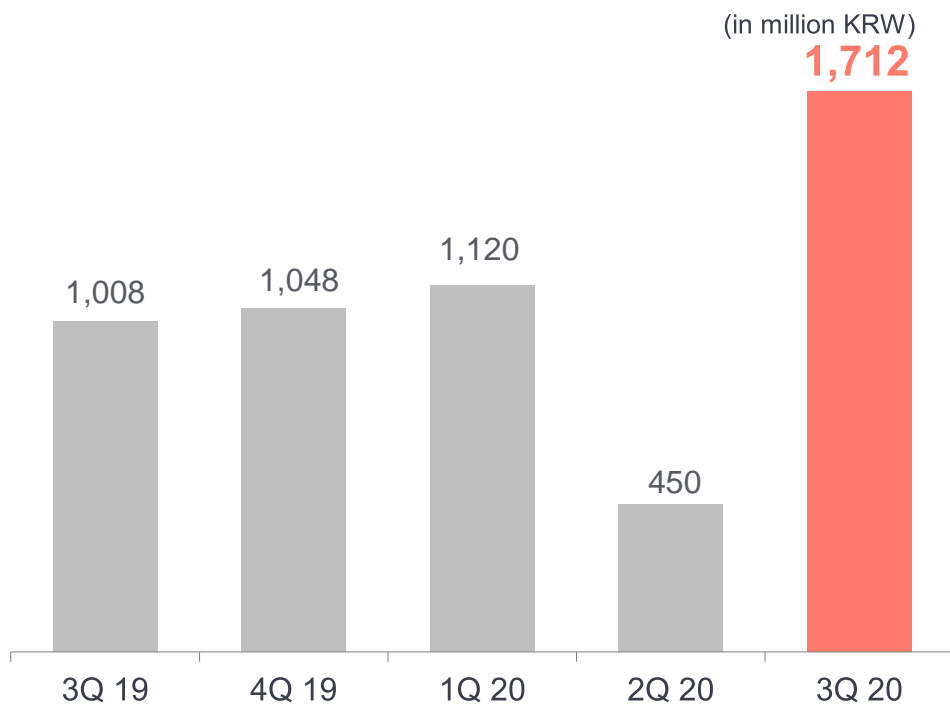
Saudi Arabia 2.8% are included in the top ranks.



3Q 2020 | PlayerSDK Revenue

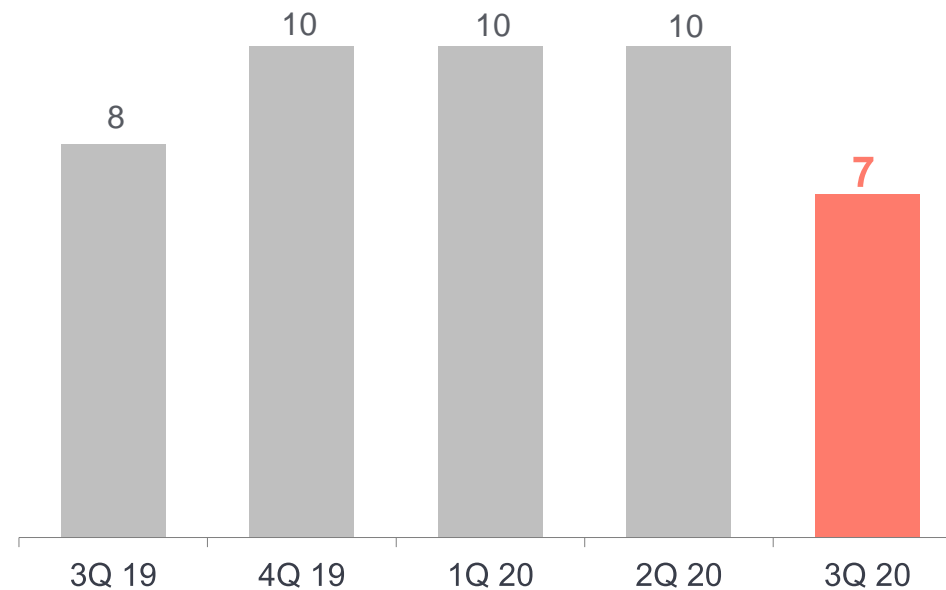
> PlayerSDK Revenue

Revenue YoY -58% / QoQ -60% in 3Q 2020.



> PlayerSDK Customers

Customers YoY -9%





3Q 2020 | Earnings Summary

(in million KRW)

	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	QoQ	YoY	3Q YTD
Total Revenue	5,512	5,858	6,172	7,796	8,668	11.19%	57.26%	22,636
KineMaster	4,220	4,562	5,025	7,331	6,934	-5.42%	64.31%	19,289
PlayerSDK	1,008	1,049	1,120	450	1,712	280.44%	69.84%	3,282
Others	284	247	27	15	22	46.67%	-92.25%	65
Operating Expenses	4,871	5,337	5,677	6,426	6,707	4.37%	37.69%	18,811
App commission fee	1,009	1,086	1,260	1,872	1,725	-7.85%	70.96%	4,858
Operating Profit	641	522	495	1,369	1,961	43.25%	205.81%	3,825
% Margin	11.6%	8.91%	8.02%	17.56%	22.62%	-	-	16.90%
Net Profit	705	138	505	1,082	1,439	33.05%	104.14%	3,026
% Margin	12.8%	2.35%	8.19%	13.87%	16.60%	-	-	13.37%

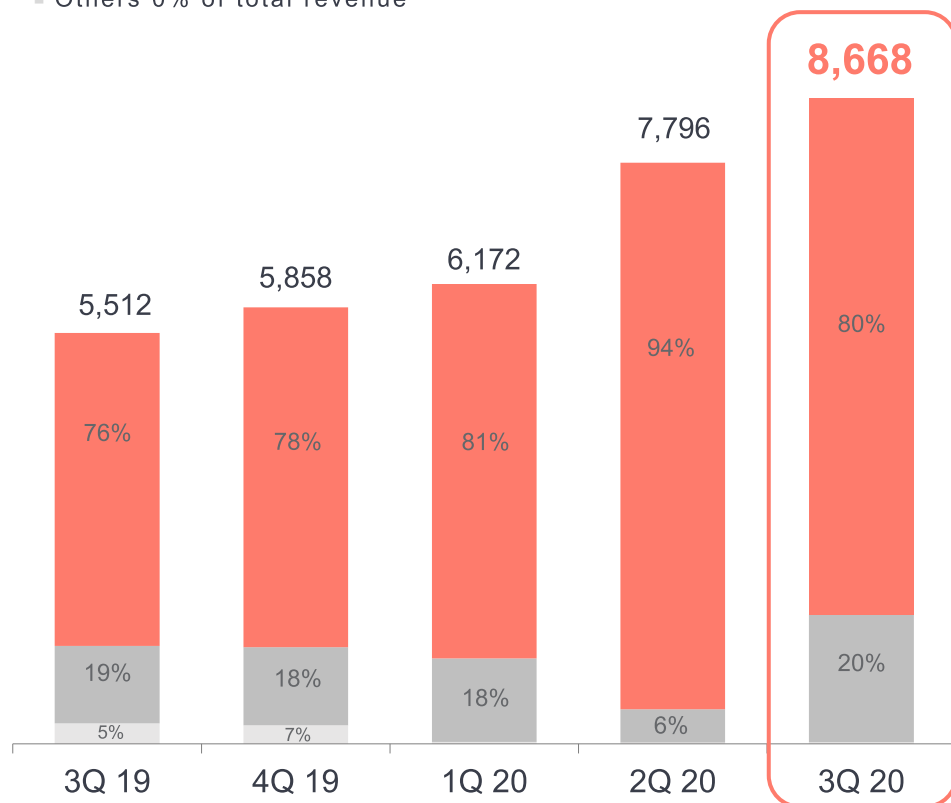


3Q 2020 | Earnings Summary

> Total Revenue

- KineMaster 80% of total revenue
- PlayerSDK 20% of total revenue
- Others 0% of total revenue

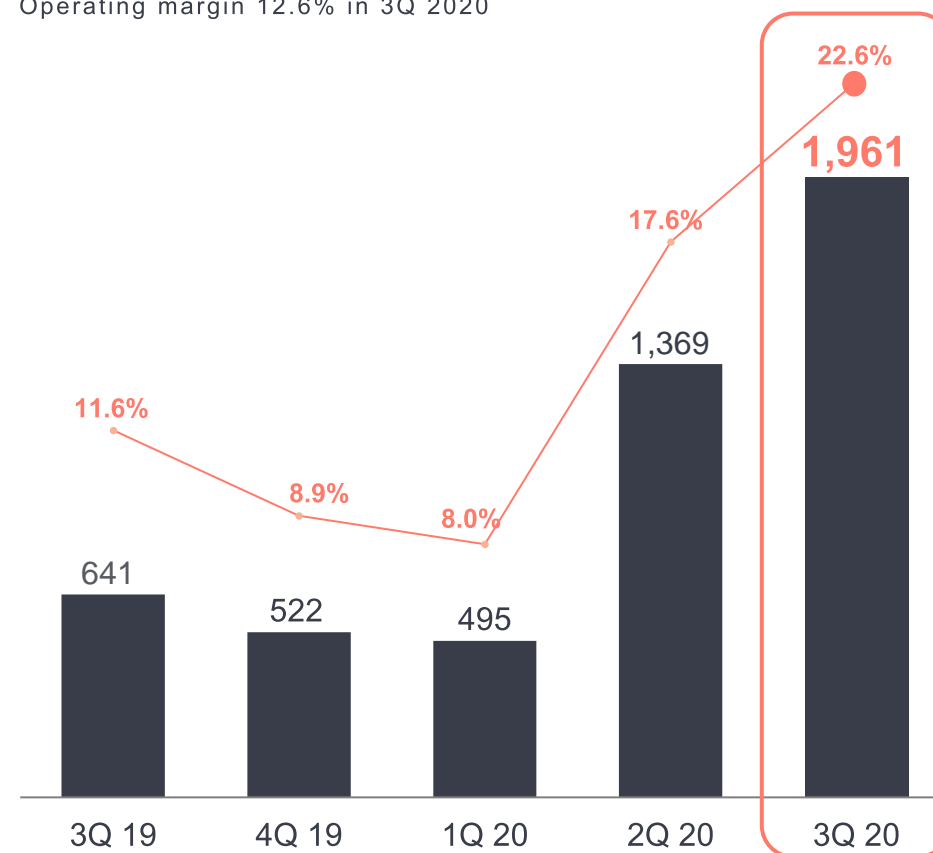
(in million KRW)



> Operating Profit

Operating profit 196mn in 3Q 2020
Operating margin 12.6% in 3Q 2020

(in million KRW)





3Q 2020 | Earnings Summary

> **Continuously adding a variety of new functions to improve user satisfaction**

- KineMaster 4.15 version

Support to duplicate a project to a different aspect (add 3:4, 4:3, 4:5, and 2.35:1 aspect ratio)

Apply a text layer style to all text layers

Apply a color filter to all media in a project

- Premium assets for subscribers

Adds Media (video and images) category to the Asset Store

- Promotion in Korea

Promotion for Android users in Korea during Korean Thanksgiving. (50% discount on first payment)

Period: September 29th to October 4th

> **Expanding strategic On/off-line marketing activities with App positioning and Communication**

Official YouTube channel with 1.4M subscribers: increasing collaborative opportunities with Global YouTube Influencer and Global Contents Partner

> **Strategic Plan for 2020**

Reduce benefits for freeusers and increase benefits for subscribers.

The rewarded ads will be developed to increase revenue within 4th quarter.



3Q 2020 | Earnings Summary

(in million KRW)

Statement of Financial Position	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20
Current assets	13,292	12,303	13,902	15,175	16,756
Non-current assets	823	2,045	926	958	772
Total assets	14,115	14,349	14,829	16,133	17,528
Current liabilities	859	1,277	952	1,067	1,163
Non-Current liabilities	707	541	750	775	730
Total liabilities	1,566	1,818	1,701	1,842	1,894
Capital Stock	3,508	3,508	6,773	6,773	6,773
Additional Paid-in and Other Capital	4,592	4,592	1,327	1,327	1,327
Elements of other stockholder's equity	-2,428	-2,428	-2,428	-2,428	-2,428
Accumulated other comprehensive income	7	-23	73	63	70
Retained earnings	6,870	6,881	7,382	8,555	9,892
Total equity	12,549	12,531	13,127	14,291	15,634
Total equity and liabilities	14,115	14,349	14,829	16,133	17,528

(in million KRW)

Income Statement	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	9M 20
Revenue	5,512	5,858	6,172	7,796	8,668	22,636
Operating expenses	4,871	5,337	5,677	6,426	6,707	18,811
Operating profit	641	522	495	1,369	1,961	3,825
<i>Margin (%)</i>	11.6	8.9	8.0	17.6	22.6	16.9
Non-operating profit	199	-43	228	79	15	138
Non-operating expenses	43	88	42	218	213	289
Net profit before tax	798	391	681	1,230	1,764	3,675
Income tax expense	92	253	175	148	325	649
Net profit	705	138	505	1,082	1,439	3,026
Total comprehensive income	711	-18	596	1,066	1,441	3,104
EPS(won)	108	21	39	83	110	232



Market Trend I

Video Editing App Market – Source: *App Annie*

Ranking (3Q 20)	App	Revenue 1Q 20	Revenue 2Q 20	Revenue 3Q 20	QoQ	YoY	% of Total	9M 19	9M 20
1	-	\$3,864,542	\$7,825,451	\$8,399,430	7.33%	398.46%	13.01%	\$1,719,013	\$20,089,423
2	-	\$5,711,756	\$7,447,090	\$6,701,400	-10.01%	47.12%	10.38%	\$12,497,604	\$19,860,246
3	-	\$3,709,492	\$4,711,090	\$4,661,477	-1.05%	34.07%	7.22%	\$10,560,815	\$13,082,059
4	-	\$1,925,369	\$3,712,281	\$4,204,782	13.27%	89.16%	6.51%	\$3,534,222	\$9,842,432
5	-	\$2,111,918	\$3,923,225	\$3,809,508	-2.90%	108.91%	5.90%	\$4,837,182	\$9,844,651
6	KineMaster	\$2,539,441	\$3,948,279	\$3,635,710	-7.92%	54.88%	5.63%	\$5,538,005	\$10,123,430
7	-	\$3,436,855	\$3,425,629	\$3,297,008	-3.75%	-28.76%	5.11%	\$14,836,575	\$10,159,492
8	-	\$3,099,211	\$3,930,444	\$3,181,821	-19.05%	11.67%	4.93%	\$11,948,994	\$10,211,476
9	-	\$2,812,434	\$3,428,564	\$2,987,584	-12.86%	3.62%	4.63%	\$7,358,015	\$9,228,582
10	-	\$2,592,727	\$2,685,453	\$2,656,767	-1.07%	-41.21%	4.11%	\$14,408,465	\$7,934,947
11	-	\$1,208,467	\$1,522,625	\$1,864,651	22.46%	-16.38%	2.89%	\$4,325,522	\$4,595,743
12	-	\$773,452	\$1,420,521	\$1,806,828	27.19%	126.18%	2.80%	\$2,711,487	\$4,000,801
13-40	-	\$11,128,259	\$16,235,077	\$17,361,150	6.94%	92.83%	26.89%	\$27,610,854	\$44,724,486
Total		\$44,913,923	\$64,215,729	\$64,568,116	0.55%	50.08%	100.00%	\$121,886,753	\$173,697,768

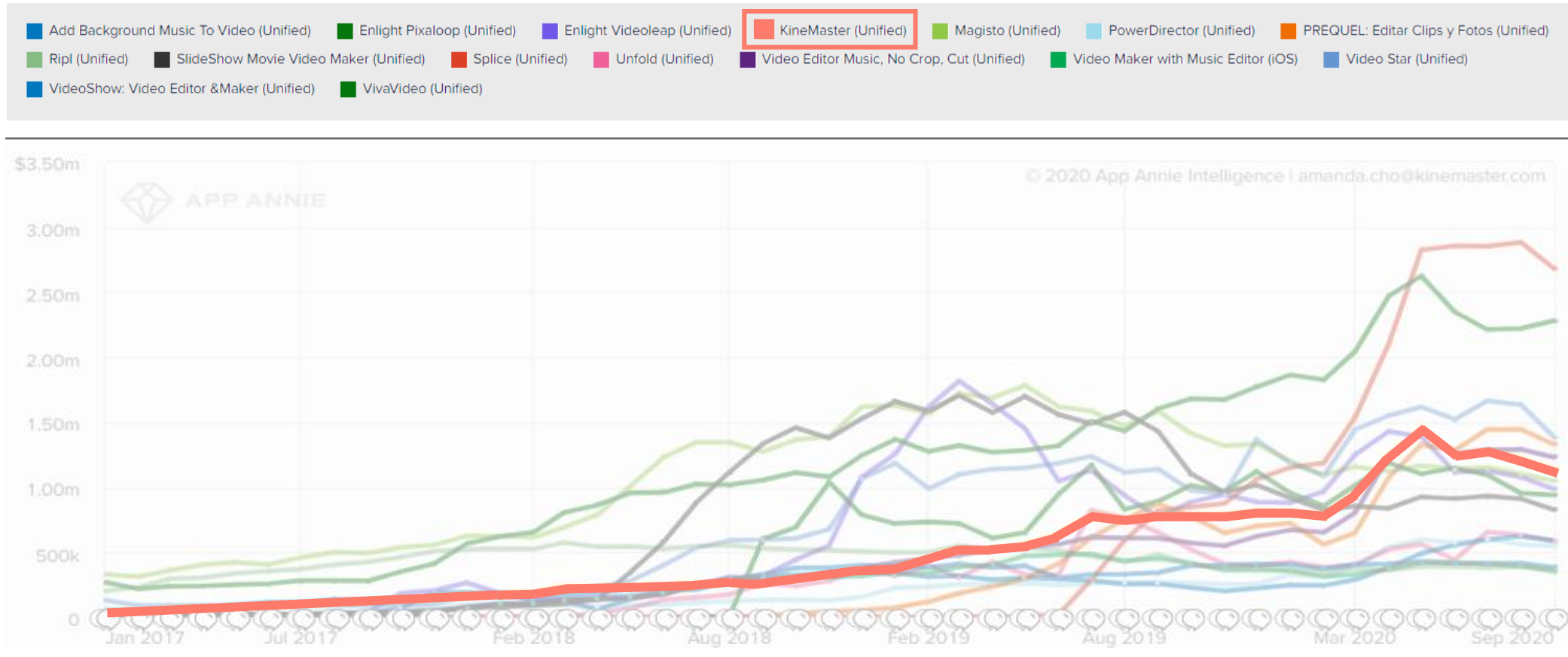
※ This information is estimated revenue from App annie; it does not include 30% store platform commission, Ads or Android revenue from China.

※ The ranking is based on rewritten by company which includes only the video editing app market, except for the photo editing app market



Market Trend I Video Editing App Market – Source: *App Annie*

> Android & iOS Estimated Revenue (1Q'17 ~ 3Q'20)



※ This information is estimated revenue from App annie.

※ The ranking is based on rewritten by company which includes only the video editing app market, except for the photo editing app market



Market Trend I

Video Editing App Market – Source: *App Annie*

Ranking (3Q 20)	App	MAU 1Q 20	MAU 2Q 20	MAU 3Q 20	QoQ	YoY	% of Total
1	-	46,454,096	69,176,489	60,765,527	-12.16%	93.05%	25.48%
2	KineMaster	33,342,458	54,608,809	43,988,992	-19.45%	117.26%	18.44%
3	-	22,178,544	32,243,770	21,970,911	-31.86%	24.16%	9.21%
4	-	10,996,415	17,475,693	12,331,824	-29.43%	94.58%	5.17%
5	-	10,026,144	13,346,290	10,561,629	-20.86%	2.84%	4.43%
6	-	-	1,820,785	9,246,656	407.84%	-	3.88%
7	-	8,790,691	13,242,632	7,993,463	-39.64%	-7.01%	3.35%
8	-	8,395,866	12,304,802	7,921,264	-35.62%	17.67%	3.32%
9	-	1,288,220	5,718,767	6,198,706	8.39%	501.56%	2.60%
10	-	23,979	1,466,448	5,641,361	284.70%	-	2.37%
11	-	19,898	2,038,796	5,238,497	156.94%	-	2.20%
12	-	2,689,440	5,132,098	4,396,707	-14.33%	9936.46%	1.84%
13-45	-	26,667,064	43,265,654	42,240,710	-2.37%	99.52%	17.71%
Total		170,872,814	271,841,034	238,496,246	-12.27%	92.96%	100.00%

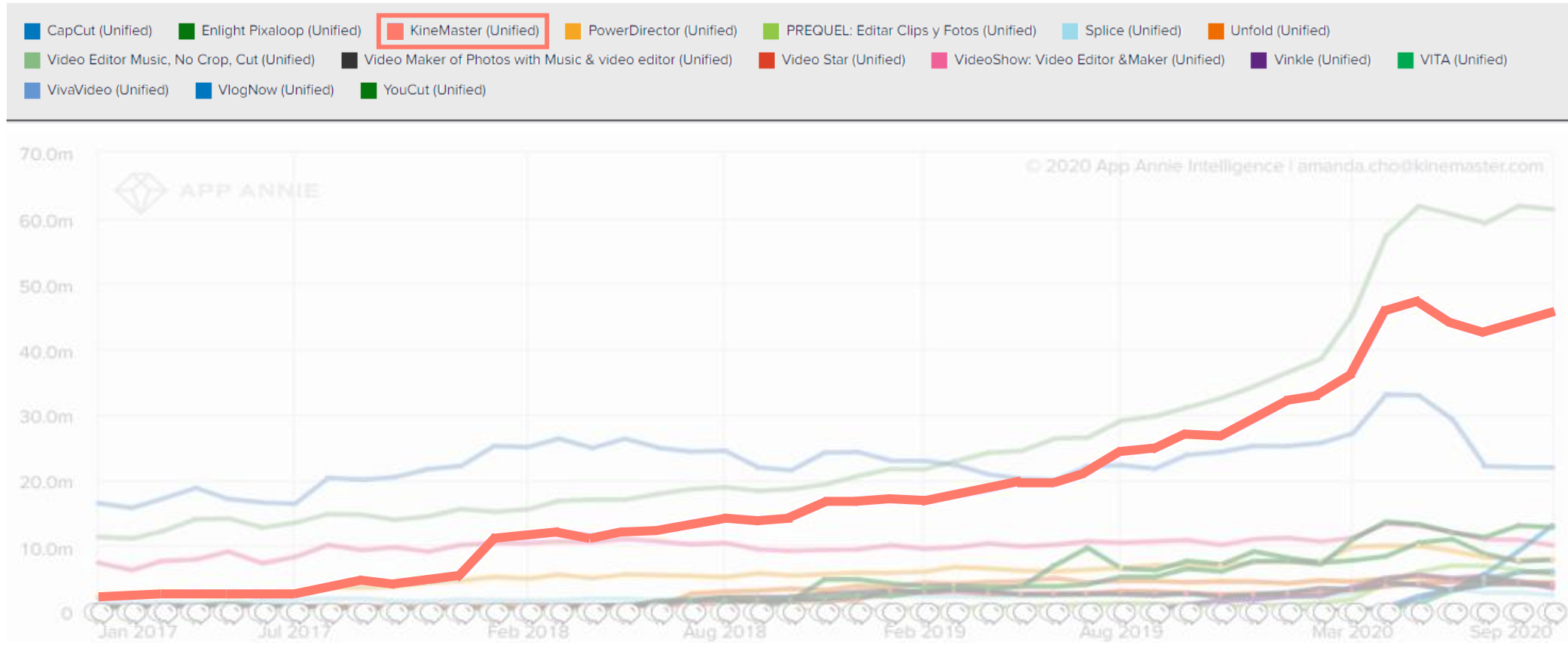
※ This information is estimated MAU from App annie.

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Market Trend I Video Editing App Market – Source: *App Annie*

> Android & iOS Estimated MAU (1Q'17 ~ 3Q'20)



※ This information is estimated MAU from App annie.

※ The ranking is based on rewritten by company which includes only the video editing app market, except for the photo editing app market.

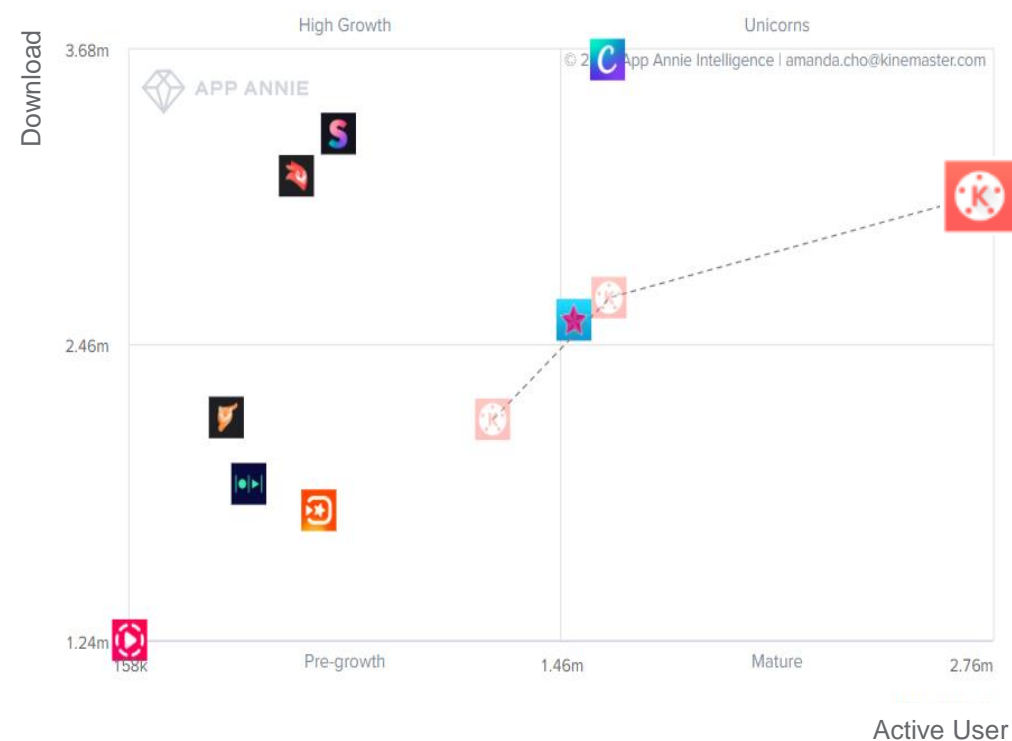


Market Trend I Video Editing App Market – Source: *App Annie*

> Android & iOS User attention (1Q'20 ~ 3Q'20)



> Android & iOS Growth (1Q'20 ~ 3Q'20)



※ The information is estimated data provided by App Annie does not math the actual performance.

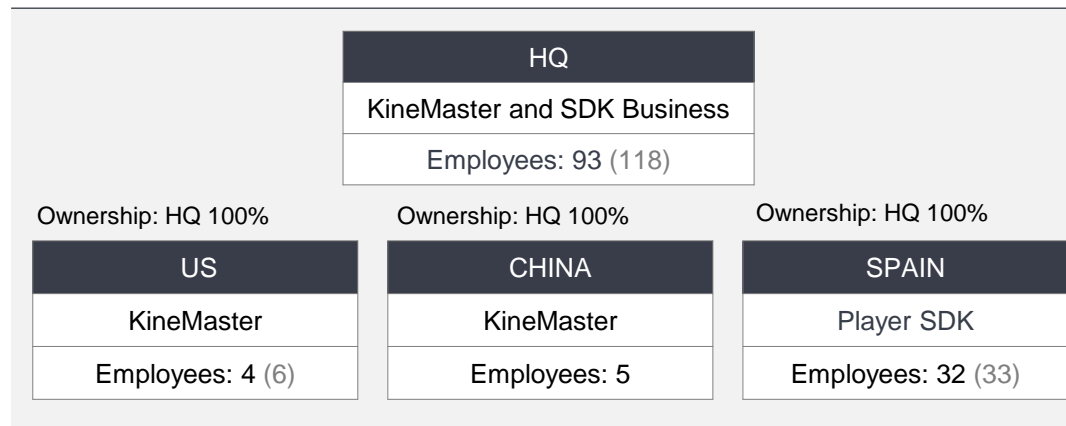


Appendix I History / Governance

History

- 2002 Company founded
- 2005 Provided streaming player to Samsung Electronics
- 2010 Provided streaming player to LG Electronics
- 2011 Listed on KOSDAQ
- 2011 Provided Android player SDK to HBO
- 2012 Started KineMaster app development
- 2013 Provided Player SDK to Time Warner Cable
- 2013 KineMaster Android version
- 2013 SingPlay Android version
- 2015 Provided video editing solution to XiaoMi
- 2017 KineMaster iOS version
- 2018 KineMaster exceeded 80M total downloads
- 2019 KineMaster exceeded 120M total downloads /25M MAU
- 2019 Changed the company name to KineMaster Corporation
- 2019 KineMaster exceeded 210M total downloads /37M MAU
- 2019 BeatSync Android version
- 2020 Capital increase without compensation
- 2020 KineMaster exceeded 240M total downloads /47M MAU
- 2020 KineMaster exceeded 297M total downloads /64M MAU
- 2020 KineMaster exceeded 345M total downloads /67M MAU

Subsidiary



※ () are based on total operating employees including key freelancers and outsourced staffs.

List of shareholders

Il-taek Lim	1,574,407	11.62%	Cofounder · CEO
Jae-won Chung	1,076,286	7.95%	Cofounder · COO
Treasury Stock	487,515	3.60%	-
SOLBORN, Inc and parties concerned	4,543,251	33.54%	Investors
Etc	5,864,848	43.29%	-
Total	13,546,373	100.00%	-



3rd Quarter 2020 Results | KineMaster Corporation

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