



LOTTE DATA COMMUNICATION COMPANY

# Investor Relations

## 2021 Earnings Release

2022.2



 Metaverse



 Mobility



# Disclaimer

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This financial document contains consolidated sales figure, written based on K-IFRS.

2021 sales figure in this document is yet to be examined by external auditor, and so there may be changes after the audit. Therefore, it is only provided for the convenience of the investors.

In addition, this document may contain information that is ‘expected’, ‘predicted’, or ‘planned’ regarding our future financial performance. Hence, please be aware that there may exist gap between actual and forecasted earnings results.

## Income Status (based on consolidated financial statement)

2020

구분	4Q	연간
Sales	2,117	8,495
Gross Profit	184	689
Operating Profit	100	388
%	4.7%	4.6%
Net Profit	70	299
%	3.3%	3.5%

2021

(Unit : One Hundred Million Won)

1Q	2Q	3Q	4Q	YoY	QoQ	FY 2021	YoY
2,179	2,374	2,341	2,406	13.7%	2.8%	9,300	9.5%
183	211	229	134	-27.3%	-41.6%	757	9.8%
112	120	142	26	-73.8%	-81.5%	400	3.1%
5.1%	5.0%	6.1%	1.1%	-3.6%p	-5.0%p	4.3%	-0.3%p
125	92	106	24	-65.5%	-77.3%	347	16.0%
5.7%	3.9%	4.5%	1.0%	-2.3%p	-3.5%p	3.7%	0.2%p

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## 2021 Business Income Status (based on consolidated financial statement)

2020

2021

(Unit : One Hundred Million Won)

구분		4Q	연간					FY 2021	
				3Q	4Q	YoY	QoQ		YoY
Total	Sales	2,117	8,495	2,341	2,406	13.7%	2.8%	9,300	9.5%
	Operating Profit	100	388	142	26	-73.8%	-81.5%	400	3.1%
	%	4.7%	4.6%	6.1%	1.1%	-3.6%p	-5.0%	4.3%	-0.3%p
SI	Sales	1,736	6,957	1,962	2,021	16.4%	3.0%	7,765	11.6%
	Operating Profit	57	217	99	2	-96.4%	-97.9%	245	13.1%
	%	3.3%	3.1%	5.0%	0.1%	-3.2%p	-4.9%p	3.2%	-0.1%p
SM	Sales	381	1,538	379	385	1.0%	1.5%	1,535	-0.2%
	Operating Profit	43	171	43	24	-43.5%	-43.8%	155	-9.5%
	%	11.2%	11.1%	11.3%	6.3%	-4.9%p	-5.0%p	10.1%	-1.0%p

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Investor Relations 2021

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# Company Overview

- 1) Company Introduction
- 2) Stocks•ESG Ratings

# 1.1 Company Introduction

Digital Platform Leader  
for Intelligent Enterprise

## Company Introduction

CEO	Jun-Hyung Rho	Capital	77 billion won
Date of Incorporation	December 28, 1996 ※ November 1, 2017 physical division / July 1, 2019 HIT merger	No. of Employees	2,885 (as of December 31, 2021)
Listed Date (KOSPI)	July 27, 2018	Industry	integrated systems design, software
Financial Performance	sales 930 billion, profit 40 billion (as of 2021 consolidation)	Business	IT consulting, IT system integration, IT solution, IoT, Cloud, Big Data, Mobile, AI, data security

## Place of Business

4 IDC for ITO·SM, Cloud, Digital Transformation

IDC 1 | Seoul **LOTTE IDC**



- 59 affiliates
- Area : 7,411 m<sup>2</sup>

IDC 2 | Daejeon **Disaster Recovery IDC**



- duplex back-up
- Area : 4,036 m<sup>2</sup>

IDC 3 | Yongin **Global IDC**

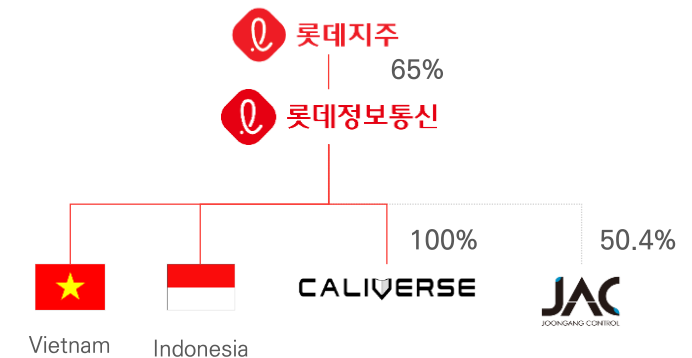


- top global companies
- Area : 26,095 m<sup>2</sup>

IDC 4 | Yongin **Global Cloud Center**



## Governance · Overseas Corporation



## 1.2 Stocks, ESG Ratings

### Stocks Summary

Type	Content
Code	286940 (KOSPI)
Share Outstanding	15,396,331
Face Value	5,000 won
Market Capitalization	5,60 billion won (36,350won)
Daily Transaction	55,378, approximately 2 billion won (21.1.4~22.1.28 average)
52-week high	44,700 (21.6.11)
52-week low	33,200 (21.10.26)

### Dividend

Year	Dividend (won)	Ration on Market Value (%)	Total Dividend	Propensity to Dividend
FY2021	700	2.0%	10.6 billion	30.2%
FY2020	700	1.8%	10.6 billion	35.2%
FY2019	700	1.7%	10.6 billion	28.7%
FY2018	650	1.8%	9.3 billion	29.6%

### Stockholders

Stockholder	No. of Stocks	Ownership (%)
LOTTE	10,000,000	65.0%
Employee Ownership	389,314	2.5%
Treasury Stock	266,964	1.7%
General Shareholder	4,740,053	30.8%
Total	15,396,331	100.00%

### ESG Ratings

Agency	Rating	Others
KCGS	A	one level upgrade compared to previous year included in KRX ESG Leaders 150 Index
Sustainvest	AA	excellent firm in software and IT service (TOP 11.2%)
MSCI	B	improvement : sustainability report publication



Investor Relations 2021

02

## Business Outlook

- 1) EV Charge
- 2) Metaverse
- 3) DT
- 4) IDC/Cloud

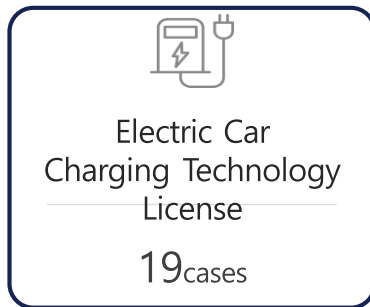


## 2.1 EV Charge

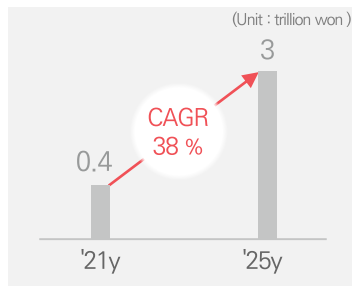
### Status

#### ■ Joong-Ang Control Introduction

- Establishment Date : February, 1987 (Headquarter: Cheong-Ju)
- CEO : Youngsik, Oh



#### ■ Domestic Market



Source : MOLIT (February, 2021)

#### ■ National Policy Advantage

Type	Policy
Original Building	'23y 2% → '25y capital area 7%, etc. 5%
New Building	'22y 5% → '25y 10%
Automobile	※ initiative on progress about sales ban on internal combustion locomotive ('30y)

### Business Development Plan

#### ① Strategic Synergy with LOTTE Group' affiliates



Retail Affiliates



Hotel Affiliates



Logistics Affiliates



Construction

#### ② Non Captive Market Business Expansion



Charging Station



Public Parking Lot



Exclusive Charging Station



Rest Area

#### ③ Go Out Into Global Market (Outstanding Technology)



Export to BTC Power  
 ※ No.1 manufacturer in North America  
 – board license contract



EV go  
 ※ Top 3 Business in U.S.A  
 – NDA (August, 2021)

※ Global EV Charger Market : '21y 7 trillion won → '25y 29 trillion won forecasted  
 Source : IEA Global EV Outlook, Arizton (April, 2021)

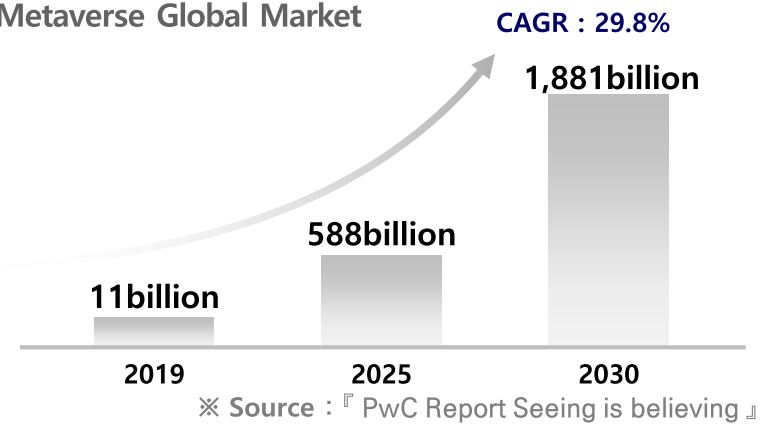
## 2.2 메타버스

### LDCC – Caliverse Technological Competency

구분	내용
Hyper Reality Video	<ul style="list-style-type: none"> <li>high quality contents processing technology (best in industry)</li> </ul> 
Hyper Reality CG Technology	<ul style="list-style-type: none"> <li>hyper reality photomontage (background, subject)</li> </ul> 
Real Time Streaming	<ul style="list-style-type: none"> <li>high quality contents with <b>seamless streaming</b></li> </ul> 
Deep Interactive [Patent Technology]	<ul style="list-style-type: none"> <li>Interactive avatars that reacts to <b>touch, voice, eye contacts</b></li> </ul> 

### Industry and Business

#### Metaverse Global Market



#### Applicable Business



[DutyFree] K-POP concert



[Cinema] Metaverse Cinema



[HomeShopping] Live Commerce



[Construction] Model House



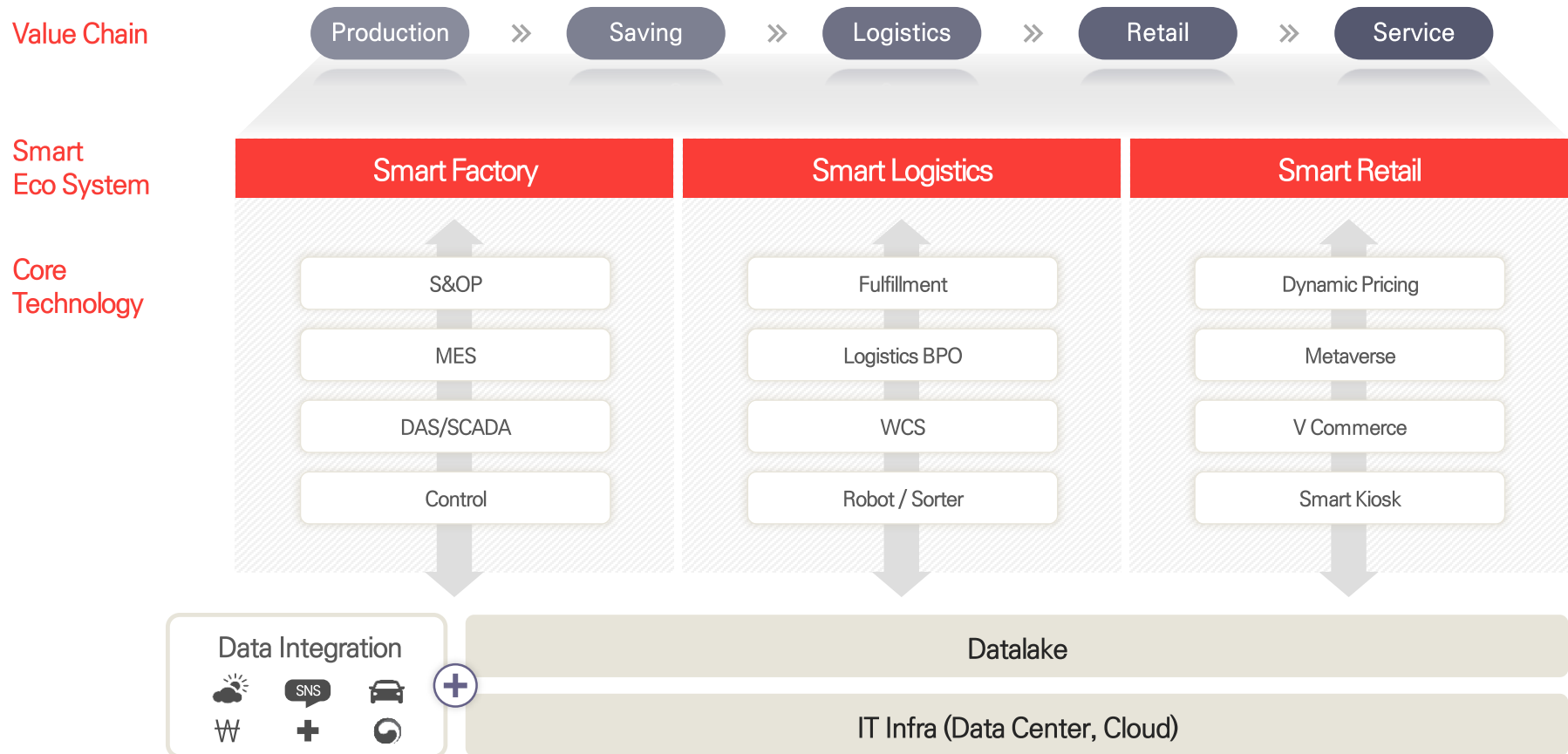
[Manufacturing] Digital Twin



[Retail] Retail Platform

## 2.3 DT \_ Master Plan

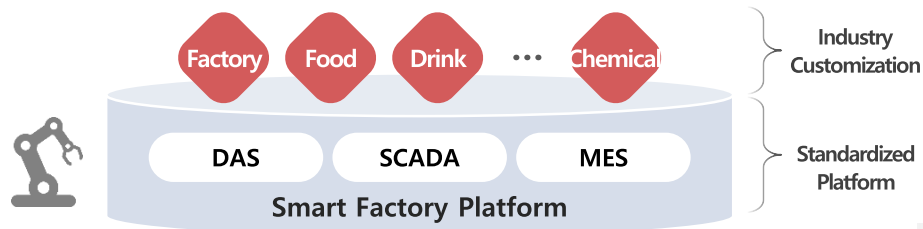
leader in achieving digital transformation throughout LOTTE Group's value chain



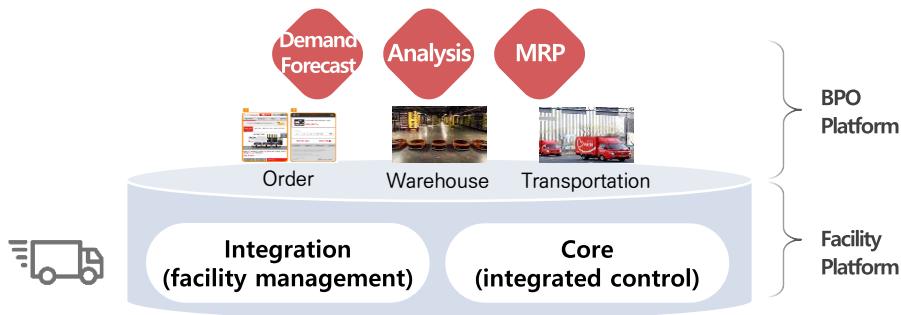
## 2.3 DT (Smart Factory / Logistics)

### Status

#### Smart Factory Outline



#### Smart Logistics Outline

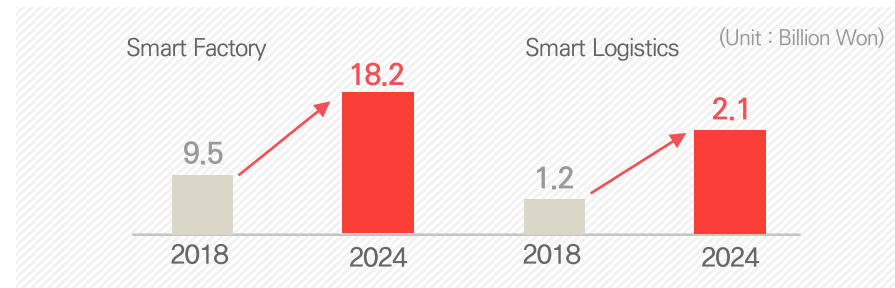


### Market and Effectivity

#### DT Effect



#### Domestic Market Forecast



※ Resource : Markets and Markets(2019)

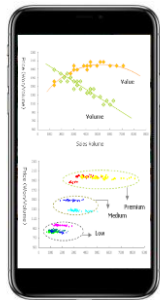
## 2.3 DT (Smart Retail)

### Business Status

#### ■ Data Driven Mobile Retail Business Platform



Next-Generation Commerce

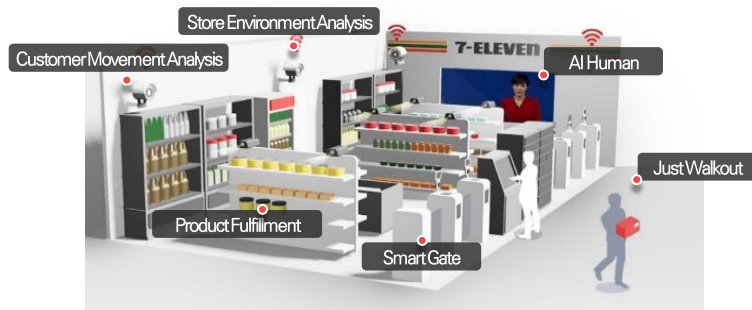


AI/Big Data base Demand Forecast



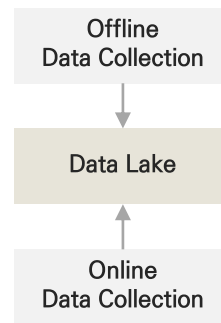
AI Chatbot

#### ■ Smart Store (7-ELEVEN DT Lab)



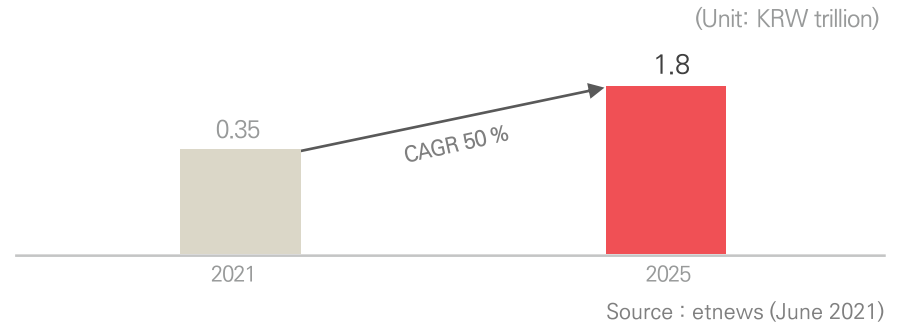
### Business Plan

#### ■ Building Integrated On & Off-Line Big Data Analysis Platform



- transformation of small size store into fully automated smart store
- data based decision making on store concept and which technology will be applied
- integrated on & offline data analysis
  - ▶ AI based demand forecast, commercial district analysis
  - ※ Data Combination Specialized Institution Certification (June '21y)
- develop mobile & live commerce
- multi retail channels data analysis platform





#### ※ Domestic Kiosk Market Forecast







## 2.4 IDC / Cloud

### IDC

#### ■ Data Center Operation

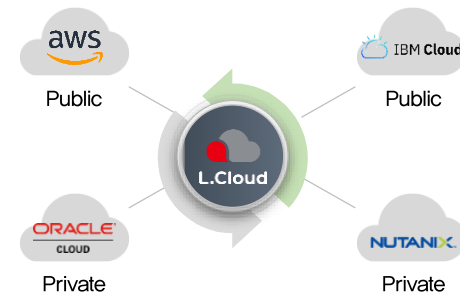
<p>IDC 1</p> <p>LOTTE Group IDC</p>  <ul style="list-style-type: none"> <li>• 59 LOTTE affiliates</li> </ul>	<p>IDC 2</p> <p>Disaster Recovery IDC</p>  <ul style="list-style-type: none"> <li>• duplex back-up center</li> </ul>
<p>IDC 3</p> <p>Global IDC</p>  <ul style="list-style-type: none"> <li>• top global companies</li> </ul>	<p>IDC 4</p> <p>Global Cloud Center</p>  <ul style="list-style-type: none"> <li>• Global cloud companies</li> </ul>

#### ■ Certifications

<p>ISO 27001</p> 	<p>ISO 20000</p> 	<p>ISO 50001</p> 	<p>ISMS</p> 
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### Cloud

#### ■ Hybrid-Multi Cloud



##### [Private Cloud]

- LOTTE Group's internal system
- public back-up

##### [Public Cloud]

- external customers (commerce, F&B)
- system used by LOTTE Group affiliates

#### ■ Development Plan

- 1 optimization of customer's IT resources through Cloud service  
: combination of AWS, Oracle and IBM to offer customized cloud service
- 2 expansion of external business based on high quality managed service  
: target potential market such as LOTTE affiliates and business partners

