



# **NICE Information Service Co., Ltd.**

## **Semi-Annual Financial Report 2023**

## 1. 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 June 30, 2023 and 2022 are as follows:

(In a thousand of KRW)	2023		
Categories	Revenue	Expense	Net amounts
1. Consumer & Corporate CB	212,161,930	(177,960,551)	34,201,379
2. Debt-Collection	33,743,312	(32,340,956)	1,402,356
3. Others	3,319,341	(5,492,730)	(2,173,389)
Subtotal	249,224,582	(215,794,237)	33,430,346
Internal Transactions	(4,047,040)	4,025,852	(21,188)
Equity Method Profit & Loss	-	-	(506,935)
Net Financial Profit & Loss	-	-	2,258,913
Other Non Profit & Loss	-	-	231,016
Total	245,177,542	(211,768,384)	35,392,153

(In a thousand of KRW)	2022		
Categories	Revenue	Expense	Net amounts
1. Consumer & Corporate CB	214,485,351	(171,104,536)	43,380,815
2. Debt-Collection	31,742,528	(30,651,600)	1,090,928
3. Others	3,561,072	(5,020,075)	(1,459,003)
Subtotal	249,788,951	(206,776,211)	43,012,740
Internal Transactions	(4,002,891)	4,002,891	-
Equity Method Profit & Loss	-	-	(10,651)

(In a thousand of KRW)	2022		
Categories	Revenue	Expense	Net amounts
Net Financial Profit & Loss	-	-	788,501
Other Non Profit & Loss	-	-	(74,963)
Total	245,786,060	(202,773,320)	43,715,627

(2) Total Assets of reportable segment as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Individual & Corporate CB	409,328,142	430,133,630
Collection Service	36,810,692	36,586,105
Other business	7,740,606	15,132,804
Total assets of reportable segment	453,879,441	481,852,539
Internal transaction	(704,365)	(761,077)
Total	453,175,076	481,091,462

(3) Total liabilities of reportable segment as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Individual & Corporate CB	94,680,271	124,685,529
Collection Service	11,660,227	12,868,966
Other business	2,611,224	2,594,800
Total liabilities of reportable segment	108,951,722	140,149,295
Internal transaction	(624,698)	(702,598)
Total	108,327,023	139,446,698

(4) Agreement asset & liabilities by reportable segment as of June 30, 2023 and Dec 31, 2022 are as follows:

(In a thousand of KRW)	2023	2022
Contract Asset	13,238,760	7,506,290
Contract liabilities	10,588,295	18,658,598

## 2. 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 June 30, 2023 and Dec 31, 2022, were as follows:

(In a thousand of KRW)	2023	2022
Total borrowings	2,499,960	3,000,000
Less: Cash and cash equivalents & Other current financial assets	148,681,473	176,555,325
Net debt (a)	-	-
Total equity	344,848,052	341,644,765
Total capital (b)	344,848,052	341,644,765
Gearing ratio (a)/(b)	-	-

### (2) Financial instruments

Categorizations of financial instruments as at June 30, 2023 and Dec 31, 2022, are as follows:

### 1. Financial asset for 2023

2023				
(In a thousand of KRW)	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	-	-	55,172,426	55,172,426
Trade receivables and Other receivables	-	-	52,708,645	52,708,645
Other current financial assets	-	-	93,509,047	93,509,047
Financial assets at FVTPL	25,012,541	-	-	25,012,541
Financial assets at FVOCI	-	665,971	-	665,971
Other non-current financial assets	-	-	28,413,384	28,413,384
Total	25,012,541	665,971	229,803,502	255,482,014

### 2. Financial liabilities for 2023

2023			
(In a thousand of KRW)	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Trade Payables and Other payables	-	41,488,169	41,488,169
Other current financial liabilities	-	6,186,205	6,186,205
Other non-current financial liabilities	-	13,162,447	13,162,447
Total	-	60,836,821	60,836,821

## 1. Financial assets for 2022

2022				
(In a thousand of KRW)	Financial assets at FVTPL	Financial assets at FVOCI	Financial assets at amortized cost	Total
Cash and cash equivalents	-	-	78,220,960	78,220,960
Trade receivables and Other receivables	-	-	56,575,464	56,575,464
Other financial assets	-	-	98,334,365	98,334,365
Financial assets at FVTPL	29,915,968	-	-	29,915,968
Financial assets at FVOCI	-	665,971	-	665,971
Other non-current financial assets	-	-	27,680,658	27,680,658
Total	29,915,968	665,971	260,811,447	291,393,386

## 2. Financial liabilities for 2022

2022			
(In a thousand of KRW)	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Trade Payables and Other payables	-	43,324,685	43,324,685
Other current financial liabilities	-	8,332,176	8,332,176
Other non-current financial liabilities	-	13,804,233	13,804,233

2022			
(In a thousand of KRW)	Financial liabilities at FVTPL	Financial liabilities at amortized cost	Total
Short-term Borrowing	-	1,000,080	1,000,080
Long-term Borrowing	-	1,999,920	1,999,920
Total	-	68,461,094	68,461,094

### 3. Net Profit and Loss for Financial Assets

(Units: In a thousand of KRW)			
Categories		2023	2022
Financial Asset	Interest earnings of financial asset at amortized cost approach	2,629,148	1,054,561
	Bad debt expense of financial asset at amortized cost approach	224,751	262,360
	Gain and loss on foreign currency transactions of financial asset at amortized cost approach	20,481	36,446
	Gain on disposal of financial assets at amortized cost approach	34,132	-
	Gain on disposal of financial assets at FVTPL	36,384	14,287
Subtotal		2,944,896	1,367,654
Financial Liability	Interest expense of financial liabilities at amortized cost approach	(370,235)	(266,060)
Total		2,574,661	1,101,594

### (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 co-operation 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 consolidated entity is exposed to equity securities price risk arises from investments held by the Group, and is classified in the consolidated interim statement of financial position as financial assets at FVTPL and financial assets at FVOCI.

Investments in marketable equity securities are at the management's discretion and the Group does not have a separate investment policy for this matter.

#### (2) Credit risk

Credit risk is managed at group level. Credit risk is posed from accounts' credit risk including notes / account receivables and firm contracts in possession, and 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 the other factors such as the customer's financial condition, historical 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.

2023						
(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	41,488,169	41,488,169	31,697,589	9,790,580	-	-



**FINANCIAL STATEMENTS**  
**AS OF AND FOR THE SIX MONTH PERIODS ENDED**  
**June 30, 2023 AND 2022**

2023						
(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 current financial liabilities	6,186,205	6,279,768	2,294,043	3,985,725	-	-
Other non-current financial liabilities	13,162,447	15,400,923	-	-	6,875,639	8,525,284
Short-term borrowing	1,000,020	1,000,020	-	1,000,020	-	-
Long-term Borrowing	1,499,940	1,499,940	-	-	1,499,940	-
Total	63,336,781	65,668,820	33,991,632	14,776,325	8,375,579	8,525,284

2022						
(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	43,324,685	43,324,685	38,360,733	4,963,952	-	-
Other current financial liabilities	8,332,176	8,513,462	2,246,766	6,266,696	-	-
Other non-current financial liabilities	13,804,233	16,228,687	-	-	7,134,719	9,093,968
Short-term borrowing	1,000,080	1,000,080	-	1,000,080	-	-
Long-term Borrowing	1,999,920	1,999,920	-	-	1,999,920	-

2022						
(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
Total	68,461,094	71,066,834	40,607,499	12,230,728	9,134,639	9,093,968

(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 June 30, 2023 and Dec 31, 2022, are as follows:

2023				
(In a thousand of KRW)	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Endowment Insurance	-	-	17,149,904	17,149,904
Investment association fund	-	-	4,363,218	4,363,218
Redeemable Convertible Preferred Stock	-	-	3,499,419	3,499,419
Total	-	-	25,012,541	25,012,541
Financial liabilities at FVOCI:				
Non-listed stocks	-	-	665,971	665,971

2022				
(In a thousand of KRW)	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL:				
Endowment Insurance	-	-	22,294,202	22,294,202
Investment association fund	-	-	4,122,346	4,122,346
Redeemable Convertible Preferred Stock	-	-	3,499,419	3,499,419
Total	-	-	29,915,967	29,915,967
Financial liabilities at FVOCI:				

2022				
(In a thousand of KRW)	Level 1	Level 2	Level 3	Total
Non-listed stocks	-	-	665,971	665,971

2) There is no significant movement between Level 1 and Level 2 for the six month periods ended June 30, 2023 and 2022. The below carrying amount of financial asset and financial liability in the consolidated financial statements are recognized as financial instruments that are repetitively measured at fair value in classified as Level 3 as of June 30, 2023.

2023				
(In a thousand of KRW)	Beginning	Acquisition	Disposal	End
Financial assets at FVTPL:				
Endowment Insurance	22,294,202	-	(5,144,298)	17,149,904
Investment association fund	4,122,346	400,000	(159,128)	4,363,218
Redeemable Convertible Preferred Stock	3,499,419	-	-	3,499,419
Total	29,915,967	400,000	(5,303,426)	25,012,541
Financial liabilities at FVOCI:				
Non-listed stocks	665,971	-	-	665,971

### 3. Restricted Deposit:

Details of other current assets as of June 30, 2023 and 2022 are as follows:

Restricted deposits as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	Description	2023	2022
Other current financial assets	Establishment of Pledge right	176,000	176,000

### 4. Trade and Other Receivables:

(1) Trade and other receivables as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Trade receivables	51,990,038	55,720,368
Loss allowance	(997,735)	(1,222,252)
Long-term trade receivables (NET)	50,992,303	54,498,116
Accrued revenue	402,421	870,965
Loss allowance	(88,908)	(88,908)
Accrued revenue (NET)	313,513	782,057
Guarantee Deposits	1,402,829	1,295,292
Total	52,708,645	56,575,465

(2) Credit risk and loss allowance

The consolidated entities solely measured the financial assets with that are categorized as trade receivable and other receivables that have objective evidence of impairment, and implemented the composite impairment test on financial asset that are not individually impaired as of June 30, 2023. The consolidated entities considered that the practical evaluation of expected credit loss is consistence as the article 1109 on basis of corporate accounting criteria, and used the basic method in practical environment. During the implementation of composite impairment test, the ratio of bad debt default is measured in "Roll Rate" that is basis of application that trade receivable is written-off from default.

-----  
The carrying amount of expected credit loss and loss amount in each age for June 30, 2023 and Dec 31 2022 are as follow:

2023				
(In a thousand of KRW)	Expected Loss	Balance	Loss amount	Book value
Less than 90 days	0.26%	50,314,260	(133,006)	50,181,254
Between 91 days ~ 180 days	6.59%	418,742	(27,613)	391,129
Between 181 days ~ 270 days	11.55%	365,487	(42,213)	323,275
Between 271 days ~ 365 days	35.04%	63,017	(22,082)	40,934
Above 365 days	93.28%	828,533	(772,821)	55,711
Total		51,990,038	(997,735)	50,992,303

2022				
(In a thousand of KRW)	Expected Loss	Balance	Loss amount	Book value
Less than 90 days	0.77%	54,087,232	(415,137)	53,672,095
Between 91 days ~ 180 days	7.34%	453,414	(33,273)	420,141
Between 181 days ~ 270 days	12.83%	364,556	(46,762)	317,794
Between 271 days ~ 365 days	35.10%	33,173	(11,644)	21,529
Above 365 days	91.49%	781,993	(715,436)	66,557
Total		55,720,368	(1,222,252)	54,498,116

(3) Changes in trade receivable and other allowance for June 30, 2023 and 2022, are as follows:

2023				
(In a thousand of KRW)	Beginning balance	Bad debt expenses	Other	Ending balance
Trade receivable allowance	1,222,252	(224,751)	234	997,735
Accrued revenue allowance	88,908	-	-	88,908
Total	1,311,160	(224,751)	234	1,086,643

2022			
(In a thousand of KRW)	Beginning balance	Bad debt expenses	Ending balance
Trade receivable allowance	1,439,441	(262,359)	1,177,082
Accrued revenue allowance	88,454	-	88,454
Total	1,527,895	(262,359)	1,265,536

## 5. Other Current Financial Assets:

(1) Changes in other financial assets as of June 30, 2023 and Dec 31 2022 are as follows:

(In a thousand of KRW)	2023	2022
Short-term financial instruments	92,280,575	97,411,206
Short-term loan	969,498	769,498
Others	258,974	153,660
Total	93,509,047	98,334,364

#### 6. Other Current Assets and Other Non-Current Assets:

Other current assets as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Other current assets:		
Prepayments	2,658,656	1,471,648
prepaid expenses	2,044,985	1,532,456
Prepaid value added tax	112	-
Total	4,703,753	3,004,104
Other non-current assets:		
Other Investment assets	10,083,280	7,608,792
Long-term pre-payment	250,000	250,000
Total	10,333,280	7,858,792

#### 7. Financial Assets at FVTPL:

(1) Financial assets at FVTPL as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Non-current Financial assets at FVTPL		
Endowment Insurance	17,149,904	22,294,202

(In a thousand of KRW)	2023	2022
Investment association fund	4,363,218	4,122,346
Redeemable Convertible Preferred Stock	3,499,419	3,499,419
Total	25,012,541	29,915,968

(2) Changes in other financial assets for the six month periods ended June 30, 2023 and 2022 are as follows:

(In a thousand of KRW)	2023	2022
Beginning balance	29,915,968	26,775,279
Acquisition	400,000	8,499,426
Disposal	(5,303,426)	(1,020,400)
Ending balance	25,012,541	34,254,305

## 8. Financial Assets at FVOCI :

(1) Financial assets at FVOCI as of June 30, 2023 and 2022 consist of the following:

(In a thousand of KRW)	Categories	2023	2022
Non-marketable financial assets	Equity Securities	665,971	665,971

(2) Changes in financial assets at FVOCI as of June 30, 2023 and 2022 consist of the following:

(In a thousand of KRW)	2023	2022
Beginning	665,971	166,471
Acquisition	-	499,500
Ending Balance	665,971	665,971

## 9. Tangible Assets

List of tangible assets as of June 30, 2023 and Dec 31, 2022, are as follows:

2023								
(Unit: In a thousand won KRW)								
Categories	Land	Building	Structure	Machine Equipment	Furnishing	Delivery Equipment	Asse of right use (Lease Asset)	Total
Beginning Balance	908,769	24,973,395	1,061,576	44,978,963	13,693,932	16,677	39,180,222	124,813,535
Depreciation	-	(3,485,698)	(480,657)	(31,227,084)	(11,543,209)	(16,677)	(20,564,723)	(67,318,048)
Ending Balance	908,769	21,487,697	580,919	13,751,879	2,150,723	-	18,615,500	57,495,487

2022								
(Unit: In a thousand won KRW)								
Categories	Land	Building	Structure	Machine Equipment	Furnishing	Delivery Equipment	Asse of right use (Lease Asset)	Total
Beginning Balance	182,210	22,535,627	212,849	40,202,065	13,575,218	16,677	39,648,039	116,372,686
Depreciation	-	(2,640,269)	(90,732)	(28,951,032)	(11,108,206)	(15,386)	(18,125,875)	(60,931,500)
Ending Balance	182,210	19,895,358	122,117	11,251,033	2,467,012	1,291	21,522,164	55,441,186



Changes in the carrying amount of tangible assets for the year ended June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)	2023						
	Beginning balance	Acquisition	Disposal	Depreciation	Others (Alternative, etc)	Changes in consolidation	Ending balance
Land	182,210	-	-	-	726,559	-	908,769
Building	19,895,358	-	-	(281,695)	1,874,034	-	21,487,697
Structure	122,117	-	-	(5,321)	464,123	-	580,919
Mechanical equipment	11,251,033	4,792,543	(484)	(2,291,213)	-	-	13,751,879
Furnishing	2,467,012	260,005	(25,432)	(551,573)	711	-	2,150,723
Delivery Equipment	1,291	-	-	(1,291)	-	-	-
The asset of right of use (Lease asset)	21,522,164	1,452,707	(23,802)	(4,343,948)	8,379	-	18,615,500
Total	55,441,186	6,505,255	(49,718)	(7,475,041)	3,073,806	-	57,495,487

(In a thousand of KRW)	2022						
	Beginning balance	Acquisition	Disposal	Depreciation	Others (Alternative, etc)	Changes in consolidation	Ending balance
Land	962,716	-	-	-	-	-	962,716

(In a thousand of KRW)	2022						
	Beginning balance	Acquisition	Disposal	Depreciation	Others (Alternative, etc)	Changes in consolidation	Ending balance
Building	22,570,135	-	-	(314,430)	-	-	22,255,705
Structure	474,602	-	-	(19,076)	-	-	455,526
Mechanical equipment	9,986,087	1,742,503	-	(2,060,764)	-	-	9,667,826
Furnishing	2,794,694	292,243	(14,167)	(543,744)	927	-	2,529,953
Delivery Equipment	2,735	-	-	(722)	-	-	2,013
The asset of right of use (Lease asset)	21,032,854	2,008,247	(18,423)	(4,300,383)	96,721	-	18,819,016
Total	57,823,823	4,042,993	(32,590)	(7,239,119)	97,648	-	54,692,755

## 10. Investment Properties:

(1) The carrying amount of investment properties for June 30, 2023 and 2022, are as follows:

2023				
(In a thousand of KRW)	Land	Building	Structure	Total
Beginning balance	1,453,117	4,875,535	1,697,454	8,026,107
Depreciation	-	(1,127,468)	(769,208)	(1,896,675)
Ending balance	1,453,117	3,748,068	928,247	6,129,432

2022				
(In a thousand of KR W)	Land	Building	Structure	Total
Beginning balance	2,179,676	7,313,303	2,546,182	12,039,161
Depreciation	-	(1,599,785)	(1,090,157)	(2,689,942)
Ending balance	2,179,676	5,713,518	1,456,025	9,349,219

(2) Changes in the carrying amount of investment properties for June 30, 2023 and 2022, are as follows:

2023				
(In a thousand of KRW)	Beginning balance	Depreciation	Other fluctuation	Ending balance
Land	2,179,676	-	(726,559)	1,453,117
Building	5,713,518	(91,416)	(1,874,034)	3,748,068
Structures	1,456,025	(63,655)	(464,123)	928,247
Total	9,349,219	(155,071)	(3,064,716)	6,129,432

2022			
(In a thousand of KRW)	Beginning balance	Depreciation	Ending balance
Land	2,518,325	-	2,518,325
Building	6,812,447	(105,619)	6,706,828
Structures	1,241,490	(49,900)	1,191,590
Total	10,572,262	(155,519)	10,416,743

(3) Changes in rent revenue and expense from investment property for the six month periods ended June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)	2023	2022
Rent revenue	46,580	174,046
Rent expense	231,099	301,414

(4) The fair value of investment property for June 30, 2023 and Dec 31, 2022, are as follows:

(In a thousand of KRW)			
2023		2022	
Book value	Fair value	Book value	Fair value
6,129,432	7,314,540	9,349,219	10,971,810

## 11. Intangible Assets:

(1) The carrying amount of intangible assets for June 30, 2023 and Dec 31, 2022, are as follows:

2023			
(In a thousand of KRW)	Goodwill	Other intangible asset	Total
Acquisition	13,554,007	77,228,055	90,782,062
Amortization	-	(55,151,513)	(55,151,513)
Impairment loss allowance	-	(2,397,864)	(2,397,864)
Ending balance	13,554,007	19,678,678	33,232,685

2022			
(In a thousand of KRW)	Goodwill	Other intangible asset	Total
Acquisition	13,554,007	73,017,639	86,571,646
Amortization	-	(51,383,308)	(51,383,308)
Impairment loss allowance	-	(2,397,865)	(2,397,865)

2022			
(In a thousand of KRW)	Goodwill	Other intangible asset	Total
Ending balance	13,554,007	19,236,466	32,790,473

(2) Changes in the carrying amount of intangible assets for the six month periods ended June 30, 2023 and 2022, are as follows:

2023					
(In a thousand of KRW)	Beginning balance	Acquisition	Amortization	Other	Ending balance
Goodwill	13,554,007	-	-	-	13,554,007
Other intangibles	19,236,466	4,200,190	(3,768,411)	10,432	19,678,678
Total	32,790,473	4,200,190	(3,768,411)	10,432	33,232,685

2022					
(In a thousand of KRW)	Beginning balance	Acquisition (Note 1)	Amortization	Other	Ending balance
Goodwill	13,554,007	-	-	-	13,554,007
Other intangibles	17,430,767	5,670,842	(3,508,106)	7,475	19,600,978
Total	30,984,774	5,670,842	(3,508,106)	7,475	33,154,985

## 12. Investments in Subsidiaries:

(1) Investments in subsidiaries as of June 30, 2023 and Dec 31, 2022, consist of the following:

Subsidiary	Location	Principal business	Ownership of Group (%)	
			2023	2022
NICE Credit Information	S.Korea	Asset management and	100	100

Subsidiary	Location	Principal business	Ownership of Group (%)	
			2023	2022
		Debt–Collection		
NICE ZiniData	S.Korea	Data analysis service	100	100
NICE Info Vietnam Co., LTD (Note 1)	Vietnam	Business Strategy and risk consulting	100	40
Money Market Trust (Note 2)	S.Korea	Money Market Trust	100	100
NICE Investment Finance (Note 3)	S.Korea	Asset Management and Debt–Collection	100	100
NICE Credit Information Company Limited (Note 4)	Vietnam	Consumer CB	100	-

(Note 1) The consolidated entity acquired additional 60% of shares of NICE Info Vietnam Co., LTD in 2021.

(Note 2) The consolidated entity had Money Market Trust (Share Buyback) in order to maintain stable stock price index and increase shareholder's interest.

(Note 3) The consolidated entity had established in 2022

(Note 4) The consolidated entity had established in 2023

(2) Summarized financial position (before elimination of intercompany transactions and adjustments for differences in accounting policies) of subsidiaries as of June 30, 2023 and Dec 31, 2022, are as follows:

(In a thousand of KRW)										
Category	NICE Credit Information		NICE Zinidata		NICE Info. Vietnam Co., LTD.		Money Market Trust		NICE Credit Information Limited	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Current Asset	19,150,881	17,802,124	4,138,999	5,248,128	909,605	1,442,634	200,576	5,658,338	1,756,429	-
Non-Current Asset	17,659,811	18,783,981	2,514,969	2,199,078	485,873	584,626	7,861,135	2,382,864	-	-
Total Asset	36,810,692	36,586,105	6,653,968	7,447,206	1,395,478	2,027,260	8,061,711	8,041,202	1,756,429	-
Current Liability	8,672,593	8,776,076	1,336,220	1,537,449	259,351	189,798	-	127,374	-	-
No-current liability	2,987,634	4,092,890	1,334,872	487,891	190,196	252,288	-	-	-	-
Total Liability	11,660,227	12,868,966	2,671,092	2,025,340	449,547	442,086	-	127,374	-	-
Total equity	25,150,466	23,717,139	3,982,876	5,421,866	945,931	1,585,174	8,061,711	7,913,828	1,756,429	-

(3) Financial performances of the Group's major subsidiaries for the six month periods ended June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)					
Category	NICE Credit Information	NICE Zinidata	NICE Info	Money Market Trust	NICE Credit

**FINANCIAL STATEMENTS**  
AS OF AND FOR THE SIX MONTH PERIODS ENDED  
June 30, 2023 AND 2022

					Vietnam Co., LTD				Information Limited	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	33,743,312	31,742,528	2,954,544	3,022,050	364,797	361,664	-	-	-	-
Operating Profit	1,402,356	1,090,928	(1,483,163)	(1,177,227)	(690,226)	(281,776)	-	-	(1,256)	-
Net Income	1,433,326	733,535	(1,438,990)	(1,155,796)	(689,506)	(265,779)	147,883	-	4,330	-
Other Comprehensive Income	-	-	-	-	50,263	221,813	-	-	-	-
Total Comprehensive Profit	1,433,326	733,535	(1,438,990)	(1,155,796)	(639,243)	(43,966)	147,883	-	4,330	-

(5) Cash flows of the firm's major subsidiaries for the six month periods ended June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)	NICE Credit Information		NICE Zinidata		NICE Info Vietnam Co., LTD		Money Market Trust		NICE Credit Information Company Limited	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
C/F from operating activity	2,312,477	(3,348,611)	(228,698)	(635,736)	(637,123)	(511,210)	20,509	-	(13,989)	-
C/F from	942,531	1,575,397	(25,433)	380,597	15,732	755,868	-	-	(1,512,500)	-



Investment activity										
C/F from financial activity	(1,256,568)	(718,226)	(227,644)	(219,600)	(70,589)	(60,539)	(5,478,271)	-	1,744,605	-
Change in cash from currency exchange	-	-	-	-	20,983	63,170	-	-	(11,990)	-
Net change amount of cash and cash equivalent asset	1,998,440	(2,491,440)	(481,774)	(474,739)	(670,998)	247,289	(5,457,762)	-	206,126	-
Beginning cash and cash equivalent asset	7,591,604	9,569,052	1,706,846	1,060,583	799,850	848,666	5,658,338	-	-	-
Ending cash and cash equivalent asset	9,590,044	7,077,612	1,225,072	585,844	128,852	1,095,955	200,576	-	206,126	-

### 13. Investments in Associates:

(1) Investments in associates as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	Company	Main business	Location	Fiscal year	Share (%)	Investment	Book value	
							2023	2022
Joint firm	Dongbu Real Estate Trust, 11 (Joint venture)	Real estate rental	SKorea	Dec.	50%	9,500,000	9,451,273	9,580,703
	SBT	Other institutional investment	SKorea		40.0%	1,000,000	933,863	-
Relative	NICE Digital Renaissance 3rd New tech. investment	New Technology business investment	S.Korea	Dec.	20.5%	1,053,760	732,296	1,083,842
	IBKC-NICE New Deal Fund	New Technology business investment	S.Korea		20.6%	4,200,000	3,373,432	3,649,258
	NICE DWR	Securities Investment	S.Korea	Dec.	41.5%	25,849,044	28,116,734	28,627,645
	NICE A&I	Venture and NPL Investment	S.Korea	Dec	40.0%	6,981,480	7,082,988	7,227,071
Total						48,584,284	49,690,586	50,168,520

(2) Changes in investments in associates for the year ended June 30, 2023 and 2022, are as follows:

2023



**FINANCIAL STATEMENTS**  
**AS OF AND FOR THE SIX MONTH PERIODS ENDED**  
**June 30, 2023 AND 2022**

Company	Beginning Balance	Acquisition	P&L of equity method	Dividend	Capital changed in equity method	Disposal	Ending Balance
Dongbu Real Estate Trust, 11 (Joint venture)	9,580,703	-	(38,652)	(90,778)	-	-	9,451,273
NICE Digital Renaissance 3rd New tech. investment	1,083,842	-	6,458	-	-	(358,004)	732,296
IBKC-NICE New Deal Fund	3,649,258	-	(275,827)	-	-	-	3,373,432
NICE DWR	28,627,645	-	(403,545)	-	(107,366)	-	28,116,734
SBT	-	1,000,000	(51,285)	-	(14,852)	-	933,863
NICE A&I	7,227,071	-	255,917	(400,000)	-	-	7,082,988
Total	50,168,520	1,000,000	(506,935)	(490,778)	(122,218)	(358,004)	49,690,586

**FINANCIAL STATEMENTS**  
**AS OF AND FOR THE SIX MONTH PERIODS ENDED**  
**June 30, 2023 AND 2022**

Company	Beginning Balance	Acquisition	P&L of equity method	Dividend	Capital changed in equity method	Ending Balance
Dongbu Real Estate Trust, 11 (Joint venture)	9,579,676	-	479,143	(481,029)	-	9,577,790
NICE Digital renaissance 3rd New tech. investment	1,294,605	-	3,235	-	-	1,297,840
IBKC-NICE New Deal Fund	3,788,256	-	(69,002)	-	-	3,719,254
NICE DWR	19,355,365	-	(424,027)	-	-	18,931,338
Total	34,017,902	-	(10,651)	(481,029)	-	33,526,222

(3) Summarized financial position of the firms' investments in associates as of June 30, 2023 and June 30, 2022 are as follows:

2023
(Unit: In a thousand of KRW)

**FINANCIAL STATEMENTS**  
AS OF AND FOR THE SIX MONTH PERIODS ENDED  
June 30, 2023 AND 2022

Category	Dongbu Real Estate Trust, 11		NICE Digital renaissance 3 <sup>rd</sup> New tech. investment		IBKC-NICE New Deal Fund New tech. investment		NICE DWR		NICE A&I		SBT	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	234,111	1,377,126	111,530	90,727	17,355	9,993	-	-	1,385,842	-	-	-
Operating Profit	201,764	1,308,850	31,482	15,771	(1,339,730)	(335,152)	(34,973)	(16,191)	753,941	-	(129,045)	-
NET P&L	145,583	958,270	31,482	15,771	(1,339,730)	(335,152)	(973,349)	(1,156,439)	639,792	-	(128,212)	-
Other comprehensive P&L	-	-	-	-	-	-	(258,965)	-	-	-	-	-
Total comprehensive P&L	145,583	958,270	31,482	15,771	(1,339,730)	(335,152)	(1,232,315)	(1,156,439)	639,792	-	(128,212)	-

(4) Adjustments from equity of associates to book value of shares owned as of June 30, 2023 and Dec 31, 2022, is as follows:

2023						
(Unit: In a thousand of KRW)						
Category	Dongbu Real Estate Trust, 11	NICE Digital renaissance 3 <sup>rd</sup> New tech. investment	IBKC-NICE New Deal Fund New tech. investment	NICE DWR	NICE A&I	SBT

	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
(Ending) Net assets (A)	18,902,546	19,161,406	3,957,168	5,670,955	16,634,701	17,974,431	67,817,423	69,049,738	9,277,616	9,633,802	2,334,658	-
Ownership ratio(B)	50%	50%	20.51%	20.51%	20.59%	20.59%	41.46%	41.46%	40.00%	40.00%	40.00%	-
(A)x(B)	9,451,273	9,580,703	811,727	1,163,273	3,424,791	3,700,618	28,116,734	28,627,645	3,711,047	3,853,521	933,863	-
Other	-	-	(79,431)	(79,431)	(51,360)	(51,360)	-	-	3,371,942	3,373,551	-	-
Ending balance	9,451,273	9,580,703	732,296	1,083,842	3,373,432	3,649,258	28,116,734	28,627,645	7,082,988	7,227,071	933,863	-

#### 14. Other Non-Current Assets:

Other non-current assets as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Long-term loan receivables	22,993,000	22,343,000
Guarantee Deposits	5,420,384	5,337,658
Total	28,413,384	27,680,658

#### 15. Trade and Other payables:

Long-term trade and other payables as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Long-term loans	576,288	3,136,411
Accrued expenses	57,447,128	62,377,372
Rent Deposit	88,812	485,993

(In a thousand of KRW)	2023	2022
Total	58,112,228	65,999,776

#### **16. Other Current Liabilities and Other Non-Current Liabilities:**

Other current liabilities and other non-current liabilities as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Other current liabilities:		
Withholdings	6,986,886	14,064,192
Others	105,458	105,759
Total	7,092,344	14,169,951
Other non-current liabilities		
Long-term accrued expense	470,630	427,520
Contingent Liability	163,193	151,969
Total	633,823	579,489
Other Current financial liabilities		
Lease liability	6,186,205	8,332,176
Other non current financial liability		
Long-term rent deposit	36,941	-
Lease liability	13,125,506	13,804,233
Total	13,162,447	13,804,233

#### **17. Capital Stock:**

Capital stock as of June 30, 2023 and Dec 31, 2022, consists of the following:

(In a thousand of KRW)	2023	2022
Number of shares authorized	200,000,000 shares	200,000,000 shares

(In a thousand of KRW)	2023	2022
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

### 18. Other Capital Surplus and Other Components of Equity:

(1) Other capital surplus as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Additional Paid-in Capital	49,852,079	49,852,079
Treasury Stock	(14,412,889)	(8,934,617)
Difference from additional share acquisition of subsidiaries	(317,753)	(317,753)
Stock award	2,877,644	2,715,479
Total	37,999,081	43,315,188

(2) Changes in other capital surplus as of June 30, 2023 and June 30, 2022, consist of the following:

(In a thousand of KRW)	2022	2021
Beginning balance	43,315,188	44,654,995
Additional treasury share acquisition	(5,478,272)	-
Difference from additional share acquisition of subsidiaries	-	-
Stock award	162,165	556,563
Ending balance	37,999,081	45,211,558

(3) Other components of equity as of June 30, 2023 and Dec 31, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Net profit and loss on financial assets at FVOCI	(4,322,438)	(4,322,438)
Gain and loss on overseas operation translation	376,826	319,070



(In a thousand of KRW)	2023	2022
Change in equity method	1,932,948	2,055,165
Ending Balance	(2,012,664)	(1,948,203)

(4) Changes in other components of equity as of June 30, 2023 and June 30, 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Beginning Balance	(1,948,203)	(4,229,444)
Change in equity method	(122,217)	-
Gain and loss on overseas operation translation	57,756	221,814
Ending Balance	(2,012,664)	(4,007,630)

## 19. Stock award

(1) Stock option of June 30, 2023 consist of the following:

Placement	Number of shares authorized	Award method	Price (unit : won)	Period	Term
21 <sup>st</sup> Mar 2019	110,000 shares	New stock issued, Treasury stock issued, Differential compensation in cash	10,905 won	22 <sup>nd</sup> Mar 2022 ~ 21 <sup>st</sup> Mar 2026	3 years of work required
March 26 <sup>th</sup> 2021	150,000 shares	New stock issued, Treasury stock issued, Differential compensation in cash	13,882 won	27 <sup>nd</sup> Mar 2023 ~ 26 <sup>st</sup> Mar 2027	2 years of work required
Mach 25 <sup>th</sup> 2022	180,000 shares	New stock issued, Treasury stock	23,277 won	25 <sup>th</sup> Mar 2023 ~ 25 <sup>th</sup> Mar 2028	2 years of work required

Placement	Number of shares authorized	Award method	Price (unit : won)	Period	Term
		issued, Differential compensation in cash			

(2) Number of shares and its weighted average price as of June 30, 2023, consist of the following:

(Unit : shares, won)	Number of stocks	Weighted average exercise price
Beginning number of stocks	440,000	16,961
Given stocks	-	-
Ending number of stocks	440,000	16,961

## 21. Retained earnings and dividend

(1) Current retained earnings for June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)	2023	2022
Earned surplus reserve	13,053,723	10,848,547
Other surplus reserve	2,250,000	2,250,000
Unappropriated earned surplus	263,200,502	256,821,823
Total	278,504,225	269,920,370

(2) The details of the dividend payment for June 30, 2023 and 2022, are as follows:

2023					
(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	1,115,471	59,599,349	370	22,051,759

2022					
(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	330	19,728,322

## **22. FINANCIAL INCOME AND EXPENSES:**

Financial income and expenses for the six month periods ended June 30, 2023 and 2022, are as follows:

(In a thousand of KRW)	2023	2022
Financial Income		
Financial income at amortized cost	2,629,148	1,054,561
Income expense		
Financial liability at amortized cost	(370,235)	(266,060)
Total	2,258,913	788,501

## **23. OTHER NON-OPERATING INCOME:**

(1) Other non-operating income for the six month periods ended June 30, 2023 and 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Gain on foreign currency exchange transaction	41,211	46,909
Gain on disposal of financial assets at fair value through profit and loss	36,384	14,287
Gain on disposal of financial instruments at FVTPL	39,748	-
Recovery from provision of restoration liability	6,120	-
Gains on disposal of tangible assets	232	492
Others	229,628	164,118
Total	353,323	225,806

#### **24. OTHER NON-OPERATING EXPENSES:**

(1) Other non-operating expenses for the ended June 30, 2023 and 2022, consist of the following:

(In a thousand of KRW)	2023	2022
Loss on foreign currency exchange Transactions	20,730	10,462
Donations	60,000	120,000
Loss on disposal of tangible asset	1,273	14,167
Loss on disposal of financial asset	5,616	-
Others	34,688	156,140
Total	122,306	300,769

#### **25. EARNINGS (LOSS) PER SHARE:**

(1) Basic earnings (loss) per share

Basic earnings (loss) per share for the six month ended June 30, 2023 and 2022, are as follows (In a thousand of Korean won, except for share data and earnings (loss) per share):

(Unit: Won, shares)	2023	2022
Semi-annual net profit from common stocks	30,635,614,570	31,798,475,002

(Unit: Won, shares)	2023	2022
Weighted-average number of common shares outstanding	59,301,971	59,782,793
Earnings (loss) per share:	517	532

(2) Diluted earnings (loss) per share

While stock option may not cause the dilution on the outstanding number of common shares in the current nor do stock option have not been exercised since compensation were granted, diluted earnings (loss) per share for the six month ended June 30, 2023 and 2022, are the same as the basic earnings (loss) per share.

**<The End>**