



# **INVESTOR RELATIONS**

MAR. 2021

## DISCLAIMER

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The financial information in this document are consolidated earnings results based on K-IFRS. These statements involve risks and uncertainties, and actual results may differ.

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# **COMPANY OVERVIEW**

## VISION & MISSION

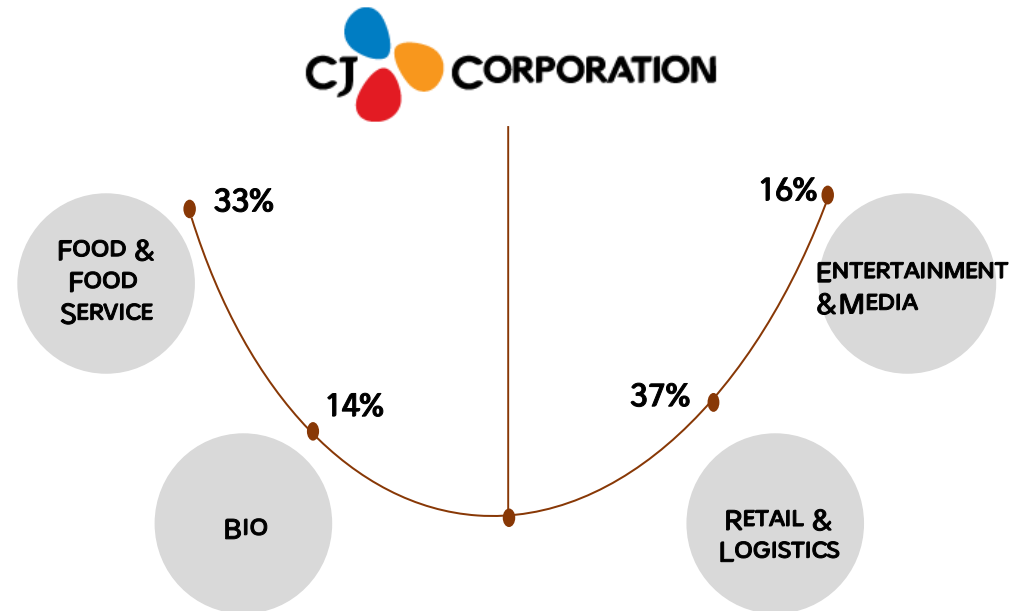
### VISION

Create a New Culture  
For Healthy, Happy and  
Convenient Lifestyles

### MISSION

Contribute to the global community  
by providing the best value  
to our customers  
with ONLYONE products and services

## CORE BUSINESS AREAS



\* 2020 K-IFRS Consolidated, Revenue Breakdown

## BUSINESS OVERVIEW

- **Strengthen competitiveness and maximize synergies between four core business areas in the group**

❑ **Food & Food Services** : Actively pursue global expansion based on the experience as the country's leading producer and service provider

❑ **Bio** : Secure global No. 1 position in green bio with outstanding R&D and advanced technologies

❑ **Retail & Logistics** : Provide the largest total logistics services and operate the country's top selling home shopping channel and Korea's leading health & beauty (H&B) store brand

❑ **Entertainment & Media**: Create and produce contents unlimited to movies, music, drama and performance and operate the country's largest movie theater complex

[Unit: W Bn, %]

B/S	2019	2020	P/L	2019	2020
Asset	40,381.4	40,025.0	Revenue	33,779.7	31,999.1
Liability	25,766.3	24,628.7	Operating Profit	1,509.2	1,390.3
Equity	14,615.1	15,396.2	Net Income	323.8	204.0
Liability to Equity Ratio	176%	160%	OP Margin	4.5%	4.3%

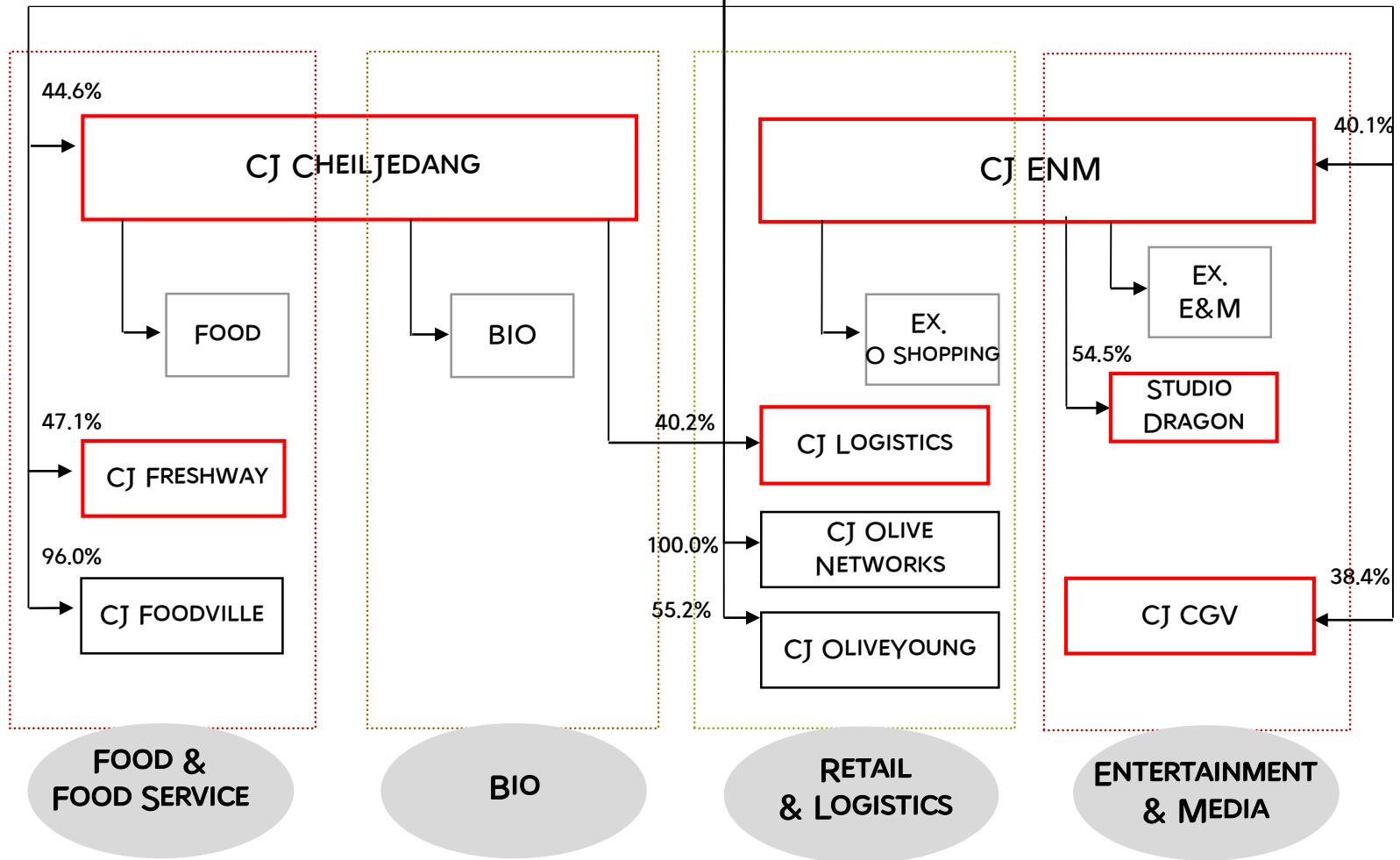
Note: K-IFRS Consolidated

As of End of 2020	Type	No. of Shares	Stake	Note
Shares	Common	29,176,998		
Outstanding	Preferred 1	2,260,223		
	Preferred 4 (Convertible)	4,226,512		
Treasury	Common	2,118,540	7%	
	Preferred 1	1,120		
Shares	Preferred 4 (Convertible)	13,132		
Major Shareholder	Common	12,275,574	42%	

# COMPANY OVERVIEW

[AS OF END OF DEC, 2020]

LISTED



\*Note: Common Stock Basis

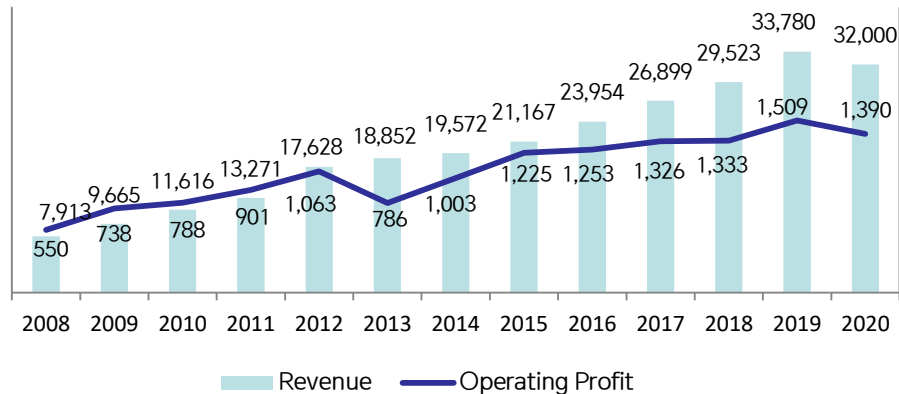
# **4Q20 EARNINGS REVIEW**



# CJ CORP. 4Q20 EARNINGS REVIEW

## FINANCIAL SUMMARY

[Unit: W Bn]



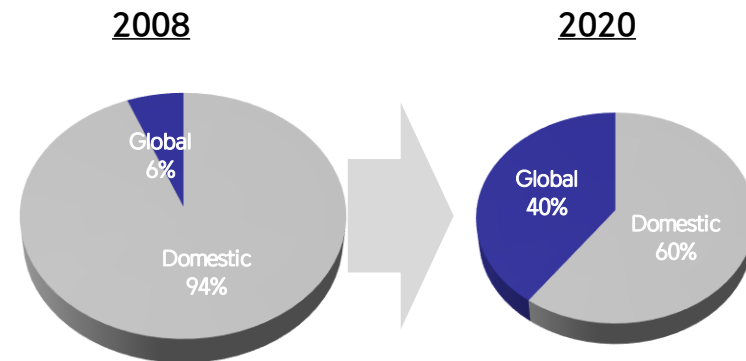
NOTE: K-IFRS CONSOLIDATED

- Since the transition to a holdings company in September 2007, CJ Corp has achieved Sales CAGR of 12.3% and operating profit CAGR of 8.0% through adopting “choose and focus” strategy on 4 core business areas.
- By the end of 2020, Company’s total assets and revenue recorded KRW 40.0 trillion and KRW 32.0 trillion , which is 310% and 304% increase within past 12years, respectively.

### CJ’S GLOBALIZATION

- Expand global presence of businesses which are already indisputably a domestic leader under the operations of CJ CJ, CJ Logistics and more
- Continue to increase global sales proportion which has seen a remarkable growth from 6% in 2008 up to 40% in 2020
- Increase market share already at unwavering global No. 1 of major Bio products, namely lysine, nucleotides and tryptophan

### Consolidated Revenue

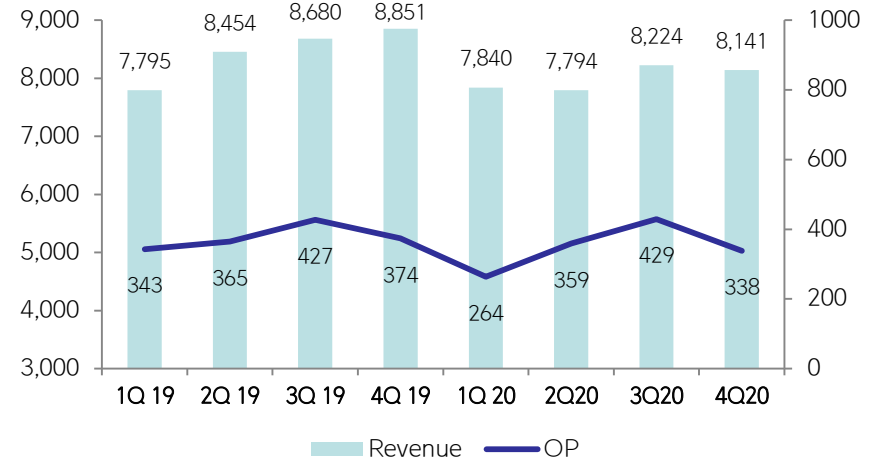


## FINANCIAL HIGHLIGHTS

[UNIT : W BN]

	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20
Revenue	7,795	8,454	8,680	8,851	7,840	7,794	8,224	8,141
Operating Profit	343	365	427	374	264	359	429	338
(%)	4.4%	4.3%	4.9%	4.2%	3.4%	4.6%	5.2%	4.2%

[UNIT : W BN]



### 4Q20: Revenue KRW 8,141bn (YoY -8.0%), OP KRW 338bn (YoY -9.6%)

- : Revenue of CJ CJ and CJ Logistics grew but decreased due to sluggish revenue of CJ ENM's Pictures/Music, CGV and Freshway
- : Despite the strong performance of CJ CJ and CJ ENM's Media/Commerce, the cost of CJL's Parcel increased and the profit decreased due to CGV's and Freshway's deficit

### Enhanced market competitiveness in all four main business areas, which has achieved more stability in diversified portfolio

- : Driving future growth through globalization - continuous endeavors in diversifying product portfolio within the Food business, setting the cornerstone by acquisition of local company at CJ Logistics and enhancing content producing capability at CJ ENM
- : Inter-sub synergies - business portfolio includes Food, Entertainment, Retail and Logistics, all of which are synergistic to one another, promoting further

# CJ CORP. 4Q20 EARNINGS REVIEW



Company		4Q20 W bn	YoY	Highlights
CJCJ	Revenue	3,473	+4.5%	· Up with strong global sales of processed foods
	OP	208	+20.9%	· Improved thanks to strong global sales of processed foods, strengthen market position on bio, and rose in hog prices
CJ Logistics	Revenue	2,841	+0.6%	· CL/Global was sluggish due to the decrease in global volume but grew due to the increase in the volume of parcels exceeding the market
	OP	91	-10.4%	· Improvement of profit is delayed due to increased maintenance/contracting costs due to a surge in the volume of parcel and additional classification personnel for delivery service providers
ENM	Revenue	944	-6.9%	· Declined due to the delay in new movie releases and the suspension of music concerts due to the sluggish box office at domestic and overseas
	OP	88	+106.0%	· Improved profitability by restoring TV advertisements based on content competitiveness and continuing competitive edge of own brand focusing on fashion, living, and health food
CGV	Revenue	143	-71.2%	· Decreased due to weak demand by COVID-19 pandemic affecting directly on to box office globally
	OP	-94	Turn Neg.	· Turned negative due to fixed cost burdens weighed higher against the weak box office globally
FreshWay	Revenue	600	-23.1%	· Decreased due to weak demand on food material distribution and food catering service by COVID-19
	OP	-6	Turn Neg.	· Turned negative due to the impact of weak sales and one-off costs due to restructuring of the business structure

※ CJCJ excluding CJ Logistics

## 2020 OPERATING RESULTS BY BUSINESS

### Revenue

[UNIT : W BN]

	2019	2020	YoY
Food & Food Service	11,096.3	11,136.8	0.4%
Bio	4,717.3	5,154.7	9.3%
Retail & Logistics	12,529.5	13,071.9	4.3%
Entertainment & Media	5,347.3	2,541.2	-52.5%
Others	89.3	94.5	5.8%
<b>Total</b>	<b>33,779.7</b>	<b>31,999.1</b>	<b>-5.3%</b>

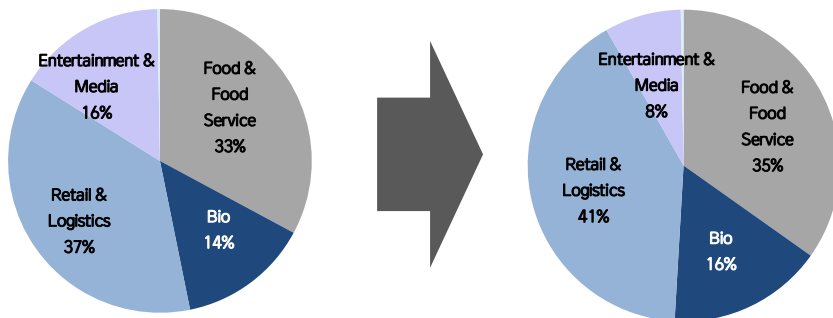
### Operating Profit

[UNIT : W BN]

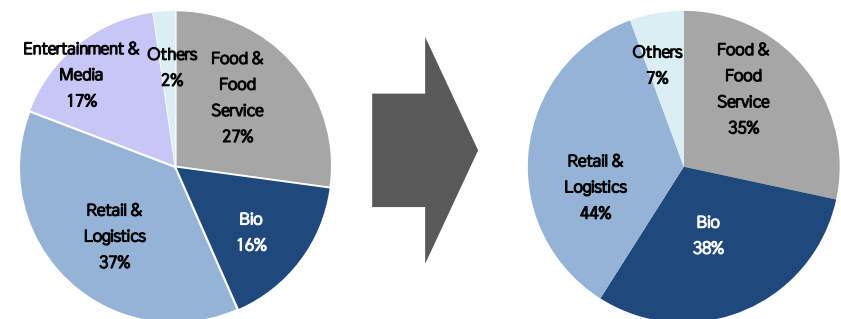
	2019	2020	YoY
Food & Food Service	409.8	484.0	18.1%
Bio	245.3	522.9	113.2%
Retail & Logistics	564.4	602.1	6.7%
Entertainment & Media	255.2	-316.7	Turn Neg.
Others	34.5	86.1	149.6%
<b>Total</b>	<b>1,509.2</b>	<b>1,390.3</b>	<b>-7.9%</b>

## STABILITY OF THE BUSINESS PORTFOLIO

### REVENUE



### OPERATING PROFIT



## [UNLISTED] 2020 EARNINGS REVIEW: CJ OLIVENETWORKS(IT)

- CJ Olivenetworks(100% owned by CJ Corp.) has signed a comprehensive management service contract for information system operations, such as CJ Group, to provide the services related to computerization, and to public institutions and private companies to develop software and Internet solutions.

**[Mid-to Long-term Strategy] Fortify capability of Data Analytics such as Big Data/AI/Cloud/etc. and Leading the Digital Transformation of CJ's major business**

- ✓ Improve Operation Excellence and Customer Experience in key business such as Food/Logistics/E&M/etc.(Customer Data-based Marketing, Logistics/Store Operating Automation, etc.)
- ✓ Combine AI with differentiated data(CJ One Data, Operation Data by business, etc.) from CJ Group that can identify consumption trends of Contents/Parcel/Food/Restaurant/etc.

[UNIT : W BN, %]

B/S	2019	2020
Asset	473.4	457.6
Liability	305.0	250.2
Equity	168.4	207.4
Liability to Equity ratio	181%	121%

※ Based on K-IFRS Separate

### [ P/L Summary ]

(Unit: W Bn)	2019	2020	YoY	
			(%,%p)	(W Bn)
Revenue	465.0	444.6	-4.4%	-20.4
Operating Profit	45.2	40.0	-11.5%	-5.2
OPM(%)	9.7%	9.0%	-0.5%p	-
EBIT	42.4	50.9	20.0%	8.5
Net Income	39.3	40.1	2.0%	0.8

※ Based on K-IFRS Separate

- [Revenue] Decreased 4.4%yoy with contraction of SI/Messaging service sales despite increased SM(System operation and Maintenance) service area and IDC(Building/Operating infrastructure such as server, network, and security)
  - Increased the scope of SM service area by expanding groups' business
  - The timing of investment in internal/external SI projects has been postponed due to the influence of COVID-19
  - Continuing to discover and implement mid- to long-term innovative growth projects
  - [NI] Increased with non-operating profit

## [UNLISTED] 2020 EARNINGS REVIEW: CJ OLIVEYOUNG

- CJ OliveYoung (55% owned by CJ Corp.) is a newly established company on Nov. 1st, 2019. It provides trendy products such as beauty-, health-, personal-care, supplement, accessories, etc. through online/offline services.

### [ P/L Summary ]

(Unit: W Bn)	2019	2020	YoY	
			(%,%p)	(W Bn)
Revenue	1,960.0	1,860.3	-5.1%	-99.7
* Online (%)	10.6%	17.9%	7.3%p	-
Operating Profit	87.9	101.8	15.8%	13.9
OPM(%)	4.5%	5.5%	1.0%p	-
EBIT	69.4	79.8	15.0%	10.4
Net Income	50.9	61.0	19.8%	10.1

\* Based on K-IFRS Separate

OY	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20
Store (Domestic)	1,214	1,233	1,238	1,246	1,249	1,254	1,252	1,259
Direct	980	992	995	1,005	1,009	1,015	1,015	1,023
Franchise	234	241	243	241	240	239	237	236

[UNIT : W BN, %]

B/S	2019	2020
Asset	1,346.3	1,243.5
Liability	1,034.6	875.0
Equity	311.7	368.5
Liability to Equity ratio	332%	237%

- [Revenue] Decreased 5.1%yoy thanks to growth in online business despite sluggish SSSG driven by COVID-19
  - 1,259 Stores (+13 Stores YoY, +7 Stores QoQ)
  - Strengthen MD strategy and discount sales with newly launched events such as marketing using SNS, etc.
- [NI] Increased with operating efficiency

## [UNLISTED] 2020 EARNINGS REVIEW: CJ FOODVILLE

- CJ Foodville (96% owned by CJ Corp.) has dining brands such as <VIPS>, <Season's Table>, <The Place>, <Cheil Jemyunso>, etc. and franchise brand <Tous Les Jours>

### [ P/L Summary ]

(Unit: W Bn)	2019	2020	YoY	
			(%,%p)	(W Bn)
Revenue	814.1	559.5	-31.3%	-254.6
Operating Profit	-6.5	-48.4	Remain Neg.	-41.9
EBIT	42.6	48.2	13.1%	5.6
Net Income	32.3	37.1	14.9%	4.8

\* Based on K-IFRS Separate

- [Revenue] Decreased due to contraction of dining brands' sales driven by COVID-19 and the number of weak performance stores based on the strategy for improving profitability
- [NI] Increased with gains on disposition of residual equity (Twosome Place)

Foodville	1Q 19	2Q 19	3Q 19	4Q 19	1Q 20	2Q20	3Q20	4Q20
Store (Domestic)	2,558	2,954	1,628	1,591	1,590	1,573	1,567	1,525
Direct	230	237	141	124	121	118	115	92
Franchise	2,328	2,359	1,293	1,274	1,271	1,257	1,259	1,262
Store (Overseas)	372	358	194	193	198	198	193	171

[UNIT : W BN, %]

B/S	2019	2020
Asset	618.8	518.6
Liability	539.0	452.6
Equity	79.8	66.0
Liability to Equity ratio	675%	686%

# APPENDIX



# FINANCIAL STATEMENT

## CONSOLIDATED STATEMENTS

[Unit: W Bn]

	2019	2020	YoY
I. Current Assets	10,638.2	11,077.5	439.3
1. Cash and Cash Equivalents	1,602.6	2,603.1	1,000.5
2. Trade Receivables	1,107.4	3,320.6	-259.6
3. Other Current Financial Assets	3,580.2	1,666.8	96.8
4. Inventories	2,549.0	2,238.1	-310.9
5. Other Current Assets	1,799.0	1,248.9	-87.5
II. Non-Current Assets			
Held for Sale	514.5	40.6	-473.9
III. Non-Current Assets	29,228.7	28,906.9	-321.8
<b>Total Asset</b>	<b>40,381.4</b>	<b>40,025.0</b>	-356.4
I. Current Liabilities	12,283.4	11,422.6	-860.8
II. Non-Current Liabilities	13,481.6	13,206.1	-275.5
III. Non-Current Liabilities			
Held for Sale	1.3	-	-
<b>Total Liabilities</b>	<b>25,766.3</b>	<b>24,628.7</b>	-1,137.6
I. Equity Attributable to Owners of the Company	4,509.6	4,643.5	133.9
1. Capital Stock	179.0	179.1	-
2. Paid-in Capital in Excess of Par Value	992.9	992.8	-
3. Other Components of Equity	-195.7	-132.9	62.8
4. Retained Earnings	3,533.4	3,604.5	71.1
II. Non-Controlling Interest	10,105.5	10,752.7	647.2
<b>Total Equity</b>	<b>14,615.1</b>	<b>15,296.2</b>	681.1
<b>Debt Ratio</b>	<b>176.3%</b>	<b>161.0%</b>	-15.3%pt.

[Unit: W Bn]

	4Q19	4Q20	YOY
<b>I. Revenue</b>	<b>8,851.3</b>	<b>8,140.7</b>	-8.0%
II. COGS	6,496.8	11,944.1	83.8%
III. Gross Profit	2,354.5	2,196.6	-6.7%
<b>IV. Operating Profit</b>	<b>373.9</b>	<b>338.2</b>	-9.5%
V. Profit before Income Tax	-103.8	-404.8	Remain Neg.
VI. Tax Expenses	50.5	-48.5	-
<b>VII. Net Profit</b>	<b>-154.3</b>	<b>-356.3</b>	Remain Neg.
1. Profit Attributable to Owners of the Company	-28.4	-156.3	Remain Neg.
2. Profit Attributable to Non-Controlling Interests	-125.9	-200.0	Remain Neg.

[Unit: W Bn]

	2019	2020	YOY
<b>I. Revenue</b>	<b>33,779.7</b>	<b>31,999.1</b>	-5.3%
II. COGS	24,634.4	23,391.5	-5.0%
III. Gross Profit	9,145.3	8,607.6	-5.9%
<b>IV. Operating Profit</b>	<b>1,509.2</b>	<b>1,390.3</b>	-7.9%
V. Profit before Income Tax	597.1	513.7	-14.0%
VI. Tax Expenses	273.3	309.7	13.3%
<b>VII. Net Profit</b>	<b>323.8</b>	<b>204.0</b>	-37.0%
1. Profit Attributable to Owners of the Company	267.1	86.7	-67.5%
2. Profit Attributable to Non-Controlling Interests	56.7	117.3	106.9%

# FINANCIAL STATEMENT

## SEPARATE STATEMENTS

[Unit: W Bn]

	2019	2020	YoY
I. Current Assets	79.9	44.6	-35.3
1. Cash and Cash Equivalents	5.2	2.0	-3.2
3. Other Current Assets	74.7	22.6	-52.1
II. Non-Current Assets	2,900.4	3,140.9	240.5
<b>Total Asset</b>	<b>2,980.3</b>	<b>3,185.5</b>	205.2
I. Current Liabilities	92.2	409.5	317.3
II. Non-Current Liabilities	104.2	2.0	-102.2
<b>Total Liabilities</b>	<b>196.4</b>	<b>411.5</b>	215.1
I. Capital Stock	179.0	179.0	-
II. Paid-in Capital in Excess of Par Value	992.8	992.8	-
III. Other Components of Equity	-106.8	-106.8	-
IV. Retained Earnings	1,718.9	1,709.0	-9.9
<b>Total Equity</b>	<b>2,783.9</b>	<b>2,774.0</b>	-9.9
<b>Debt Ratio</b>	<b>7.1%</b>	<b>14.8%</b>	7.7%pt.

[Unit: W Bn]

	4Q19	4Q20	YOY
<b>I. Operating Revenue</b>	<b>61.1</b>	49.4	-19.15%
- Royalty Income	30.8	31.4	1.95%
- Dividend Income	-	-	-
- Others	30.3	18.0	-40.59%
II. Operating Expenses	51.0	28.3	-44.51%
<b>III. Operating Profit</b>	<b>10.1</b>	21.1	108.91%
IV. Profit before Income Tax Benefit(Expense)	17.7	-0.3	Turn Neg.
V. Income Tax Benefit(Expense)	1.8	8.4	366.67%
<b>VI. Net Profit</b>	<b>15.9</b>	-8.7	Turn Neg.

[Unit: W Bn]

	2019	2020	YOY
<b>I. Operating Revenue</b>	<b>181.7</b>	<b>165.2</b>	-9.1%
- Royalty Income	101.4	95.8	-5.5%
- Dividend Income	45.3	46.6	2.9%
- Others	35.0	22.8	-34.9%
II. Operating Expenses	107.0	75.2	-29.7%
<b>III. Operating Profit</b>	<b>74.7</b>	<b>90.0</b>	20.5%
IV. Profit before Income Tax Benefit(Expense)	67.7	66.6	-1.6%
V. Income Tax Benefit(Expense)	4.4	14.4	227.3%
<b>VI. Net Profit</b>	<b>63.3</b>	<b>52.2</b>	-17.5%

**THANK YOU**