



PARADISE 2Q 2024 Earnings Release

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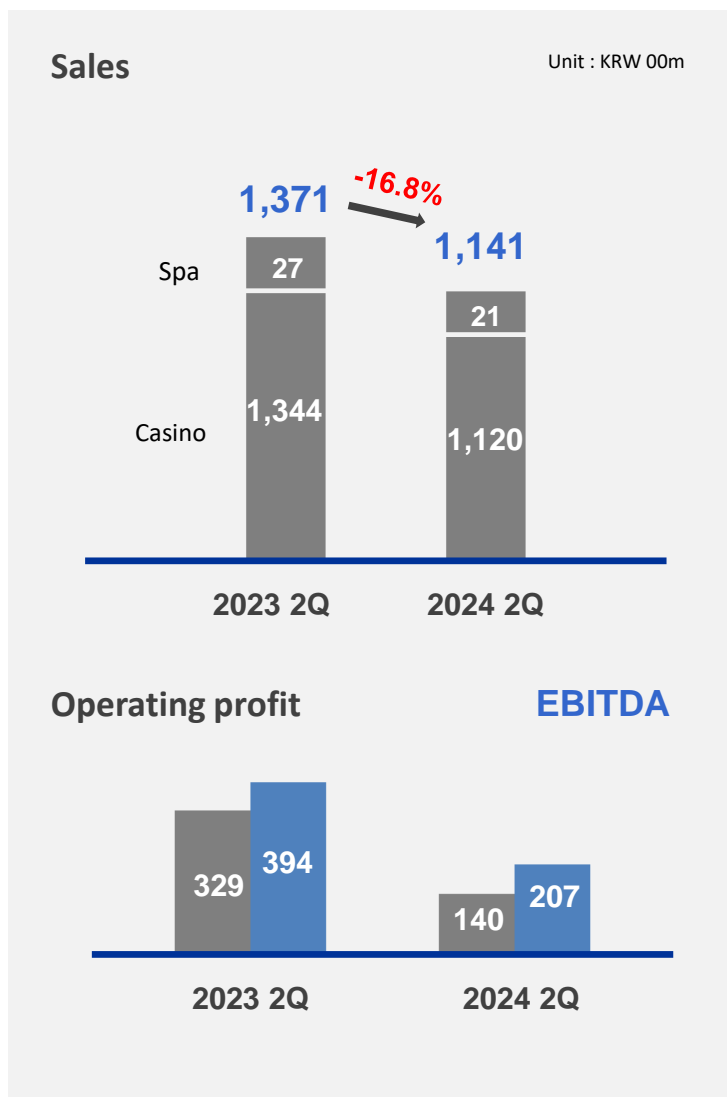
1. 2Q 2024 Earnings Summary

- 2Q24 Sales to KRW 273.3bn (QoQ +3.2%), OP to 32.0bn (QoQ -33.9%)
- OPM decreased due to increasing marketing costs

KRW mn

	2024 2Q	2023 2Q	YoY (%)	2024 1Q	QoQ (%)
Sales	273,264	275,285	-0.7%	264,770	3.2%
Casino	111,959	134,397	-16.7%	102,266	9.5%
Hotel	27,641	28,732	-3.8%	26,276	5.2%
Integrated Resort	131,402	109,406	20.1%	132,315	-0.7%
Other	2,262	2,751	-17.8%	3,913	-42.2%
Cost of sales	207,258	189,268	9.5%	196,097	5.7%
Gross profit	66,006	86,017	-23.3%	68,673	-3.9%
SG&A	33,997	31,130	9.2%	20,269	67.7%
Operating profit	32,009	54,887	-41.7%	48,404	-33.9%
OPM (%)	11.7%	19.9%	-	18.3%	-
EBITDA	51,889	74,995	-30.8%	68,128	-23.8%
Net profit	17,568	37,206	-52.8%	36,980	-52.5%
Controlling interest	14,549	29,410	-50.5%	25,939	-43.9%

2-1. Earnings by Subsidiary – Paradise (Separated)



- **2Q Sales were 114.1 bn(QoQ +7.6%), OP 14.0 bn(QoQ -1.7%)**
 - Keep showing high performance in Japan VIP and Mass
 - Increasing VIP customers result in increasing comp costs

Paradise

KRW mn

	2024 2Q	2023 2Q	YoY (%)	2024 1Q	QoQ(%)
Sales	114,051	137,108	-16.8%	105,997	7.6%
Casino	111,959	134,397	-16.7%	102,266	9.5%
Spa	2,091	2,711	-22.9%	3,731	-44.0%
Cost of sales	84,984	83,747	1.5%	81,925	3.7%
Gross profit	29,067	53,361	-45.5%	24,072	20.8%
SG&A	15,104	20,453	-26.2%	9,872	53.0%
Operating profit	13,963	32,908	-57.6%	14,199	-1.7%
OPM (%)	12.2%	24.0%	-	13.4%	-
EBITDA	20,658	39,440	-47.6%	20,717	-0.3%
Net profit	9,071	18,243	-50.3%	10,111	-10.3%

2-2. Earnings by Subsidiary – Paradise SegaSammy

■ P-City 2Q24 sales recorded 131.4bn YoY +20.1%

- OPM decreased due to increasing marketing costs

• Keep Showing high performance in Japan and Mass

- 2Q Casino sales were 102.5bn (YoY +24.7%)

- Increase rate for drop amount compared to 2Q19
(Japan VIPs +31.9%, Mass +52.5%)

• Strong hotel sales continued due to the growing stay-cation demand on five-star hotel

- 2Q24 Hotel sales were 24.7 (YoY +5.8%)

- Increasing number of visitors from casino visitors

- 2Q Occ 79.9%, ADR 358,000

• Fun City sales increased after reopening of theme park and Spa

- Occ in Art paradiso have been gradually increased

Paradise SegaSammy

KRW mn

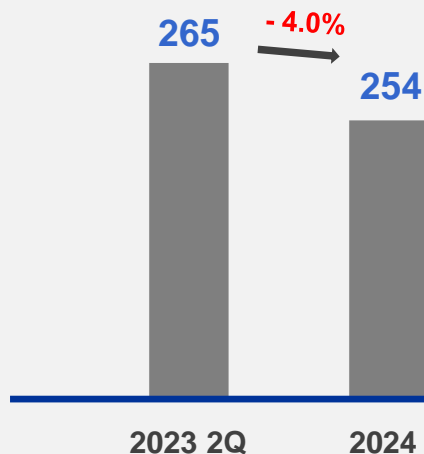
	2024 2Q	2023 2Q	YoY (%)	2024 1Q	QoQ(%)
Sales	131,402	109,406	20.1%	132,317	-0.7%
Casino	102,519	82,199	24.7%	102,580	-0.1%
Hotel	24,656	23,294	5.8%	23,789	3.6%
Fun City	4,227	3,913	8.0%	5,947	-28.9%
Cost of sales	98,071	81,450	20.4%	92,245	6.3%
Casino	56,803	44,132	28.7%	52,602	8.0%
(Comp.)	9,998	7,830	27.7%	9,720	2.9%
(Tax *)	14,848	11,573	28.3%	14,446	2.8%
Hotel	30,477	26,672	14.3%	28,629	6.5%
Fun City	10,791	10,646	1.4%	11,013	-2.0%
Gross profit	33,332	27,956	19.2%	40,072	-16.8%
SG&A	19,154	10,953	74.9%	10,133	89.0%
Operating profit	14,177	17,002	-16.6%	29,938	-52.6%
OPM (%)	10.8%	15.5%	-	22.6%	-
EBITDA	25,081	28,346	-11.5%	40,831	-38.6%
Financial cost	11,870	12,960	-8.4%	11,661	1.8%
Net Profit	6,245	15,330	-59.3%	22,468	-72.2%

* Note : Tourism promotion tax and Consumption tax levied on casino net sale

2-3. Earnings by Subsidiary – Paradise Hotel Busan

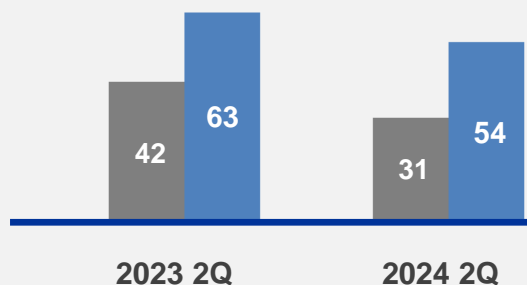
Sales

Unit : KRW 00m



Operating Profit

EBITDA



- Domestic demands are still strong
 - Occ and ADR are both over the previous covid-19
- 3Q is also expected to continue strong earnings

Paradise Hotel Busan

KRW mn

	2024 2Q	2023 2Q	YoY (%)	2024 1Q	QoQ(%)
Sales	25,415	26,470	-4.0%	23,243	9.3%
Cost of sales	16,350	16,731	-2.3%	16,304	0.3%
Gross profit	9,065	9,739	-6.9%	6,939	30.6%
SG&A	6,001	5,584	7.5%	3,900	53.9%
Operating profit	3,064	4,155	-26.3%	3,039	0.8%
OPM (%)	12.1%	15.7%	-	13.1%	-
EBITDA	5,373	6,320	-15.0%	5,328	0.8%
Net profit	4,102	5,742	-28.6%	3,643	12.6%

3. Financial Summary

Income Statement

KRW mn

	2024. 2Q YTD		2023	
Sales	538,034	100.00%	994,199	100.00%
Casino	214,226	39.8%	415,012	41.7%
Hotel	53,916	10.0%	114,347	11.5%
Integrated Resort	263,717	49.1%	448,719	45.1%
Other	6,175	1.1%	16,120	1.6%
Cost of sales	403,355	75.0%	760,244	76.5%
Gross profit	134,679	-	233,955	-
SG&A	54,266	10.1%	88,185	8.9%
Operating profit	80,413	-	145,770	-
Pre-tax profit	63,413	-	91,500	-
Net profit	54,549	-	80,184	-
Controlling interest	40,488	-	62,558	-

Statements of Financial Position

KRW mn

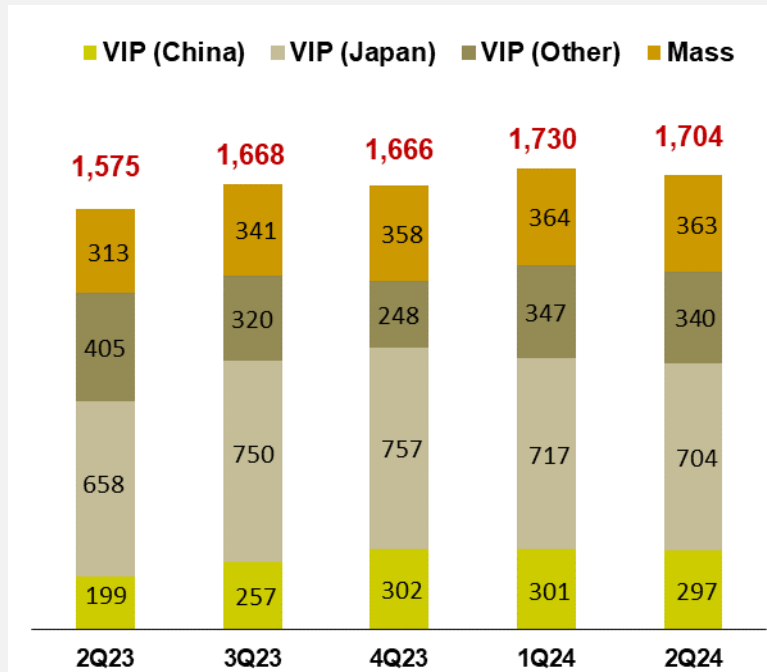
	2024. 06	2023.12	2022.12
Total Asset	3,699,617	3,618,279	3,511,524
Current assets	950,747	862,802	694,518
Cash & equivalents	420,361	802,039	631,286
Accounts receivable	27,491	26,639	19,855
Non-current assets	2,748,869	2,755,477	2,817,006
Tangible assets	2,504,652	2,334,301	2,337,141
Intangible assets	163,728	165,078	171,417
Total Liability	1,865,336	1,832,814	1,826,357
Current liability	719,102	690,670	1,174,094
Borrowings	382,258	381,129	949,848
Non-current liabilities	1,146,234	1,142,145	652,263
Bond & borrowings	742,461	737,506	256,057
Total Equity	1,834,281	1,785,465	1,685,167
Controlling interest	1,440,314	1,405,527	1,362,322

4-1. Casino Business

- The highest ever monthly S-Drop in may, 2024 (overwhelming M/S in foreigner only casinos)
- Casino sales up 12.8% compared to 2Q19 before COVID-19,
on the other hand VIP visitors only recovered 78.2% compared to 2Q19

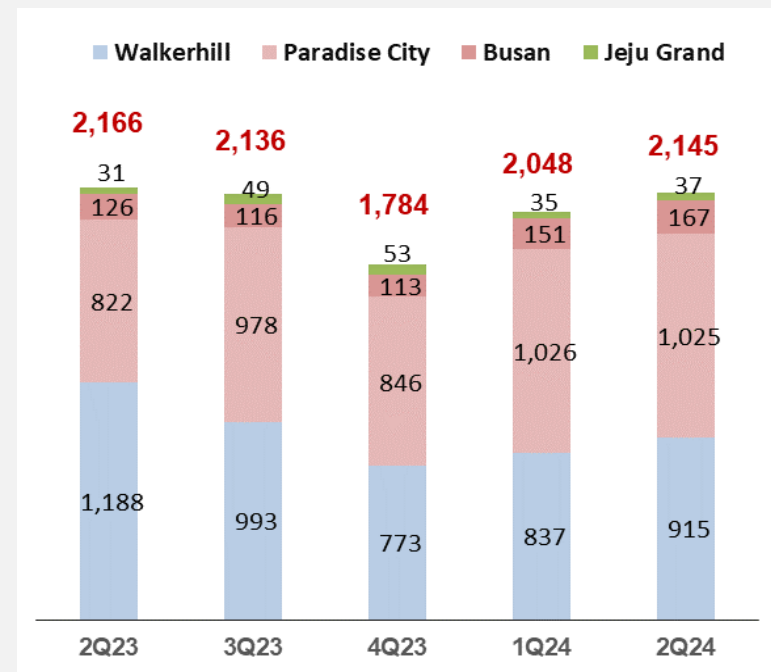
Drop by Nationality (S-Drop)

(KRW bn)



Casino Sales by Site

(KRW 00 mn)



Note: 1) Soft Drop: The amount of cash exchanged for chips by customers at the table

2) Figures are based on consolidated 4 casino property.

4-2. Hotel Business

- Paradise Hotel operation trends

(ADR : '000 won)

City	Hotel		2021				2022				2023				2024년	
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Incheon	Paradise City	Occ.(%)	38.2	52.0	44.4	63.7	57.3	61.7	69.3	71.9	74.5	75.6	81.5	77.5	78.6	79.9
		ADR	290	316	438	331	364	372	453	376	366	367	437	380	371	358
	Art Paradiso	Occ.(%)	-	-	-	-	-	-	-	-	-	-	16.4	26.8	39.3	50.2
		ADR	-	-	-	-	-	-	-	-	-	-	466	559	464	456
Busan	Paradise Hotel Busan	Occ.(%)	52.1	72.8	65.4	75.3	62.9	83.8	84.0	81.8	73.3	82.0	81.6	81.7	72.2	83.1
		ADR	257	271	351	293	292	299	394	314	297	307	369	309	299	297
Orlando (US)	Embassy Suites Orlando Downtown	Occ. (%)	68.9	78.8	69.7	81.3	81.8	78.2	73.4	88.0	91.6	87.5	76.6	85.1	92.0	85.7
		ADR(US\$)	137	133	155	178	189	182	165	192	202	185	176	198	215	186

Note: Hotel Art Paradise has reopened in July 15, 2023 (temporarily closed period : 2020.07.01 ~ 2023.07.14)