

Regulation of the Operation of Audit Committee

Enacted on May 20, 2020

DoubleDown Interactive Co., Ltd.

Article 1. (Purpose)

The purpose of this regulation (this “Regulation”) is to prescribe matters concerning the composition, functions and operation of the Audit Committee (the “Committee”) of DoubleDown Interactive Co., Ltd. (the “Company”) as set forth in the Company’s Articles of Incorporation.

Article 2 (Composition)

- (1) The Committee shall consist of a minimum of three (3) directors, and at least two thirds (2/3) of the Committee members shall be outside directors.
- (2) The chairman of the Committee shall be appointed by a resolution of the Committee.
- (3) Each member of the Committee shall be independent as required to comply with applicable laws and regulations and to meet the listing requirements of the NASDAQ Stock Exchange LLC.

Article 3 (Duties of Chairman)

- (1) The chairman of the Committee shall represent the Committee, convene meetings of the Committee and oversee the affairs thereof.
- (2) In the event that the chairman is unable to attend a meeting of the Committee, his/her duties shall be carried out by proxy in the order of the members as designated by the chairman.

Article 4 (Authorities of Committee)

- (1) The Committee shall audit the accounting and business operations of the Company.
- (2) If any actions by a director in violation of laws, regulations or the Articles of Incorporation cause irrecoverable damage to the Company, the Committee may request the director to suspend such violation for the benefit of the Company.
- (3) The Committee may demand the convening of an extraordinary general meeting of shareholders by submitting to the board of directors a written statement of the purpose of the meeting and the reason for convocation.
- (4) The Committee may request a director to make a report on the operations or may examine the business operations and assets status of the Company.
- (5) The Committee shall elect an external auditor of the Company pursuant to the Act on External Audit of Stock Companies.
- (6) The Committee may request any subsidiary of the Company to make a report on its operations, as deemed necessary to perform the duties of the Committee. In such

cases, if the subsidiary fails to make a report immediately or if it is necessary to verify the content of the report made by the subsidiary, the Committee shall have the right to inspect that subsidiary's operations and assets status.

- (7) The Committee may request, as necessary, the convening of a board meeting by submitting to a director (or to a person authorized to convene such board meeting, if any) a written statement of the purpose of the meeting and the reason for convocation.
- (8) If the director fails to immediately convene a board meeting notwithstanding the demand made under Paragraph (7) above, the Committee requested the convocation may convene a board meeting.
- (9) The Committee may seek for an expert's advice at the expense of the Company.
- (10) The Committee shall have authority over and responsibility for each of the following:
 1. Appointing an external auditor, approving the compensation of the external auditor, and assessing the independence of the external auditor;
 2. Overseeing the audit activities of the external auditor (including through the receipt and consideration of reports from the external auditor);
 3. Reviewing and discussing with the management and the external auditor the annual and quarterly financial statements and the disclosures of the Company;
 4. Assisting the board of directors in overseeing the Company's internal control over financial reporting and disclosure controls and procedures;
 5. Reviewing the effectiveness of the Company's risk management policies;
 6. Reviewing legal, regulatory and compliance matters that may have a significant impact on the Company's financial statements;
 7. Meeting independently with the Company's internal auditing officers/employees, external auditor and management;
 8. Reviewing and approving related person transactions; and
 9. Any matters required under other related regulations, delegated by the board of directors and provided for in this Regulation.

Article 5 (Duties of Committee)

- (1) If a director engages in, or is deemed likely to engage in, any action in violation of laws, regulations or the Articles of Incorporation, the Committee shall report to the board of directors.
- (2) The Committee shall examine the agendas and documents submitted by a director to a general meeting of shareholders and give a statement at such meeting about whether any of such agendas and documents is in violation of laws, regulations or the Articles of Incorporation or is materially unreasonable.

- (3) The Committee shall establish the procedures for receipt and treatment of internal complaints regarding misconduct related to accounting and for anonymous submission by employees who file such internal complaints.

Article 6 (Responsibilities of Committee Members)

- (1) If any Committee members, by their willful misconduct or negligence, engage in any action in violation of laws, regulations or the Articles of Incorporation or neglect their duties, such members shall be jointly and severally liable for the damages to the Company; *provided, however*, the responsibilities of the members may be mitigated as provided in the Articles of Incorporation.
- (2) If any Committee members, by malicious intent or gross negligence, neglect their duties, such members shall be jointly and severally liable for the damages to a third party.

Article 7 (Convocation of Committee Meeting)

- (1) The meetings of the Committee shall be either ordinary or extraordinary. Ordinary meetings shall be convened on a quarterly basis and extraordinary meetings shall be convened when there is any urgent matter to discuss.
- (2) The meetings of the Committee shall be convened by the chairman.
- (3) Each member may request the convening of a meeting of the Committee by stating to the chairman the agenda for the meeting and the reason for convocation. If the chairman fails to convene the Committee meeting without any justifiable reason, the member requested the convocation may convene the Committee meeting.

Article 8 (Procedure for Convocation)

- (1) When convening a Committee meeting, a notice thereof setting forth the date of the meeting shall be given to each member at least one (1) week prior to the date set for such meeting.
- (2) The Committee may, without the procedure set forth under Paragraph (1) above, convene a Committee meeting at any time by a unanimous consent of all members.

Article 9 (Constitution and Resolution)

- (1) A meeting of the Committee shall be constituted by attendance of a majority of all

members and resolved by affirmative votes of a majority of the members present; *provided, however*, a meeting for appointment of an external auditor shall be constituted by attendance of at least two thirds (2/3) of all members and resolved by affirmative votes of a majority of the members present.

- (2) Any member who has a special interest in a matter to be resolved by the Committee may not exercise his/her voting right on such matter. In such case, the number of the members who may not exercise their voting rights shall not be counted for the number of the members present.
- (3) The Committee may allow all or any members to take part in the resolution at the Committee meeting by means of a communication system simultaneously transmitting and receiving live audio communications, without attending the meeting in person. In such case, the member(s) participating through such communication system shall be deemed to have attended the Committee meeting in person.

Article 10 (Proposal and Explanation of Agendas)

- (1) The agendas for the Committee meeting shall be proposed by the chairman, the representative director or each member.
- (2) If a member other than the chairman plans to propose an agenda, he/she shall notify in advance to the chairman of the purpose of such agenda.
- (3) The agenda to be presented to the meeting shall be in principle explained by a director in charge of the concerned agenda; *provided, however*, such duty of the director may be performed by proxy by a relevant working-level employee as necessary.

Article 11 (Subject-Matters of Committee)

The matters to be presented to and resolved by the Committee are as follows:

1. Establishment of the direction of the Committee's activities;
2. Matters delegated by the board of directors (the representative director);
3. Request for convocation of an extraordinary general meeting of shareholders;
4. Matters to be advised by an external expert;
5. Inspection of legality of the management's business execution;
6. Review of the soundness and adequacy of corporate financial activities and the appropriateness of financial reports;
7. Review of the adequacy of material changes to the accounting standards or accounting

estimates;

8. Evaluation of the operation of the managerial accounting management system;
9. Evaluation of the internal control system;
10. Consent to the appointment and dismissal of a person in charge of the internal audit department;
11. Contract for appointment, compensation and non-audit services of the external auditor;
12. Evaluation of audit activities of the external auditor;
13. The internal audit department's report of annual audit plan and the results thereof;
14. The Company's report of evaluation results of officers/employees' compliance with the Code of Conduct;
15. The external auditor's report of any irregularities of a director or material violation of laws, regulations or the Articles of Incorporation;
16. The external auditor's report of any breach of accounting standards by the Company;
17. Agendas concerning each item under Article 4, Paragraph (10) of this Regulation; and
18. Any other agendas deemed necessary by each Committee member.

Article 12 (Deliberation Process)

- (1) Any department planning to present to the board of directors an agenda that is subject to the Committee's deliberation shall submit to the chairman a written proposal and the details of such agenda.
- (2) If any agenda that has been presented to the board of directors and is not subject to the Committee's deliberation is deemed necessary to be deliberated by the Committee, the chairman shall notify the concerned department of the need for the Committee's deliberation and the department receiving such notice shall follow the procedure as provided in Paragraph (1) above.
- (3) The chairman may ask any person, as deemed necessary for deliberation on an agenda, to attend the meeting of the Committee and the person receiving such request shall attend the Committee meeting unless under special circumstances.

Article 13 (Minutes and Audit Records)

- (1) The head of the department proposing an agenda shall record the discussions on the agenda in the minutes of the Committee meeting, which shall bear the names and seals or signatures of the members present at the meeting.
- (2) The minutes of the Committee meetings shall be kept by the internal audit department and the copy thereof shall be kept by the department responsible for the concerned business.
- (3) The minutes of the Committee meetings shall be kept for ten (10) years.
- (4) The Committee shall prepare an audit record for each audit. The audit record shall set forth the proceedings and results of the audit and shall bear the name and seal or signature of the member who conducted the audit.

Article 14 (Advice)

- (1) The Committee may have advice from an external expert at the expense of the Company as necessary.
- (2) If the Committee has obtained advice from an external expert pursuant to Paragraph (1) above, the chairman shall report to the board of directors the background, details and cost of such advice, as well as the measures taken after obtaining the advice and the effects thereof.

Article 15 (Regulations on Related Person Transactions)

- (1) The regulations on and procedures for the review and approval or ratification of any related person transactions under Article 4, Paragraph (10), Item 8 of this Regulation shall be governed by this Article.
- (2) Any matters not covered by this Article shall be subject to the Articles of Incorporation of the Company and any applicable laws and regulations in Korea and the U.S. (including the Korean Commercial Code and Item 404 of Regulation S-K under the U.S. Securities Act of 1933).
- (3) The types of related person transactions are as follows:
 1. Sales/purchases transactions;
 2. Purchase/disposal of real properties;
 3. Service transactions;
 4. Agency and lease agreements;
 5. Financial transaction including loan and capital contribution;
 6. Security/guarantee;
 7. Management agreements and other transactions;
 8. Any transaction falling under Articles 397, 397-2 and 398 of the Korean Commercial Code;
 9. Any transaction, arrangement or relationship, or any series of similar transactions,

arrangements or relationships, that meets the disclosure requirements set forth in Item 404 of Regulation S-K under the U.S. Securities Act of 1933, executed between the Company and a “related person” as defined in the same Item 404;

10. Any transaction or arrangement between the Company and its subsidiaries, and any transaction or arrangement among DoubleU Games Co., Ltd., the Company and its subsidiaries, to the extent involving amounts in excess of USD 120,000; and
 11. Any other transaction recognized as a related person transaction by the Committee.
- (4) If the Company intends to engage in a related person transaction falling under each item under Paragraph (3) above or any other related person transaction, the Company shall conduct such transactions on legal and fair terms and conditions (in accordance with Paragraphs (6) and (7) below) and make reports as provided in applicable laws and regulations.
- (5) The approval of any related person transaction shall include the following:
1. Transaction parties and the nature of the relationship;
 2. Details of the transaction; and
 3. Transaction terms and conditions such as price policies and payment conditions (including whether such transaction falls under each item under Paragraph (3) above and whether it is consistent with Paragraph (7) below).
- (6) In approving the related person transactions under this Article, the Committee shall consider all relevant facts and circumstances, including but not limited to whether the transaction is on terms comparable to those that could be obtained in an arm’s length transaction and the extent of the related person’s interest in the transaction.
- (7) Any related person transactions shall be executed with reference to the price for transactions with independent third parties (i.e., arm’s length price). If it is difficult to calculate the arm’s length price, in order to ensure the legitimacy of the transaction, the Committee may determine the arm’s length price by designating an independent valuation agency and requesting such agency to evaluate the price.

Addendum

This Regulation shall be effective from May 20, 2020.