

# Mirae Asset Securities Corporate Day (2025.03) FAQs

## Q1. 2025 Lineup Guidance

- A1. – SD's lineup is expected to recover to 25+ titles with the reinstatement of the Wednesday–Thursday TV slot and the expansion of OTT originals.
- A strong slate featuring high-profile projects led by top-tier creators and stars, including writer Kim Eun-Sook.
  - Despite challenging market conditions in 2024, production cost pressures have eased, and key titles such as *Queen of Tears* delivered successful viewership performance.

## Q2. Impact of <When the Stars Gossip>'s Sluggish Viewership Performance

- A2. – The title contributed to genre diversification as the first space-themed sci-fi series in Korean scripted TV history.
- While its viewership fell short of expectations, leading to potential penalties, pre-sales are expected to mitigate financial impact.
  - Internal processes are being strengthened, including programming committees and performance analysis, to improve hit ratio for individual productions.

## Q3. Outlook on Rising Production Costs

- A3. – Netflix has acknowledged the need to adjust actor fees, citing concerns about the sustainability of production costs for K-Dramas → As competition among global OTTs stabilizes, the sharp rise in production costs is expected to moderate.
- Studio Dragon (SD) aims to enhance its bargaining power and streamline costs by discovering new talent through tvN's Wednesday–Thursday TV lineup.

## Q4. Production Cost Optimization Strategies

- A4. – Since 2H24, SD has actively worked to reduce inefficiencies, expand a real-cost-based reimbursement system, and introduce a bidding process to lower production expenses.
- SD will further improve cost efficiency by utilizing historical cost databases and increasing in-house adoption of VFX/AI technology.

#### Q5. New Business Expansion Strategy

- A5. – While specifics cannot be disclosed, efforts are underway to secure new revenue streams.
- SD is focused on strengthening IP monetization, including talent discovery through tvN's Wednesday–Thursday lineup in 2H25.
  - SD is also exploring new business opportunities, including short-form content and AI-driven initiatives, with further details to be announced in due course.

#### Q6. Global Project Updates

- A6. – Japan: *Marry My Husband* remake is scheduled for release in 2H25, with continued efforts to establish local infrastructure and expand production.
- U.S.: Actively co-developing projects with subsidiaries and local partners.

#### Q7. Impact of TVING's Overseas Expansion

- A7. – TVING's international expansion presents opportunities for ① increased pre-sale potential through broader platform partnerships, and ② enhanced content investment capabilities driven by a growing global subscriber base.

#### Q8. Global OTT Landscape

- A8. – SD will maintain a mutually beneficial partnership with Netflix.
- While global OTT competition is stabilizing, key players such as Netflix, Disney+ and Amazon Prime Video remain highly influential, continuing to invest in K-content and expanding into new markets such as Japan.
  - Strong demand for SD content persists across regional platforms and channels.
  - Despite recent setbacks, long-term strategies include ① improving the hit ratio through in-house creator development and agreements with additional S/A-tier talent, and ② expanding local series offerings to boost the average sales price.

#### Q9. Outlook on China Market Reopening

- A9. – Anticipation of relaxed restrictions on Korean content in China has grown, with SD closely monitoring market changes and preparing a swift response.
- Further details will be disclosed upon any confirmed policy changes.