

KSD's Role in Corporate Actions

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KSD's Role in Market

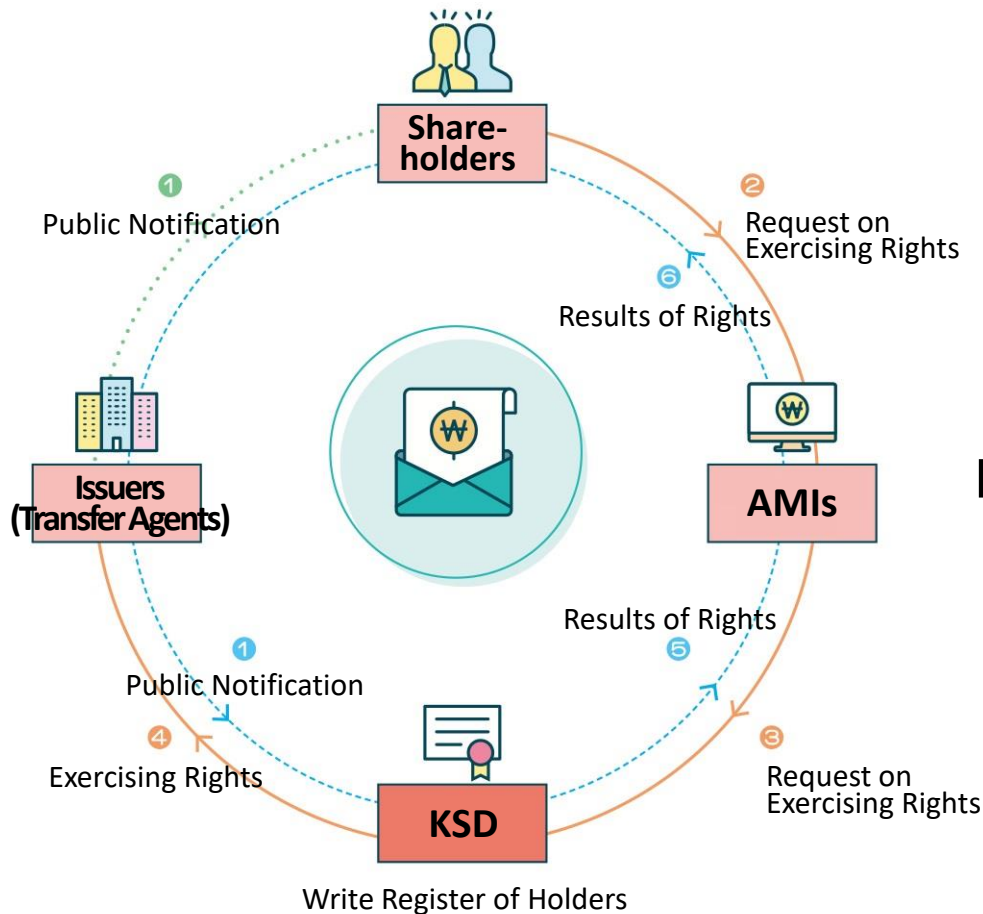
Central Securities Depository

- ▼ Offers substantial and reliable capital market infrastructures
- ▼ Enhances efficiency in Primary Market & Secondary Market
- ▼ Protects investors in capital market

Electronic Registry

- ▼ Built Electronic Securities System which has been carried out since Sep 16th, 2019
- ▼ Manages securities efficiently from issuance to expiration in a standardized process
- ▼ Improves market efficiency and saves social costs

KSD's Role in CA



Process

- ① Issuers announce events' info
- ④ KSD informs AMIs (incl. shareholders) of the events' information and exercises rights to issuers on behalf of shareholders
- ⑤ KSD notifies and effectuates the results of exercising rights

Features

- KSD supports almost every type of CA process to protect shareholders' rights
- Centralized CA process
 - is efficient to manage CA data
 - enhances reliability on data
 - simplifies Issuers/ AMIs' business process
 - increases shareholders' convenience

CA Services

Register of Holders

- Collects Shareholders' information from AMIs when issuers set the record date
- Provides the data to transfer agents (issuers) to fill in the register of shareholders

Voting Rights

- Supports Foreign Investors to exercise their voting rights (Proxy Voting)

Dividends

- Cash Dividends : offers consolidated channel to distribute dividends from issuers to AMIs(shareholders)
- Stock Dividends : registers and allocates newly added stocks

KSD



Bonus Issue

- Registers and allocates bonus stocks
- Taxation depends on the source of capital

CA Services

Paid-in Capital Increase

- Differs from Bonus Issue in terms that it increases capital as well as the number of stocks
- Types
 - 1) Subscription Offering to Shareholders
 - 2) Shareholder Priority Public Offering

Untransferred Shares

- Definition : Stocks withdrawn from deposit and not transferred by the record date
- Manages Untransferred Shares and its dividends, bonus stocks, etc.

Merger, etc.

- Secures stockholders' rights
- Allocates/Replaces stocks
- Supports Exercising Appraisal Rights to protect shareholders' interest

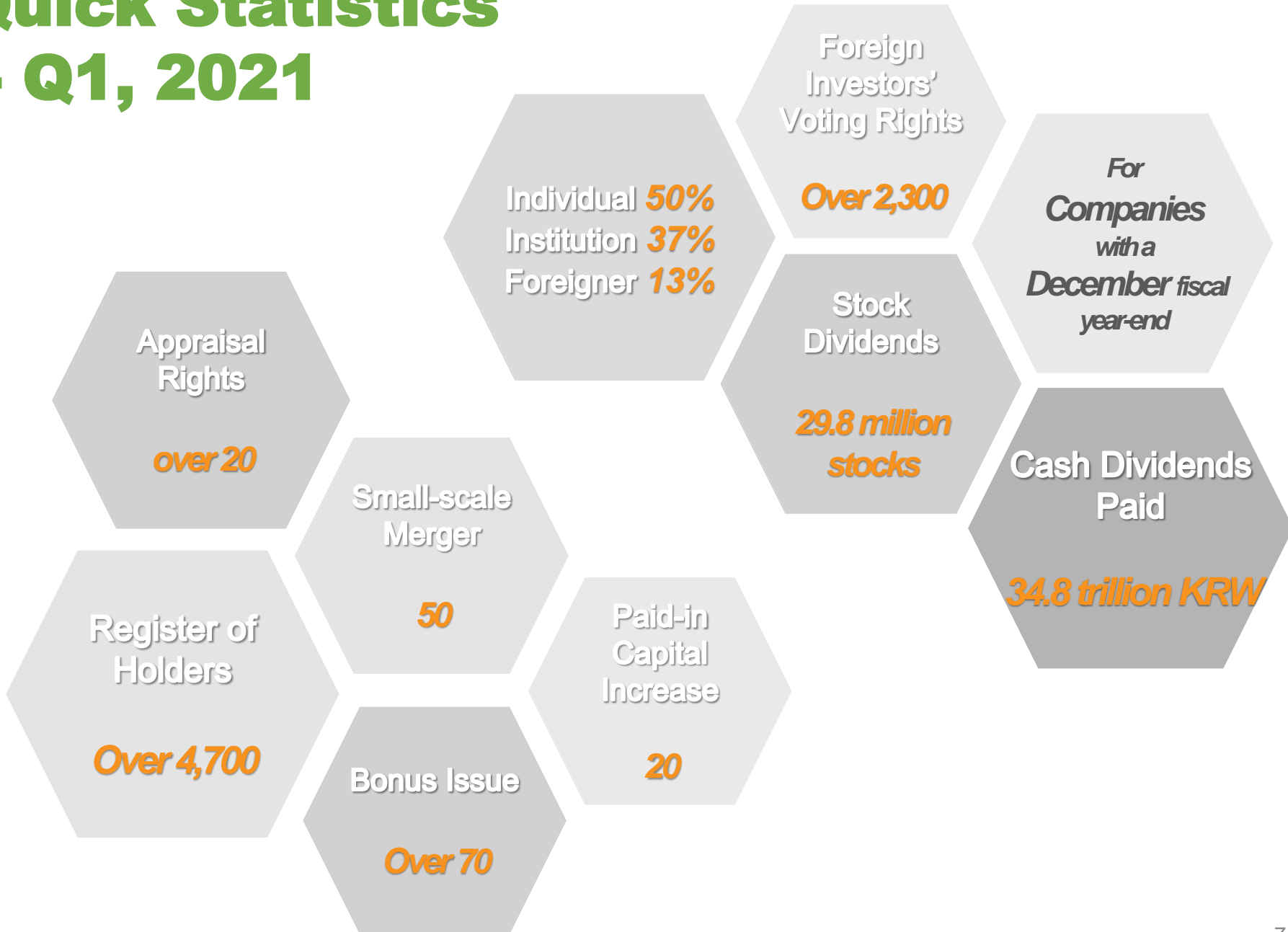
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Hybrid Securities

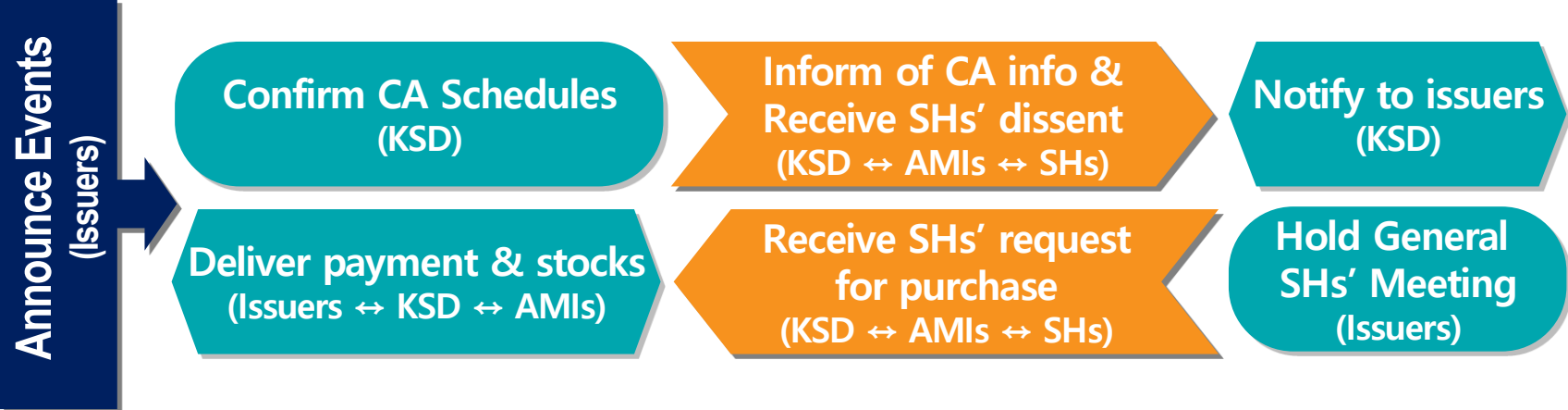
- Exercises rights on Convertible Bonds and Bonds with Warrants on behalf of shareholders
- Receives and distributes converted stocks and fractional payments

Quick Statistics - Q1, 2021

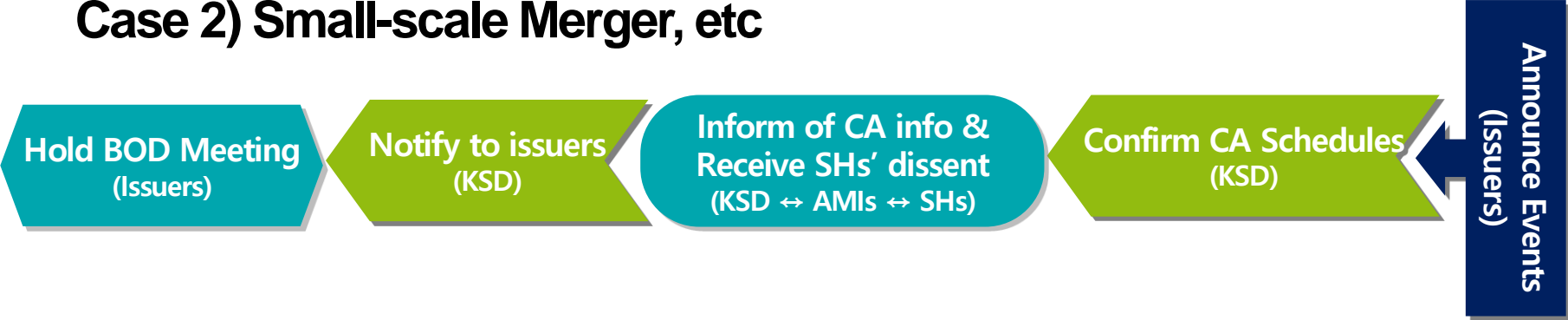


Process of Appraisal Rights

Case 1) Merger, Transfer of Business, etc



Case 2) Small-scale Merger, etc



Thank you.

