

Hanatour Q1 FY2024 Earnings Performance

MAY 2024



Disclaimer

This document presents preliminary operating results based on consolidated standards prepared in accordance with Korean International Financial Reporting Standards (K-IFRS).

The financial results and business performance contained herein are provided for investor convenience, as external audit by auditors for Hanatour and its subsidiaries has not yet been completed.

We advise investors not to base their investment decisions solely on the information contained in this document and declare that investment responsibility rests solely with the investor.



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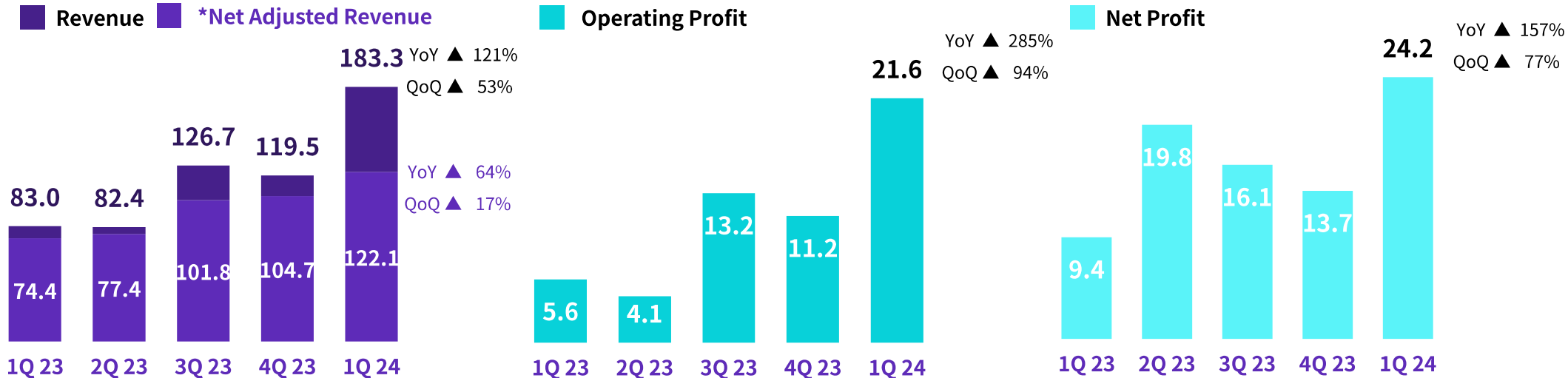


Quarterly Operating Results

- In Q1, operating revenue surged by 121% YoY and 53% QoQ, reaching KRW 183.3 billion, signifying a 17% QoQ growth in *net adjusted revenue
Key Drivers: 1) Ongoing recovery in the number of package tourists (QoQ +30%), 2) Expanded share of mid-to-high-priced package tourists (28%)
- Operating profit spiked by 285% YoY and 94% QoQ, reaching 21.6 bn, **marking the highest quarterly profits ever** (the second highest figure being 16.9 bn in Q1 2015)
Key Drivers: 1) Expanded share of mid-to-high-priced package tour sales, 2) Expanded share of online package sales(41%), 3) Operating leverage effect via limited increase in fixed costs, 4) Efficient procurement of chartered flights, etc.
- Net profit increased by 157% YoY and 77% QoQ, totaling 24.2bn
Key Drivers: 1) Miscellaneous income (1.45bn), 2) Interest income (1.6bn), 3) Foreign exchange-related income (1.8bn), 4) Income taxes (1.1bn), etc.

Quarterly Revenue & Operating Profit

1Q 23 – 1Q 24, B KRW



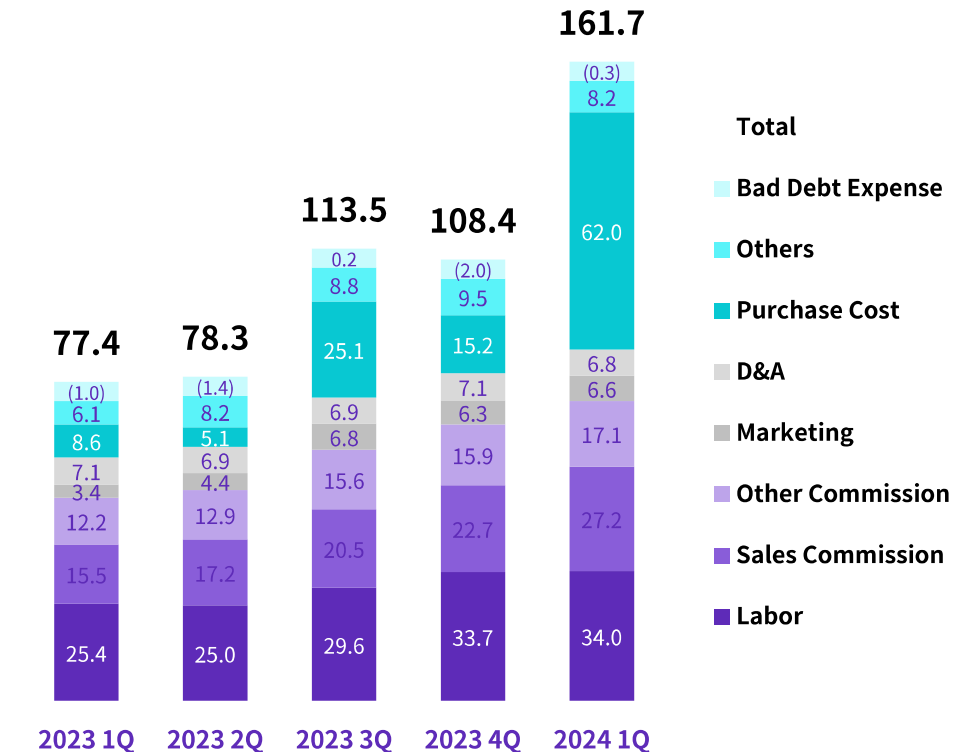
(*Net Adjusted Revenue: Excludes COGs-related sales for chartered flights, accommodations, attractions, etc)



Quarterly Operating Expenses

Breakdown of Quarterly Operating Expenses

1Q 23 ~ 1Q 24, B KRW



(Reflected IFRS No. 15, 16 & profit and loss from discontinued business)

✓ **In Q1, total operating expenses increased by 49% QoQ, reaching KRW 161.7 billion**

✓ **Labor expenses increased by 1%, totaling 34 bn**

Key Drivers:

- 1) Annual pay raise (1.9bn)
- 2) Reflection of annual bonuses (PS) (2.0bn) – one-off
- 3) Quarterly bonuses (0.5bn) – one-off
- 4) Limited quarterly increase in overall headcount on a consolidated basis for Q1 (from 2,280 to 2,340)

✓ **Marketing expenses increased by 6%, reaching 6.6 bn**

Key Drivers:

- 1) Online promotion marketing in response to peak-season demand

✓ **Purchase costs surged by 309%, totaling 62 bn**

Key Drivers:

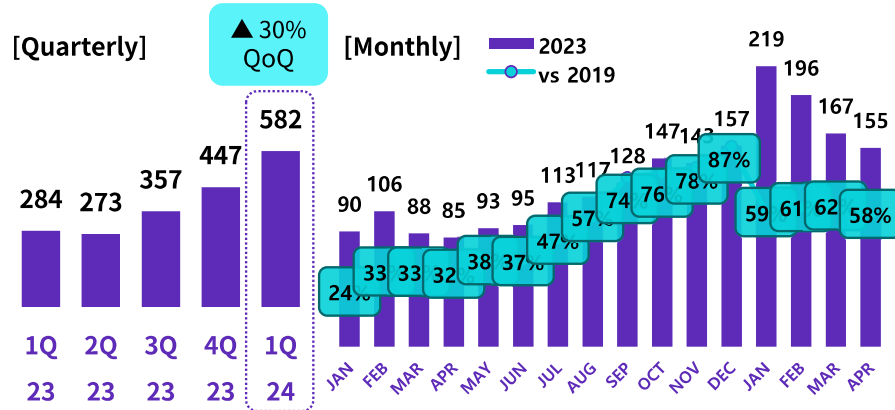
- 1) Higher purchase volumes of flights and hotels in response to the surge in peak-season demand



Customer and GMV Trends for Package Tours

Customer Trend for Package Tours

1Q 23 ~ 1Q 24, APR 2024, thousand people



✓ **In Q1, the number of package tourists increased by 30% QoQ**

Key Drivers:

- 1) Ongoing recovery in package tourism
- 2) Increased demand for short-haul destinations due to seasonality

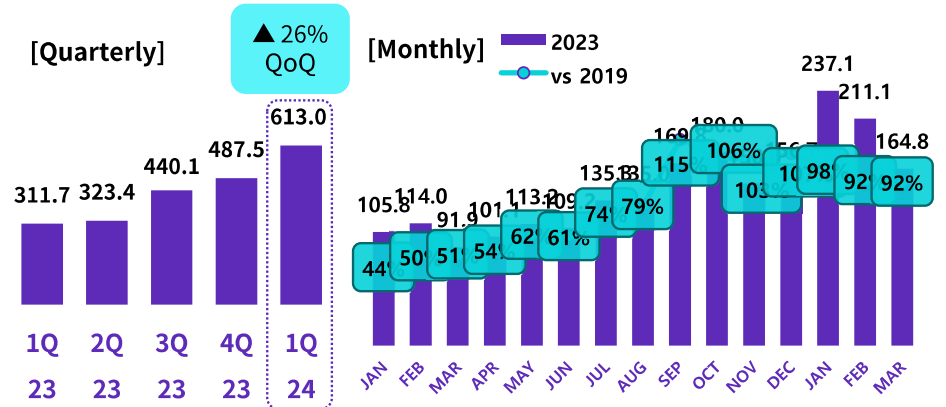
✓ **In April, the number of package tourists decreased by 7% MoM**

Key Drivers:

- 1) Natural decrease due to off-season seasonality
- 2) Strong recovery trend for Chinese tours (+13% MoM increase in April)
- 3) Increased demand for European tours reflecting seasonality (+46% MoM increase in April)

GMV Trend for Package Tours

1Q 23 ~ 1Q 24, B KRW



✓ **In Q1, GMV increased by 26% QoQ, totaling 94% of the same period in 2019**

Key Drivers:

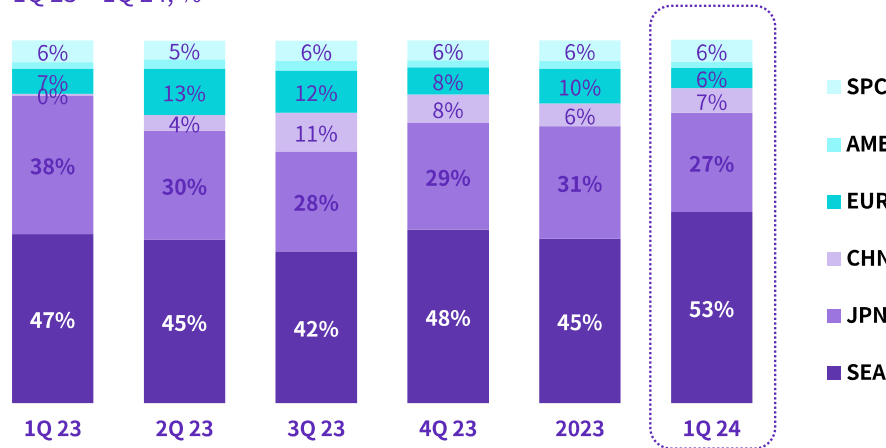
- 1) Increased number of package tourists due to ongoing recovery
- 2) Expanded share of mid-to-high-priced packages, particularly Hanapack 2.0



Regional Distribution of Package Tours

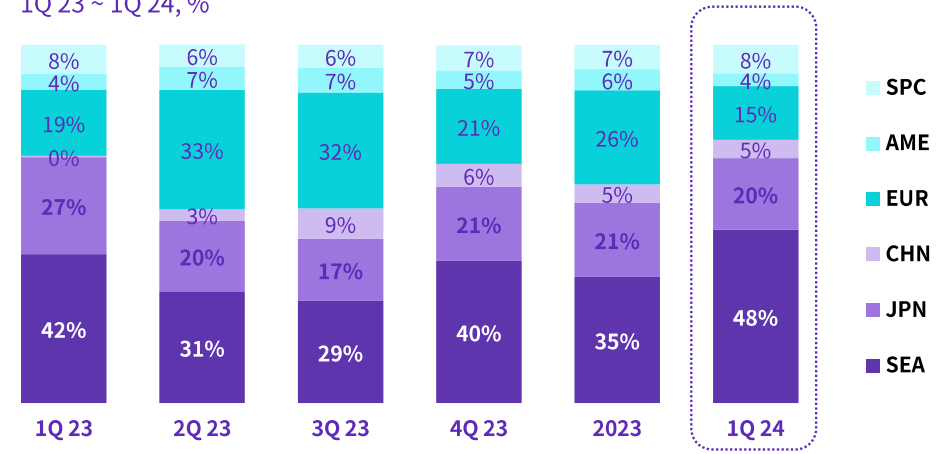
Customer Breakdown By Region

1Q 23 ~ 1Q 24, %



GMV Breakdown By Region

1Q 23 ~ 1Q 24, %



✓ **In Q1, based on the number of package tourists, short-haul destinations centered around Southeast Asia and Japan accounted for the largest share**

Key Drivers:

- 1) Increased demand for short-haul destinations drove overall growth of package tourists
- 2) Strong ongoing recovery for Chinese tours. China is the only region showing a continuous monthly growth trend this year (+16% MoM in JAN, +10% in FEB, +38% in MAR, +13% in APR)

✓ **In Q1, in terms of GMV, SEA led with 48%, followed by Japan at 20%, and Europe at 15%**

Key Drivers:

- 1) Thanks to a higher ASP, Europe marked high GMV despite having a lower number of tourists



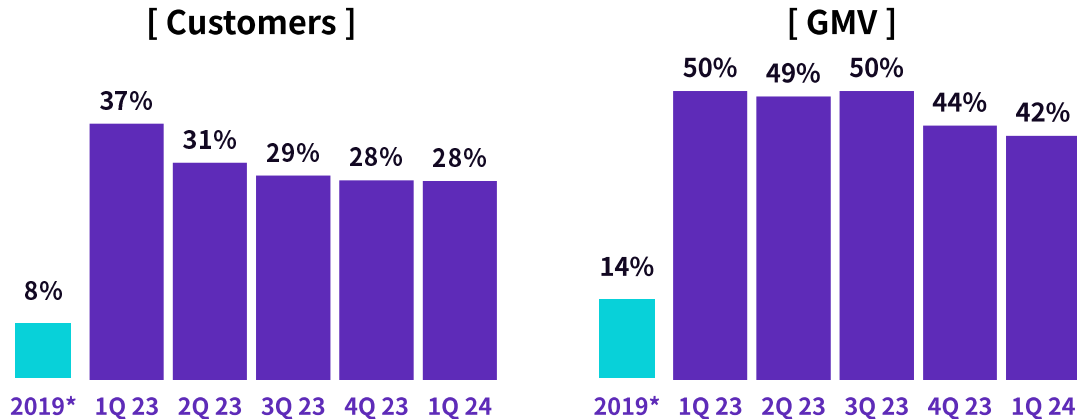
Mid-to-High-Priced Packages(Hanapack 2.0) Sales Trends

- **In Q1, mid-to-high-priced packages(Hanapack 2.0), accounted for 28% of our package tourists**
Key Drivers: Amid an accelerated recovery trend, increased demand for short-haul destinations for Q1 due to seasonality led to an expanded share of low-priced package tours
- **On GMV basis, mid-to-high-priced packages accounted for 42%**
Key Drivers: Stronger demand for short-haul destinations due to Q1 seasonality led to a decreased share of mid-to-high-priced packages
- **Customers traveling to long-haul destinations with higher average package prices were more inclined to select mid-to-high-priced packages**
Key Drivers: The greater the cost and time spent in a travel, the stronger the need to fully enjoy an enriched travel experience

Sales Share of Mid-to-High-Priced Packages (vs Total)

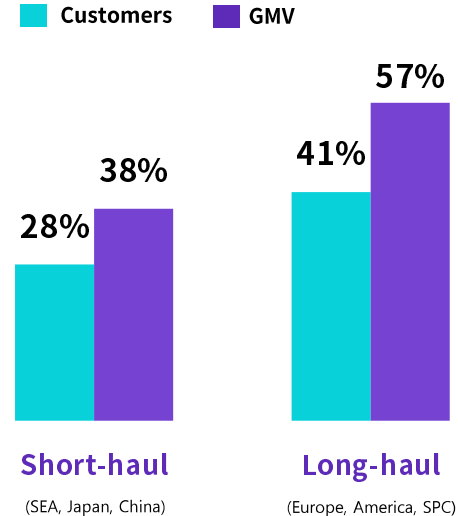
2019 vs 2023 vs 1Q 24, Number of customers, GMV, %

Mid-to-high-priced Package
 (Premium, Standards, JBU, Theme package included)



Sales Share of Mid-to-High-Priced Packages (Short-haul & Long-haul)

1Q 24, Short-haul, Long-haul, %



* Based on mid-to-high-priced package tours before the release of Hanapack2.0

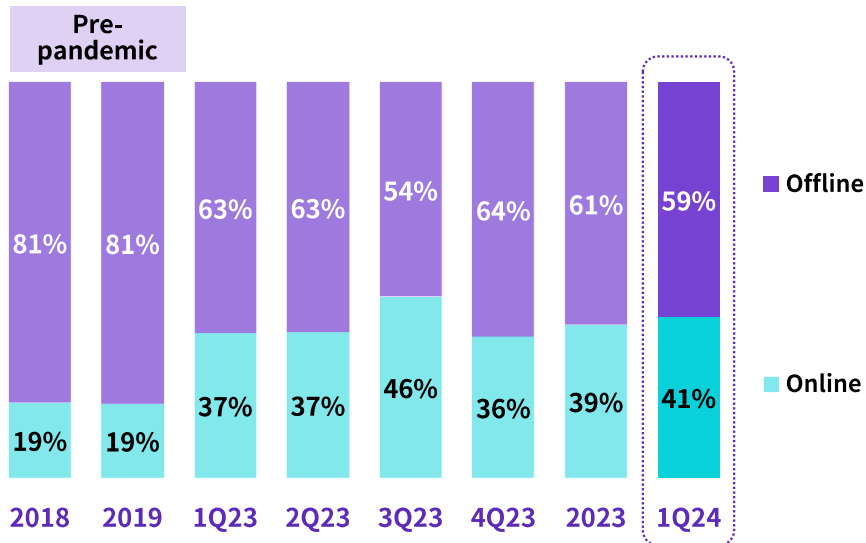


Channel Distribution of Package Tours

- In Q1, online channel sales accounted for 41% based on the number of customers
- The online sales share rose significantly with our improved online capabilities and shifting customer behavior compared to pre-pandemic times
- The growth in our mobile app traffic and overall online members also contributed to an expanded share of online sales

Customer Breakdown by Channel

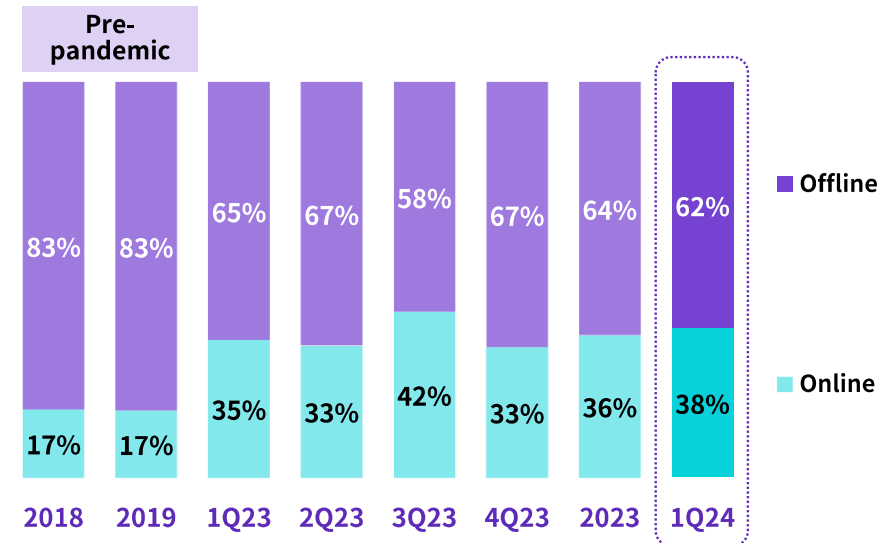
2018 ~ 1Q 24, %



(Source: Hanatour)

GMV Breakdown by channel

2018 ~ 1Q 24, %



(Source: Hanatour)

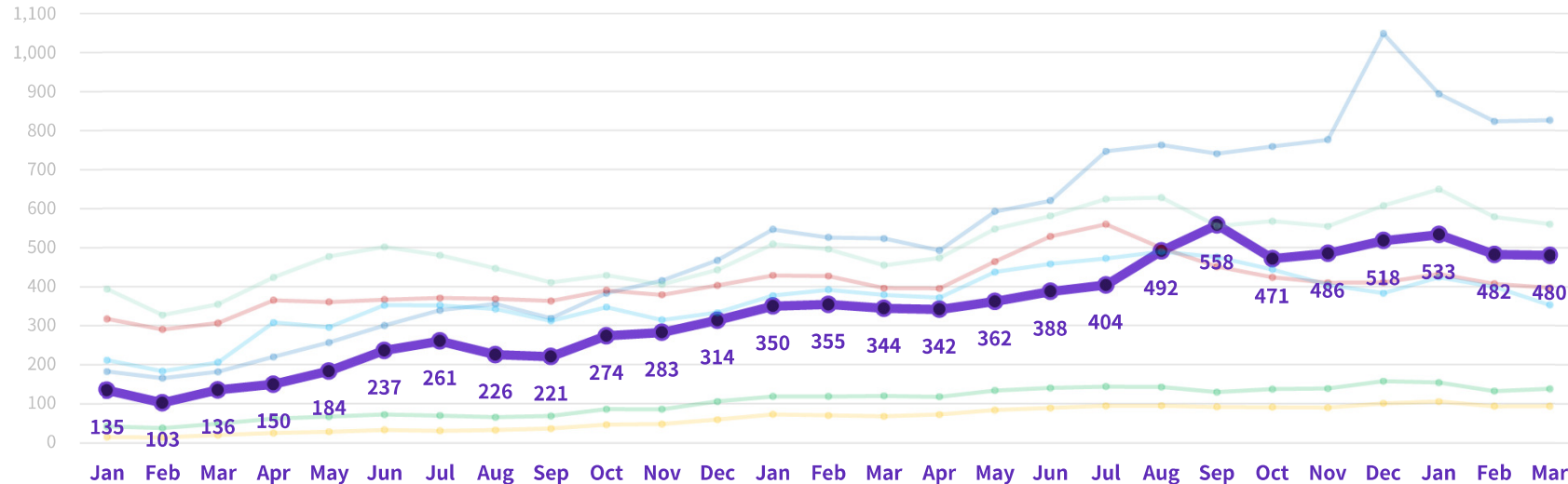


Mobile App User Trends

- In Q1, the average Monthly Active Users (MAU) reached 500K, a 35% increase YoY.
Key Drivers: 1) App promotion marketing, 2) Favorable response from users to both existing and new app features.
- In September 2023, we secured the second position in the 'Comprehensive Travel Agency' category on Mobile Index with 560K MAU. Subsequently, we maintained a quarterly average MAU of 500K, solidifying our position in third place.
- We anticipate maintaining approximately 500K MAU through continuous enhancements in app features and various marketing promotions.

MAU Trend for Our Mobile App

JAN 2022 ~ MAR 2024, Mobile Index – Comprehensive Travel Agency Category, thousand people



MAU for MAR 2024

- Trip. 820,574
- TRIP 559,613
- **480,040**
- 396,827
- My 352,658
- M 138,093
- 노랑풍선 93,589

(Source: Mobile Index)



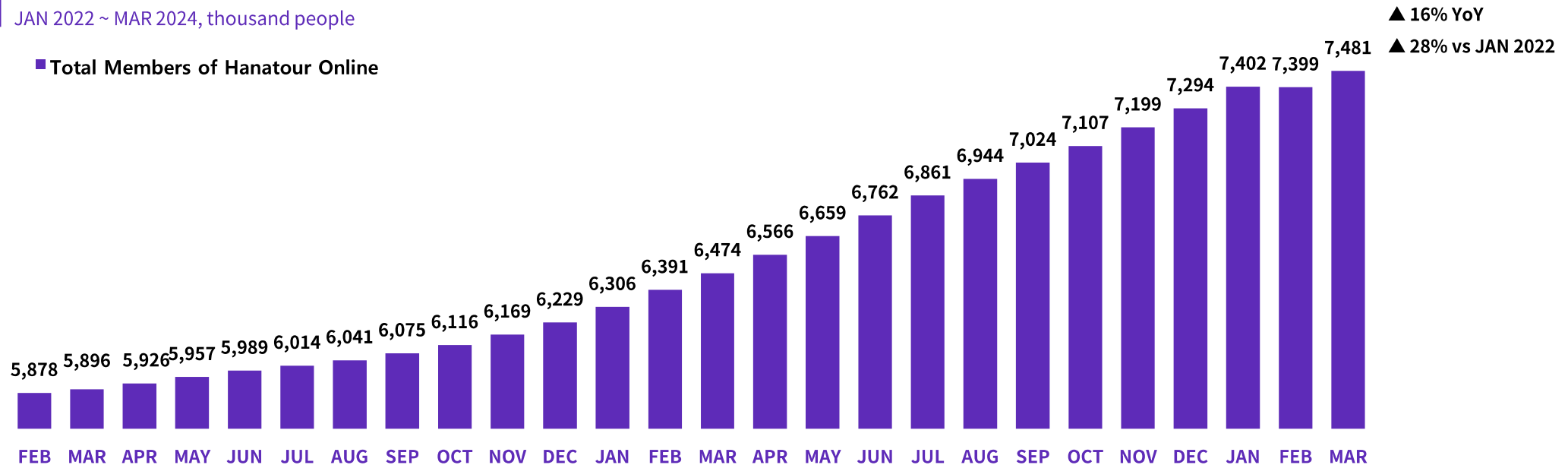
Hanatour Online Membership Trend

- The total number of Hanatour online members has reached 7.48m, setting a new record

Hanatour Online Membership

JAN 2022 ~ MAR 2024, thousand people

■ Total Members of Hanatour Online



(Source : Hanatour)



Consolidated Statement of Financial Position

(Unit: B KRW)

	2022	2023	2024 Q1(P)		2022	2023	2024 Q1
Assets				Liabilities			
Current Assets	270.5	447.0	487.9	Current Liabilities	232.8	370.1	461.7
Cash&Cash Equivalents	92.5	118.7	161.0	Account Payable	42.0	80.9	120.1
Short-term Deposits	88.6	145.6	146.2	Other Payables	47.2	64.0	63.2
Trade Receivable	39.4	61.8	52.9	Current Tax Liabilities	0.4	0.7	1.4
Other Receivables	5.9	11.0	9.6	Advances for Travel Product	77.0	163.8	140.9
Current Finance Lease Receivables	0.6	0.9	1.3	Advance Customers	22.4	17.9	16.5
Inventories	8.3	59.1	58.1	Short-term Borrowings	14.4	8.7	6.4
Advance Payments	25.2	36.8	43.8	Current Long-term Debt	2.1	1.8	1.8
Other Current Assets	3.0	3.2	4.9	Current Portion of Finance Lease Liabilities	13.9	16.8	16.8
Other Financial Assets	6.8	8.9	8.6	Current Provisions	0.9	1.1	1.2
Current Tax Assets	0.4	1.1	1.6	Other Current Financial Liabilities	2.1	2.5	80.4
Non-Current Assets	184.9	197.6	188.1	Other Current Liabilities	10.5	11.9	12.9
Financial Instrument(FVTNI)	3.0	3.6	1.6	Non-Current Liabilities	123.0	115.2	109.4
Financial Instrument(FVTOCI)	1.2	1.2	1.2	Long-term Other Payables	0.1	0.0	0.0
Investments in Subsidiaries, JV, Associates	0.7	0.0	0.0	Long-term Borrowings	7.9	5.3	4.8
Long-term Other Receivables	4.1	3.9	3.6	Non-Current Provisions	0.2	0.4	0.4
Non-current finance lease receivables	0.0	1.0	0.9	Non-Current Finance Lease Liabilities	105.8	104.5	99.5
Investment Property	1.1	0.9	0.8	Long-term Provisions for Employees	4.4	0.8	0.8
Property, Plant and Equipment	10.2	11.6	11.2	Other Non-Current Financial Liabilities	0.0	0.0	0.0
Intangible Assets	22.9	16.7	14.7	Other Non-Current Liabilities	4.6	4.1	3.9
Right-of-Use Assets	76.6	92.5	87.9	Total Liabilities	355.7	485.3	571.1
Other Non-Current Financial Assets	12.7	11.3	11.6	Equity			
Deferred Tax Assets	52.3	54.9	54.6	Equity Attributable to Owners of Parents	123.3	170.4	114.1
Other non-current assets	0.0	0.0	0.0	Issued Capital	8.0	8.0	8.0
Total Assets	455.4	644.6	676.0	Other Paid-up Capital	132.9	-7.1	-7.1
				Elements of Other Stockholder's Equity	2.6	2.6	2.4
				Retained Earnings	-20.3	166.8	110.8
				Non-Controlling Interests	-23.6	-11.1	-9.1
				Total Equity	99.7	159.3	104.9
				Total Equity and Liabilities	455.4	644.6	676.0



Separate Statement of Financial Position

(Unit : B KRW)

	2022	2023	2024 Q1(P)		2022	2023	2024 Q1(P)
Assets				Liabilities			
Current Assets	202.5	367.0	408.5	Current Liabilities	162.5	296.7	392.6
Cash & Cash Equivalents	61.3	90.0	125.1	Account Payable	35.0	70.1	110.7
Short-term Deposits	71.9	123.6	128.6	Other Current Payables	20.0	35.6	35.3
Trade Receivable	29.1	42.6	36.5	Current Tax Liabilities	0.0	0.0	0.8
Other Receivables	7.2	13.2	13.0	Advances for Travel Products	69.7	155.2	131.5
Finance Lease Receivables	0.7	1.9	2.3	Advances Customers	21.5	17.5	16.1
Inventories	7.3	58.4	57.7	Current Provisions	0.9	1.1	1.2
Advance Payments	20.2	31.4	37.2	Finance Lease Liabilities	4.1	6.6	7.2
Other Current Assets	1.6	1.8	3.5	Other Current Financial Liabilities	2.3	2.3	79.8
Other Current Financial Assets	2.9	3.2	3.1	Other Current Liabilities	9.0	8.3	9.9
Tax Assets	0.4	1.1	1.5	Non-Current Liabilities	5.9	8.2	7.1
Non-Current Assets	115.8	118.8	115.0	Non-Current Provisions for Employee Benefits	4.2	0.6	0.6
Financial Instrument(FVTNI)	3.0	3.6	1.6	Non-Current Finance Lease Liabilities	1.6	7.5	6.4
Financial Instrument(FVTOCI)	1.1	1.1	1.1	Non-Current Provisions	0.0	0.1	0.1
Investments in Subsidiaries	24.7	24.4	25.8	Other Non-Current Financial Liabilities	0.0	0.0	0.0
Investments in Associates	0.6	0.0	0.0	Total Liabilities	168.3	305.0	399.7
Non-current finance lease receivables	0.0	2.8	2.4	Equity			
Property, Plant and Equipment	2.9	2.0	1.9	Issued Capital	8.0	8.0	8.0
Right-of-Use Assets	5.0	13.6	12.6	Other Paid-up Capital	119.5	-20.5	-20.5
Intangible Assets	19.1	11.9	10.0	Elements of other stockholder's equity	0.0	0.0	0.0
Long-term Other Receivables	5.2	5.8	5.7	Retained Earnings	22.5	193.3	136.3
Other Non-Current Financial Assets	3.6	3.4	3.5	Total Equity	150.0	180.8	123.8
Deferred Tax Assets	50.6	50.4	50.4	Total Equity and Liabilities	318.3	485.8	523.5
Total Assets	318.3	485.8	523.5				



Consolidated Profit & Loss

(Unit : B KRW)

	1Q 22	2Q 22	3Q 22	4Q 22	FY 22	1Q 23	2Q 23	3Q 23	4Q 23	FY 23	1Q 24(P)
Operating Revenue (Net Sales)	9.8	21.6	37.4	46.1	115.0	83.0	82.4	126.7	119.5	411.6	183.3
Overseas Tours Sales Commission*	3.0	8.9	17.7	30.1	59.7	54.7	54.6	71.9	75.7	256.9	92.9
Revenue from Goods Sold (Chartered flights, etc.)	0.1	1.3	4.9	1.4	7.6	8.6	5.0	24.9	14.9	53.3	61.2
Revenue from Hotel Operation	2.8	4.6	5.0	4.5	16.9	3.8	4.5	5.9	4.8	19.0	5.2
Revenue from Bus Service	0.1	0.1	0.7	2.0	3.0	3.3	4.1	3.9	5.0	16.3	4.6
Others	3.8	6.6	9.2	8.1	27.7	12.5	14.3	20.0	19.2	66.0	19.5
Operating Expense	39.5	55.3	59.3	62.1	216.2	77.4	78.3	113.5	108.4	377.6	161.7
Labor	18.6	21.5	22.5	23.3	86.0	25.4	25.0	29.6	33.7	113.7	34.0
Sales Commission	1.3	3.6	5.8	8.8	19.5	15.5	17.2	20.5	22.7	75.9	27.2
Other Commission	5.9	9.1	9.2	12.3	36.5	12.2	12.9	15.6	15.9	56.6	17.1
Marketing	1.5	7.6	3.6	3.7	16.5	3.4	4.4	6.8	6.3	20.9	6.6
D&A	7.9	7.8	7.9	7.7	31.2	7.1	6.9	6.9	7.1	27.9	6.8
Purchase Cost	0.2	1.3	4.8	1.4	7.7	8.6	5.1	25.1	15.2	54.0	62.0
Bad Debt Expense	0.0	-0.4	-0.2	-0.9	-1.5	-1.0	-1.4	0.2	-2.0	-4.1	-0.3
Others	4.1	4.7	5.7	5.8	20.3	6.1	8.2	8.8	9.5	32.5	8.2
Operating Profit	-29.7	-33.7	-21.8	-16.0	-101.2	5.6	4.1	13.2	11.2	34.0	21.6
Other Income	2.0	15.4	4.0	25.3	46.6	5.3	10.9	3.8	9.2	29.2	5.5
Other Expenses	1.4	6.3	3.7	2.9	14.3	1.4	2.2	0.7	1.7	5.9	1.9
Pretax Income	-29.1	-24.6	-21.6	6.4	-68.9	9.5	12.8	16.3	18.7	57.3	25.3
Income Taxes	0.2	-0.5	0.6	-4.4	-4.1	0.2	-7.0	0.3	5.0	-1.5	1.1
Net Income	-29.2	-24.0	-22.2	10.8	-64.6	9.4	19.8	16.1	13.7	59.1	24.2
Controlling Interest	-26.5	-28.3	-20.9	8.8	-66.8	8.0	13.7	14.2	11.2	47.0	21.4
Non-controlling Interest	-2.7	4.2	-1.3	2.0	2.2	1.5	6.1	1.9	2.5	12.0	2.8

(*included Airline Ticket Sales Commission)



Separate Profit & Loss

(Unit : B KRW)

	1Q 22	2Q 22	3Q 22	4Q 22	FY 22	1Q 23	2Q 23	3Q 23	4Q 23	FY 23	1Q 24(P)
Operating Revenue (Net Sales)	2.6	10.0	23.3	30.4	66.3	65.4	61.1	103.7	94.5	324.7	157.8
Overseas Tours Sales Commission	1.2	5.5	13.9	23.0	43.6	48.5	46.1	64.5	66.0	225.1	82.7
Revenue from Goods Sold (Chartered flights, etc.)*	0.1	1.3	4.9	1.1	7.3	8.3	4.7	24.2	14.5	51.7	60.6
Airline Ticket Sales Commission	0.2	0.5	0.3	0.5	1.5	0.6	0.9	0.8	0.8	3.1	0.9
Other Sales	1.2	2.8	4.2	5.7	13.9	8.0	9.4	14.3	13.2	44.8	13.6
Operating Expense	26.5	40.9	43.8	45.6	156.8	61.9	60.0	95.2	89.2	306.3	143.2
Labor	13.9	15.6	15.8	15.8	61.2	17.1	15.8	19.0	22.6	74.5	22.4
Sales Commission	0.8	2.9	5.3	8.6	17.6	15.9	18.6	22.7	24.4	81.5	29.7
Other Commission	3.8	7.1	7.2	10.6	28.6	11.3	11.8	14.2	15.1	52.4	16.5
Marketing	1.2	7.0	2.9	3.0	14.2	2.6	3.6	5.9	5.4	17.5	5.8
D&A	4.6	4.6	4.7	4.7	18.5	4.6	4.3	4.2	4.1	17.1	3.9
Purchase Cost	0.2	1.3	4.8	1.2	7.4	8.4	4.9	24.4	14.8	52.4	61.4
Bad Debt Expense	-0.1	-0.2	0.5	-1.2	-1.0	-0.8	-2.9	0.5	-1.7	-4.9	-0.1
Others	2.2	2.5	2.7	2.9	10.3	2.9	4.0	4.3	4.6	15.7	3.7
Operating Profit	-23.9	-30.9	-20.5	-15.2	-90.5	3.6	1.1	8.5	5.3	18.4	14.6
Other Income	2.6	1.5	3.4	24.9	32.4	5.2	3.2	3.1	3.8	15.3	7.6
Other Expenses	0.4	4.1	0.7	14.4	19.6	1.2	0.7	0.5	0.0	2.5	1.0
Pretax Income	-21.6	-33.5	-17.8	-4.7	-77.7	7.5	3.6	11.1	9.0	31.2	21.2
Income Taxes	0.0	-0.2	0.0	-2.9	-3.1	0.0	-3.5	0.0	3.9	0.4	0.8
Net Income	-21.6	-33.3	-17.8	-1.9	-74.6	7.5	7.1	11.1	5.1	30.8	20.4

(*From 2018, chartered flight sales and expenses, which used to be recognized as COGs, started to be recognized based on gross numbers by reflecting K-IFRS 1115.)



Hanatour