

NOROO

2022

Annual Report

NOROO Holdings Co., Ltd.

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CEO Message

Dear Esteemed Fellow Shareholders,

On behalf of the Company's executives and employees, I would like to thank the shareholders who attended the 77th regular shareholders' meeting of NOROO Holdings Co., Ltd. despite their busy schedules

Last year, contrary to expectations that the global economy will recover after the pandemic, the overall business environment has been difficult due to the prolonged Ukraine war, the U.S.-China conflict, and growing uncertainties stemming from high prices and high interest rates. This year is expected to be another difficult year, with continued economic recession pressure and growing uncertainties in internal and external economic conditions.

Despite these conditions, NOROO group has solidified its position as a market leader in the chemical business sector and has also begun to expand its sales in the agricultural and life business sector. Last year's consolidated performance was 1,379 trillion won in sales, 30 billion won in operating profit, and 33.4 billion won in net profit, which was a valuable achievement made by continuous quality improvement and technological innovation despite the difficult business environment.

This year, NOROO group aims to promote the following three key goals with "Future Creation NOROO! Steady Leap" as its 2023 management index to strengthen the competitiveness of companies and secure future business competitiveness through stable management and differentiated technology development.

First, we will focus our capabilities on securing discriminatory competitiveness based on the development of advanced technologies related to future growth industries. In line with the rapidly changing future environment, we will become a NOROO group that integrates the flow of change into our business and technology and continues to find opportunities for growth by preoccupying business areas such as eco-friendly/new materials/new technology development.

Second, we will internalize the ESG management system for continuous growth. In the meantime, the NOROO group has continued to drive ESG management by environment, society, and governance, and as a result, it has achieved an ESG rating of A for the second consecutive year. Now, we will build an advanced ESG system that meets global standards and internalize the ESG management by developing eco-friendly products.

Third, we will strengthen the liquidity management system for internal management. This year, corporate liquidity management will be more important than any other year due to the impact of high oil prices, interest rates, and exchange rates and the external economic downturn. Therefore, we will recognize cash generation as the top priority of management indicators by managing stocks and bonds faithful to the basics and reducing working capital, focus our company-wide capabilities on improving business profitability and securing financial soundness.

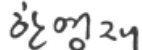
Dear shareholders, we ask for your continued affection and encouragement, and we wish you good health and luck.

Gratefully,


March 24, 2023

NOROO Holdings Co., Ltd.

Chairman

Han, Young-Jae 

Vice Chairman

Kim, Yong-Kee 

Financial Review

1. Business Scope

(1) Company Outlook

- Holding Business for the purpose of controlling the contents of subsidiary companies' business by the ownership of subsidiary companies' shares
- Funding and Business Support business for subsidiary companies (including first-tier subsidiaries, second-tier subsidiaries, and companies controlled by second-tier subsidiaries)
- Finance Procurement Business for the purpose of funding subsidiary companies
- Office Support Business in order to jointly develop and sell products and jointly utilize equipment computing systems with subsidiary companies
- Purchase-Agency Business for supporting subsidiary companies
- Management Advice and Consulting Business
- Research, Technology Development, and Technical Information Provision Business
- Market Research and Management Consultation Business
- Intellectual Property Rights (including Brands and Trade marks) Management and Licensing Business
- Import/Export Business as well as Agency Business of the Same
- Real Estate Development Business
- Real Estate Leasing and Warehousing Business
- Building and Painting Business
- Manufacture and Sale Business of Paints, Synthetic Resins, Pigments and Ink
- Manufacturing and Sales Business of Printing Material Machines
- Electronic Commerce Business over the Internet
- Investment Business and Incidental Businesses related to each of the foregoing businesses

(2) Major Businesses

The major business NOROO Holdings Co., Ltd. operates is a holding business that is about controlling the contents of the company's subsidiaries' business through the ownership of the subsidiaries' shares.

NOROO Holdings Co., Ltd. presents a group-level strategy and vision as a holding company of NOROO Paint & Coatings Co., Ltd., NOROO Chemicals Co., Ltd., NOROO Auto Coating Co., Ltd., and THE KIBAN Co., Ltd., and provides office support and management advice to investment companies in addition to the holding business for the efficient management of subsidiaries and affiliates.

(3) Location of Offices

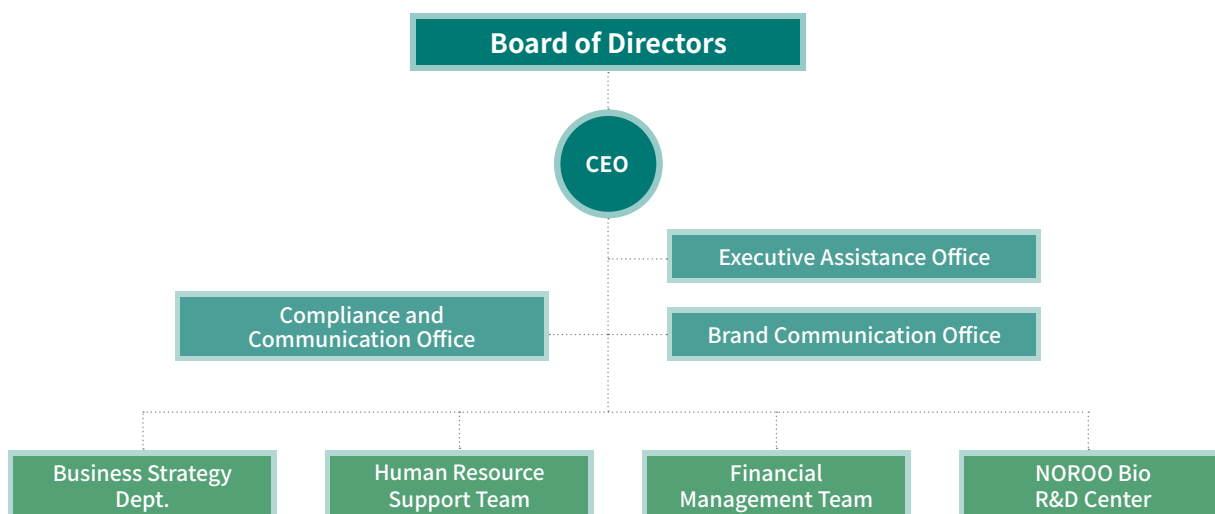
Name	Business	Location
HQ & Anyang Office	Overall business management and research divisions	51, Bakdal-ro, Manan-gu, Anyang-si, Gyeonggi-do, Korea
Seoul Office	Strategies and business assistance divisions	142, Teheran-ro, Gangnam-gu, Seoul, Korea

(4) Current Status of Employees

As of December 31, 2022

(Unit: Person / 1,000,000 Won)

Employee										Outside Worker			
Division	Gender	Number of Employees					Average working year	Total annual salary	Average salary per person	Male	Female	Total	Remark
		Indefinite worker		Nonregular worker		Total							
		Part-time worker		Part-time worker									
Holding Business Ect.	Male	45	-	2	-	47	4 years & 7 months	4,022	89	-	-	-	-
Holding Business Ect.	Female	10	-	-	-	10	9 years & 7 months	642	69	-	-	-	-
Total		55	-	2	-	57	5 years & 6 month	4,664	86	-	-	-	-

(5) Organization Chart**(6) Stock Overview****① Issued Stocks**

(Unit: Stock / Won)

Type of Stock	Issued Stock	Equity	Ratio(%)	Remark
Common Stock	13,291,151	8,407,575,500	98.57	
Preferred Stock	243,559	121,779,500	1.43	Priority dividend stock (non-voting)
Total	13,534,710	8,529,355,000	100.00	

② Changes in Capital

(Unit: Stock/Won)

Date	Classification	Type of Stock	Quantity	Par value per share	Capital increase (decrease)
2022.07.27	Recapitalization	Registered preferred stock	58,309	500	29,154,500

③ Stock Seam

(Unit: Won)

Settlement Day	Every year 12.31		
Base Day	12.31	Closing Period of Stock Book	Jan. 1~ Jan. 31
Notification Method	The Korea Economic Daily (newspaper publishing company) Provided, if it not possible to publish in above newspaper due to closure, suspension or other unavoidable reasons, information shall be published in Maeil Business Newspaper		
Type of Stock	1, 5, 10, 50, 100, 500, 1000, 10000		
Stock Business Agency	Name of Agent	KEB Hana Bank Security Agency Dept	
	Office Handling Place	72, International Finance-ro, Yeongdeungpo-gu, Seoul	

(7) Matters Concerning Corporate Bonds

- Not applicable

2. Company Financial Highlights

(1) General Estimate of the Business

NOROO Holdings Inc. is facing unprecedented economic volatility and uncertainty in its business environment in the wake of the pandemic and Ukraine crisis. Despite these conditions, the chemical business sector solidified its position in the market last year by improving profitability in the domestic and ASEAN markets, which are major markets, and the agricultural life business sector also achieved meaningful results in improving sales and profitability.

As a result, operating income 20 billion won including dividend income and net profit of 32.7 billion won were achieved, and consolidated profit and loss, including the performance of subsidiaries and equity investment companies, achieved sales of 1,379 trillion won and net profit of 33.4 billion won.

(2) Major Businesses and Product Manufacturing

- Not applicable

(3) Sales Result

- Not applicable

(4) Current Status of Establishment and Confirmation of Major Equipment and Financing

① Main equipment establishment and expansion

(Unit: 1,000 Won)

Classification	Land	Buidling and Structure	Asset during Construction	Other tangible Assets	Total
Beginning of Period	16,048,889	1,410,055	7,061,324	1,290,561	25,810,829
Net Increase	-	-	7,995,332	422,670	8,418,002
Depreciation	-	(39,283)	-	(591,222)	(630,505)
End of Period	16,048,889	1,370,772	15,056,656	1,122,009	33,598,326

② Overall funding situation

- Not applicable

3. Holding Company and Subsidiary Companies Business Consolidation

(1) Holding Company

- Not applicable

(2) Subsidiary Companies

(Unit : Stock / 1,000 Won / 1,000 Foreign Currency)

Subsidiary Companies				Relation			
Name	Address	Equity	Business	Number of Stocks	Ratio (%)	Relation	
						Sales	Purchasing
NOROO Paint & Coatings Co., Ltd.	351, Bakdal-ro, Manan-gu, Anyang-si, Gyeonggi-do	10,231,563	Manufacturing & sales of paints and synthetic resins	10,100,138	50.50	5,512,740	309,681
NOROO Automotive Coatings Co., Ltd.	28, Jangangongdan 7-gil, Jangan-myeon, Hwa seong-si, Gyeonggi-do	76,346,445	Manufacturing & sales of automotive coatings	7,706,526	50.47	4,821,351	-
NOROO Chemicals Co., Ltd.	7, Cheomdan-ro 285beon-gil, Danwon-gu, Ansan-si, Gyeonggi-do	8,000,000	Manufacturing & sales of paints and thinners	1,600,000	100.00	700,000	-
NOROO Holdings(H.K.) CO., LTD.	Units 04-05, 26/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong	(USD) 16,100	Overseas investment and holding business	10,787,000	67.00	-	-
KIBAN TECH Co., Ltd.	10, Bamgogae 1-gil, Samjuk-myeon, Anseong-si, Gyeonggi-do	30,900,000	Agricultural life-related business and investment business	61,800,000	100.00	12,224	161,779
THE KIBAN Co., Ltd.	10, Bamgogae 1-gil, Samjuk-myeon, Anseong-si, Gyeonggi-do	33,200,000	Seed production business necessary for farming	61,772,822	93.03	502,360	-
NOROO Loginet Co., Ltd.	351, Bakdal-ro, Manan-gu, Anyang-si, Gyeonggi-do	2,400,000	Transportation intermediary agency and brokerage	480,000	100.00	1,667,969	199,595
NOROO HOLDINGS SINGAPORE PTE. LTD.	111 Somerset Rd, #06-07, TripleOne Somerset, Singapore	(USD) 33,000	Overseas investment and holding business	23,000,000	69.70	-	-
NOROO IC CO., LTD.	560 Old Peachtree Rd. NW, Suite 100, Suwanee, GA 30024	(USD) 1,513	Intellectual property management and rental business	1,513,000	100.00	-	-
Duggeobi Seonsaeng Co., Ltd.	656, Nonhyeon-ro, Gangnam-gu, Seoul	1,800,000	O2O service business	298,800	83.00	-	-

4. The Sales Result and Property Status in the Last 3 Years

(1) Operation Performance

(Unit: Won)

Subject	2022	2021	2020
Sales Revenue	20,027,915,202	21,744,239,921	19,068,605,582
Cost of Sales	15,186,309,288	13,576,022,053	13,192,156,608
Operation Profit	4,841,605,914	8,168,217,868	5,876,448,974
Other Revenues	44,084,799,592	28,570,770	4,723,598,917
Other Expenses	14,958,810,446	1,629,872,381	6,615,230,384
Financial Revenues	2,478,593,823	1,897,336,918	1,352,492,428
Financial Expenses	3,457,934,211	2,380,598,535	2,268,665,785
Income Loss Before Income Taxes Expenses	32,988,254,672	6,083,654,640	3,068,644,150
Income Taxes Expenses	305,430,068	499,414,448	(44,707,759)
Net Income	32,682,824,604	5,584,240,192	3,113,351,909
Other Comprehensive Profit or Loss	499,235,673	143,780,574	192,739,462
Total Comprehensive Income	33,182,060,277	5,728,020,766	3,306,091,371

(2) Balance Sheet (separate)

(Unit : Won)

Subject	2022	2021	2020
Current Assets	31,238,890,599	44,794,241,886	60,700,209,553
Non-current Assets	362,321,542,465	320,720,130,402	303,015,696,182
Total Assets	393,560,433,064	365,514,372,288	363,715,905,735
Current Liabilities	27,152,458,127	29,245,296,626	18,719,389,475
Non-current Liabilities	33,906,097,214	33,212,630,301	42,979,116,220
Total Liabilities	61,058,555,341	62,457,926,927	61,698,505,695
Capital Stock	8,529,355,000	8,500,200,500	8,500,200,500
Capital Surplus	26,136,118,140	25,212,778,860	25,212,778,860
Other Capital Items	(8,469,287,807)	(8,469,287,807)	(8,469,287,807)
Retained Earnings	306,305,692,390	277,812,753,808	276,773,708,487
Total Shareholders' Equity	332,501,877,723	303,056,445,361	302,017,400,040
Total Liabilities and Shareholders' Equity	393,560,433,064	365,514,372,288	363,715,905,735

5. Challenges for the Company

- Please refer to 2. (1) General Estimate of the Business

6. Board of Directors and Audit Inspectors

As of December 31, 2022

Name	Gender	Date of Birth	Position	Registered Executive	Permanent/ Non permanent	Duty	Major Reference	Tenure of Office	End of Tenure	Business Relations regarding the Company
Han, Young Jae	Male	1955.02	Chairman	Corporate Director	Permanent	General Management	-Boston Uni. Graduate school -NOROO Holdings Chairman	42 years & 9 months	2024.03.31	-
Kim, Yong Kee	Male	1955.01	Vice Chairman	Corporate Director	Permanent	General Management	-Yonsei Uni. Business admin. -NOROO Holdings CEO	7 years & 2 months	2025.03.31	-
Han, Won Seok	Male	1986.03	Executive Director	Corporate Director	Permanent	General Management	-Centenary Uni. Business admin. -Chief of business strategy dept. of NOROO Holdings	8 years & 3 months	2023.03.31	-
Kwon, Jun Young	Male	1969.11	Outside Director	Outside Director	Non-Permanent	Outside Director	-Harvard Uni. Urban Dev. (MA) -LOTTE AMC CEO	3 years & 9 months	2023.03.31	-
Yoo, Eun Sang	Male	1959.09	Outside Director	Outside Director	Non-Permanent	Outside Director	-University of London Cass Business School Finance (MA) -YJA Investment CEO	2 year & 10 months	2024.03.31	-
Son, Jong Woo	Male	1969.09	Auditor	Auditor	Permanent	Auditing Director	-Uni. of Seoul Accounting (BA) -Chief of financial management dept. of NOROO Holdings	3 years & 9 months	2025.03.31	-
Roh, Hang Duk	Male	1957.02	Vice CEO	Non-registered	Permanent	Director of Research	-Northwestern Uni. Biotechnology (Ph.D) -Chief of NOROO Bio R&D Center	2 year & 1 month	-	-

Name	Gender	Date of Birth	Position	Registered Executive	Permanent/ Non permanent	Duty	Major Reference	Tenure of Office	End of Tenure	Business Relations regarding the Company
Shin, Kyu Soon	Male	1972.08	Managing Director	Non-registered	Permanent	Director of Research	-Seoul National Uni. Engineering Chemistry (Ph.D) -Commissioned researcher at Korea Electronics Technology Institute	1 year & 1 month	-	-
Bang, Lae Kun	Male	1976.03	Associate Managing Director	Non-registered	Permanent	Director of Financial Management	-Uni. of Seoul Accounting (BA) -Chief of financial management dept. of NOROO Holdings	22 years	-	-
Han, Kyung Won	Female	1983.12	Associate Managing Director	Non-registered	Permanent	Director of Brand Communication	-Lynn Uni. Social Sciences -Chief of Brand Communication dept. of NOROO Holdings	8 years & 2 months	-	-

7. Major Shareholders

As of December 31, 2022

Name	Number of Stocks	Ratio(%)	Business Relations regarding the Company	Status of the Company's Investment in the Major Shareholder	Remarks
Han, Young-Jae Etc.	6,142,365	46.21	-	-	-
Shinhan Bank	174,364	1.31	-	-	-
J.P. MORGAN SECURITIES PLC	114,046	0.86	-	-	-
BARCLAYS CAPITAL SECURITIES LIMITED	111,013	0.84	-	-	-
AGGREGATE VALUE FUND VCC	106,056	0.80	-	-	-

8. Investment for Company, Company and Subsidiary or Subsidiary's Investment for Other Company

(Unit: Stock / %)

Other Company Name	Investment Company	To other Companies		From other Companies	
		Number of Stocks	Ratio(%)	Number of Stocks	Ratio(%)
NOROO FT Co., Ltd.	NOROO Holdings Co., Ltd.	5,000	50	-	-
IPK Co., Ltd.	NOROO Holdings Co., Ltd.	53,320	40	-	-
DEERS SEDA Co., Ltd.	NOROO Holdings Co., Ltd.	880,000	40	-	-
COLORMATE Co., Ltd.	NOROO Paint & Coatings Co., Ltd.	940,000	100	-	-
NOROO Vina CO., LTD.	NOROO Paint & Coatings Co., Ltd.	-	100	-	-
NOROO Tradng (Shanghai) Co., Ltd.	NOROO Paint & Coatings Co., Ltd.	-	100	-	-
NOROO Paint(Shanghai) Co., Ltd.	NOROO Paint & Coatings Co., Ltd.	-	100	-	-
NOROO Milano Design Studio(NMDS), S. R. L.	NOROO Paint & Coatings Co., Ltd.	-	100	-	-
NOROO Coil Coatings Co., Ltd.	NOROO Paint & Coatings Co., Ltd.	2,000,000	100	-	-
NOROO FZCO	NOROO Paint & Coatings Co., Ltd.	3	50	-	-
SHEENLAC-NOROO Coatings India Pvt., Ltd.	NOROO Paint & Coatings Co., Ltd.	5,000,000	50	-	-
NOROO KAYALAR Boya Sanayi ve Ticaret.A.S	NOROO Paint & Coatings Co., Ltd.	200,000	50	-	-
NOROO KOSSAN Paint Sdn, Bhd	NOROO Paint & Coatings Co., Ltd.	1,010,895	50	-	-
NOROO HUALUN ADVANED MATERIALS CO., LTD.	NOROO Paint & Coatings Co., Ltd.	-	50	-	-
NOROO NANPAO Paint & Coating (Vietnam)Co., LTD.	NOROO Paint & Coatings Co., Ltd.	4,500,000	50	-	-
NOROO Holdings (H.K.) CO., LTD.	NOROO Paint & Coatings Co., Ltd.	5,313,000	33	-	-
NOROO HOLDINGS SINGAPORE PTE. LTD.	NOROO Paint & Coatings Co., Ltd.	10,000,000	30.3	-	-
NAC (SHANGHAI) CO., LTD.	NOROO Automotive Coatings Co., Ltd.	-	100	-	-
NOROO BEE AUTOMOTIVE COATINGS INDIA PVT., LTD.	NOROO Automotive Coatings Co., Ltd.	11,977,733	100	-	-
PT NOROO AUTOMOTIVE PAINT INDONESIA	NOROO Automotive Coatings Co., Ltd.	1,260	100	-	-
NOROO Automotive Coatings America, Inc.	NOROO Automotive Coatings Co., Ltd.	-	100	-	-
NOROO BEE CHEMICAL BEIJING CO., LTD.	NOROO Automotive Coatings Co., Ltd.	-	100	-	-
NOROO BEE CHEMICAL Czech s.r.o	NOROO Automotive Coatings Co., Ltd.	-	100	-	-
NOROO BEE CHEMICAL YANCHENG CO., LTD	NOROO Automotive Coatings Co., Ltd.	-	100	-	-
NOROO BEE CHEMICAL BRAZIL LTDA.	NOROO Automotive Coatings Co., Ltd.	-	97.7	-	-
NOROO BEE Chemical Mexico S. DE R.L. DE C.V.	NOROO Automotive Coatings Co., Ltd.	-	98	-	-
The Kiban (Thailand) Co., Ltd.	THE KIBAN Co., Ltd.	1,289,188	100	-	-
THE KIBAN LAO SOLE CO., Ltd.	THE KIBAN Co., Ltd.	-	100	-	-
Hawaii Smart Agro and Trading, Inc.	KIBAN TECH Co., Ltd.	-	100	-	-
DET Co., Ltd.	NOROO Loginet Co., Ltd.	20,000	100	-	-
BuiltOne Co., Ltd	NOROO Loginet Co., Ltd.	181,250	66.4	-	-

※Among the above contents, subsidiaries invested exclusively by NOROO Holdings Co., Ltd. were not listed as duplicate contents.

9. Major Creditors

(Unit: Stock / 1,000 Won)

Name	Amount of Credit	Number of Stocks	Ratio(%)
Shinhan Bank	16,000,000	174,364	1.31

10. Important Matters arising after the Settlement Period

- Non applicable

11. Other Important Matters in the Business

(1) Consolidated Operation Performance

(Unit: Won)

Subject	2022	2021	2020
Sales Revenue	1,037,899,570,197	955,214,023,609	848,027,490,769
Cost of Sales	827,162,910,248	766,606,951,377	642,585,277,444
Gross Profit	210,736,659,949	188,607,072,232	205,442,213,325
Selling and Administrative Expenses	180,760,636,012	161,947,386,536	169,660,175,952
Operation Profit	29,976,023,937	26,659,685,696	35,782,037,373
Other Revenues	4,193,676,037	4,329,570,803	2,054,957,517
Other Expenses	4,517,610,549	5,028,982,882	5,089,612,383
Financial Revenues	16,029,510,662	9,315,761,947	6,457,185,118
Financial Expenses	18,394,646,338	9,569,222,514	12,687,321,980
Equity Method Profit	6,835,005,786	7,586,355,581	16,511,837,535
Equity Method Loss	7,263,398,260	7,565,459,544	509,473,325
Profit from Disposal of Subsidiary Company's Investment Assets	-	-	1,200,478,218
Profit from Disposal of Affiliated Company's Investment Assets	15,136,086,081	667,498,435	-
Impairment Loss Reversal of Affiliated Company's Investment Assets	-	373,547,405	-
Income Loss Before Income Taxes Expenses	41,994,647,356	26,768,754,927	43,720,088,073
Income Taxes Expenses	8,603,840,697	16,060,965,254	14,622,610,051
Net Income	33,390,806,659	10,707,789,673	29,097,478,022
Other comprehensive income	5,163,251,101	7,131,652,246	(4,240,416,294)
Gross comprehensive income	38,554,057,760	17,839,441,919	24,857,061,728

(2) Balance Sheet (consolidated)

(Unit: Won)

Subject	2022	2021	2020
Current Assets	583,742,767,450	495,132,610,770	484,925,979,400
Non-current Assets	588,246,610,528	560,404,571,386	566,157,885,132
Total Assets	1,171,989,377,978	1,055,537,182,156	1,051,083,864,532
Current Liabilities	367,016,107,664	308,285,779,935	335,946,470,056
Non-current Liabilities	144,147,816,317	163,714,274,608	137,168,596,007
Total Liabilities	511,163,923,981	472,000,054,543	473,115,066,063
Capital Stock	8,529,355,000	8,500,200,500	8,500,200,500
Capital Surplus	72,712,353,084	71,789,013,804	77,548,954,616
Other Capital Items	(19,436,467,969)	(19,406,833,155)	(19,406,833,155)
Other Comprehensive Income Accumulated Amount	1,515,278,579	(1,072,211,423)	(6,744,324,450)
Retained Earnings	330,450,515,028	308,296,816,940	311,333,116,732
Non-cultivated Share	267,054,420,275	215,430,140,947	206,737,684,226
Total Shareholders' Equity	660,825,453,997	583,537,127,613	577,968,798,469
Total Liabilities and Shareholders' Equity	1,171,989,377,978	1,055,537,182,156	1,051,083,864,532

Financial Statements

Consolidated Balance Sheet (Consolidated Financial Position Statement)

The seventy-seventh term as of December 31, 2022 / The seventy-sixth term as of December 31, 2021

(Unit: Won)

Accounts	The seventy-seventh term	The seventy-sixth term
Assets		
I . Current Assets	583,742,767,450	495,132,610,770
Cash and Cash Equivalents	114,807,335,429	127,484,940,682
Sales Receivables	234,474,826,904	199,159,351,798
Accounts Receivable and other Receivables	68,049,214,091	50,487,454,711
Inventory Assets	155,760,942,207	111,098,810,779
Current Corporate Tax Assets	102,062,510	124,738,204
Other Current Assets	7,722,354,593	5,755,486,703
Other Current Financial Assets	2,160,498,783	13,159,625
Return Product Collection Right	665,532,933	479,084,363
Non-current Assets Due for Sale	-	529,583,905
II . Non-current Assets	588,246,610,528	560,404,571,386
Other Long-term Receivables	12,585,466,590	10,493,509,881
Associates and Joint Enterprise Investments	35,280,623,697	78,560,989,162
Tangible Assets	450,478,522,285	421,505,235,827
Licensed Assets	4,648,600,189	4,070,168,539
Investment Real Estate	7,920,524,133	5,549,519,773
Intangible Asset	43,186,140,382	20,839,215,939
Deferred Tax Assets	4,982,107,571	4,503,365,082
Other non-current Assets	8,137,284,234	3,372,309,472
Other non-current Financial Assets	21,027,341,447	11,510,257,711
Total Assets	1,171,989,377,978	1,055,537,182,156
Liabilities		
I . Current Liabilities	367,016,107,664	308,285,779,935
Purchases Liabilities	173,956,771,157	148,801,447,758
Accounts Payable and other Payment Liabilities	43,792,899,471	36,310,636,493
Liquid Borrowings and Debentures	125,058,354,767	103,449,706,861
Current Corporate Tax Liability	8,374,522,519	9,286,771,128
Other Current Liabilities	10,828,064,686	6,816,903,952
Other Current Financial Liabilities	-	2,514,510
Current Lease Liabilities	2,454,069,300	2,136,815,607
Refund Liabilities	2,551,425,764	1,480,983,626

(Unit: Won)

Accounts	The seventy-seventh term	The seventy-sixth term
Liabilities		
II . Non-current Liabilities	144,147,816,317	163,714,274,608
Other Long-Term Payment Liabilities	721,420,768	421,065,154
Long-Term Borrowings And Debentures	78,658,903,504	98,106,474,084
Other Non-Current Financial Liabilities	-	87,872,943
Net Defined Benefit Liability	19,058,710,667	20,944,602,635
Other Long-Term Employee Liabilities	6,297,175,836	5,251,796,568
Deferred Tax Liabilities	37,288,764,735	37,062,244,291
Non-Current Lease Liabilities	2,021,574,174	1,840,218,933
Recovery Provisions	101,266,633	-
Total Liabilities	511,163,923,981	472,000,054,543
Equity		
Parent's Ownership Interest	393,771,033,722	368,106,986,666
Capital Stock	8,529,355,000	8,500,200,500
Capital Surplus	72,712,353,084	71,789,013,804
Other Capital Items	(19,436,467,969)	(19,406,833,155)
Other Comprehensive Income Accumulated Amount	1,515,278,579	(1,072,211,423)
Retained Earnings	330,450,515,028	308,296,816,940
Non-cultivated Share	267,054,420,275	215,430,140,947
Total Equity	660,825,453,997	583,537,127,613
Total Liabilities and Equity	1,171,989,377,978	1,055,537,182,156

Consolidated Comprehensive Income Statement

The seventy-seventh term as of December 31, 2022 / The seventy-sixth term as of December 31, 2021

(Unit: Won)

Accounts	The seventy-seventh term	The seventy-sixth term
I . Sales Revenue	1,037,899,570,197	955,214,023,609
II . Cost of Sales	(827,162,910,248)	(766,606,951,377)
III. Gross Profit	210,736,659,949	188,607,072,232
Selling and Administrative Expenses	(180,760,636,012)	(161,947,386,536)
IV. Operation Profit	29,976,023,937	26,659,685,696
Other Revenues	4,193,676,037	4,329,570,803
Other Expenses	(4,517,610,549)	(5,028,982,882)
Financial Revenues	16,029,510,662	9,315,761,947
Financial Expenses	(18,394,646,338)	(9,569,222,514)
Equity Method Profit	6,835,005,786	7,586,355,581
Equity Method Loss	(7,263,398,260)	(7,565,459,544)
Profit from Disposal of Affiliated Company's Investment Assets	15,136,086,081	667,498,435
Impairment Loss Reversal of Affiliated Company's Investment Assets	-	373,547,405
V . Net Profit and Loss before Income Tax Expense Deduction	41,994,647,356	26,768,754,927
Corporate tax expense (income)	8,603,840,697	16,060,965,254
VI. Profit and Loss	33,390,806,659	10,707,789,673
VII. Other Comprehensive Income	5,163,251,101	7,131,652,246
1. Items that are not Subsequently Reclassified to Profit or Loss		
Re-measurement Factors of Net Defined Benefit Liabilities	3,227,678,712	(16,148,497)
Re-measurement Factors of Affiliated Firms' Net Defined Benefit Liabilities	-	4,903,029
2. Items that are Subsequently Reclassified to Profit Or Loss		
Other Comprehensive Income of Associates and Joint Ventures	(81,809,653)	1,694,466,002
Foreign Exchange Differences in Overseas Businesses	2,017,382,042	5,448,431,712
VIII. Total Comprehensive Income for the Current Term	38,554,057,760	17,839,441,919
1. Attribution of current net income		
Owner's interest in a parent company	24,968,720,391	1,596,390,297
Non-controlling interest	8,422,086,268	9,111,399,376
2. Attribution of Total Comprehensive Income		
Owner's interest in a parent company	29,430,309,785	7,324,788,680
Non-controlling interest	9,123,747,975	10,514,653,239
IX. Earnings per share on the parent company's equity		
1. Basic and Diluted Earnings per Share	2,391	153
2. Old Preferred Stock Basic and Diluted EPS	2,396	158

Balance Sheet (Financial Position Statement)

The seventy-seventh term as of December 31, 2022 / The seventy-sixth term as of December 31, 2021

(Unit: Won)

Accounts	The seventy-seventh term		The seventy-sixth term	
Assets				
I . Current Assets		31,238,890,599		44,794,241,886
Cash and Cash Equivalents	2,908,164,182		5,956,591,897	
Accounts Receivable and other Receivables	25,629,390,851		38,571,058,886	
Other Current Assets	1,515,323,736		177,124,178	
Other Current Financial Assets	1,074,230,980		10,759,625	
Current Corporate Tax Assets	111,780,850		78,707,300	
II . Non-current Assets		362,321,542,465		320,720,130,402
Other Long-term Receivables	823,204,420		886,451,198	
Associates and Joint Enterprise Investments	294,961,619,029		265,546,323,875	
Tangible Assets	33,750,284,164		26,023,134,880	
Licensed Assets	818,586,265		1,485,325,302	
Investment Real Estate	18,192,169,970		18,195,688,714	
Intangible Asset	4,152,990,542		4,668,173,160	
Other Non-current Assets	1,755,620,126		1,755,620,126	
Other Non-current Financial Assets	7,867,067,949		2,159,413,147	
Total Assets		393,560,433,064		365,514,372,288
Liabilities				
I . Current Liabilities		27,152,458,127		29,245,296,626
Accounts Payable and other Payment Liabilities	4,364,463,449		4,233,821,304	
Other Current Liabilities	118,201,277		104,056,980	
Current Borrowings	21,871,100,000		24,000,000,000	
Current Lease Liabilities	691,439,844		838,706,112	
Liquidity Recovery Provisions	30,974,948		-	
Other Current Financial Liabilities	76,278,609		68,712,230	
II . Non-current Liabilities		33,906,097,214		33,212,630,301
Other Long-Term Payment Liabilities	210,000,000		10,000,000	
Long-Term Loan	27,958,255,335		26,534,807,420	
Net Defined Benefit Liability	3,730,088,201		4,259,239,812	
Other Long-Term Employee Liabilities	103,511,322		104,519,935	
Deferred Tax Liabilities	1,718,851,621		1,656,976,747	
Lease Liabilities	84,124,102		647,086,387	
Recovery Provisions	101,266,633		-	
Total Liabilities		61,058,555,341		62,457,926,927
Equity				
Capital Stock	8,529,355,000		8,500,200,500	
Capital Surplus	26,136,118,140		25,212,778,860	
Other Capital Items	(8,469,287,807)		(8,469,287,807)	
Retained Earnings	306,305,692,390		277,812,753,808	
Total Equity		332,501,877,723		303,056,445,361
Total Liabilities and Equity		393,560,433,064		365,514,372,288

Income statement

The seventy-seventh term as of December 31, 2022 / The seventy-sixth term as of December 31, 2021

(Unit: Won)

Accounts	The seventy-seventh term	The seventy-sixth term
I. Sales Revenue	20,027,915,202	21,744,239,921
II. Cost of Sales	15,186,309,288	13,576,022,053
III. Operating Profit and Loss	4,841,605,914	8,168,217,868
Other Revenues	44,084,799,592	28,570,770
Other Expenses	14,958,810,446	1,629,872,381
Financial Revenues	2,478,593,823	1,897,336,918
Financial Expenses	3,457,934,211	2,380,598,535
IV. Net Profit and Loss before Income Tax Expense Deduction	32,988,254,672	6,083,654,640
V. Corporate Tax Expense (Income)	305,430,068	499,414,448
VI. Profit and Loss	32,682,824,604	5,584,240,192
VII. Other Comprehensive Income	499,235,673	143,780,574
1. Items that are not Subsequently Reclassified to Profit or Loss		
2. Re-measurement Factors of Net Defined Benefit Liabilities	499,235,673	143,780,574
VIII. Total Comprehensive Income for the Current Term	499,235,673	143,780,574
IX. Earnings per Share		
1. Basic and Diluted Earnings per Share	3,129	536
2. Preferred Stock Basic and Diluted EPS	3,134	541

Auditor's Report

To the CEO of NOROO Holdings Co., Ltd.

This auditor conducted an audit of the accounting and business affairs or operations for the 77th business year (January 1, 2022 to December 31, 2022) and reports the results as follows:

(1) Overview of Auditing Methods

For the purpose of accounting audit, we have perused account books and related documents, reviewed the financial statements, consolidated financial statements, and the accompanying supplementary documents, and if deemed necessary, applied appropriate audit procedures such as contrast, due diligence, presence, inquiry and others.

When it comes to operational audit, we have attended meetings of the Board of Directors and other important meetings and have received a report on sales from the directors when deemed necessary. We used appropriate methods, such as perusing and examining important documents closely.

(2) Matters concerning the Balance Sheet (Statement of Financial Position) and Income Statement

The balance sheet, consolidated balance sheet, income statements, and consolidated income Statements present the Company's financial status and business performance properly in accordance with laws and regulations and the articles of incorporation.

(3) Matters Concerning the Statement of Appropriation of Retained Earnings

The statement of appropriation of retained earnings has been appropriately prepared in accordance with laws and regulations and articles of incorporation.

(4) Matters Concerning the Business Report

The business (sales) report shows the Company's situation appropriately in accordance with laws and regulations and articles of incorporation.

March 9, 2023

NOROO Holdings Co., Ltd.

Auditor

Son, Jong-Woo



Reports on the Status of Operations of CEO and Internal Account Manager

To the Board of Directors and Internal Auditor of NOROO Holdings Co., Ltd.

As of December 31, 2022, CEO and Internal Accounting Manager has reviewed the status of the design and operation of our internal accounting control system (IACS) for the fiscal year ending on the same date.

The responsibility for the design and operation of the IACS rests with the CEO, internal accounting manager and the company's management.

The CEO and Internal Accounting Manager has evaluated whether the Company's IACS is designed and operated effectively to prevent or detect errors or irregularities that may cause distortions in financial statements for the preparation and disclosure of reliable financial statements.

The CEO and internal accounting manager used the "Internal Accounting Management System Design and Operation Conceptual System (name of the system if other systems are used)" as the reference criteria for the design and operation of the internal accounting management system. In order to evaluate the design and operation of the internal accounting management system, the "Best Standard for Evaluation and Reporting of Internal Accounting Management System" (name of the standard if other criteria are used) was used as the evaluation criteria.

According to the evaluation of the internal accounting management system by the CEO and internal accounting manager, our internal accounting management system as of December 31, 2022 is effectively designed and operated based on the 'Internal Accounting System Design and Operation Conceptual System (name of other systems).


The CEO and internal accounting manager confirmed that the report was not falsely stated or displayed, and that the matters to be stated or displayed were not omitted.

In addition, the CEO and internal accounting manager confirmed that the report did not contain or indicate any material that caused serious misunderstanding, and checked and reviewed it with sufficient care.


March 9, 2023

NOROO Holdings Co., Ltd.

President(CEO)

Kim, Yong-Kee 

Internal Accounting Manager

Bang, Lae-Kun 

NOROO