



# INVESTOR RELATIONS

4Q 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

<b>01. Business</b>   KineMaster / PlayerSDK	4
<b>02. 4Q 2020</b>   KineMaster / PlayerSDK Performance	6
<b>03. 4Q 2020</b>   Earnings Summary	10
<b>04. Market Trend</b>   Video Editing App Market	14
<b>05. Appendix</b>   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

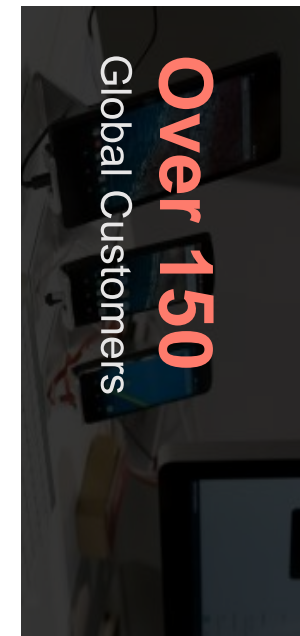
**OS**  
iOS & Android

**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



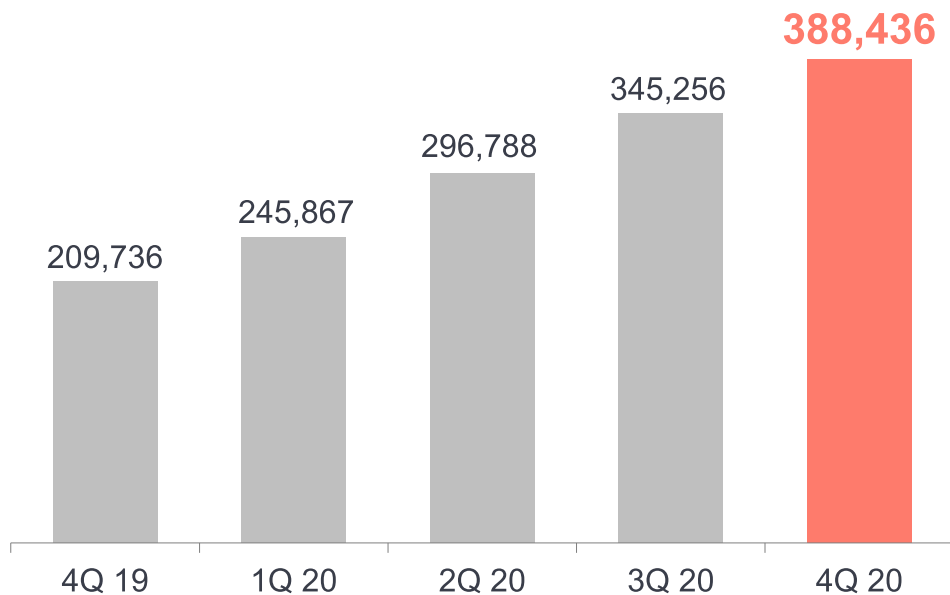


# 4Q 2020 | KineMaster Download

## > Cumulative Downloads

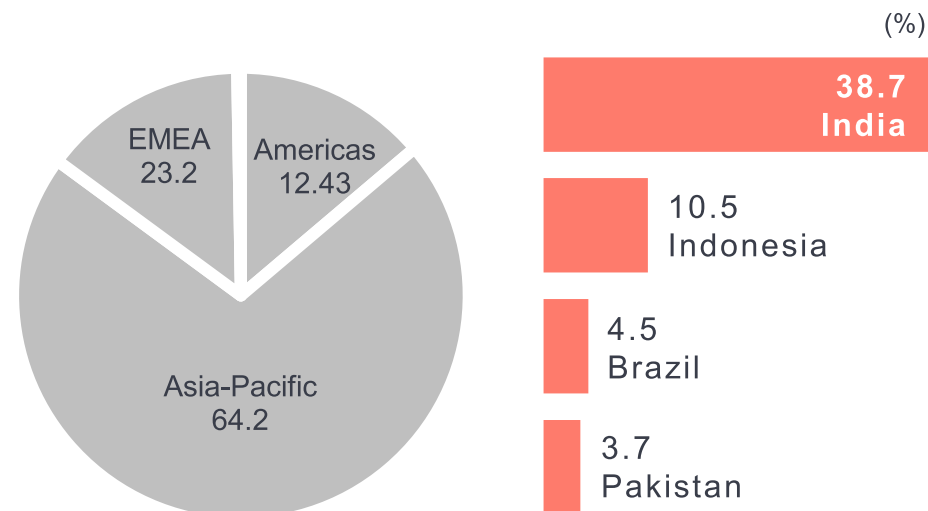
Accumulated downloads YoY +85% / QoQ +12% in 4Q20

(in thousands)



## > 4Q Downloads by Country

India and Indonesia account for about 49.3% of Asia-Pacific



※ The figure above is a download by country that occurred in Q4.

※ Iraq 3.7%, Philippines 3.7%, Egypt 3.2%, United States 3.0%, Bangladesh 2.0%, China 2.0% are included in the top ranks.

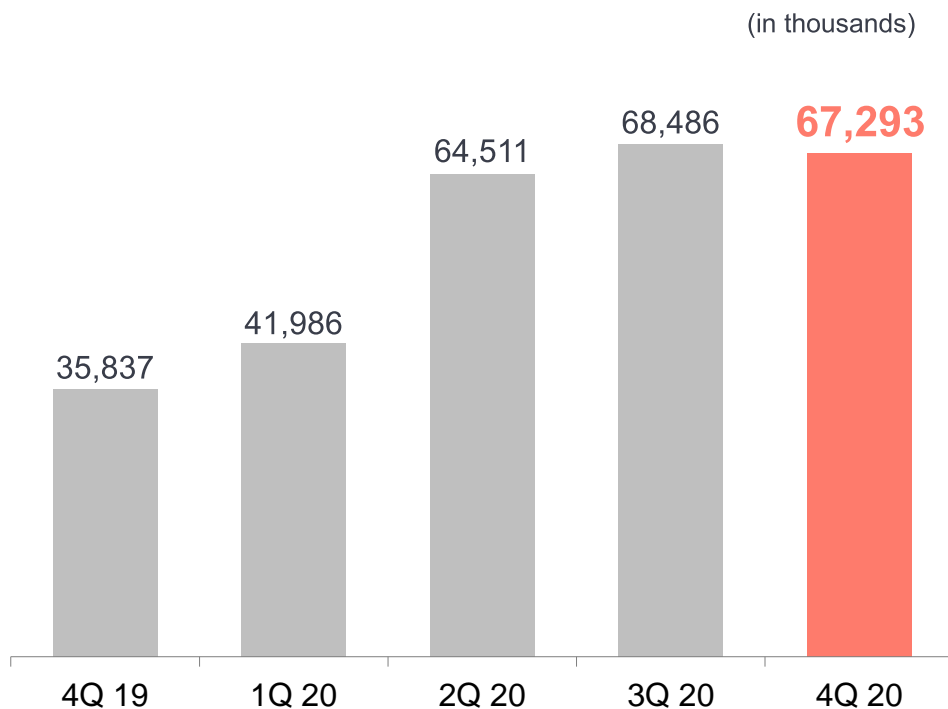


# 4Q 2020 | KineMaster MAU

## > KineMaster MAU

MAU YoY +88% / QoQ -2% in 4Q20

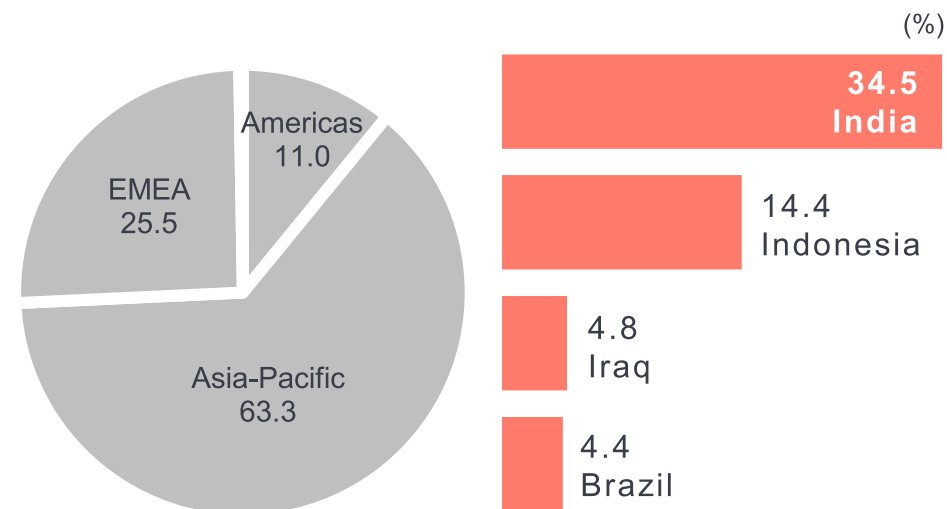
(in thousands)



※ Average of monthly MAU.

## > MAU by Country

India and Indonesia account for about 48.9% of Asia-Pacific



※ Android + iOS MAU based on Android, and iOS in 4Q20.

※ Egypt 3.8%, Pakistan 3.5%, Philippines 3.1%, United States 2.7%, Bangladesh 1.9%, China 1.8% are included in the top ranks.

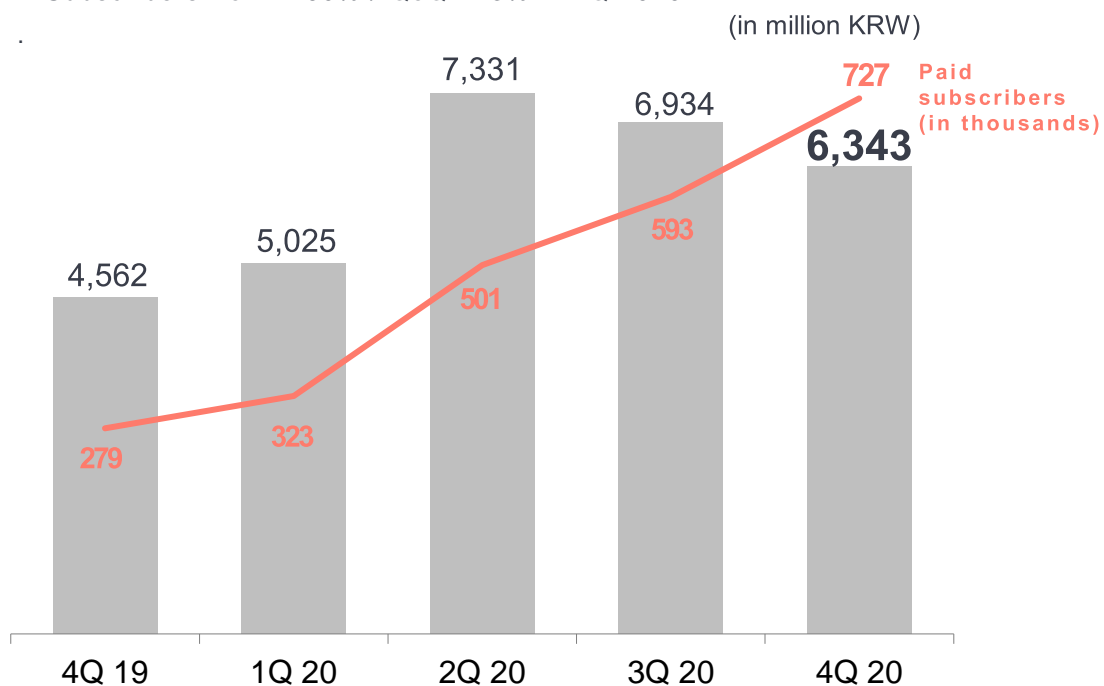


# 4Q 2020 | KineMaster Revenue

## > KineMaster Revenue

Revenue YoY +39% / QoQ -9% in 4Q 2020

Subscribers YoY +160% / QoQ +23% in 4Q 2020

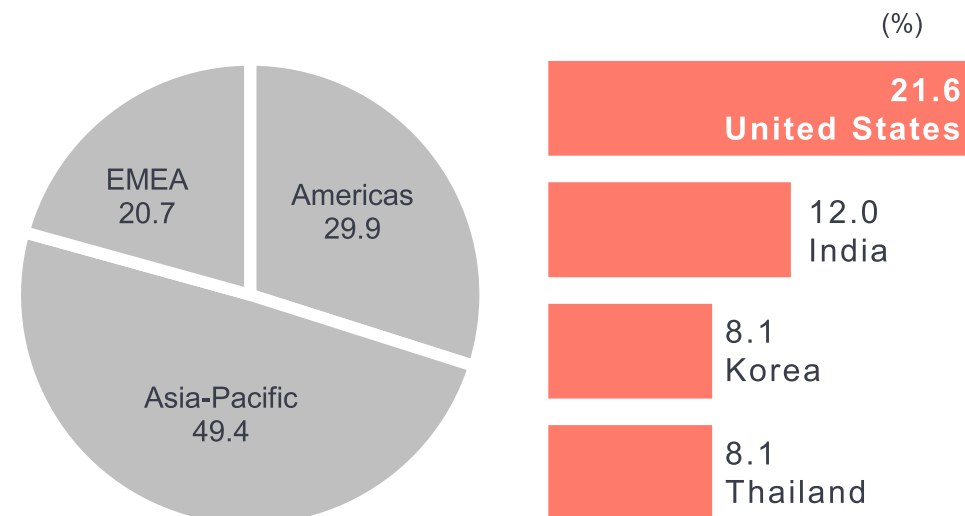


※ The total revenue includes subscriptions, Ads, and Premium IP Asset with the highest percentage of subscription revenue.

※ 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 21.6% of Americas



※ Cumulative revenue based on Android, and iOS in 4Q20.

※ Indonesia 7.9%, Brazil 6.8%, China 5.8%, Philippines 4.3%, Saudi Arabia 3.7%, Japan 3.2% are included in the top ranks.

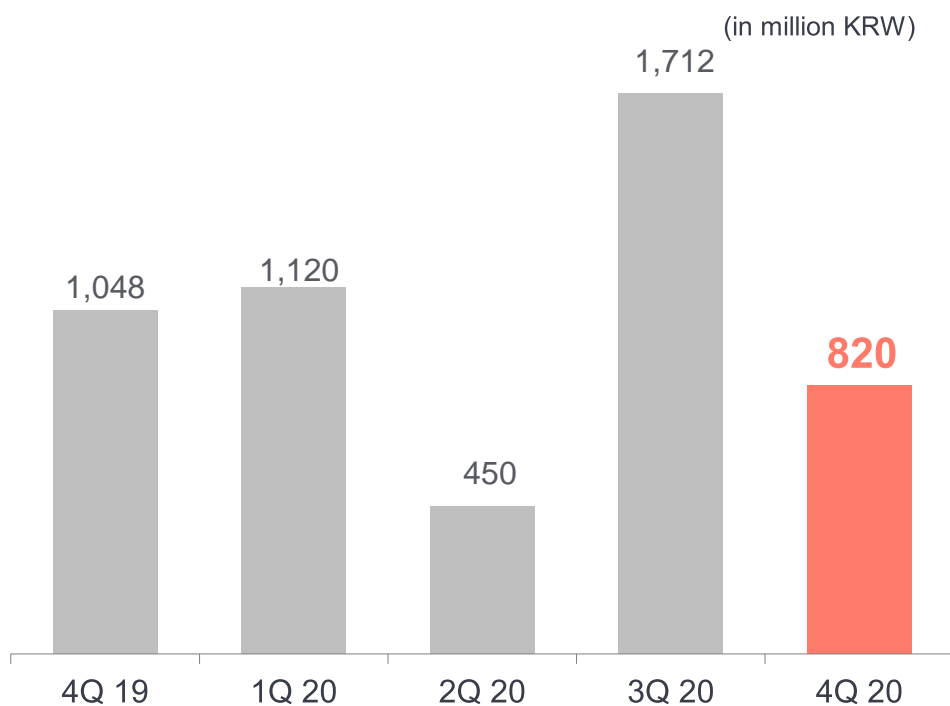




# 4Q 2020 | PlayerSDK Revenue

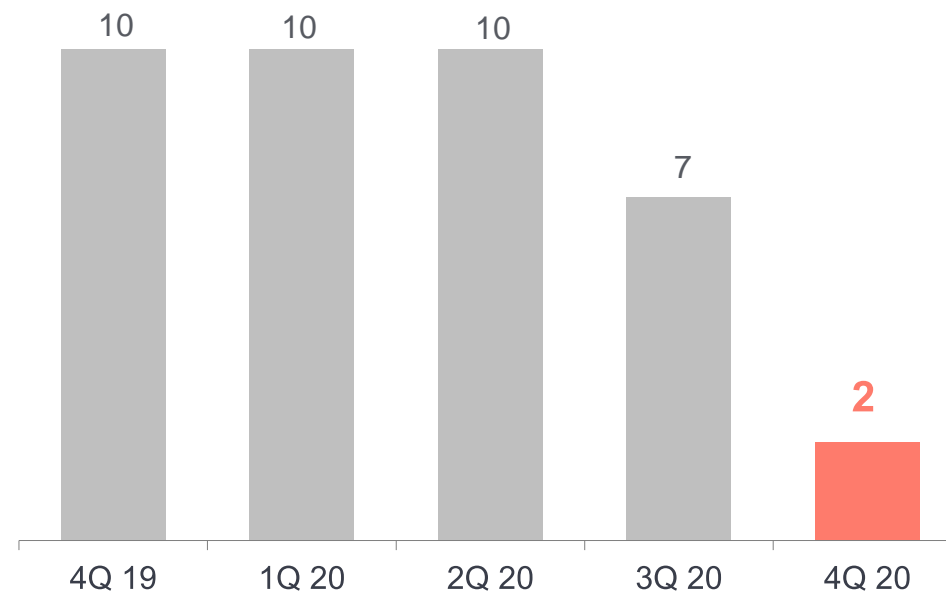
## > PlayerSDK Revenue

Revenue YoY -22% / QoQ -52% in 4Q 2020.



## > PlayerSDK Customers

Customers YoY -80% / QoQ -71% in 4Q 2020.





# 4Q 2020 | Earnings Summary

(in million KRW)

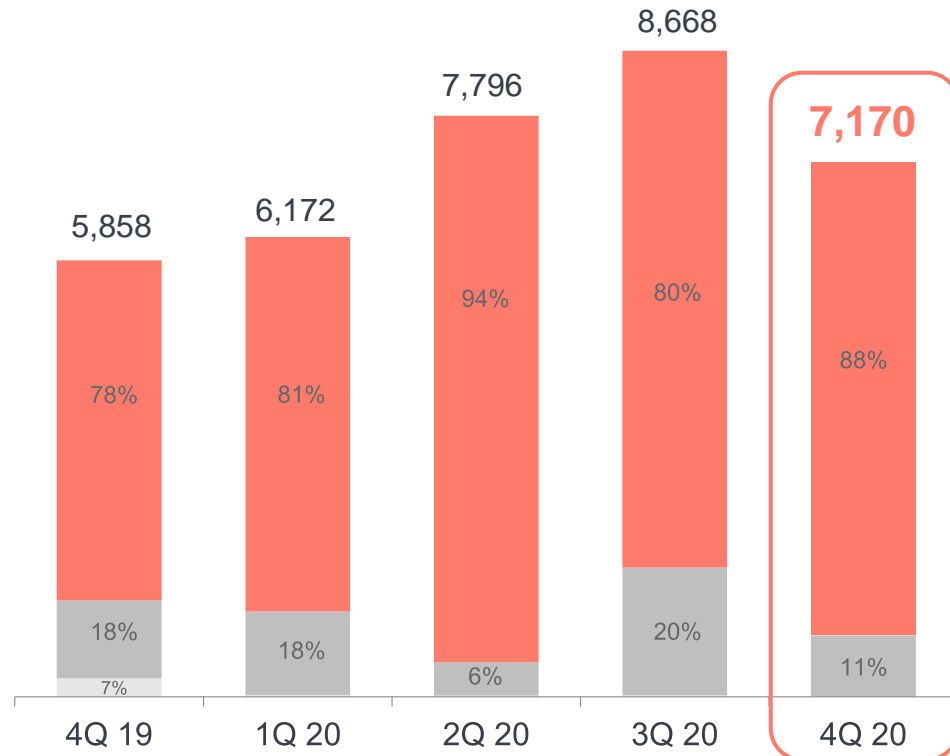
	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20	QoQ	YoY	20 FY
<b>Total Revenue</b>	5,858	6,172	7,796	8,668	<b>7,170</b>	-17.29%	22.38%	<b>29,805</b>
<b>KineMaster</b>	<b>4,562</b>	<b>5,025</b>	<b>7,331</b>	<b>6,934</b>	<b>6,343</b>	<b>-8.51%</b>	<b>39.04%</b>	<b>25,632</b>
PlayerSDK	1,049	1,120	450	1,712	<b>820</b>	-52.10%	-21.80%	<b>4,102</b>
Others	247	27	15	22	<b>6</b>	-71.92%	-97.46%	<b>71</b>
<b>Operating Expenses</b>	5,337	5,677	6,426	6,707	<b>6,891</b>	2.75%	29.13%	<b>25,702</b>
App commission fee	1,086	1,260	1,872	1,725	<b>1,428</b>	-17.23%	31.46%	<b>6,285</b>
<b>Operating Profit</b>	522	495	1,369	1,961	<b>278</b>	-85.80%	-46.65%	<b>4,104</b>
% Margin	8.91%	8.02%	17.56%	22.62%	<b>3.88%</b>	-	-	<b>13.77%</b>
<b>Net Profit</b>	138	505	1,082	1,439	<b>(568)</b>	-	-	<b>2,458</b>
% Margin	2.35%	8.19%	13.87%	16.60%	<b>(7.92%)</b>	-	-	<b>8.25%</b>



# 4Q 2020 | Earnings Summary

## > Total Revenue

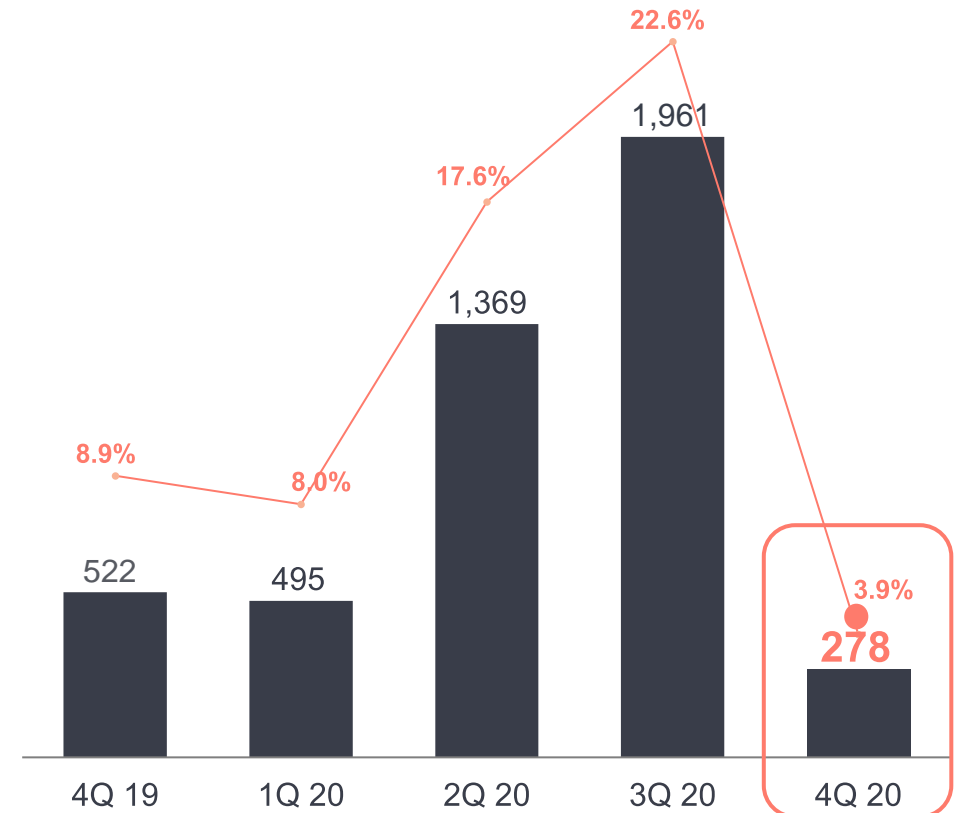
- KineMaster 88% of total revenue
  - PlayerSDK 11% of total revenue
  - Others 1% of total revenue
- (in million KRW)



## > Operating Profit

Operating profit 278mn in 4Q 2020  
Operating margin 3.88% in 4Q 2020

(in million KRW)





# 4Q 2020 | Earnings Summary

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

- KineMaster 4.16 version

The rewarded ads for premium assets

Adds support for animated GIF files

Adds speed control for video layers

- Premium assets for subscribers

A bunch of BGM, music, clip Graphics, transition and video assets are added

- Promotion

Promotion for GooglePlay users during the end of the year and the new year

50% discount on first payment

Period: December 22nd, 2020 to January 3rd, 2021

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

Official YouTube channel with 1.6M 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.

Expect that advertising revenue will be increased with the rewarded ads.

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# 4Q 2020 | Earnings Summary

(in million KRW)

Statement of Financial Position	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20
Current assets	12,303	13,902	15,175	16,756	14,140
Non-current assets	2,045	926	958	772	2,399
<b>Total assets</b>	<b>14,349</b>	<b>14,829</b>	<b>16,133</b>	<b>17,528</b>	<b>16,539</b>
Current liabilities	1,277	952	1,067	1,163	1,372
Non-Current liabilities	541	750	775	730	891
<b>Total liabilities</b>	<b>1,818</b>	<b>1,701</b>	<b>1,842</b>	<b>1,894</b>	<b>2,263</b>
Capital Stock	3,508	6,773	6,773	6,773	6,773
Additional Paid-in and Other Capital	4,592	1,327	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	-23	73	63	70	-59
Retained earnings	6,881	7,382	8,555	9,892	8,663
<b>Total equity</b>	<b>12,531</b>	<b>13,127</b>	<b>14,291</b>	<b>15,634</b>	<b>14,276</b>
<b>Total equity and liabilities</b>	<b>14,349</b>	<b>14,829</b>	<b>16,133</b>	<b>17,528</b>	<b>16,539</b>

(in million KRW)

Income Statement	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20	20 FY
<b>Revenue</b>	<b>5,858</b>	<b>6,172</b>	<b>7,796</b>	<b>8,668</b>	<b>7,170</b>	<b>29,805</b>
<b>Operating expenses</b>	<b>5,337</b>	<b>5,677</b>	<b>6,426</b>	<b>6,707</b>	<b>6,891</b>	<b>25,702</b>
<b>Operating profit</b>	<b>522</b>	<b>495</b>	<b>1,369</b>	<b>1,961</b>	<b>278</b>	<b>4,104</b>
<i>Margin (%)</i>	<i>8.9</i>	<i>8.0</i>	<i>17.6</i>	<i>22.6</i>	<i>3.9</i>	<i>13.8</i>
Non-operating profit	-43	228	79	15	-164	158
Non-operating expenses	88	42	218	213	549	1,022
<b>Net profit before tax</b>	<b>391</b>	<b>681</b>	<b>1,230</b>	<b>1,764</b>	<b>-435</b>	<b>3,240</b>
Income tax expense	253	175	148	325	133	782
<b>Net profit</b>	<b>138</b>	<b>505</b>	<b>1,082</b>	<b>1,439</b>	<b>-568</b>	<b>2,458</b>
Total comprehensive income	-18	596	1,066	1,441	-1,358	1,746
EPS(won)	21	39	83	110	-43	188



# Market Trend I

## Video Editing App Market – Source: *App Annie*

Ranking (4Q 20)	App	Revenue 2Q 20	Revenue 3Q 20	Revenue 4Q 20	QoQ	YoY	% of Total	19 FY	20 FY
1	-	\$7,825,451	\$8,399,430	\$9,267,920	10.34%	141.73%	14.35%	\$4,545,134	\$29,357,343
2	-	\$7,447,090	\$6,701,400	\$7,097,383	5.91%	11.10%	10.99%	\$17,637,927	\$26,957,629
3	-	\$4,711,090	\$4,661,477	\$4,554,444	-2.30%	8.87%	7.05%	\$13,883,342	\$17,636,503
4	-	\$3,923,225	\$3,809,508	\$3,940,031	3.43%	33.20%	6.10%	\$6,589,322	\$13,784,682
5	-	\$3,712,281	\$4,204,782	\$3,569,152	-15.12%	24.71%	5.53%	\$5,695,871	\$13,411,584
6	-	\$3,930,444	\$3,181,821	\$3,538,091	11.20%	5.60%	5.48%	\$14,665,785	\$13,749,567
<b>7</b>	<b>KineMaster</b>	<b>\$3,948,279</b>	<b>\$3,635,710</b>	<b>\$3,203,238</b>	<b>-11.90%</b>	<b>9.80%</b>	<b>4.96%</b>	<b>\$7,960,744</b>	<b>\$13,326,668</b>
8	-	\$3,428,564	\$2,987,584	\$3,163,041	5.87%	0.31%	4.90%	\$10,488,110	\$12,391,623
9	-	\$3,425,629	\$3,297,008	\$3,153,770	-4.34%	-5.13%	4.88%	\$18,963,206	\$13,313,262
10	-	\$2,685,453	\$2,656,767	\$2,661,321	0.17%	-2.46%	4.12%	\$17,500,099	\$10,596,268
11	-	\$1,420,521	\$1,806,828	\$1,925,773	6.58%	37.62%	2.98%	\$3,369,539	\$5,926,574
12	-	\$1,707,510	\$1,704,306	\$1,766,950	3.68%	32.47%	2.74%	\$3,042,584	\$6,199,810
13-41	-	\$16,050,192	\$17,521,495	\$16,743,527	4.44 %	64.87 %	25.92%	\$39,828,644	\$61,638,542
<b>Total</b>		<b>64,215,729</b>	<b>64,575,762</b>	<b>64,584,641</b>	<b>0.01%</b>	<b>52.74%</b>	<b>100.00%</b>	<b>164,170,307</b>	<b>238,290,055</b>

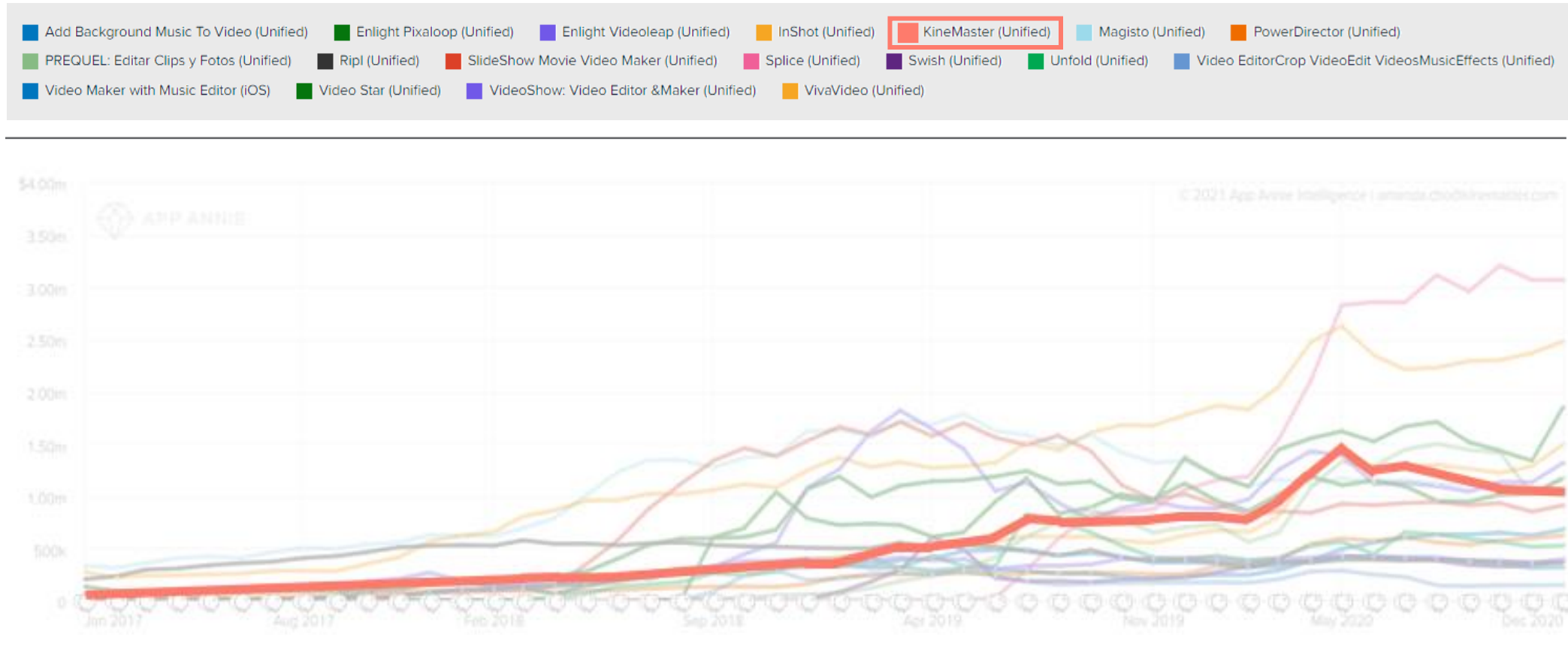
※ This information is estimated revenue from App annie; it does not include 30% store platform commission, Ads or Android revenue from China.

※ 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 ~ 4Q'20)



※ 해당자료는 플랫폼 수수료, 광고수익 그리고 중국 Android가 제외된 추정 매출이며, 앱 시장 리서치 회사 중 가장 신뢰받는 앱애니에서 제공된 추정 DATA로 실제 회사 실적과 일치하지 않습니다.



# Market Trend I

## Video Editing App Market – Source: *App Annie*

Ranking (4Q 20)	App	MAU 2Q 20	MAU 3Q 20	MAU 4Q 20	QoQ	YoY	% of Total
1	-	59,850,833	60,765,527	64,598,332	6.31%	89.73%	24.11%
2	KineMaster	45,737,114	43,988,992	49,471,565	12.46%	43.75%	18.46%
4	-	1,820,785	9,246,656	24,276,640	162.55%	-	9.06%
3	-	31,717,064	21,970,911	23,747,397	8.09%	-4.00%	8.86%
5	-	12,897,664	12,331,824	14,650,575	18.80%	94.49%	5.47%
6	-	12,778,530	10,561,629	10,820,363	2.45%	-3.18%	4.04%
7	-	9,680,118	7,921,264	9,213,727	16.32%	19.57%	3.44%
8	-	9,889,414	7,993,463	7,561,450	-5.40%	-2.75%	2.82%
10	-	2,038,796	5,238,497	7,219,529	37.82%	-	2.69%
9	-	1,466,448	5,641,361	7,099,882	25.85%	-	2.65%
11	-	5,718,767	6,198,706	5,701,200	-8.03%	654.65%	2.13%
12	-	4,963,140	4,392,454	3,771,028	-14.15%	-15.32%	1.41%
13-45	-	41,696,862	42,244,963	39,835,701	-5.70%	117.46%	14.87%
Total		240,255,535	238,496,246	267,967,390	12.36%	83.00%	100.00%

※ This information is estimated MAU from App annie; it does not include the data from China.

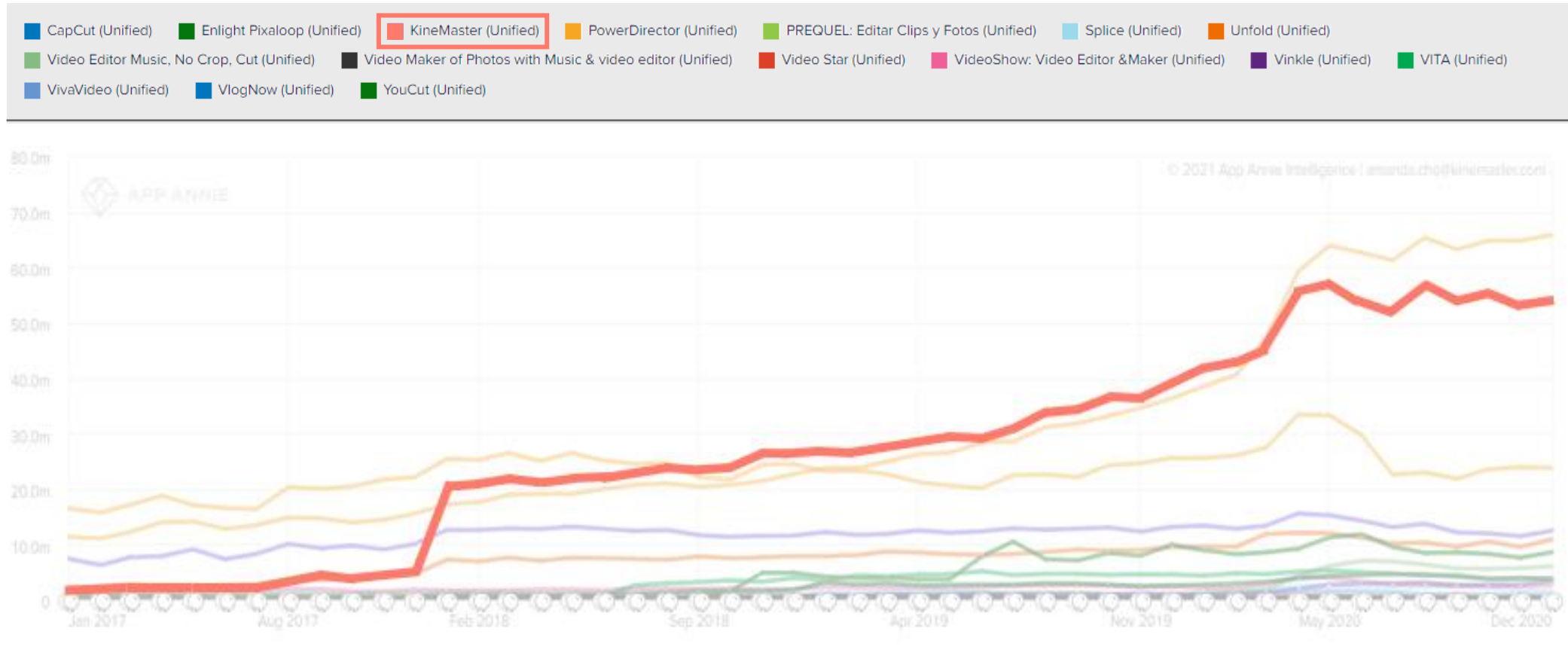
※ The ranking is based on rewritten by company which includes only the video editing app market, except for the photo editing app market.





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

> Android & iOS Estimated MAU (1Q'17 ~ 4Q'20)



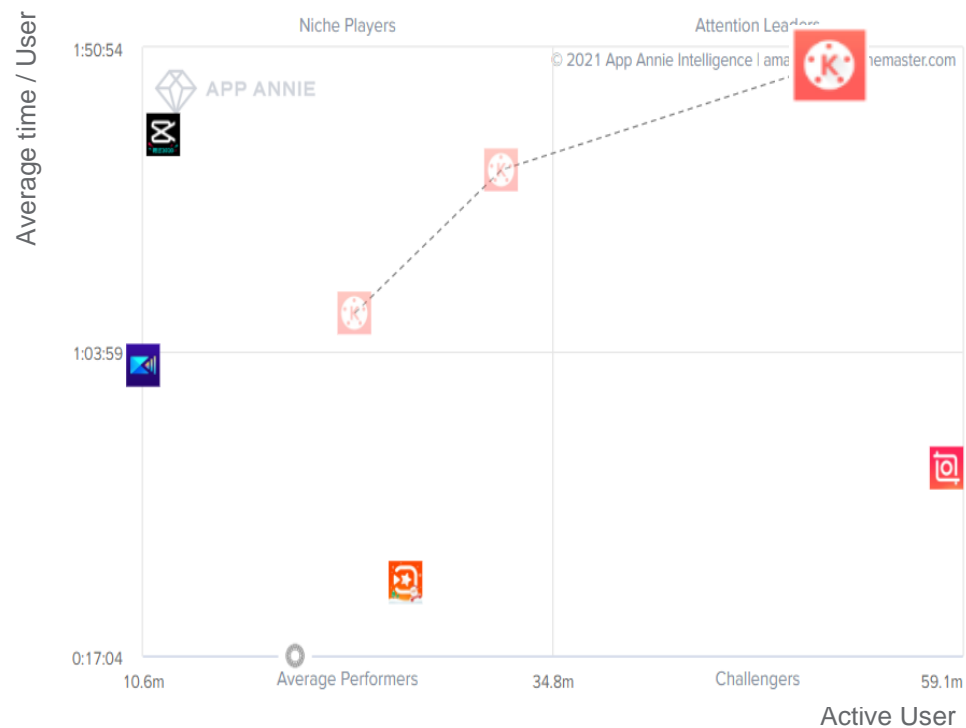
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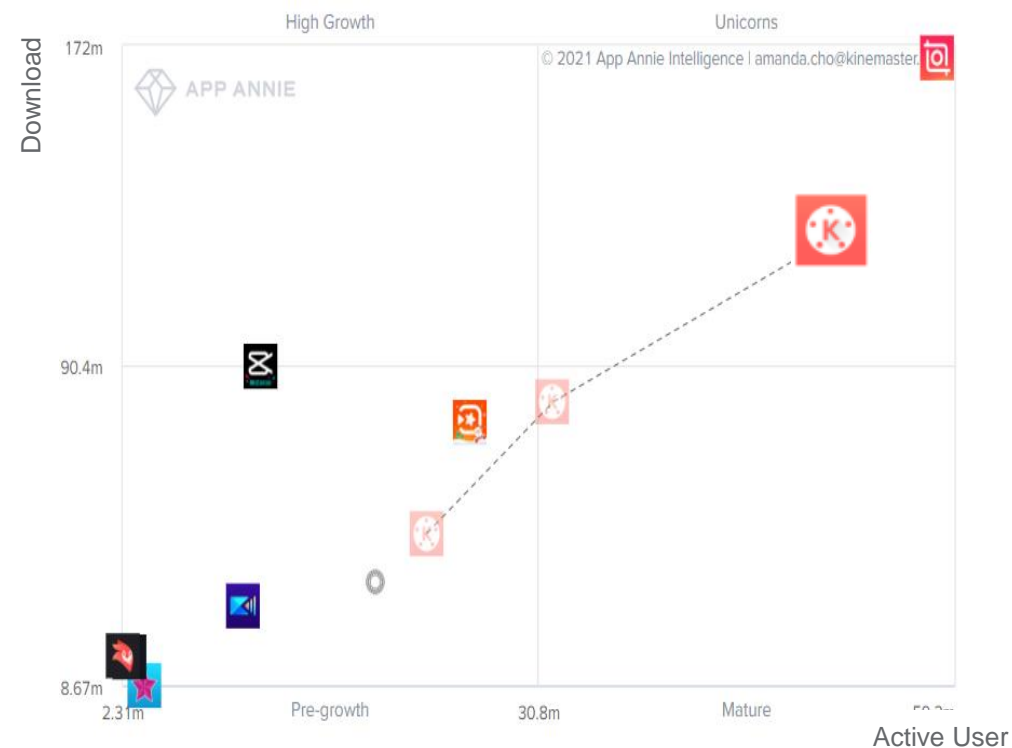


# Market Trend I Video Editing App Market – Source: *App Annie*

> Android & iOS User attention (1Q'20 ~ 4Q'20)



> Android & iOS Growth (1Q'20 ~ 4Q'20)



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

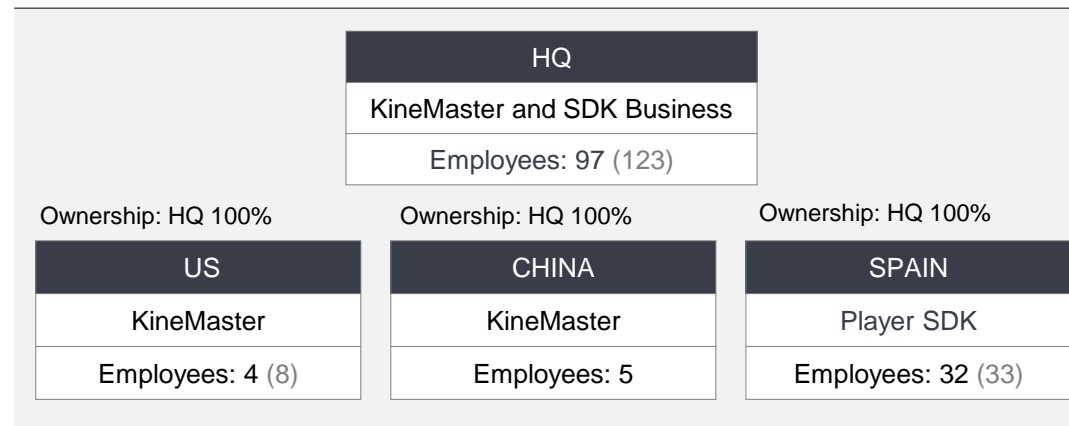


# Appendix I History / Governance

## 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 388M total downloads /68M 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%	-



**4th Quarter 2020 Results** | KineMaster Corporation

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