

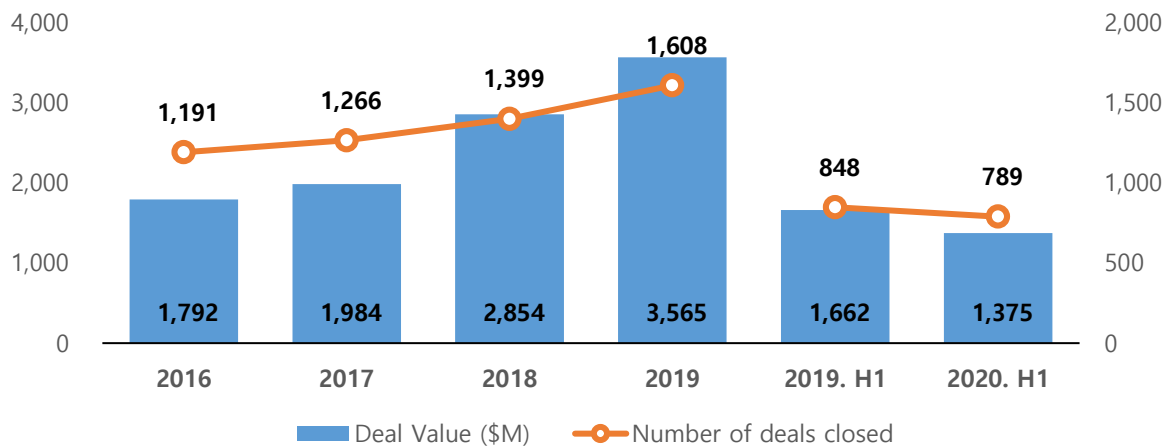


Korea Investment Partners 2020 H1 REVIEW

1. Domestic Venture Capital Investment Status

1.1 Investment Status by Year

Korean VC investment market scale, in contrast to the past where the market continuously showed significant increases every year, decreased by 17.3% year-on-year in invested capital, and 7% year-on-year in the number of invested companies in the first half of 2020. Shrinkage in investment due to COVID-19 seems to be the decisive factor of the decrease, but the firm expect an active market in the second half of the year, thanks to the increased liquidity supplied in the market.

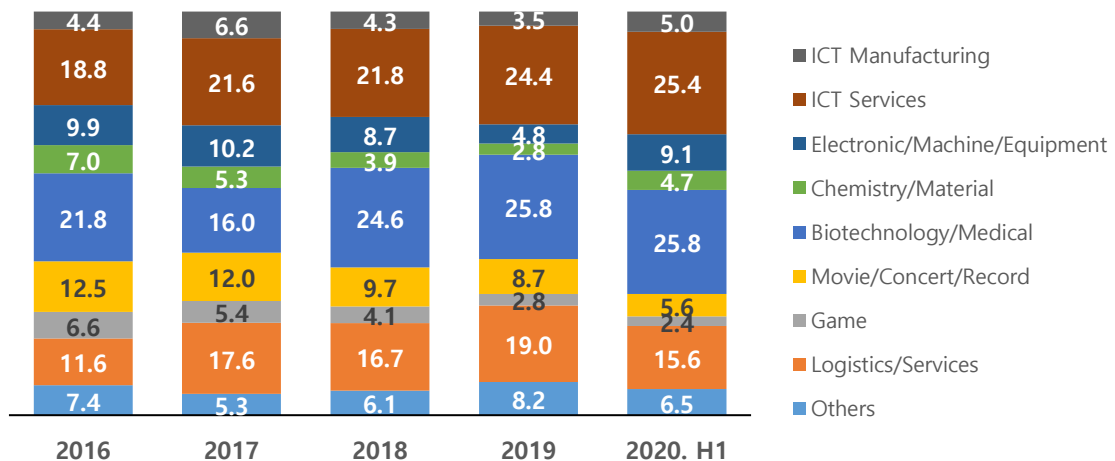


Source: Korea Venture Capital Association (KVCA)

1.2 Investment Status by Industry

While investment ratio of IT Service and Biotech/Healthcare sector has shown a steady increase, COVID-19 has led to a significant fall in investments in Interactive contents (Movie/Concert/Music, and etc) sector and Retail/Service sector.

(Unit: %)



(Unit: \$M USD)

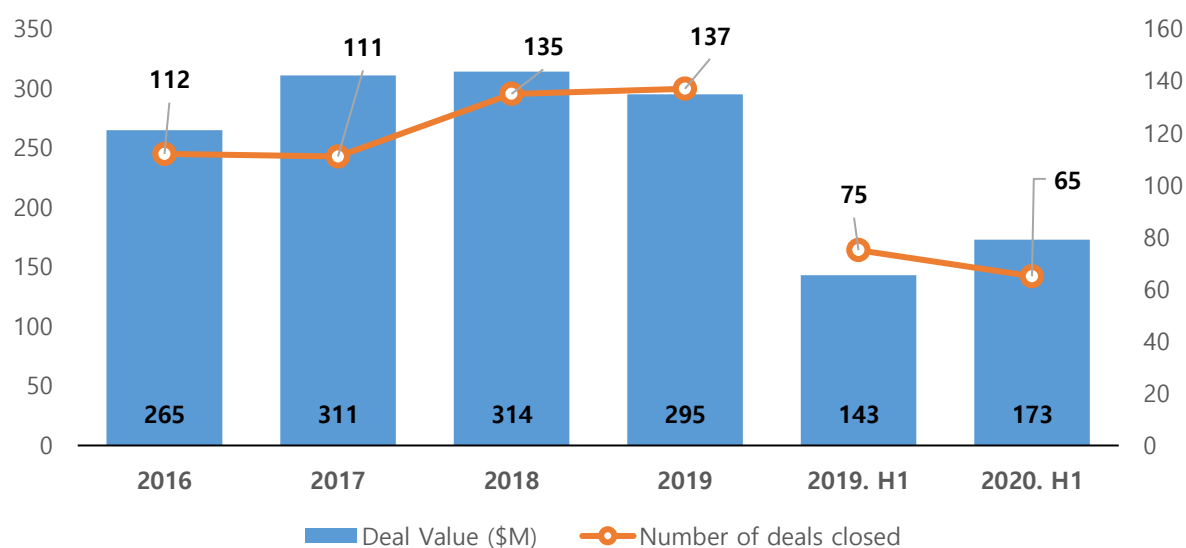
Sector	2016	2017	2018	2019	2020. H1
ICT Manufacturing	79.9	130.5	124.1	124.4	68.3
ICT Services	338.5	429.9	622.3	870.5	349.1
Electronic/Machine/Equipment	177.1	200.6	249.2	169.7	124.5
Chemistry/Material	125.2	105.8	112.6	100.9	64.5
Biotechnology/Medical	390.5	315.7	701.4	919.4	354.7
Movie/Concert/Record	223.2	239.5	276.8	308.6	76.8
Game	118.9	105.8	117.6	99.3	33.5
Logistics/Services	207.8	348.9	477.2	678.8	214.1
Others	130.8	106.9	173.1	293.2	89.3
Total	1,791.9	1,983.6	2,854.2	3,564.8	1,374.6

Source: Korea Venture Capital Association (KVCA)

2. Korea Investment Partners Investment Status

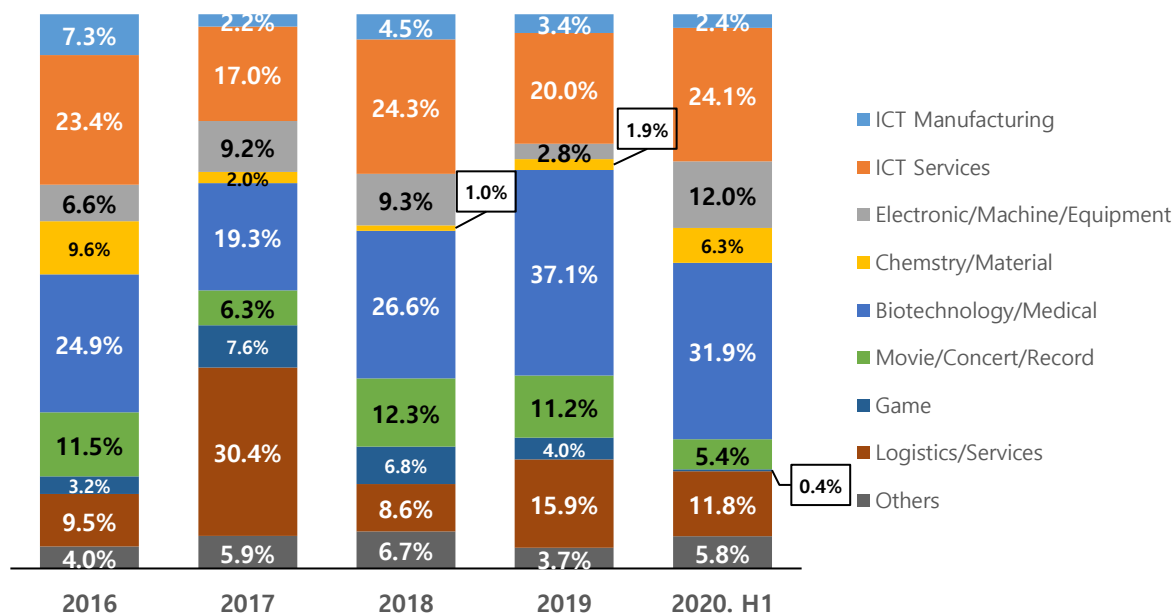
2.1 Investment Status by Year

Korea Investment Partners (KIP) has recorded increase in invested capital every year from 2016 to 2018. After taking a short breather in 2019, KIP has recorded vigorous investing activities in the first half of 2020, when COVID-19 occurred, showing a 20.9% increase in invested capital, compared to the same period last year. The number of invested companies has decreased by 13.3% year-on-year, while invested capital per company has sharply increased during the pandemic, which was led by KIP's strategy on boldly boosting invested capital per company.



2.2 Investment Status by Industry

While investments on Biotech/Healthcare sector have been the highest since 2018, investments on ICT Service sector have also consistently recorded more than 20% of investments executed.

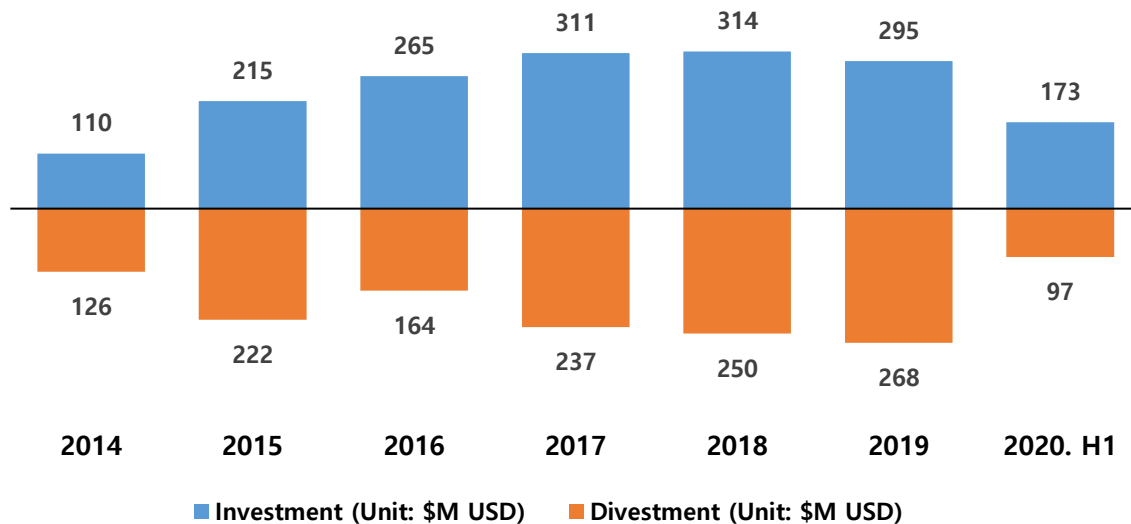


(Unit: \$M USD)

Sector	2016	2017	2018	2019	2020. H1
ICT Manufacturing	19.5	7.0	14.3	10.0	4.3
ICT Services	62.1	52.9	76.3	58.9	41.8
Electronic/Machine/Equipment	17.5	28.8	29.1	8.3	20.8
Chemistry/Material	25.3	6.3	3.1	5.7	10.8
Biotechnology/Medical	66.0	60.1	83.6	109.5	55.2
Movie/Concert/Record	30.5	19.6	38.6	33.1	9.3
Game	8.6	23.7	21.2	11.8	0.6
Logistics/Services	25.1	94.6	26.9	47.1	20.3
Others	10.5	18.3	20.9	11.0	10.1
Total	265.1	311.1	313.8	295.3	173.2

2.3 Invested Capital by Year and Return on Investment

KIP has shown outstanding performance in both quality and quantity; both amount of investments and divestments have drastically increased since 2014. In the first half of 2020, because of difficulties derived by COVID-19, the amount of divestments has slightly decreased, but with the all-time largest volume of capital invested, KIP has shown more aggressive investments committed, and capital invested in 1H already reached 60% of the previous year.

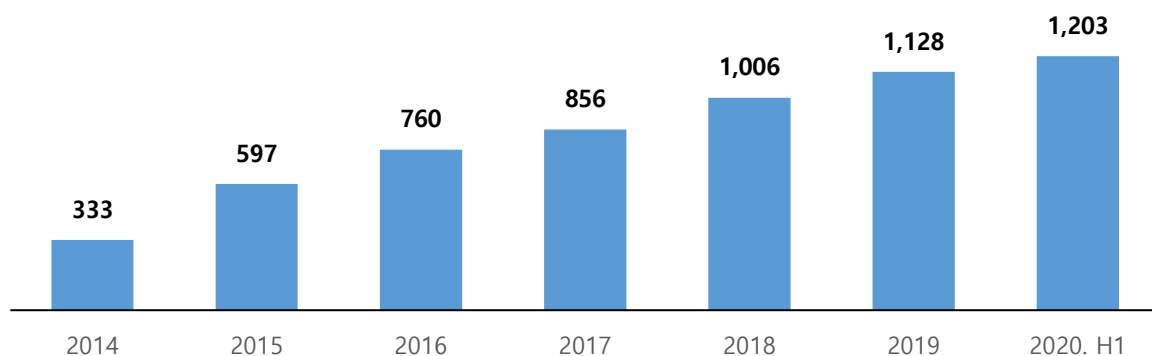


2.4 Portfolio Balance Status of KIP

As mentioned above, invested capital in the first half of 2020 has increased more than 20% year-on-year, with the portfolio balance reaching an all-time high record, even in the hard times caused by COVID-19.

(Unit: \$M USD)

Portfolio Balance



2.5 2020 H1 Fund Raise Status Korea Investment Partners

Vintage	Fund Name	Fund Size(\$M USD)
2020.04.28	2020 KIP Bon Appetit Fund	5.9
2020.05.22	KIP GWANGGAETO Fund	18.8
2020.05.27	KIP K Growth Material Private Equity Fund	8.3
Total		33.0

2.6 Major Investment Withdrawn in the First Half of the Year

(Unit: \$M USD)

Country	Portfolio	Investment Amount	Divestment Amount	Profit	Multiple
Korea	Metal Life	2.5	6.9	4.4	2.8
Korea	Ray	2.5	5.6	3.1	2.3
Korea	PPB Studios	1.7	2.7	1	1.6
Korea	KPM Tech	1.6	2.3	0.7	1.4

3. Major Domestic Investment Lists, 2020 H1



- *Market Kurly (Online Fresh Food Grocery Market), established in 2015
 - Series E closing with \$166.7M from DST Global, Sequoia Capital China, TransLink Capital, SK networks, Hillhouse Capital Management, Fuse Venture Partners, Aspex Management in April. Post-Value \$791.7M reached.
 - Cumulative Invested Capital : Approx. \$350M
-



- BunJang (Mobile Application for Second-hand Trading), established in 2010
 - Round closing with \$46.7M from BRV Capital, S2L Partners, Mirae Asset Venture, Mirae Asset Capital, Timewise Investment in March.
 - GMV in 2019 exceeded \$833.3M
-



- Bespin Global (Cloud Management Service), established in 2015
 - Series C closing with \$75M from SK Telecom, DY Holdings in May
 - First Korean firm to be registered as Gartner MQ Public Cloud MSP Leader Group
-



- SOCAR (Car Sharing Service), established in 2011
 - Round closing with \$42.5M from LB Private Equity, Softbank Ventures, and others in February. Post Value reached approximately \$750M.
 - Cumulative Invested Capital : Approx. \$216.7M
-



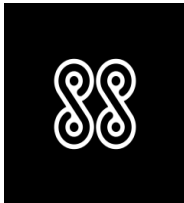
- idus (Online Platform for Trading Handicrafts), established in 2012
 - Series D closing with \$25M from Altos Ventures, Global Brain, Stonebridge Capital, IMM Investment, Smilegate Investment, Mirae Asset Venture Investment, Mirae Asset Capital in June.
 - Cumulative Invested Capital : Approx. \$42.5M
-



- BeMyCar (Car Sharing Platform), established in 2013
 - Round closing with \$20.8M from Neoplux in March
 - Provided 54,000 commercially available cars to its users and targets to reach transaction volume of \$166.7M for the year.
-



-
- ***Phantom AI** (Autonomous Driving Solution), established in 2016
 - Series A closing with \$22M from STIC Investments, Ford Motor, Millennium Technology Value Partners, SC Investment, kt investment, The Wells Investment, Celeres Investments, Intellectual Discovery, Hanyang ENG in April.
 - Cumulative Invested Capital : Approx. \$27M
-



- ***StyleShare** (Online Fashion Platform), established in 2011
 - Series D closing with \$20.8M from LB Investment, Stonebridge Capital, KTB Network, IMM Investment, Mirae Asset Venture Investment, Premier Partners, SBI Investment Korea, KB Securities, Mirae Asset Capital in January
 - Cumulative Invested Capital : Approx. \$45.8M
-



- BrandD (Online Fashion Platform), established in 2016
 - Series D closing with \$17.5M from DSC Investment, Atinum Investment, Mirae Asset Venture Investment, SEMA Translink Investment, SBI Investment Korea, Korea Investment Management in March
 - Currently recording more than 100% growth in transaction volume every year
 - Cumulative Invested Capital : Approx. \$29.2M
-



- Buzzvil (Machine-Learning Based Reward Type Advertisement Platform), established in 2012
 - Series C closing with \$17.1M from LB Investment, Company K Partners, SBI Investment Korea, Korea Development Bank, Shinhan Financial Group in January.
 - Cumulative Invested Capital : Approx. \$43.2M
-



- RIDI (Ebook Platform), established in 2009
 - Series E closing with \$16.7M from Korea Development Bank in March
 - In 2019, RIDI reached above \$83M in sales
 - Cumulative Invested Capital : Approx. \$80.8M
-



- Gangnam Unni (Review Platform for Plastic Surgery), established in 2015
 - Series B closing with \$15.4M from Legend Capital, KB Investment Hana Ventures, Premier Partners Stonebridge Ventures in April
 - Recently released a cross-border application for foreigners who visit Korean cosmetic surgery clinics
-

*Existing portfolio of KIP

4. KIP's Major Domestic Investment Lists, 2020 H1



● Investment Information

- OASIS (O2O Fresh Food Grocery Sales), established in 2011
- \$10.5M invested in April

● Investment Perspective

- The only profit-making firm in the highly growing grocery delivery service market
 - Synergy with its parent company (effective and delicate IT system related to ordering, distribution, inventory, and Picking & Packing)
 - Established a producer direct selling system based on a long time experience of organic product fulfillment operation, and sells premium organic fresh foods at a reasonable price through the established system
-



● Investment Information

- LifeGoesOn (Contactless Mobile Laundry Service), established in 2018
- Invested \$14.6M in total with Aju IB, KT Investment, Samsung Ventures, DS Asset Management, Altos Ventures, Hana Ventures in May

● Investment Perspective

- Mobile Service "Laundrygo", based on the maximization of consumer convenience, is leading the transition from offline to mobile laundry service
 - Based on non-contact service, delivery within 24 hours, mending service, standardized price policy, high-quality laundry treatment, and other advantages, the firm replaced existing offline services, entered the laundry market which has a size of 4 trillion KRW, and accomplished monthly growth rate above 20%
 - By operating the most advanced smart factory in the domestic commercial laundry market, the firm intends to obtain competitive edges on cost and operation efficiency
-



● Investment Information

- Bumhan FuelCell (Manufactures fuel cell systems and builds hydrogen charging stations), spun off from Bumhan Corp. in 2019
- \$12.5M invested in February

● Investment Perspective

- Hydrogen fuel cell, an eco-friendly renewable energy source that produces highly efficient electricity/thermal energy (energy efficiency 70 to 80 percent), is used to power various industrial fields such as transportation, power generation, and buildings. Annual growth rate above 30% is expected for the next decade
 - The only Korean firm, and at the same time the only two firms in the world to develop hydrogen fuel cell for submarines, the firm exclusively supplies fuel cells to the state-of-the-art submarine, Jangbogo III. The firm is also a leader of the domestic hydrogen charging station construction industry, and one of the top three firms in the domestic fuel cell market for buildings.
-

- Expects high value in the IPO market, considering recent policies of the United States, European Union, China, and Japan to expand hydrogen economy, and benefits from 'Green New Deal' policy in Korea.

● **Investment Information**

- G2GBio (Development of Dementia Cures), established in 2017
- Invested \$1.7M in June (*Follow-up investment on first investment with \$1.7M in 2018. KIP invested \$3.4M in total)



● **Investment Perspective**

- Commercialization experience in related fields and expertise of the management
- Owns a platform technology applicable to various types of extended release
- Obtained technologies and facilities to mass-produce uniform extended release microspheres

● **Investment Information**

- Gencurix (Breast Cancer Prognosis and Lung/Colorectal Cancer Joint Diagnosis), established in 2011
- Invested \$0.75M in January (*Follow-up investment on first investment with \$1.7M in 2017, and was listed in KOSDAQ market in 25th, June.)



● **Investment Perspective**

- Developed first domestic prognosis kit for breast cancer
- Developed cancer diagnosis kit based on molecular diagnosis technology
- Owns diagnosis technique of cancer cells in the blood

● **Investment Information**

- SMLAB (Develops Secondary Battery Material), established in 2018
- Invested \$10M in total in May and June \$10M (Follow-up investment on first investment with \$2.5M in 2019)



● **Investment Perspective**

- Due to the rapid growth of Electric Vehicle/Energy Storage System (ESS) market, demands for anode material are consistently growing as well. Among anode materials, demands for high nickel materials that have high power/long product life are expected to skyrocket.
- Successfully developed advanced process technology for single crystal that competitors failed to commercialize, and obtained outstanding references to the product
- CEO is a professor from UNIST, has worked as advisory consultant on anode material evaluation for major & large corporations. He is an expert on secondary battery who has done more than 20 years of research.

● **Investment Information**

- KPS (OLED Device manufacturer & New Business Development in Biotech/Healthcare Sector), established in 2000
- Invested \$8.3M in April.



● **Investment Perspective**

-
- OLED Industry's consistent growth and various customer network in China
 - Outstanding ability to scout candidates, for First-in-Class Anticancer drugs, with executives from HLB who experienced Global New Drug Development.
 - Able to dominate the blue ocean of digital therapy by co-research with the best experts
-

● **Investment Information**

- AtoxBio (Develops cure for rare disease), established in 2003
- Invested \$0.3M in April (Follow-up investment on first investment with \$1.8M in 2017)



● **Investment Perspective**

- Contain research development pipeline that completed Global clinical stage 3
 - Proven positive clinical result & designation as Orphan Drug from U.S. FDA
 - Board of Directors with networks and experiences in New drug development & investment from well-known investors like SR One and Orbimed
-

5. KIP's Major Overseas Investment Lists, Semi-Annual



● Investment Information

- Bundl Technologies (India, Online food ordering and delivery platform), established in 2014
- Invested \$5M in April

● Investment Perspective

- India's food delivery market is expected to grow rapidly thanks to the high economic growth rate and mobile Internet growth rate based on the population of 1.4 billion.
 - It has established itself as the No. 1 player in the market, and the market is reorganized into the two rigid structure along with competitors, and profitability is expected to improve following the market growth.
 - Based on precedents such as Meituan-Dianping in China and Wooha Brothers in Korea, it has proven that the corporate value jumps up when positioning as the No. 1 operator in the growing market or proving improvement in profitability.
-



● Investment Information

- Atrog (Sweden, New drug development for type 2 diabetes), established in 2013
- Invested EUR 4M in April (Follow-up Investment from EUR 1.3M in 2019)

● Investment Perspective

- Diabetes is a disease that requires life-long treatment and management, but it has the characteristics of being resistant to the drugs administered and has to be changed to a drug that works once every 3-4 years, so the need for a new drug based on a new mechanism is very high.
 - Atrog's β 2-AR agonists-based oral diabetes drug is a completely new mechanism that can restore glucose absorption even in the absence of the normal action of regulators of the insulin signaling pathway in patients. As a result, this new drug candidate presents a new alternative to the diabetes treatment industry.
 - In the preclinical mouse and rat models, Atrog has been collecting promising safety and efficacy data. We expect they would be able to enter the clinical human study soon, which would trigger higher valuation as well as M&A proposals from global pharmaceuticals.
-



● Investment Information

- Oncologie (US, Development of anticancer drugs), established in 2018
- Invested \$3M in April (Follow-up Investment from \$6M in 2019)

● Investment Perspective

- With an immune anticancer drug pipeline that is undergoing global clinical trials
 - Possession of cancer patient RNA analysis algorithm (RNA platform) technology
 - Executives with experience in developing anticancer drugs in global pharmaceutical companies
-



● **Investment Information**

- Rabbit Internet (Thailand, Financial Brokerage Platform), established in 2013
- Invested \$4.6M in May

● **Investment Perspective**

- Established business partnership networks with major financial groups such as BTS Group (Thailand)
 - Agency for securing new customers for partners through its own online channel
 - Support customer service (CS) by using the largest call center among Thai financial brokerage platform companies
 - Reduce operating costs by automating major financial product transaction processes
-

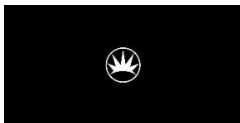


● **Investment Information**

- Pavilion Data Systems (U.S., System Software Development), established in 2014
- Invested \$0.7M in May (Follow-up investment from \$4M in 2018, \$2M in 2019).

● **Investment Perspective**

- The next-generation storage market is showing rapid growth as high-tech industries such as AI, big data, and IoT grow and real-time data solutions increase.
 - Developing and selling all-flash data storage with superior performance and efficiency compared to existing competitors.
 - Revenue were insignificant at the time of investment review, but revenue continued to grow as sales began, and customer feedback is also very good, leading to repurchase
-



● **Investment Information**

- First Light Games (U.K, Mobile Game Development), established in 2018
- Invested GBP 0.5M in March

● **Investment Perspective**

- RockStar Founders with successful experiences in developing Dawn of Titan, Monument valley etc
 - Capability for Agile/Fast development for Game prototype with limited time and budget (within 6 months / under 200K GBP)
-

● **Information and Definitions**

KIP: Korea Investment Partners

Period: 2020.01.01 ~ 2020.06.30 (2020 H1)

Currency: \$1 = ₩1,200

● **Contact**

JooYong Jung / Market Research Team Lead

Phone: +82 10 5623 3563

E-mail: sinsidoly@kipvc.com