



NICE
Information Service Co., Ltd.

Annual Report 2020

4. Segment Information:

Executive staffs determine the sector of sales on the basis of reporting while set up the strategies of sales and others. Sales sector of the consolidated entity is strategic units to provide each other's goods and services. These areas require marketing strategy, so this reports had to be shown individually. Sales area is separated by corporate and personal credit information, debt collection service, and others.

(1) Operating results by reportable segment for the ended Dec 31, 2020 and 2019 are as follows:

(In a thousand of KRW)	2020		
Categories	Revenue	Expense	Net amounts
1. Consumer & Corporate CB	381,901,466	(321,916,541)	59,984,925
2. Debt-Collection	64,688,480	(62,535,025)	2,153,455
3. Others	6,688,503	(6,130,238)	558,265
Subtotal	453,278,449	(390,581,804)	62,696,645
Internal Transactions	(7,272,653)	7,294,425	21,772
Equity Method Profit & Loss	-	-	(156,334)
Net Financial Profit&Loss	-	-	864,479
Other Non Profit & Loss	-	-	(2,255,079)
Total	446,005,796	(383,287,379)	61,171,483

(In a thousand of KRW)	2019		
Categories	Revenue	Expense	Net amounts
1. Consumer & Corporate CB	345,645,820	(295,674,900)	49,970,920
2. Debt-Collection	67,027,175	(65,167,747)	1,859,428
3. Others	5,010,291	(5,564,565)	(554,274)
Subtotal	417,683,286	(366,407,212)	51,276,074
Internal Transactions	(6,768,352)	6,833,161	64,809

(In a thousand of KRW)	2019		
	Revenue	Expense	Net amounts
Equity Method Profit & Loss	-	-	351,776
Net Financial Profit&Loss	-	-	1,213,336
Other Non Profit & Loss	-	-	755,397
Total	410,914,934	(359,574,051)	53,661,392

(2) Total Assets of reportable segment as of Dec 31, 2020 and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Individual & Corporate CB	330,873,040	280,881,919
Collection Service	29,855,751	29,566,787
Other business	8,948,245	9,371,988
Sub total	369,677,036	319,820,694
Internal transaction	(873,405)	(737,863)
Total	368,803,631	319,082,831

(3) Total liabilities of reportable segment as of Dec 31, 2020 and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Individual & Corporate CB	98,890,797	83,509,696
Collection Service	9,694,457	10,357,769
Other business	2,290,386	1,772,156
Sub total	110,875,640	95,639,621
Internal transaction	(873,405)	(737,863)
Total	110,002,235	94,901,758

(4) Labor services by reportable segment as of Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Corporate CB & Individual CB Service	209,963,337	184,010,473
Solution & Model Development Service	35,308,049	28,401,813
Self-Credit Management	136,430,780	133,057,610
Collection Service	58,967,148	61,686,511
Other service	5,336,482	3,758,527
Total	446,005,796	410,914,934

(5) Agreement asset & liabilities by reportable segment as of Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Contract Asset	12,589,624	5,254,108
Contract liabilities	15,236,932	14,925,660

5. Financial Instrument:

(1) Capital Risk Management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern, so the Group can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

The gearing ratio and debt-to-equity ratio as at Dec 31, 2020 and Dec 31, 2019, were as follows:

(In a thousand of KRW)	2020	2019
Total borrowings	-	-
less: cash and cash equivalents	151,083,301	128,510,716
Net debt (a)	-	-
Total equity	258,801,396	224,181,072
Total capital (b)	258,801,396	224,181,072
Gearing ratio (a)/(b)	-	-

(2) Financial instruments

Categorizations of financial instruments as at Dec 31, 2020 and Dec 31, 2019, are as follows:

1. Financial asset for 2020

2020				
(In a thousand of KRW)	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	-	-	113,391,275	113,391,275
Trade receivables and	-	-	33,843,126	33,843,126

2020				
(In a thousand of KRW)	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Other receivables				
Other financial assets	-	-	37,692,026	37,692,026
Financial assets at FVTPL	19,283,081	-	-	19,283,081
Financial assets at FVOCI	-	166,471	-	166,471
Other non-financial assets	-	-	20,480,651	20,480,651
Total	19,283,081	166,471	205,407,078	224,856,630

2. Financial liabilities for 2020

2020			
(In a thousand of KRW)	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Trade Payables and Other payables	-	48,923,852	48,923,852
Other current financial liabilities	-	8,093,958	8,093,958
Other non-current financial liabilities	-	13,498,893	13,498,893
Total	-	70,516,703	70,516,703

1. Financial assets for 2019

2019				
(In a thousand of KRW)	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	-	-	89,851,365	89,851,365
Trade receivables and Other receivables	-	-	37,137,171	37,137,171
Other current financial assets	-	-	38,659,351	38,659,351
Financial assets at FVTPL	18,170,600	-	-	18,170,600
Financial assets at FVOCI	-	166,471	-	166,471
Other non-current financial assets	-	-	12,140,483	12,140,483
Total	18,170,600	166,471	177,788,370	196,125,441

2. Financial liabilities for 2019

2019			
(In a thousand of KRW)	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Trade Payables and Other payables	-	41,106,355	41,106,355
Other current financial liabilities	-	7,541,663	7,541,663
Other non-current financial liabilities	-	12,583,203	12,583,203
Total	-	61,231,221	61,231,221

3. Net Profit and Loss for Financial Assets

		(Units: In a thousand of KRW)	
Categories		2020	2019
Financial Asset	Interest earnings of financial asset at amortized cost approach	1,331,873	1,619,496
	Bad debt expense of financial asset at amortized cost approach	(801,544)	(280,136)
	Gain on Fair value of Financial Assets	321,305	34,000
	Gain on Fair value of Financial Assets(Disposal)	82,790	7,917
	Profit and Loss on Fair value of Financial Assets	(770,459)	(24,066)
Total		163,965	1,357,211
Financial Liability	Interest expense of on amortised cost approach of financial liabilities	(467,393)	(406,160)
Total		(303,428)	951,051

(3) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group's finance team under policies approved by the Corporate Management Committee. The finance team identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The Corporate Management Committee reviews and approves written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, investment of excess liquidity.

1) Market risk

(1) Price risk

The Group is exposed to equity securities price risk arises from investments held by the Group and classified in the consolidated interim statement of financial position as financial assets at FVTPL and available-for-sale financial assets.

Investments in marketable equity securities are at the management's discretion and the Group does not have a separate investment policy for this matter. At the end of the reporting period, the Group's marketable equity instruments are classified as financial assets at FVOCI and changes in fair value are reflected in equity. Therefore, there is no effect of changes in the price of equity instruments on the Group's profit or loss. In case fair value of financial assets at FVTPL, as of the reporting date, either increases or decreases by 10%, the Group's before-tax profit for the six-month periods ended Dec 31 will increase or decrease by KRW 4,245 million.

(2) Credit risk

Credit risk is managed at group level. Credit risk is posed not only from accounts' credit risk including notes/account receivables and firm contracts in possession but also from bank deposits of banks and financial institutions.

For customers such as banks and financial institutions, transactions are conducted only when an independent credit rating agency assigns a letter grade 'A' as the minimum requirement. For other conventional customers, credit is assessed based on other factors such as the customer's financial condition, past experience, and others. The Group does not have specific risk management policy for business counterparties.

(3) Liquidity risk

Finance team of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below analyzes the Group's financial liabilities and credit contract into relevant maturity groupings based on the remaining period at the reporting period to the contractual maturity date.

2020						
(In a thousand of KRW)	Book Value	C/F on contract	Less than 3 months	Between 3 month ~ 1 year	Between 1 year ~ 5 years	Over 5 years
Trade and other current payables	48,923,852	48,923,852	41,258,679	7,665,173	-	-
Other current financial liabilities	8,093,958	8,152,394	2,060,936	6,091,458	-	-

2020						
(In a thousand of KRW)	Book Value	C/F on contract	Less than 3 months	Between 3 month ~ 1 year	Between 1 year ~ 5 years	Over 5 years
Other non-current financial liabilities	13,498,893	16,228,348	-	-	6,274,798	9,953,550
Total	70,516,703	73,304,594	43,319,615	13,756,631	6,274,798	9,953,550

2019						
(In a thousand of KRW)	Book Value	C/F on contract	Less than 3 months	Between 3 month ~ 1 year	Between 1 year ~ 5 years	Over 5 years
Trade and other current payables	41,106,355	41,106,355	39,210,561	1,895,794	-	-
Other current financial liabilities	7,541,663	7,615,283	1,972,694	5,642,589	-	-
Other non-current financial liabilities	12,583,203	15,320,284	-	-	5,515,980	9,804,304
Total	61,231,221	64,041,922	41,183,255	7,538,383	5,515,980	9,804,304

(5) Fair value of financial instruments

- 1) Financial instruments that are measured subsequent to initial recognition at fair value are categorized into Level 1 to Level 3, and fair value measurements of financial instruments by fair value hierarchy level as of Dec 31, 2020, and Dec 31, 2019, are as follows:

2020				
(In a thousand of KRW)	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Equity-Linked Securities; ELS	-	1,000,000	-	1,000,000
Endowment Insurance	-	15,314,055	-	15,314,055
Investment association fund	-	-	2,969,026	2,969,026
Total	-	16,314,055	2,969,026	19,283,081
Financial liabilities at FVOCI:				
Non-listed stocks	-	-	166,471	166,471

2019				
(In a thousand of KRW)	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Equity-Linked Securities; ELS	-	805,333	-	805,333
Other-Derivative Linked Securities	-	1,015,000	-	1,015,000
Equity-Linked Deposit	-	1,003,333	-	1,003,333
Endowment Insurance	-	12,000,000	-	12,000,000
Investment association fund	-	-	3,346,934	3,346,934
Total	-	14,823,666	3,346,934	18,170,600
Financial liabilities at FVOCI:				
Non-listed stocks	-	-	166,471	166,471

There is no significant movement between Level 1 and Level 2 Dec 31, 2020 and 2019.

2) The management of the Group considers that the carrying amounts of financial assets and financial liabilities recognized at amortized cost in the consolidated financial statements approximate their fair values. The below financial asset and liabilities are classified as level 2 and 3.

2020					
(In a thousand of KRW)	Beginning	Acquisition	Disposal	Valuation	End
Financial assets at FVTPL:					
Equity-Linked Securities; ELS	805,333	1,000,000	(811,333)	6,000	1,000,000
Other-Derivative Linked Securities	1,015,000	-	(1,015,000)	-	-
Equity-Linked Deposit	1,003,333	-	(1,004,583)	1,250	-
Endowment Insurance	12,000,000	3,000,000	-	314,055	15,314,055
Investment association fund	3,346,934	900,000	(507,449)	(770,459)	2,969,026
Total	18,170,600	4,900,000	(3,338,365)	(449,154)	19,283,081
Financial liabilities at FVOCI:					
Non-listed stocks	166,471	-	-	-	166,471

6. **Restricted Deposit:**

Details of other current assets as of Dec 31, 2020 and 2019 are as follows:

Restricted deposits as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	Description	2020	2019
Other current financial assets	Establishment of Pledge right	155,000	75,000
Other non-current financial assets	Establishment of Pledge right	-	50,000

7. **Trade and Other Receivables:**

(1) Trade and other receivables as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Trade receivables	34,788,899	37,321,696
Loss allowance	(1,375,031)	(1,385,655)

(In a thousand of KRW)	2020	2019
Long-term trade receivables (net)	33,413,868	35,936,041
Accrued revenue	163,366	643,747
Loss allowance	(122,824)	(123,513)
Accrued revenue(net)	40,542	520,234
Guarantee Deposits	388,716	680,896
Total	33,843,126	37,137,171

(2) Changes in loss allowance for trade receivables for the Dec 31, 2020 and 2019, are as follows:

2020				
(In a thousand of KRW)	Expected Loss	Balance	Loss amount	Book value
Less than 90 days	1.00%	32,296,402	(321,835)	31,974,567
Between 91 days ~ 180 days	8.88%	1,069,568	(94,926)	974,642
Between 181 days ~ 270 days	25.84%	216,521	(55,943)	160,578
Between 271 days ~ 365 days	40.54%	73,645	(29,853)	43,792
Above 365 days	77.02%	1,132,763	(872,474)	260,289
Total		34,788,899	(1,375,031)	33,413,868

2019				
(In a thousand of KRW)	Expected Loss	Balance	Loss amount	Book value
Less than 90 days	0.41%	34,885,689	(141,801)	34,743,888
Between 91 days ~ 180 days	5.97%	1,006,727	(60,085)	946,642
Between 181 days ~ 270 days	15.60%	240,333	(37,492)	202,841
Between 271 days ~ 365 days	40.41%	50,010	(20,207)	29,803

2019				
(In a thousand of KRW)	Expected Loss	Balance	Loss amount	Book value
Above 365 days	98.87%	1,138,937	(1,126,070)	12,867
Total		37,321,696	(1,385,655)	35,936,041

(3) Changes in trade receivable and other allowance for Dec 31, 2020 and 2019, are as follows:

2020					
(In a thousand of KRW)	Beginning balance	Bad debt expenses	Elimination of accounts receivable	Collection of eliminated accounts receivable	Ending balance
Trade receivable allowance	1,385,655	801,149	(811,773)	-	1,375,031
Accrued revenue allowance	123,513	395	(1,084)	-	122,824
Total	1,509,168	801,544	(812,857)	-	1,497,855

2019					
(In a thousand of KRW)	Beginning balance	Bad debt expenses	Elimination of accounts receivable	Collection of eliminated accounts receivable	Ending balance
Trade receivable allowance	1,401,754	193,690	(212,106)	2,317	1,385,655
Accrued revenue allowance	37,185	86,446	(118)	-	123,513
Total	1,438,939	280,136	(212,224)	2,317	1,509,168

8. Other Current Financial Assets:

(1) Changes in other financial assets for the six-month periods ended Dec 31, 2020 and for the year ended Dec 31, 2019, are as follows:

(In a thousand of KRW)	2020	2019
Short-term financial instruments	37,593,128	38,575,953
Short-term loan	98,898	83,398
Total	37,692,026	38,659,351

9. Other Current Assets:

Other current assets as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Other current assets		
Prepayments	1,329,677	1,252,365
prepaid expenses	446,199	482,618
Total	1,775,876	1,734,983
Other non-current assets		
Other Investment assets	250,000	250,000
Long-term prepayemtn	2,287,078	685,434
Total	2,537,078	935,434

10. Financial Assets at FVTPL:

(1) Financial assets at FVTPL as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Current Financial assets at FVTPL		
Equity-Linked Securities	-	805,333
Equity investment	-	1,003,333
Endowment Insurance	2,062,333	-

(In a thousand of KRW)	2020	2019
Total	2,062,333	1,808,666
Non-current Financial assets at FVTPL		
Other-Derivative Linked Securities	1,000,000	-
Endowment Insurance	-	1,015,000
Investment association fund	13,251,722	12,000,000
Subtotal	2,969,026	3,346,934
Total	17,220,748	16,361,934

(2) Changes in other financial assets for the six-month periods ended Dec 31, 2020 and for the year ended Dec 31, 2019, are as follows:

(In a thousand of KRW)	2020	2019
Beginning balance	18,170,600	15,307,376
Acquisition	4,900,000	5,400,000
Disposal	(3,338,365)	(2,166,334)
Evaluation	(449,154)	9,934
Alternative(*)	-	(380,376)
Ending balance	19,283,081	18,170,600

* Related company named 'Open-mate's convertible stocks change into common stocks which means re-distributed as investment in related company.

11. Financial Assets at FVOCI and AFS Financial Assets:

(1) Financial assets at FVOCI as of Dec 31, 2020, and AFS financial assets as of Dec 31, 2019, consist of the following:

(In a thousand of KRW)	Categories	2020	2019
Non-marketable financial assets	Equity Securities	166,471	166,471

12. Tangible Assets:

Changes in the carrying amount of tangible assets for the year ended Dec 31, 2020 and 2019, are as follows:

2020			
(In a thousand of KRW)	Beginning balance	Amortization	Ending balance
Building	21,924,270	(1,410,321)	20,513,949
Mechanical equipment	34,157,053	(25,541,892)	8,615,161
Furnishing	12,363,871	(9,719,030)	2,644,841
Delivery Equipment	16,677	(10,883)	5,794
The asset of right of use(Lease asset)	24,812,986	(3,534,158)	21,278,828
Total	93,274,857	21,278,828	53,058,573

2019			
(In a thousand of KRW)	Beginning balance	Amortization	Ending balance
Building	21,924,270	(862,214)	21,062,056
Mechanical equipment	33,706,600	(22,716,375)	10,990,225
Furnishing	11,755,997	(8,644,061)	3,111,936
Delivery Equipment	16,677	(4,403)	12,274
The asset of right of use(Lease asset)	22,436,236	(2,506,916)	19,929,320
Total	89,839,780	(34,733,969)	55,105,811

2020						
(In a thousand of KRW)	Beginning balance	Acquisition	Amortization	Disposal	Others (Alternative, etc)	Ending balance
Building	21,062,056	-	(548,107)	-	-	20,513,949
Mechanical equipment	10,990,225	2,083,299	(3,955,731)	(502,632)	-	8,615,161
Furnishing	3,111,936	961,519	(1,211,200)	(217,414)	-	2,644,841
Delivery Equipment	12,274	-	(6,480)	-	-	5,794
The asset of right of use(Lease asset)	19,929,320	3,900,650	(8,023,969)	(1,329,940)	6,802,767	21,278,828
Total	55,105,811	6,945,468	(13,745,487)	(2,049,986)	6,802,767	53,058,573

2019							
(In a thousand of KRW)	Beginning balance	Conversion Effect	Acquisition	Amortization	Disposal	Others (Alternative, etc)	Ending balance
Building	21,456,812	-	149,915	(544,671)	-	-	21,062,056
Mechanical equipment	11,402,589	-	3,743,049	(4,155,413)	-	-	10,990,225
Furnishing	3,454,216	-	867,279	(1,236,468)	(1,091)	28,000	3,111,936
Delivery Equipment	-	-	16,677	(4,403)	-	-	12,274

2019							
(In a thousand of KRW)	Beginning balance	Conversion Effect	Acquisition	Amortization	Disposal	Others (Alternative, etc)	Ending balance
The asset of right of use(Lease asset)	-	17,575,560	5,812,865	(3,333,039)	(18,996)	(107,070)	19,929,320
Construction in progress	14,000	-	14,000	-	-	(28,000)	-
Total	36,327,617	17,575,560	10,603,785	(9,273,994)	(20,087)	(107,070)	55,105,811

Changes in the carrying amount of the right of asset used for the year ended Dec 31, 2020 and 2019, are as follows:

2020						
(Units: In a thousand of KRW)						
Categories	Beginning Balance	Acquisition	Amortization	Termination	Change in Lease	End Balance
Land	11,448,538	-	(800,109)	-	1,353,208	12,001,637
Building	8,151,203	3,576,217	(6,911,972)	(1,329,940)	5,449,559	8,935,067
Delivery Equipment	329,579	324,433	(311,888)	-	-	342,124
Total	19,929,320	3,900,650	(8,023,969)	(1,329,940)	6,802,767	21,278,828

2019	
(Units: In a thousand of KRW)	

Categories	Beginning Balance	Conversion Effect	Acquisition	Amortization	Termination	Disposal	Change in Lease	End Balance
Land	-	12,164,072	-	(715,534)	-	-	11,448,538	-
Building	-	4,836,486	5,731,286	(2,309,499)	-	(107,070)	8,151,203	-
Delivery Equipment	-	575,002	81,579	(308,006)	(18,996)	-	329,579	-
Total	-	17,575,560	5,812,865	(3,333,039)	(18,996)	(107,070)	19,929,320	-

13. Investment Properties:

(1) Changes in the carrying amount of investment properties Dec 31, 2020 and 2019, are as follows:

2020			
(In a thousand of KR W)	Beginning balance	Amortization	Ending balance
Land	3,481,042	-	3,481,042
Building	11,679,675	(1,970,945)	9,708,730
Structures	2,759,030	(904,986)	1,854,044
Total	17,919,747	(2,875,931)	15,043,816

2019			
(In a thousand of KR W)	Beginning balance	Amortization	Ending balance
Land	3,481,042	-	3,481,042
Building	11,679,675	(1,678,953)	10,000,722
Structures	2,759,030	(767,035)	1,991,995
Total	17,919,747	(2,445,988)	15,473,759

(2) Changes in rent revenue and expense from investment property Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Rent revenue	342,060	330,228
Rent expense	568,921	527,617

(3) The fair value of investment property Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)			
2020		2019	
Book value	Fair value	Book value	Fair value
15,043,816	17,418,000	15,473,759	17,418,000

14. Intangible Assets:

Changes in the carrying amount of intangible assets for the year ended Dec 31, 2020 and 2019, are as follows:

2020					
(In a thousand of KRW)	Beginning balance	Acquisition	Amortization	Disposal	Ending balance
Goodwill	13,554,008	-	-	-	13,554,008
Customer relationships	605,167	-	(605,167)	-	-
Other intangibles	14,117,080	3,963,360	(5,105,396)	(10,232)	12,964,812
Total	28,276,255	3,963,360	(5,710,563)	(10,232)	26,518,820

2019					
(In a thousand of KRW)	Beginning balance	Acquisition	Amortization	Disposal	Ending balance
Goodwill	13,554,008	-	-	-	13,554,008
Customer relationships	1,331,367	-	(726,200)	-	605,167
Other intangibles	12,244,246	7,114,495	(5,116,661)	(125,000)	14,117,080
Total	27,129,621	7,114,495	(5,842,861)	(125,000)	28,276,255

15. Investments in Subsidiaries:

(1) Investments in subsidiaries as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

Subsidiary	Location	Principal business	Ownership of Group(%)	
			2020	2019
NICE Credit Information	S.Korea	Asset management and debt-collection	100	100
NICE ZiniData	S.Korea	Data analysis service	100	100
Specified Money In Trust	S.Korea	Specified money in trust	-	100

(2) Summarized financial position (before elimination of intercompany transactions and adjustments for differences in accounting policies) of subsidiaries as of Dec 31, 2020, and Dec 31, 2019, are as follows:

(단위: 천원)						
(In a thousand of KRW)	NICE Credit Information		NICE Zinidata		Specified Money In Trust	
	2020	2019	2020	2019	2020	2019
Current asset	19,741,012	19,272,684	7,630,187	6,350,240	-	1,514,385

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Non-current asset	10,114,738	10,294,103	1,318,058	1,507,363	-	6,519,723
Total assets	29,855,750	29,566,787	8,948,245	7,857,603	-	8,034,108
Current liabilities	8,043,987	8,935,807	1,970,237	1,137,140	-	15,036
Non-current liabilities	1,650,470	1,421,962	320,150	619,980	-	-
Total liabilities	9,694,457	10,357,769	2,290,387	1,757,120	-	15,036
Total equity	20,161,293	19,209,018	6,657,858	6,100,483	-	8,019,072

(3) Financial performances of the Group's major subsidiaries Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	NICE Credit Information		NICE Zinidata		Specified Money In Trust	
	2020	2019	2020	2019	2020	2019
Operating revenue	64,688,480	67,027,175	6,688,503	5,010,291	-	-
Operating profit and loss	2,153,456	1,859,429	559,239	(539,239)	(974)	(15,036)
Semi-annual net profit and loss	864,867	1,409,237	557,376	338,117	121	7,996
Other comprehensive profit and loss	87,409	(97,165)	-	-	-	-
Semi-annual total comprehensive profit and loss	952,276	1,312,072	557,376	338,117	121	7,996

(4) Cash flows of the firm's major subsidiaries Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	NICE Credit Information		NICE Zinidata		Specified Money In Trust	
	2020	2019	2020	2019	2020	2019
C/F from operating activity	2,612,154	5,891,226	1,417,045	848,304	(14,914)	7,996

C/F from investment	(738,077)	(883,393)	(1,756,540)	477,024	-	-
C/F from financial activity	(1,397,976)	(1,554,207)	(214,222)	(195,399)	(1,499,471)	-
Beginning cash and cash equivalent asset	476,101	3,453,626	(553,717)	1,129,929	(1,514,385)	7,996
Ending cash and cash equivalent asset	7,742,035	4,288,409	1,927,246	797,317	1,514,385	1,506,389

16. Investments in Associates:

(1) Investments in associates as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KR W)	Company	Main business	Location	Fiscal year	share(%)	Investment	Book value	
							2020	2019
Joint firm	Dongbu Real Estate Trust, 11 (Joint venture)	Real estate rental	S.Korea	Dec.	50	9,500,000	9,555,004	9,565,166
Relative	Nice Info Vietnam Co., LTD	Business strategy and risk consulting	Vietnam	Dec.	40	1,726,040	235,823	879,213
	NICE Digital renaissance 3 rd New	New technology	S.Korea	Dec.	20.5	1,623,065	1,289,159	1,614,076

(In a thousand of KR W)	Company	Main business	Location	Fiscal year	share(%)	Investment	Book value	
							2020	2019
	tech. investment	business investment						
	IBKC-NICE New Deal Fund	New technology business investment			20.6	1,400,000	1,383,426	-
	NICE DWR	Securities Investment	S.Korea	Dec.	36.7	11,000,000	10,994,550	-
Total						25,249,105	23,457,962	12,058,455

(2) Changes in investments in associates for the year ended Dec 31, 2020 and 2019, are as follows:

(In a thousand of KR W)	Beginning balance	Acquisition	Gain&loss in equity method	Dividend acquisition	Capital change in equity method	Disposal	Amortization	Ending balance
Dongbu Real Estate Trust, 11 (Joint venture)	9,565,166	-	618,599	(628,761)	-	-	-	9,555,004
Nice Info Vietnam Co., LTD	879,213	-	(510,150)	-	(17,426)	-	(115,814)	235,823



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(In a thousand of KRW)	Beginning balance	Acquisition	Gain&loss in equity method	Dividend acquisition	Capital change in equity method	Disposal	Amortization	Ending balance
NICE Digital renaissance 3 rd New tech. investment	1,614,076	340,000	(242,760)	-	-	(369,167)	(52,990)	1,289,159
IBKC-NICE New Deal Fund	-	1,400,000	(16,574)	-	-	-	-	1,383,426
NICE DWR	-	11,000,000	(5,450)	-	-	-	-	10,994,550
Total	12,058,455	12,740,000	(156,335)	(628,761)	(17,426)	(369,167)	(168,804)	23,457,962

(In a thousand of KRW)	2019							
	Beginning balance	Acquisition	Gain&loss in equity method	Dividend acquisition	Capital change in equity method	Convertible Stocks	Disposal	Ending balance
Dongbu Real Estate Trust, 11 (Joint venture)	9,594,896	-	681,011	(710,741)	-	-	-	9,565,166
Nice Info Vietnam Co., LTD	1,399,766	-	(574,872)	-	54,319	-	-	879,213
Openmate	426,906	-	291,560	-	-	213,905	(932,371)	-
NICE Digital renaissance 3 rd New tech. investment	-	1,660,000	(45,924)	-	-	-	-	1,614,076
Total	11,421,568	1,660,000	351,775	(710,741)	54,319	213,905	(932,371)	12,058,455

(3) Summarized financial position of the firms' investments in associates as of Dec 31, 2020, and Dec 31, 2019 are as follows:

(In a thousand of KRW)								
Categories	Dongbu Real Estate Trust, 11 (Joint venture)		Nice Info Vietnam Co., LTD		NICE Digital renaissance 3 rd New tech. investment		IBKC– NICE New Deal Fund	NICE DWR
	2020	2019	2020	2019	2020	2019	2020	2020
Current asset	580,092	760,810	812,372	528,091	1,010,265	185,825	6,801,246	3,336,932
Non-current asset	48,854,908	48,798,698	1,619,196	2,118,275	5,661,614	7,898,826	-	26,648,532
Total asset	49,435,000	49,559,508	2,431,568	2,646,366	6,671,879	8,084,651	6,801,246	29,985,464
Current liability	522,290	626,474	1,398,058	293,917	-	49,261	81,749	328
Non-current liability	29,802,701	29,802,701	-	-	-	-	-	-
Total Liability	30,324,991	30,429,175	1,398,058	293,917	-	49,261	81,749	328
Total capital	19,110,009	19,130,333	1,033,510	2,352,449	6,671,879	8,035,390	6,719,497	29,985,136

(4) Financial performances of the Group's major subsidiaries for the year ended Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)								
Categories	Dongbu Real Estate Trust, 11 (Joint venture)		Nice Info Vietnam Co., LTD		NICE Digital renaissance 3 rd New tech. investment		IBKC– NICE New Deal Fund	NICE DWR
	2020	2019	2020	2019	2020	2019	2020	2020
Revenue	2,700,657	2,693,448	619,453	608,985	516,062	149,702	1,490	-
Operating profit and loss	2,208,691	2,351,867	(1,267,226)	(1,336,262)	(1,183,453)	(57,109)	(80,503)	(17,446)
Net amount	1,237,101	1,361,760	(1,275,374)	(1,282,763)	(1,183,453)	(57,109)	(80,503)	(14,864)
Other comprehensive income	-	-	(43,565)	135,798	-	-	-	-
Total comprehensive income	1,237,101	1,361,760	(1,318,939)	(1,146,965)	(1,183,453)	(57,109)	(80,503)	(14,864)

(5) Adjustments from equity of associates to book value of shares owned as of Dec 31, 2020, is as follows:

Categories	Dongbu Real Estate Trust, 11 (Joint venture)		Nice Info Vietnam Co., LTD		NICE Digital renaissance 3 rd New tech. investment		IBKC-NICE New Deal Fund	NICE DWR
	2020	2019	2020	2019	2020	2019	2020	2020
Net assets(A)	19,110,009	19,130,333	1,033,510	2,352,449	6,671,879	8,035,390	6,719,497	29,985,136
Ownership ratio(B)	50.0%	50.0%	40.0%	40.0%	20.5%	20.5%	20.6%	36.7%
(A)x(B)	9,555,004	9,565,167	413,404	940,980	1,368,590	1,648,285	1,383,426	10,994,550
Other	-	-	(177,581)	(61,767)	(79,431)	(34,209)	-	-
Goodwill	9,555,004	9,565,167	235,823	879,213	1,289,159	1,614,076	1,383,426	10,994,550
Ending balance	19,110,009	19,130,333	1,033,510	2,352,449	6,671,879	8,035,390	6,719,497	29,985,136

17. Other Non-Current Assets:

Other non-current assets as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Long-term loan receivables	14,833,554	6,799,021
Guarantee Deposits	5,647,097	5,341,462
Total	20,480,651	12,140,483

18. Trade and Other payables:

Long-term trade and other payables as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Long-term loans	1,595,572	1,654,462
Accrued expenses	49,688,680	41,507,054
Others	795,273	799,092
Total	52,079,525	43,960,608

19. Other Current Liabilities and Other Non-Current Liabilities:

Other current liabilities and other non-current liabilities as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Other current liabilities:		
Withholdings	9,027,860	7,871,854
Others	107,058	107,508
Total	9,134,918	7,979,362
Other non-current liabilities		
Long-term accrued expense	571,700	499,504

20. Income Tax Expenses:

Income tax expense was recognized as current tax expense adjusted to current adjustments for prior periods, deferred tax income/expenses by origination and reversal of deferred assets/liabilities and temporary differences, and income tax recognized in other comprehensive income. The Group's separate effective tax rate for the year ended Dec 31, 2020, was 22.88% (2019: 24.00%).

21. Retirement Plans:

(1) Net defined benefit liabilities as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Present value of defined benefit obligations	45,521,686	42,853,880
Fair value of plan assets	(48,032,079)	(42,227,167)
Net defined benefit obligations(asset)	(2,510,393)	626,713

(2) Changes in carrying amount of the net defined benefit liabilities Dec 31, 2020 and 2019, are as follows:

2020			
(In a thousand of KRW)	Present value of defined benefit obligations	Accumulated assets	Total
Beginning balance	42,853,880	(42,227,167)	626,713
Current service cost	5,340,696	-	5,340,696
Interest expense (income)	819,167	(703,825)	115,342
Recognized elements as OCI	(1,148,937)	35,693	(1,113,244)
Contributions	-	(7,686,550)	(7,686,550)
Retirement benefits paid	(2,543,803)	2,750,453	206,650
Relative transfer	200,683	(200,683)	-
Ending balance	45,521,686	(48,032,079)	(2,510,393)

2019			
(In a thousand of KRW)	Present value of defined benefit obligations	Accumulated assets	Total
Beginning balance	36,630,473	(37,173,834)	(543,361)
Current service cost	4,831,292	-	4,831,292

2019			
(In a thousand of KRW)	Present value of defined benefit obligations	Accumulated assets	Total
Interest expense (income)	813,596	(731,087)	82,509
Recognized elements as OCI	3,414,297	116,956	3,531,253
Contributions	-	(6,793,581)	(6,793,581)
Retirement benefits paid	(2,864,655)	2,383,256	(481,399)
Relative transfer	28,877	(28,877)	-
Ending balance	42,853,880	(42,227,167)	626,713

22. Capital Stock:

Capital stock as of Dec 31, 2020, and Dec 31, 2019, consists of the following:

(In a thousand of KRW)	2020	2019
Number of shares authorized	200,000,000 shares	200,000,000 shares
Par value	500	500
Number of shares issued	60,714,820 shares	60,714,820 shares
Issued capital	30,357,410,000	30,357,410,000

23. Other Capital Surplus and Other Components of Equity:

(1) Other capital surplus as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Additional Paid-in Capital	49,852,079	49,852,079
Treasury Stock	(6,551,753)	(6,551,753)
Other capital adjustments	(796,569)	(796,569)

(In a thousand of KRW)	2020	2019
Stock award	441,186	75,703
Total	42,944,943	42,579,460

(2) Other capital paid-up as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Beginning balance	42,579,460	42,503,757
Stock award	365,483	75,703
Ending balance	42,944,943	42,579,460

(3) Other components of equity as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Loss on financial assets at FVOCI	(4,322,439)	(4,322,439)
Change in equity method investment	57,477	74,903
Total	(4,264,962)	(4,247,536)

(4) Fluctuation of other components of equity as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Beginning balance	(4,247,536)	(3,328,028)
Gain and Loss on financial assets:		
Gain and Loss on evaluation	-	(1,248,497)
Corporate Tax effect	-	274,670
Change in equity method investment	(17,426)	54,319
Ending balance	(4,264,962)	(4,247,536)

24. Stock award

(1) Stock option of Dec 31, 2020, and Dec 31, 2019, consist of the following:

Placement	Number of shares authorized	Award method	Price (unit : won)	Period	Term
21 st Mar 2019	110,000 shares	New stock issued, Treasury stock issued, appreciation	10,905 won	22 nd Mar 2022 ~ 21 st Mar 2026	3 years of work needed
March 26 th 2020	150,000 shares	Treasury stock issued, appreciation	13,882 won	27 nd Mar 2023 ~ 26 st Mar 2027	2 years of work needed

(2) Number of shares and its weighted average price as of Dec 31, 2020, and Dec 31, 2019, consist of the following:

(Unit : shares, won)	Number of stocks	Weighted average price
Beginning number of stocks	110,000	10,905
Given stocks	150,000	13,882
Ending number of stocks	260,000	12,623

25. Retained earnings and dividend

(1) Current retained earnings Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Earned surplus reserve	7,141,688	5,766,683

(In a thousand of KRW)	2020	2019
Other surplus reserve	2,250,000	2,250,000
Unappropriated earned surplus	180,372,316	147,475,055
Total	189,764,004	155,491,738

(2) The details of the dividend payment Dec 31, 2020 and 2019, are as follows:

2020					
(Unit : shares, a thousand won)	Total number of stock issued	Treasury stocks	Number of stock dividend	Dividend per share (unit : won)	Total dividend
Common stocks	60,714,820	932,027	59,782,793	230	13,750,042

2019					
(Unit : shares, a thousand won)	Total number of stock issued	Treasury stocks	Number of stock dividend	Dividend per share (unit : won)	Total dividend
Common stocks	60,714,820	932,027	59,782,793	190	11,358,731

26. Other Operating Expenses:

Other operating expenses for the ended Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Bad Debt Expense	801,149	193,690
Communication expense	3,688,733	4,005,709
Exclusive line use expense	2,694,840	2,204,868
Electronic facilities expense	5,328,293	8,761,703
Travel expense	829,331	1,104,485
Rental expense	1,084,930	931,140
Task propulsion expense	1,478,134	2,255,655
Taxes and dues	650,283	579,698
Congratulatory & Condolences Expense	110,289	99,917
Information usage expense	1,365,651	1,333,642
Insurance premium	1,473,134	1,238,861
Conference expense	218,281	727,127
Repair expense	209,451	144,683
Vehicle maintenance expense	214,634	282,515
Cost of sales from sale of goods	274,305	269,616
Training expense	151,046	418,316
Publication expense	440,552	450,687
Building maintenance expense	3,694,798	3,590,808



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(In a thousand of KRW)	2020	2019
Utility(Book Newspaper) Expense	38,893	35,724
Stock awards	365,483	75,703
Total	25,112,210	28,704,547

27. FINANCIAL INCOME AND EXPENSES:

Financial income and expenses for the ended Dec 31, 2020 and 2019, are as follows:

(In a thousand of KRW)	2020	2019
Financial income		
Financial assets at FVOCI	1,331,873	1,619,496
Income expense		
Lease liabilities	(467,393)	(406,160)
Total	864,480	1,213,336

28. OTHER NON-OPERATING INCOME:

(1) Other non-operating income for the ended Dec 31, 2020 and 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Gain on foreign currency exchange transaction	39,480	71,090
Gain on financial assets at fair value through profit and loss	321,305	34,000
Gain on disposal of financial assets at fair value through profit and loss	82,790	7,917
Gains on disposal of relative companies equity(stocks)	7,768	510,379
Gains on disposal of tangible assets	25,476	10,751
Gain on disposal of intangible assets	14,767	-
Gain on rent	342,060	330,228
Others	19,128	176,259
Total	852,774	1,140,624

29. OTHER NON-OPERATING EXPENSES:

(1) Other non-operating expenses for the ended Dec 31, 2020 and 2019, consist of the following:

(In a thousand of KRW)	2020	2019
Losses Foreign Currency exchange Transactions	119,312	52,360
Donations	315,055	150,276
Bad Debt Expense for others	395	86,446
Loss on disposal of tangible assets	720,045	185
Gain and loss on FV of Financial assets	770,459	24,066
Relative companies investment equities(stocks) impairment loss	168,804	-
Others	1,013,782	71,894
Total	3,107,852	385,227

30. EARNINGS (LOSS) PER SHARE:

(1) Basic earnings (loss) per share

Basic earnings (loss) per share for the ended Dec 31, 2020 and 2019, are as follows (In a thousand of Korean won, except for share data and earnings (loss) per share):

(Unit: Won, shares)	2020	2019
Net profit	47,176,003,670	40,781,413,459
Weighted-average number of common shares outstanding	59,782,793	59,782,793
Earnings (loss) per share:	789	682

(2) Diluted earnings (loss) per share

Diluted earnings (loss) per share for the ended Dec 31, 2020 and 2019, are the same as the basic earnings (loss) per share, as there are no dilutive potential common shares and dilutive effect.

<The End>