



Q4 2024 & FY2024 Earnings Results

February 12, 2025

Disclaimer

All financial information contained in this document is based on consolidated K-IFRS.

The matters discussed in this presentation contain forward-looking statements that involved risks and uncertainties concerning NEOWIZ expected financial information performance as well as strategic and operational plans.

Actual results may differ from the results predicted, and reported results should not be considered as an indication of future performance. Therefore NEOWIZ will not be responsible for individual investment decisions based only on this material.

All information in this presentation is as of February 2025 and NEOWIZ undertakes no duty to update this information.

Contents

1. Quarterly Financial Highlights
2. Annual Financial Highlights
3. FY 2024 Business Achievements
4. FY 2025 Business Objectives
5. Global Sourcing News
6. New Pipeline

Q4 2024 Financial Highlights

Q4 2024 Revenue KRW 89.7bn, Operating Profit KRW 7.2bn, Net Loss KRW 27.3bn

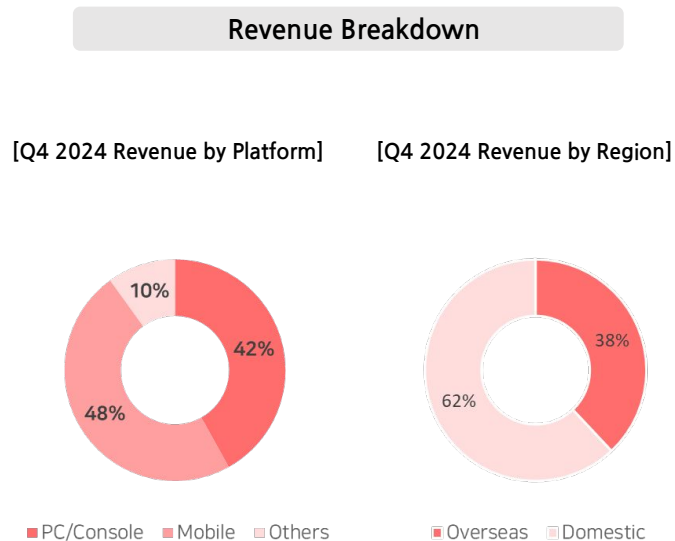
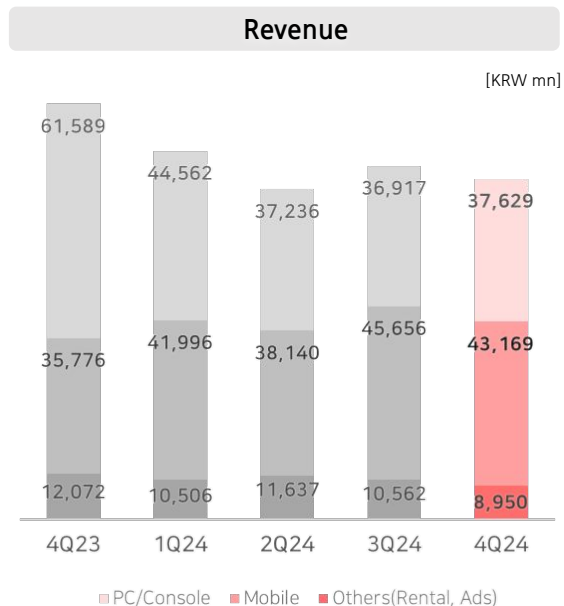
- Operating Profit increased QoQ due to steady performance of main IPs and efficient cost management.
Net Profit continued red due to goodwill impairment loss of consolidated subsidiaries

[KRW mn]	Q4 2023	Q3 2024	Q4 2024	YoY	QoQ
Revenue	109,437	93,134	89,749	-18.0%	-3.6%
PC/Console game Revenue	61,589	36,917	37,629	-38.9%	1.9%
Mobile game Revenue	35,776	45,656	43,169	20.7%	-5.4%
Others (Rental, Ads)	12,072	10,562	8,950	-25.9%	-15.3%
Operating Expenses	94,449	86,670	82,537	-12.6%	-4.8%
Operating Profit	14,988	6,464	7,212	-51.9%	11.6%
OPM(%)	13.7%	6.9%	8.0%	-5.7%p	1.1%p
Net Profit Before Income Tax	3,377	1,293	-21,564	TR	TR
Net Profit (Loss)	2,759	-1,399	-27,321	TR	CR
NPM(%)	2.5%	-1.5%	-30.4%	-32.9%p	-28.9%p

Q4 2024 Revenue Breakdown

Q4 2024 Revenue KRW 89.7bn, YoY 18.0%▼, QoQ 3.6%▼

- PC/Console game revenue KRW 37.6bn (-38.9% YoY, 1.9% QoQ) : Steady sales trend of 'Lies of P' and official launch of 'DJMAX RESPECT V' new DLC
- Mobile game revenue KRW 43.2bn (20.7% YoY, -5.4% QoQ) : Decreased QoQ due to revenue decrease of 'The Legend of Heroes: Gaghav TrilogY'



Q4 2024 Expenses Breakdown

Q4 2024 Operating Expenses KRW 82.5bn, YoY 12.6%▼, QoQ 4.8%▼

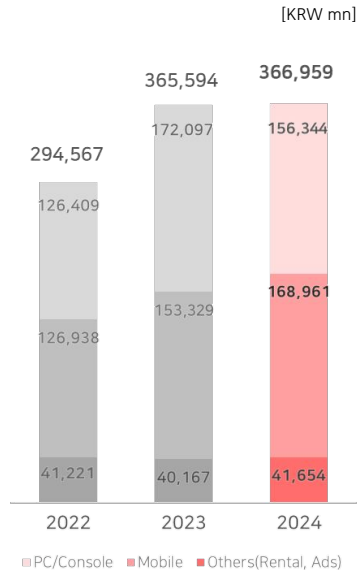
- Labor Cost : Increased QoQ due to incentives of consolidated subsidiaries
- Marketing : Cost-effective marketing expenses

[KRW mn]	Q4 2023	Q1 2024	Q2 2024	Q2 2024	Q4 2024	YoY	QoQ
Operating expenses	94,449	82,220	82,269	86,670	82,537	-12.6%	-4.8%
Labor cost	47,127	39,978	39,715	38,182	39,167	-16.9%	2.6%
Variable cost	25,612	22,495	22,512	25,730	23,691	-7.5%	-7.9%
Marketing	11,527	8,341	8,283	10,438	8,045	-30.2%	-22.9%
D&A	5,171	4,208	4,153	4,954	3,960	-23.4%	-20.1%
Others	5,012	7,198	7,606	7,366	7,674	53.1%	4.2%

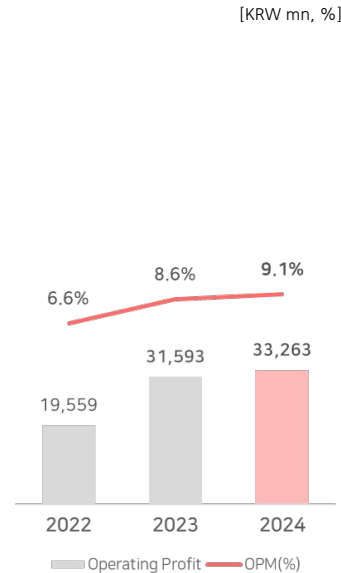
FY 2024 Financial Highlights

FY 2024 Revenue KRW 367.0bn, Operating Profit KRW 33.3bn, Net Loss KRW 6.7bn

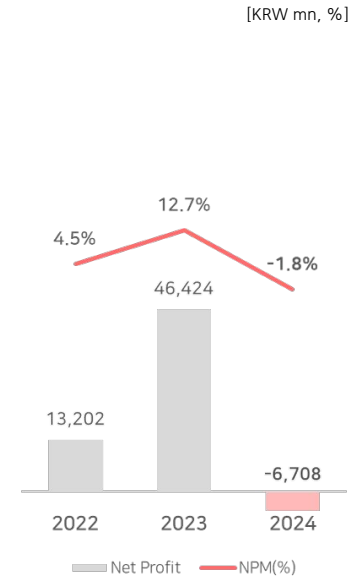
Revenue



Operating Profit



Net Profit (Loss)

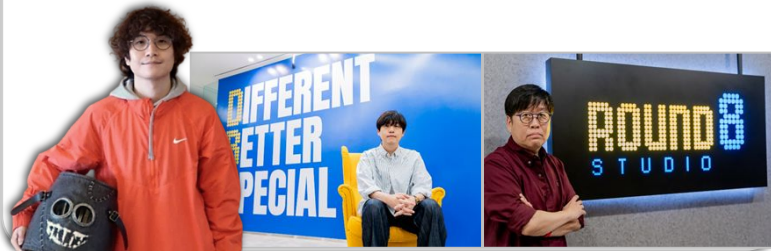


FY 2024 Business Achievements - Expand PC/Console Pipeline

Securing pipelines by developing strong storyline & universe based PC/Console titles and global sourcing

In-House Developments

- **5+ PC/Console Projects are on develop/design**
 - Developing 'Lies of P' DLC and Sequel
 - 'Life Simulation', 'Survival Action Adventure' projects are on development stage
- **Recruited Seungho Jin & Kay Lee, director with strong narratives**
 - Developing new projects with immersive storylines



Global Sourcing

- **Signed global publishing agreement with 'Zakazane', Poland**
 - Single-play RPG based in Noir West
 - Oriented towards developing storyline-based games
- **Strategic Partnership with 'Wolfeye Studio', US**
 - Retro SF first-person RPG
 - Studio members with strong storytelling skills



FY 2024 Business Achievements - Fan community enhancement on live titles

Conducting fan-focused service strategy on major live titles

- **'Browndust 2'** : Continued increase in traffic and revenue, focusing on fan community cares with constant communications
 - Online : Live streaming, special web pages, collaboration with popular anime-based IPs, etc.
 - Offline : Participating global major anime festivals, collaboration with cafe/CVS, official merchandise sales
- **'DJMAX RESPECT V'** : Reinforce fan communities by maximizing user experiences through communications and events
 - Live streaming of introducing new/collaboration DLC, offline DJ party, permanent merchandise store, etc.



['Browndust 2' on Taipei Game Show Stage]



['DJMAX Respect V' on GES 2024 Opening Party]



*Revenue and Active User increase rate: 4Q24 vs 4Q23

FY 2025 Business Objectives

Establish base for IP franchise, focusing on in-house game development and global fan community enhancement



**Securing
Story based IP**

Successful launch of 'Lies of P' DLC

Accelerating development of
AA+ PC/Console pipelines

Sourcing global PC/Console game
with strong narratives

Reinforcing fan communities of
major live titles

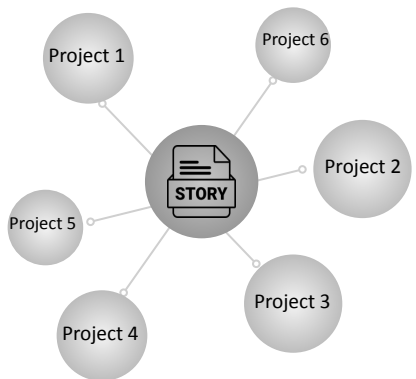
Establishing global offices for
enhancing global fan community



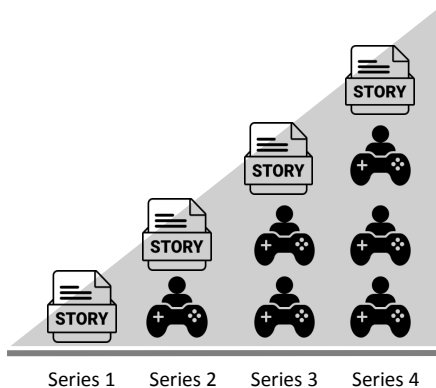
Fan Community

Mid-long Term Business Strategy

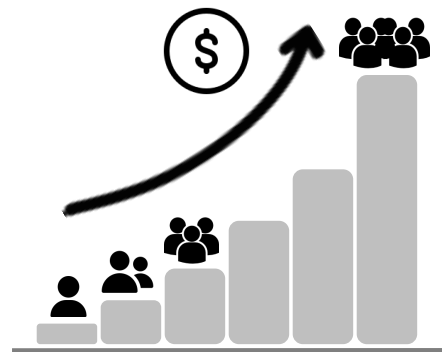
Main essence of game business comes from fan community, expanding fan community means revenue growth
Long term growth by launching one or more IP franchises with strong fan community every year



Developing/Sourcing various games with immersive storyline and universe



Expand storyline of each games and enlarge fan community by releasing sequels
Secure IP with strong fan base



Long term growth by launching one or more IP series every year

Global Sourcing News

Strategic Partnership with US PC/Console Dev Studio 'Wolfeye Studios'

- Signed global publishing agreement with Retro Sci-fi first-person action RPG
- Strengthening mid long-term PC/Console strategy and expanding pipelines by cooperating with devs having strong fan communities



- Founded in 2018 / Austin, Texas, USA
- Co-founded by Raphael Colantonio and Julien Roby, former members of Arkane Studios, Austin
- Track Record : 'Dishonored' (metacritic 91), 'Prey' (metacritic 84)

DISHONORED P R E Y



New Pipeline

Launching Date	Game	Genre	Platform	Market	In-House/Publishing
FY2025	Shape of Dreams	Rogue-like MOBA	PC(Steam)	Global	Publishing
	Lies of P DLC	Souls-like RPG	PC/Console	Global	In-House
	Cats & Soup: Magic Recipe	Simulation	Mobile	Global	In-House
	Goodbye Seoul: Itaewon	Puzzle Platformer	PC(Steam)	Global	Publishing
	The Legend of Heroes: Gagharv Trilogy	Collectible RPG	Mobile	Taiwan/Japan	In-House
	Kingdom 2	MMORPG	Mobile	Global	In-House
FY2026 ~	Wolfeye Studios New Project	Retro SF First-person RPG	PC/Console	Global	Publishing
	Zakazane Studio New Project	Noir West CRPG	PC/Console	Global	Publishing
	Life Simulation New Project	Life Simulation	PC/Console	Global	In-House
	Survival Action Adventure New Project	Survival Action Adventure	PC/Console	Global	In-House
	Lies of P Sequel	Souls-like RPG	PC/Console	Global	In-House

※ All conditions are subject to change

※ Projects on prototype/design stage are excluded.

Consolidated Financial Statements

Consolidated Financial Statement

[KRW mn]	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Current assets	297,611	324,984	306,422	302,822	314,427
Cash & cash equivalents	129,872	132,167	125,367	112,373	111,367
Trade & other receivables	48,286	41,386	42,774	42,444	49,697
Financial assets	111,757	143,906	131,378	141,244	146,532
Other current assets	7,696	7,525	6,903	6,761	6,831
Non-current assets	373,818	368,306	349,662	348,897	304,459
Trade & other receivables	2,847	1,434	1,230	1,213	1,249
Investments in JV and associates	35,568	34,821	22,577	22,386	22,337
Investment property	29,464	29,316	29,169	29,022	26,657
Tangible assets	86,922	86,265	86,270	85,753	87,493
Intangible assets	149,437	150,183	146,157	136,973	99,599
Financial assets	34,525	31,858	28,804	37,561	36,291
Other non-current assets	35,054	34,429	35,455	35,989	30,833
Total assets	671,429	693,291	656,084	651,719	618,886
Current liabilities	113,217	120,759	74,858	77,491	81,097
Non-current liabilities	30,591	31,675	34,948	34,317	18,607
Total liabilities	143,808	152,433	109,805	111,808	99,704
Controlling interests	489,432	505,617	510,917	505,160	487,321
Capital stock	11,017	11,017	11,017	11,017	11,017
Capital surplus	129,989	129,989	129,989	129,989	129,989
Retained earnings	428,204	441,277	448,438	449,877	420,915
Other components of equity	(79,779)	(76,666)	(78,527)	(85,722)	(74,600)
Non-controlling interests	38,189	35,240	35,362	34,750	31,861
Total equity	527,620	540,858	546,279	539,911	519,182
Total liabilities and equity	671,429	693,291	656,084	651,719	618,886

Consolidated Income Statement

[KRW mn]	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Revenue	109,437	97,064	87,012	93,134	89,749
Operating expenses	94,449	82,220	82,269	86,670	82,537
Operating profit (loss)	14,988	14,844	4,743	6,464	7,212
Financial income	3,681	5,324	4,415	611	10,833
Financial expenses	7,835	2,385	(137)	6,692	4,569
Other income	954	1,912	658	2,922	4,711
Other expenses	7,329	441	3,035	1,820	39,724
Equity method income (loss)	(1,081)	(407)	(271)	(192)	(27)
Profit (loss) before income tax	3,377	18,846	6,646	1,293	(21,564)
Income tax	617	4,508	(1,027)	2,692	5,757
Net profit (loss)	2,759	14,339	7,673	(1,399)	(27,321)
Controlling interests	3,868	17,869	7,791	1,416	(24,588)
Non-controlling interests	(1,109)	(3,530)	(118)	(2,815)	(2,733)