

BALANCE SHEET, RealNetworks Asia Pacific Co., Ltd.

In Korean Won

Account	As of December 31, 2019	As of December 31, 2018
ASSET:		
Cash and cash equivalents	397,806,561	2,143,007,776
Accounts and notes receivable	3,527,194,224	1,903,842,044
Allowance for doubtful accounts	(629,758,279)	(732,218,755)
Advanced payments	455,365	424,279
Prepaid expenses	10,113,706	25,078,795
Guarantee deposits	0	303,147,450
Income taxes refundable	15,090,844	14,240,927
Deferred taxes asset	(59,137,511)	0
Total currents assets	3,261,764,910	3,657,522,516
Available-for-sale securities	25,059,201	23,348,489
Equity method investments	3,439,279,728	2,571,806,005
Property and equipment, net	109,115,420	8,833,590
Intangible assets	0	2,439,393
Long-term guarantee deposits	113,420,231	32,884,190
Membership	0	75,000,000
Deferred taxes asset	319,078,927	0
Total non-currents assets	4,005,953,507	2,714,311,667
TOTAL ASSETS	7,267,718,417	6,371,834,183
LIABILITIES:		
Accounts and notes payable -trade	259,913,306	348,770,315
Accounts and notes payable -other	314,973,673	191,307,392
Withholdings	37,828,137	72,374,478
Value added tax withheld	14,213,468	34,363,346
Accrued expenses	406,963,136	553,691,686
Accrued income tax	83,833	0
Deferred revenue	30,000,000	21,000,000
Provision for restoration	50,000,000	70,470,000
Long-term accrued expenses - current	1,070,460,423	831,078,493
Total current liabilities	2,184,435,976	2,123,055,710
Long-term borrowings	5,116,610,722	4,998,421,504
Deferred taxes liabilities	339,390,894	0
Total non-current liabilities	5,456,001,616	4,998,421,504
TOTAL LIABILITIES	7,640,437,592	7,121,477,214
STOCKHOLDER'S EQUITY:		
Capital stock	5,467,777,000	5,467,777,000
Capital surplus	28,136,135,280	28,136,135,280
Capital adjustments	(39,331,187,970)	(39,331,187,970)
Accumulated other comprehensive loss	(372,921,670)	(369,696,750)
Change in retained earnings from equity method i	0	(204,731,239)
Retained earnings	5,727,478,185	5,552,060,648
Total stockholder's equity	(372,719,175)	(749,643,031)
TOTAL LIABILITIES AND STOCKHOLDE	7,267,718,417	6,371,834,183

INCOME STATEMENT, RealNetworks Asia Pacific Co., Ltd.

In Korean Won

Account

Januray 1, 2019
to December 31, 2019

Januray 1, 2018
to December 31, 2018

Account	Januray 1, 2019 to December 31, 2019	Januray 1, 2018 to December 31, 2018
Operating Revenue	5,476,860,257	6,430,304,805
Operating expenses		
Salaries	2,867,337,452	3,983,554,117
Retirement and severance benefits	268,647,890	372,655,770
Other employee benefits	341,079,794	413,460,840
Stock compensation cost	0	25,298,854
Travel	32,864,972	60,916,060
Entertainment	23,608,858	59,520,900
Communications	65,907,035	171,540,501
Taxes and dues	36,134,936	67,089,788
Depreciation	29,152,458	15,412,238
Rent	241,379,017	290,580,864
Insurance	11,465,648	32,047,068
Training	1,099,001	24,992,122
Supplies	36,806,043	48,595,581
Commission fee	515,712,385	447,531,933
Advertising	45,692,218	54,606,667
Reversal of bad debt expense	(291,542)	(329,043)
Amortization	2,439,393	19,332,925
Outsourcing	858,580,963	1,047,671,490
Professional service fees	113,088,983	99,146,891
Market research	297,000	350,000
Utilities	125,817,804	212,923,206
Maintenance	41,171,875	7,247,386
Miscellaneous	(6,766)	25,100
	<u>5,657,985,417</u>	<u>7,454,171,258</u>
Operating loss	(181,125,160)	(1,023,866,453)
Other non-operating income		
Interest income	35,761,703	7,170,848
Foreign currency transaction gain	19,689,050	62,326,082
Foreign currency translation gain	160,632,241	11,180,980
Income on equity method investments	665,967,404	625,525,963
Other income	107,339,318	655,912
	<u>989,389,716</u>	<u>706,859,785</u>
Other non-operating expenses		
Interest expense	247,787,521	196,688,310
Foreign currency translation loss	54,124,054	48,285,933
Foreign currency transaction loss	141,977,762	20,546,348
Loss on equity method investments	0	93,024,677
Impairment loss on equity method investments	0	0
Loss on disposal of property and equipment	1,411,097	516,667
Other bad debt expense	0	0
Other loss	88,670,490	60,781,329
	<u>533,970,924</u>	<u>419,843,264</u>
Income tax expenses	98,876,096	35,866,430
Net Profit (Loss)	175,417,536	(772,716,362)