# Kiwoom Securities NDR (2026.08) FAQs

## Q1. Key Drivers of 2Q26 Performance Improvement

A1. – Continued top-line growth driven by lineup expansion through platform diversification and strong performance across key titles.

– OPM of 10.6%, supported by production cost efficiency and distribution growth.

## Q2. 2H26 and Mid-to-Long-Term Outlook

A2. – Enhancement of profitability per title through a lineup centered on large-scale titles and expanded pre-sales.

· Lineup: *Tantara, 100 Days of Lies, Four Hands, Gift, etc.*

– Continued annual profitability improvement through production cost efficiency and stronger distribution competitiveness.

– Business model diversification toward IP-driven revenue through IP Value-Up and global business expansion.

## Q3. Production Cost Efficiency Strategy

A3. – Production cost efficiency currently at approximately 7%, supported by enhanced cost management processes.

– Expanded AI adoption across planning and production to enhance both content quality and production efficiency.

## Q4. Rationale for Revision to Useful Lives of Content Rights

A4. – Revision to reflect the expansion of IP-based businesses and enhanced long-term value of owned IP, aligning revenue and cost recognition.

– Higher cost visibility and lower earnings volatility expected.

Q5. Strategic Direction for IP Business

A5. – Building an IP Value Chain beyond PPL, combining brands, stories, and commerce.

- Connecting content viewing to consumption through own brands and Multi-Forms, with phased expansion of IP-driven revenue.

Q6. Strategy for the Domestic Media Market

A6. – Continued platform diversification across terrestrial·OTT platforms in response to changes in the broader market environment, including the TV advertising market.

- Strengthening negotiating leverage and business leadership based on content competitiveness and production capabilities.

Q7. OTT Business Strategy

A7. – Stronger negotiating leverage with Netflix expected, supported by greater flexibility in IP compensation and expanded joint IP ownership.

- Growth in distributable library expected as rights to OTT-exclusive titles begin to revert.
- Diversification of captive business models through expanded TVING originals and brand channels offerings, linked with overseas distribution.

Q8. Global Project Pipeline

A8. – US: 20+ projects under development with major partners including Skydance and Fifth Season, with visibility for potential series orders within the year.

- Japan: Expansion of local partnerships into joint development and co-production

Q9. Shareholder Return Policy

A9. – Near-term prioritization of scale growth and profitability improvement through global projects and new business initiatives.

- Consideration of shareholders return measures, including dividends, upon achieving target levels for key financial metrics such as FCF, operating margin, and CAPEX.