

netmarble



4Q 2024 & FY 2024 Earnings Results

Feb. 13th, 2025

DISCLAIMER

The financial information included in this document are consolidated earnings results based on K-IFRS.

The “financial results for 4Q 2024 and FY 2024” for Netmarble (the “Company”) contained in this document have been provided for investors convenience only and have not been audited by an independent auditor. Therefore, certain part(s) of this document are subject to change upon the audit outcome.

This document contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, “forward-looking statements” often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” or “will.” “Forward-looking statements” by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties which could adversely or positively affect our future results include the behavior of financial markets, the Company’s strategic actions, unanticipated dramatic developments in our major business conditions, and numerous other matters at the national and international levels which could affect our financial results.

These uncertainties may cause our actual results to be materially different from those expressed in this document.

FY 2024 EARNINGS SUMMARY

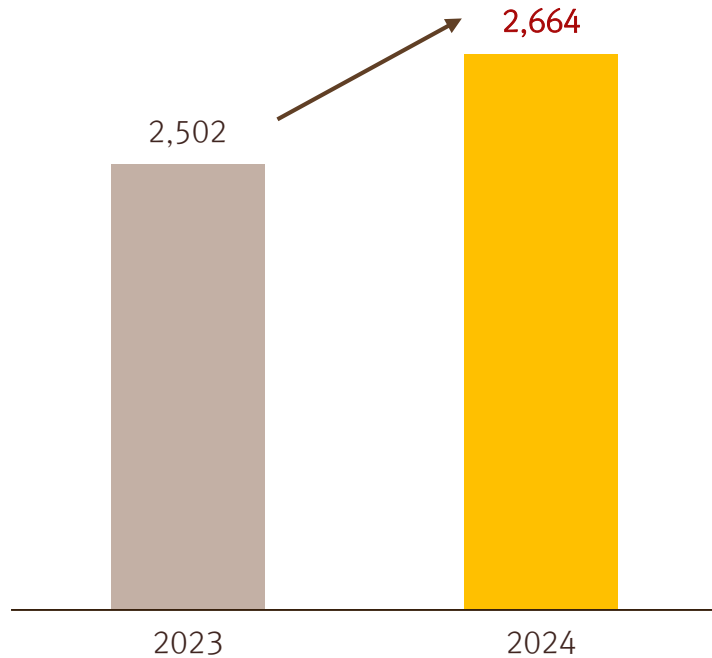
[Revenue] KRW 2,663.8bn (YoY 6.5% ▲)

[EBITDA] KRW 370.0bn (YoY 216.5% ▲)

- Due to increased revenue and cost efficiency, EBITDA Margin has been improved by +9.2%P YoY

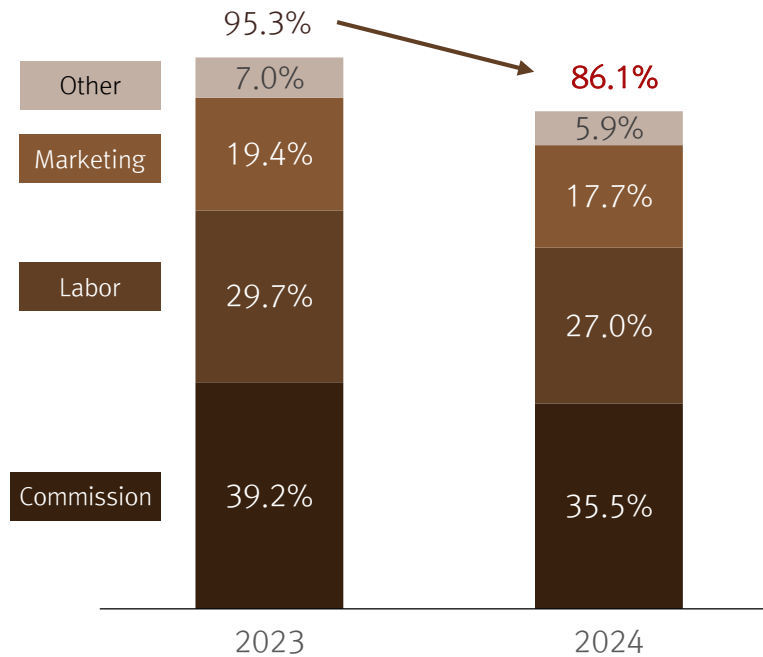
Revenue

(Unit: KRW bn)
YoY 6.5% ▲



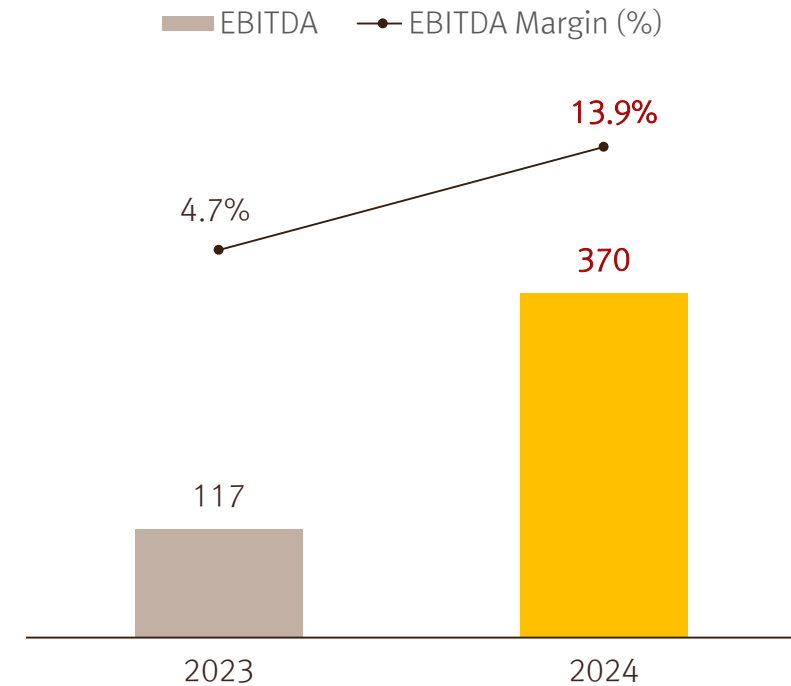
Cost Breakdown

* Proportion to the revenue (%)



EBITDA

(Unit: KRW bn)
YoY 216.5% ▲



4Q24 EARNINGS

[Revenue] KRW 649.0bn (QoQ 0.3% ▲ / YoY 2.5% ▼)

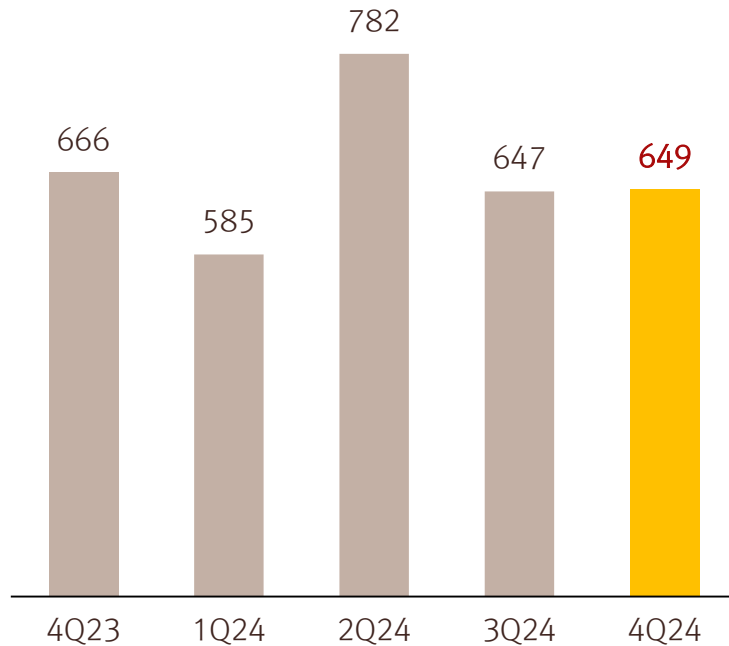
[EBITDA] KRW 73.4bn (QoQ 28.6% ▼ / YoY 19.3% ▲)

- Revenue slightly increased QoQ due to the seasonal updates of overseas subsidiaries, however EBITDA decreased QoQ owing to increased costs (ex. marketing expenses)
- EBITDA Margin 11.3% (D&A KRW 38.2bn)

Revenue

(Unit: KRW bn)

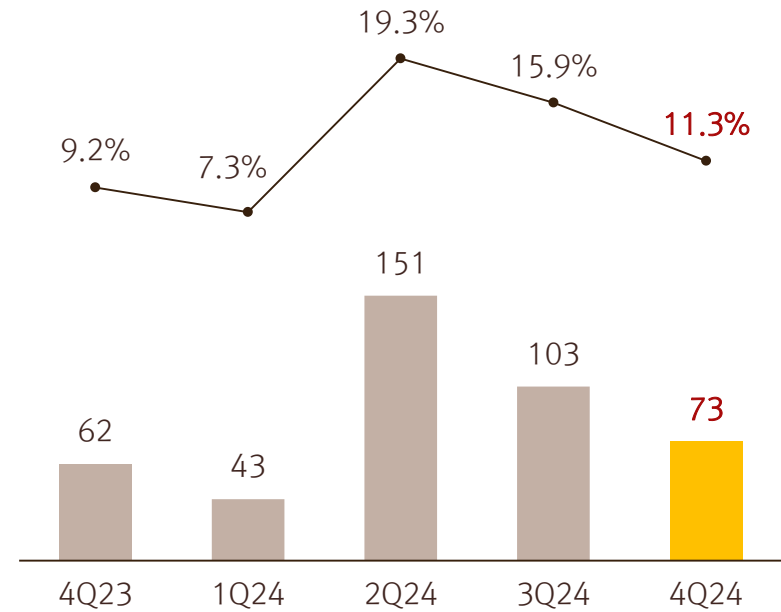
QoQ 0.3% ▲
YoY 2.5% ▼



EBITDA

(Unit: KRW bn)

QoQ 28.6% ▼
YoY 19.3% ▲



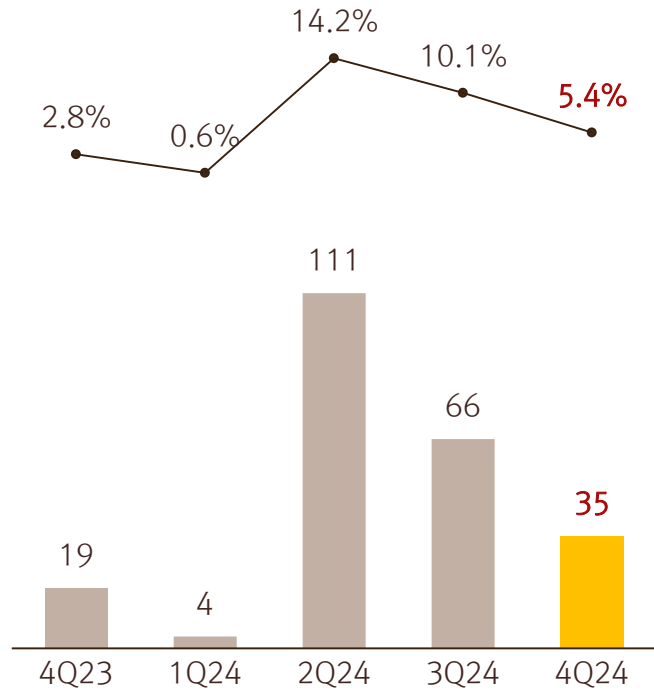
4Q24 EARNINGS

[Profit] Operating Profit KRW 35.2bn, Net Loss KRW 166.7bn, Net Loss (Controlling) KRW 162.7bn

– Net loss occurred due to the reflection of impairment loss on intangible assets, etc.

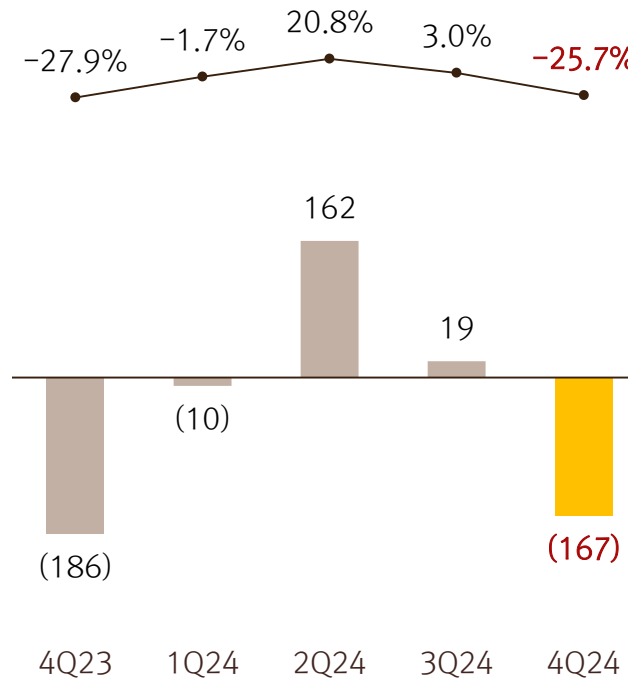
Operating Profit

(Unit: KRW bn)



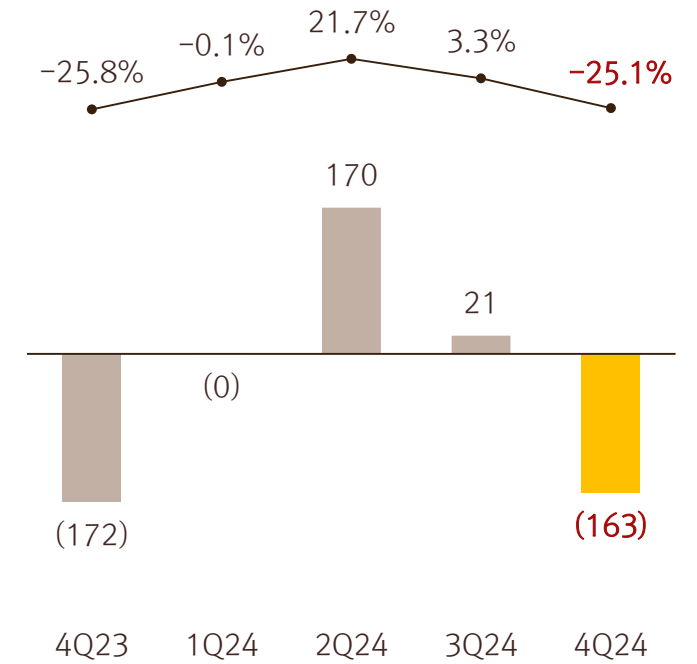
Net Profit

(Unit: KRW bn)



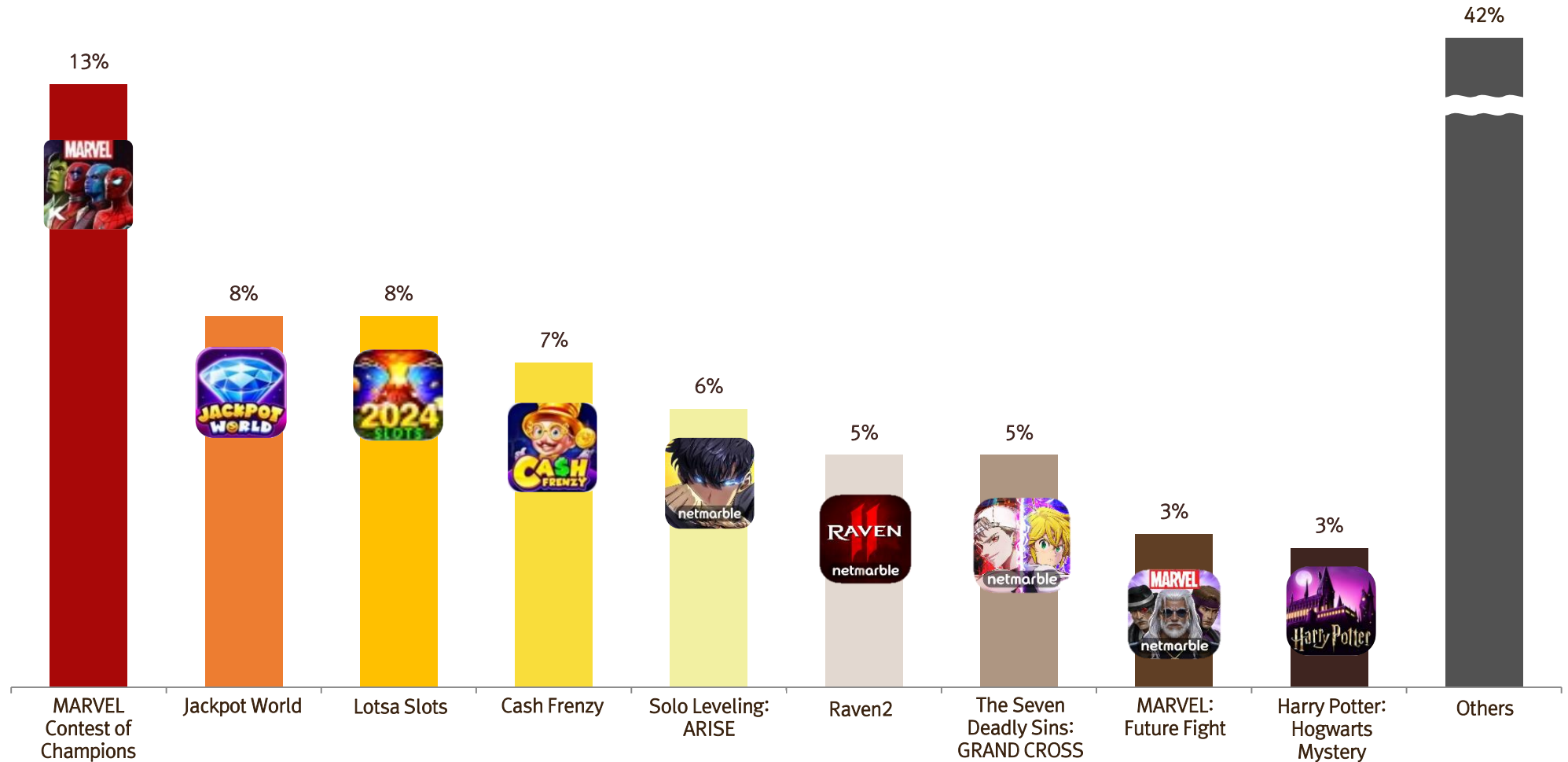
Net Profit (Controlling)

(Unit: KRW bn)



GAME PORTFOLIO

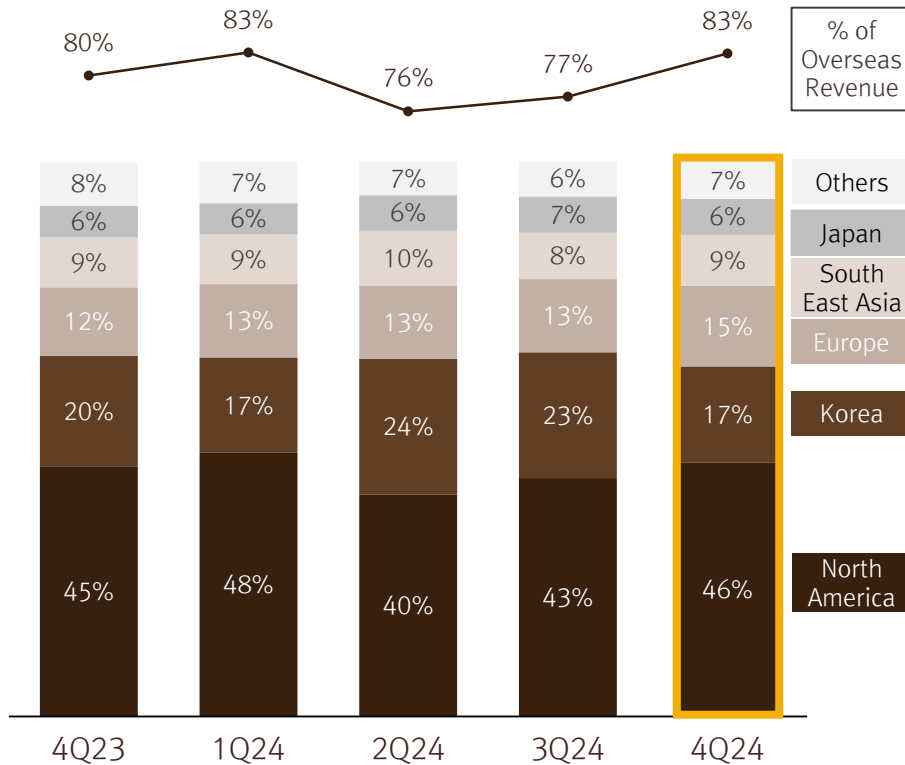
- Top revenue generators were evenly distributed: MARVEL Contest of Champions 13%, Jackpot World 8%, Lotsa Slots 8%, Cash Frenzy 7%, Solo Leveling: ARISE 6%, Raven2 5%, The Seven Deadly Sins: GRAND CROSS 5%, etc.



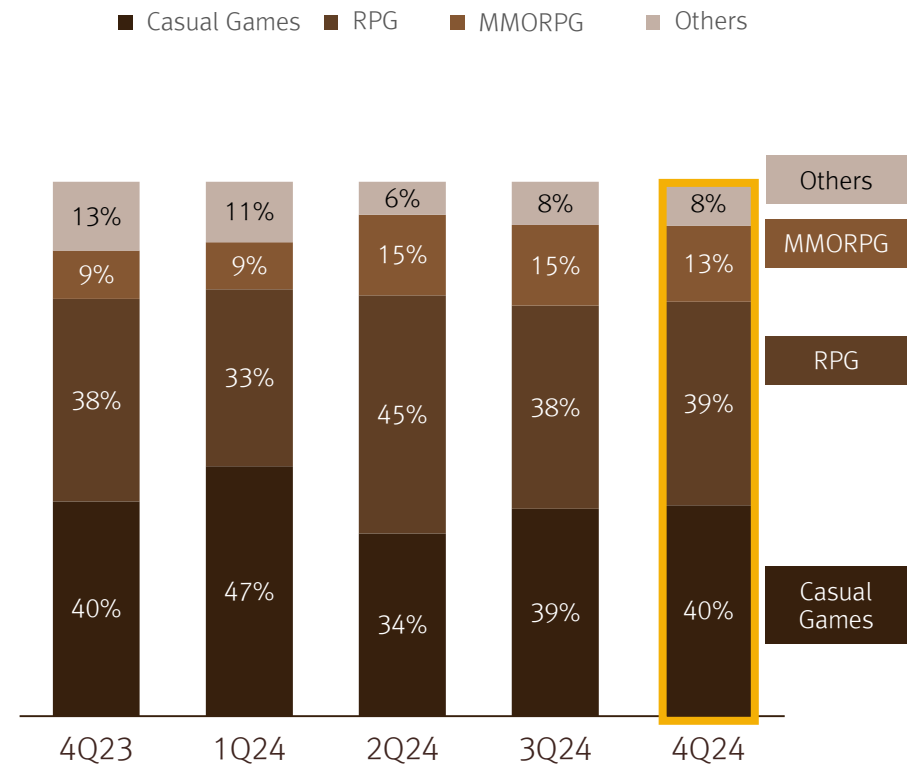
REVENUE BREAKDOWN BY REGION / GENRE

- The proportion of overseas revenue was 83% (QoQ +6%P) diversified across N.A. 46%, Korea 17%, Europe 15%, SEA 9%, Japan 6% and others 7%
- Genre portfolio showed diversification across casual games 40%, RPG 39%, MMORPG 13% and others 8%

Revenue Breakdown By Region



Revenue Breakdown By Genre

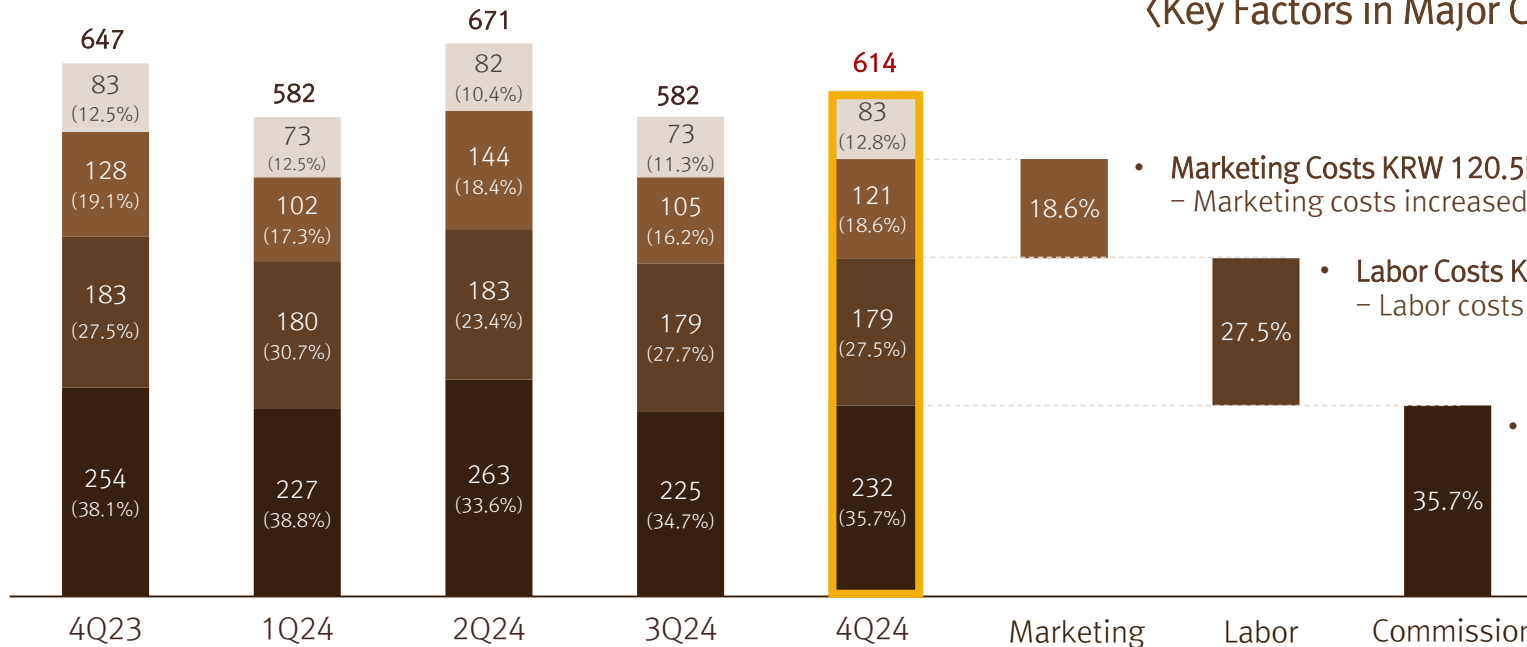


MAJOR COST STRUCTURE

[4Q24 Operating Cost] KRW 613.8bn (QoQ 5.5% ▲ / YoY 5.1% ▼)

(Unit: KRW bn)

■ Commission ■ Labor ■ Marketing ■ Other (Inc. D&A)



〈Key Factors in Major Cost Changes〉

- **Marketing Costs KRW 120.5bn (QoQ 15.2% ▲ / YoY 5.6% ▼)**
– Marketing costs increased QoQ due to the release of a new title
- **Labor Costs KRW 178.7bn (QoQ 0.2% ▼ / YoY 2.2% ▼)**
– Labor costs decreased QoQ as a result of a decline in the number of workforces
- **Commission KRW 231.6bn (QoQ 3.0% ▲ / YoY 8.6% ▼)**
– Commission Increased QoQ due to the increased sales of external IP games

※ 4Q24 Other Cost: D&A KRW 38.2bn, Other fees KRW 44.8bn

* Proportion to the revenue (%)

NEW LINEUPS

- Starting with the launch of RF ONLINE NEXT (Mar. 20th), 9 new games including Game of Thrones: Kingsroad and The Seven Deadly Sins: Origin will be released

Mobile PC Console

1H25



RF ONLINE NEXT
Korea / MMORPG



Game of Thrones: Kingsroad
Global / Open World Action RPG



Seven Knights Re:BIRTH
Global / Turn-based RPG



The King of Fighters AFK
Global / Collectible AFK RPG



2H25



The RED (TBD)
Korea / MMORPG



The Seven Deadly Sins: Origin
Global / Open World RPG



MONGIL: STAR DIVE
Global / Action RPG



Project SOL
Global / MMORPG



Solo Leveling:ARISE
Global / Action RPG



Consolidated Income Statement

(KRW bn)	4Q23	1Q24	2Q24	3Q24	4Q24	FY2023	FY2024
Revenue	666	585	782	647	649	2,502	2,664
Commission	254	227	263	225	232	980	947
Labor Cost	183	180	183	179	179	744	720
Marketing Cost	128	102	144	105	121	487	470
Other Costs (exc. D&A)	40	34	42	36	45	174	157
EBITDA	62	43	151	103	73	117	370
<i>Margin (%)</i>	9.2%	7.3%	19.3%	15.9%	11.3%	4.7%	13.9%
D&A	43	39	40	37	38	185	154
Operating Income	19	4	111	66	35	(69)	216
<i>Margin (%)</i>	2.8%	0.6%	14.2%	10.1%	5.4%	-2.7%	8.1%
<i>Non-Operating Income&Cost</i>	(26)	(3)	106	(23)	(216)	(90)	(136)
Pre-tax Profit	(7)	1	217	42	(181)	(159)	80
Tax	178	11	55	22	(14)	145	73
Net Profit	(186)	(10)	162	21	(167)	(304)	6
Net Profit (controlling)	(172)	(0)	170	22	(163)	(256)	29
<i>Margin (%)</i>	-25.8%	-0.1%	21.7%	3.5%	-25.1%	-10.2%	1.1%

Consolidated Statement of Financial Position

(KRW bn)	4Q23	1Q24	2Q24	3Q24	4Q24	FY2023	FY2024
Current Assets	906	1,211	999	1,009	1,115	906	1,115
Cash and Cash Equivalents	430	759	473	529	578	430	578
Accounts Receivable	255	221	337	241	277	255	277
Other Current Financial Assets	99	114	76	134	138	99	138
Other Current Assets	122	117	113	105	122	122	122
Non-Current Assets	7,010	7,083	7,031	6,977	7,064	7,010	7,064
Investment Assets	2,996	2,920	2,844	2,906	2,920	2,996	2,920
Intangible Assets	3,229	3,328	3,375	3,202	3,245	3,229	3,245
Tangible Assets	420	425	422	402	410	420	410
Other Non-Current Assets	365	410	390	467	489	365	489
Total Assets	7,916	8,294	8,030	7,986	8,179	7,916	8,179
Current Liabilities	1,940	1,790	972	993	1,348	1,940	1,348
Accounts Payable	32	28	28	26	28	32	28
Short-term Debt	1,383	1,300	407	405	617	1,383	617
Other Current Financial Liabilities	233	189	215	235	318	233	318
Other Current Liabilities	292	273	322	327	385	292	385
Non-Current Liabilities	897	1,363	1,681	1,725	1,355	897	1,355
Other Non-Current Financial Liabilities	626	1,081	1,402	1,450	1,075	626	1,075
Other Non-Current Liabilities	272	282	279	275	280	272	280
Total Liabilities	2,837	3,153	2,653	2,718	2,703	2,837	2,703
Total Equity	5,079	5,141	5,377	5,268	5,476	5,079	5,476



Thank You