

WEMADE



WEMIX

2Q FY2024

Earnings Results

WEMADE

INVESTOR RELATIONS

2024.08.07

Disclaimer

The financial information of this Presentation is the sales performance of Wemade Co., Ltd. (the "Company"), prepared in accordance with the standards of the K-IFRS. The result of 2Q FY2024 is provided as a reference for investors, prior to the completion of independent auditor's review, thus the material is subject to change upon an independent auditor's review.

This document contains forward-looking statements regarding the financial situation, operation, sales performance, senior management's plan, and goals for the Company and its subsidiaries subject to consolidation. Such forward-looking statements include "predictive information" about the future. It is subject to change pending any unknown risks, uncertainties, or other factors which may impact the actual performance results of the Company.

This document has been prepared based on the current information available. Please be advised that the Company is not liable to update on any new piece of information or any future event which may cause any change of any nature in any public manner, and that there may also be significant differences from the Company's actual performance results in the future.

● Wemade (Consolidated)

Wemade Max Co., Ltd., Wemade XR Co., Ltd., Wemade Next Co., Ltd., Wemade M Co., Ltd., Wemade Plus Co., Ltd., ChuanQi IP Co., Ltd., Wemade Play Co., Ltd. (formerly Sunday Toz Co., Ltd.), LightCON Co., Ltd., Wemade Connect Co., Ltd., Nexelon inc., LIKEIT Games Co., Ltd., Nitro X Co., Ltd., CaiShenChuanQi Co., Ltd., Wemix Korea Co., Ltd., WEMIX PTE. LTD., PGS CNCI Korea Fund 1, Wemix US, LLC, WeRise Limited, LIGHTSCALE HOLDINGS PTE. LTD., Shanghai WeRise Network Technology Co. Ltd., LIGHTSCALE LABS PTE. LTD., WEMIX MENA LTD., BYLO Malta Ltd., DOTI SOFT Co., Ltd., Lightscale Inc., This Means War Co., Ltd., Play Links Co., Ltd., Play Toz Corp., PlayMatchical Corp., 코람코일반사모부동산투자신탁제142호¹⁾, JB국내리츠일반사모부동산투자신탁제1호¹⁾, PlayKings Corp., K-1 19th Real Estate Investment Trust Company, Wemade Science Technology(Yinchuan) Co., Ltd., Wemade Japan Co., Ltd., Wemade USA Inc., BYLO Curacao B.V., Beijing Wemade IP Service Co., LTD., WEMIX Technology(DIFC) Ltd., WEMADE HONG KONG LIMITED, Wemade Entertainment Digital Technology Shanghai Co., Ltd.

1) Companies that only have official names in Korean.



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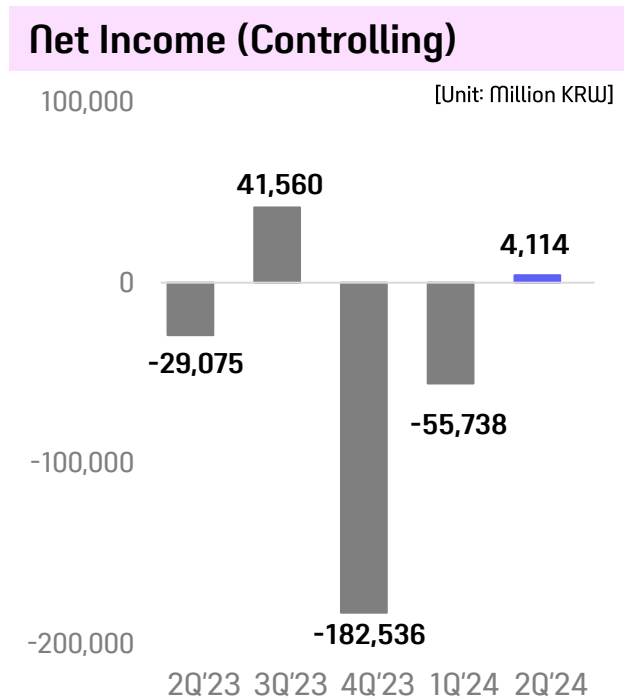
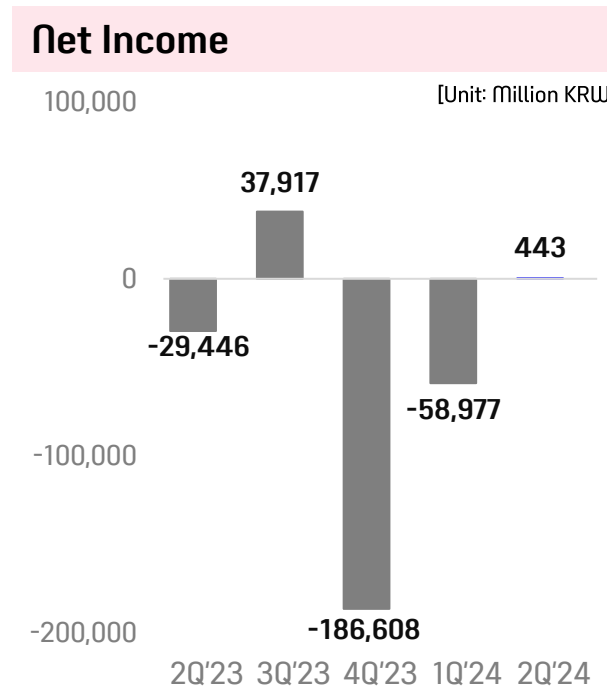
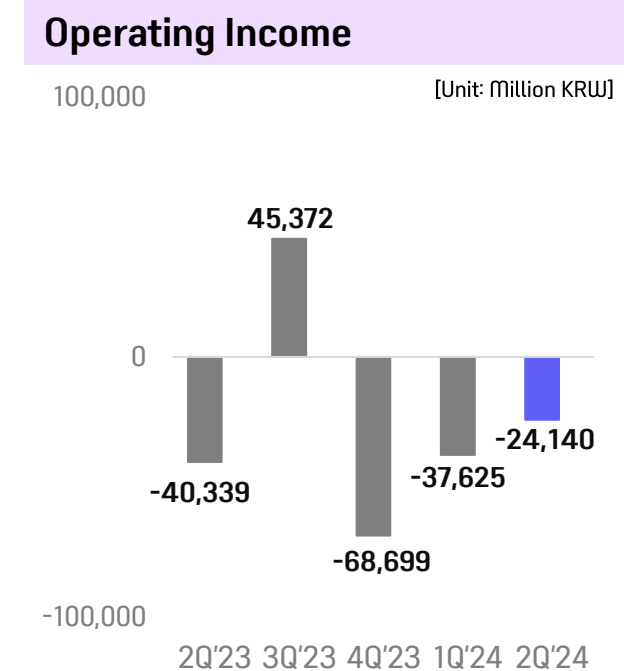
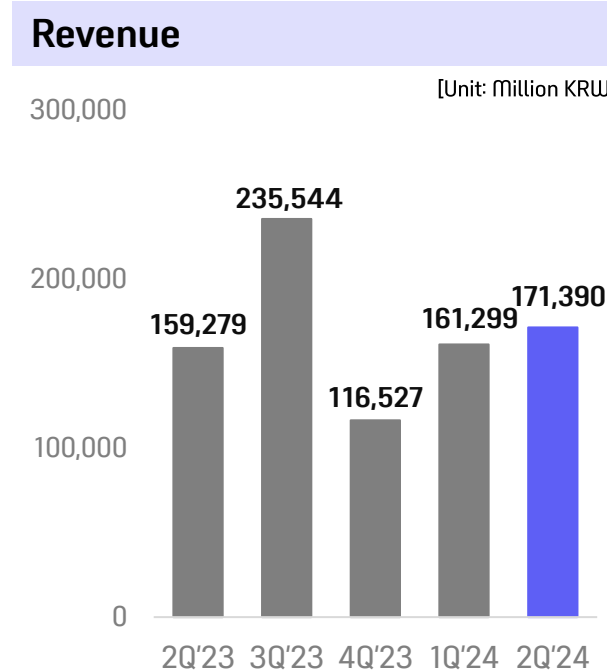
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2Q'24 Summary of Consolidated Results

- Thanks to full-quarter recognition of <NIGHT CROWS Global> and the result of cost optimization (less labor and outsourcing fees), 2Q'24 earnings resulted in another reduced operating deficit for the last two consecutive quarters.
- Net Income turned to profit, with CB* related valuation gains based on stock price changes.

*CB: Convertible Bonds

	[Unit: Million KRW]				
	2Q'24	1Q'24	QoQ	2Q'23	YoY
Revenue	171,390	161,299	6%	159,279	8%
Operating Expenses	195,529	198,924	-2%	199,618	-2%
Operating Income	-24,140	-37,625	Deficit Reduced	-40,339	Deficit Reduced
Other non-operating Income	-3,917	269	-	1,401	-
Financial Income	30,305	-26,935	-	3,025	-
Equity Method	3,204	9,324	-	12,092	-
Income before tax	5,452	-54,967	Turn to Profit	-23,822	Turn to Profit
Net Income	443	-58,977	Turn to Profit	-29,446	Turn to Profit
Controlling Interest	4,114	-55,738	-	-29,075	-



1) Any discrepancies between the totals and the sums of the amounts are due to rounding.

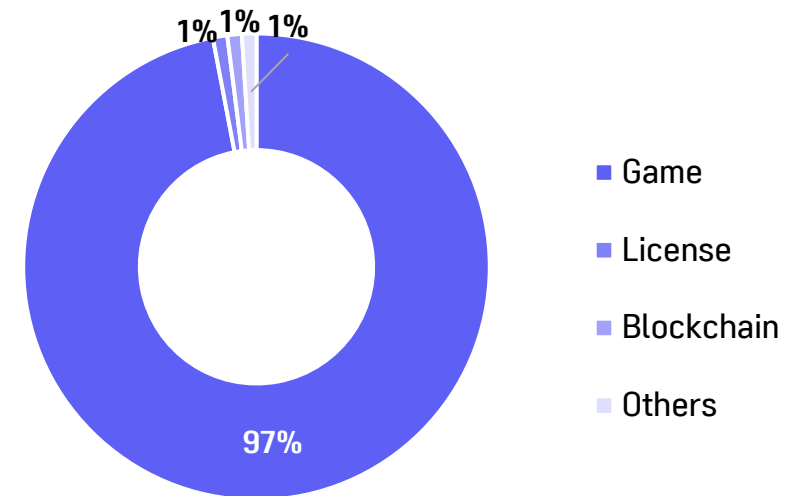
Sales Breakdown – By Business Segment

- 2Q'24 Game segment posted the largest revenue of KRW 166.4B, followed by blockchain and license segments (KRW 1.7B each)
 - Game: Up +9% from full-quarter sales of KRW 86.2B for <NIGHT CROWS Global> despite lower contribution from existing games
 - License: Rose +64%, with new License contracts outside Mainland China
 - Blockchain: Muted growth in the absence of meaningful traffic amidst service line-up reshuffling and base effect of 1Q'24 NFT sales

[Unit: Million KRW]

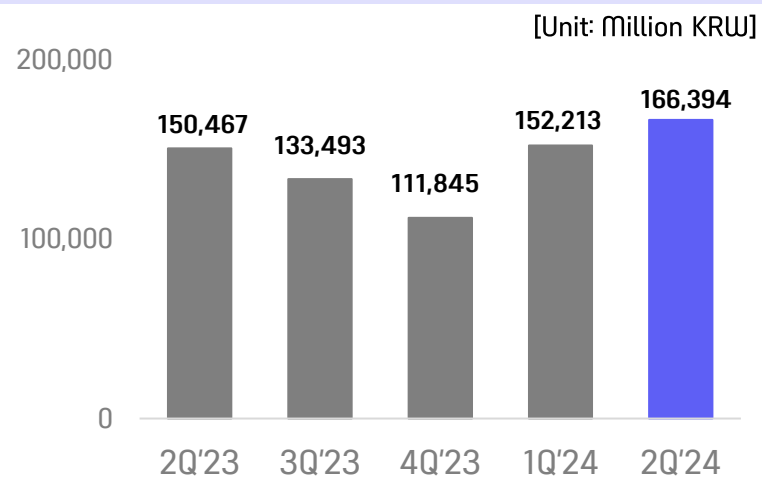
	2Q'24	1Q'24	QoQ	2Q'23	YoY
Game	166,394	152,213	9%	150,467	11%
License	1,700	1,035	64%	6,414	-73%
Blockchain	1,681	5,931	-72%	959	75%
Others	1,614	2,120	-24%	1,438	12%
Total	171,390	161,299	6%	159,279	8%

2Q'24 Segment Revenue & % Total

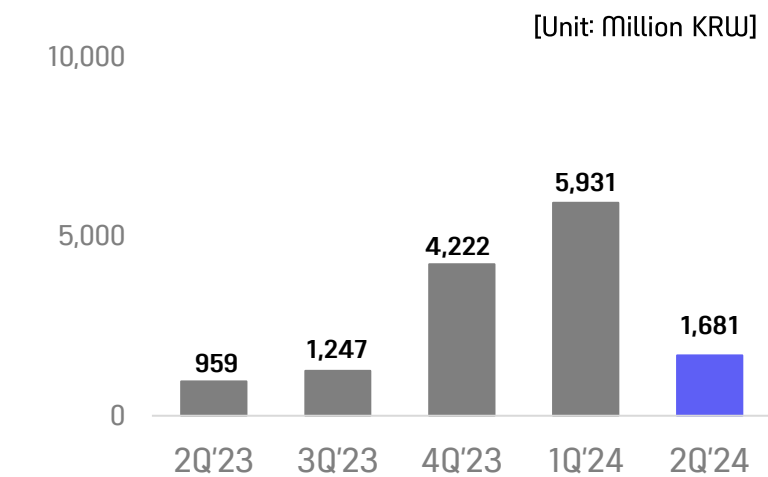


1) Any discrepancies between the totals and the sums of the amounts are due to rounding.
 2) Base price of WEMIX for blockchain revenue recognition in 2Q'24 is KRW 2,160.
 Blockchain revenue is recognized from unearned revenue.

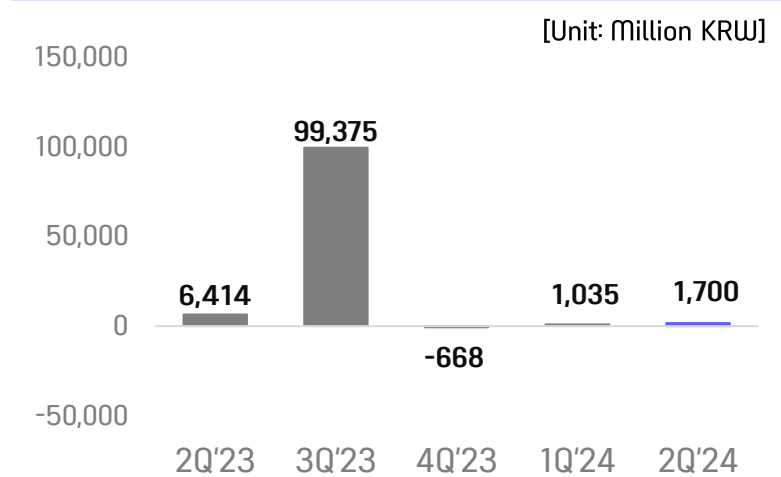
Game [Unit: Million KRW]



Blockchain [Unit: Million KRW]



License [Unit: Million KRW]



Sales Breakdown – By Region

- 2Q'24 Revenue is composed of 42% Domestic and 58% Overseas; Overseas revenue rose QoQ, driven by full-quarter recognition of <NIGHT CROWS Global>
 - All Blockchain revenue, classified under Overseas, decreased QoQ
 - Domestic revenue, mainly coming from game segment, declined in 2Q'24 due to softened revenue from existing games.

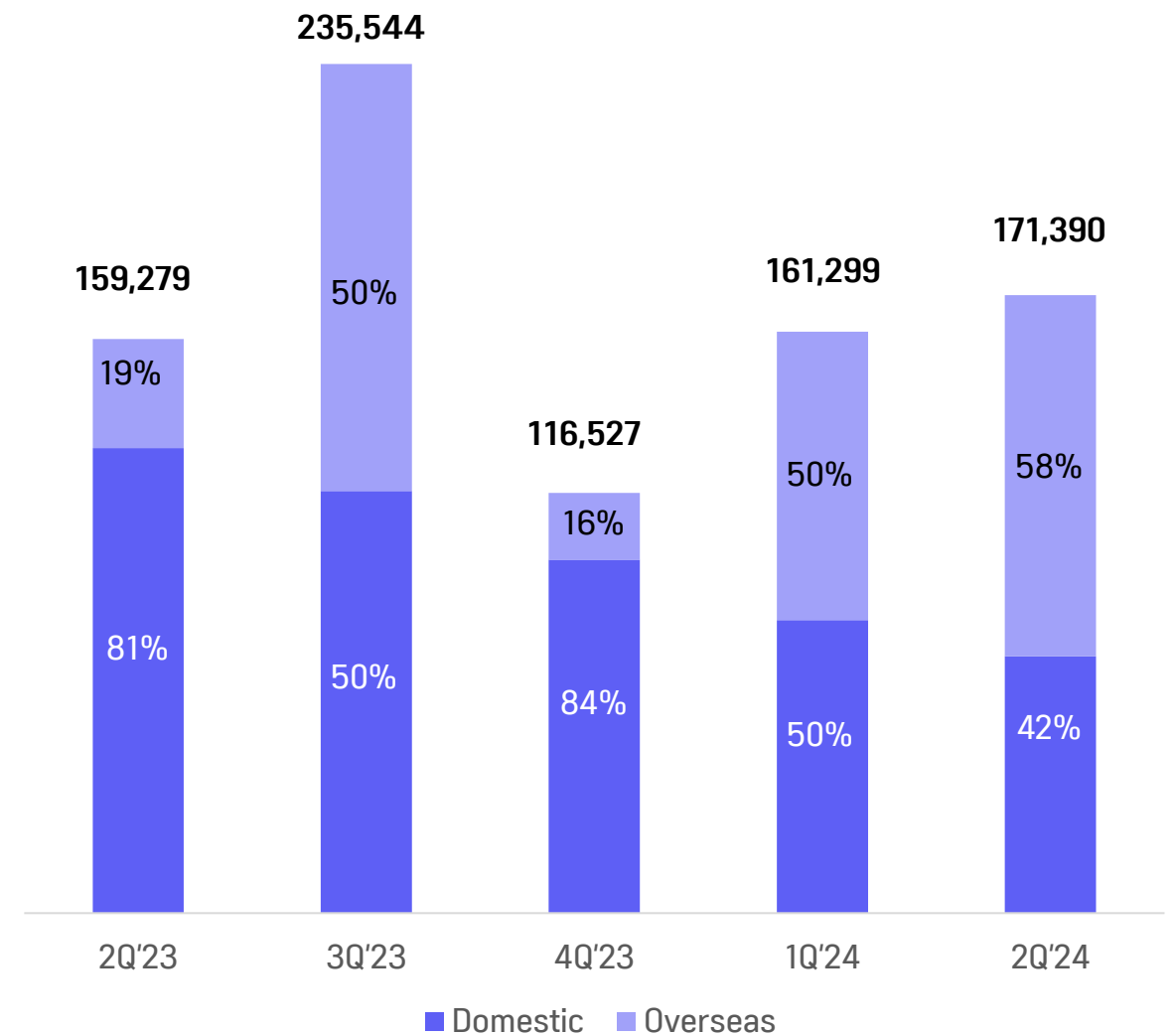
2Q'24 Revenue, by Region

[Unit: Million KRW]

	2Q'24	1Q'24	QoQ	2Q'23	YoY
Domestic	71,198	81,295	-12%	128,970	-45%
Overseas	100,192	80,004	25%	30,309	231%
Total	171,390	161,299	6%	159,279	8%

Domestic/Overseas Revenue & % Total

[Unit: Million KRW]



1) Any discrepancies between the totals and the sums of the amounts are due to rounding.

Operating Expenses

- Contributed by decrease in Labor and Outsourcing fees, 2Q'24 Operating expenses dropped by -2% QoQ.
 - Labor cost down QoQ, along with natural decrease in total headcount
 - Outsourcing cost dropped by KRW 8.8B (-64% QoQ) from Blockchain service reorganization and internalization of some service operations. Yet overall Service fee rose slightly QoQ due to increased revenue-linked expenses.

2Q'24 Operating Expenses

[Unit: Million KRW]

	2Q'24	1Q'24	QoQ	1Q'23	YoY
Total	195,529	198,924	-2%	199,618	-2%
Labor ¹⁾	59,601	62,647	-5%	62,812	-5%
Service Fee	96,719	95,581	1%	84,656	14%
Communication ¹⁾	12,253	13,950	-12%	10,063	22%
Marketing	14,660	15,116	-3%	21,015	-30%
Depreciation	4,836	4,765	1%	15,573	-69%
Taxes	3,121	3,944	-21%	910	243%
Others	4,340	2,921	49%	4,590	-5%

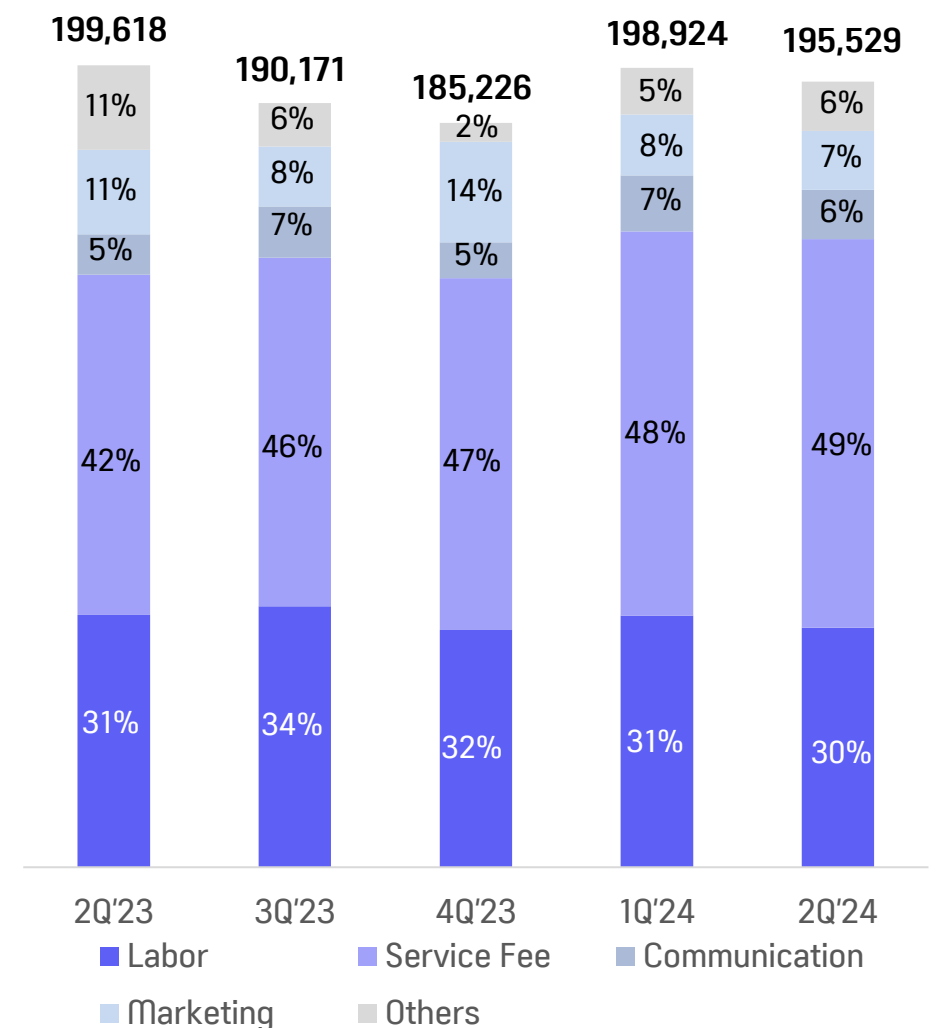
1) Labor includes wages, retirement benefits, employee benefits, and stock compensation costs.

Communication includes server operating costs.

2) Any discrepancies between the totals and the sums of the amounts are due to rounding.

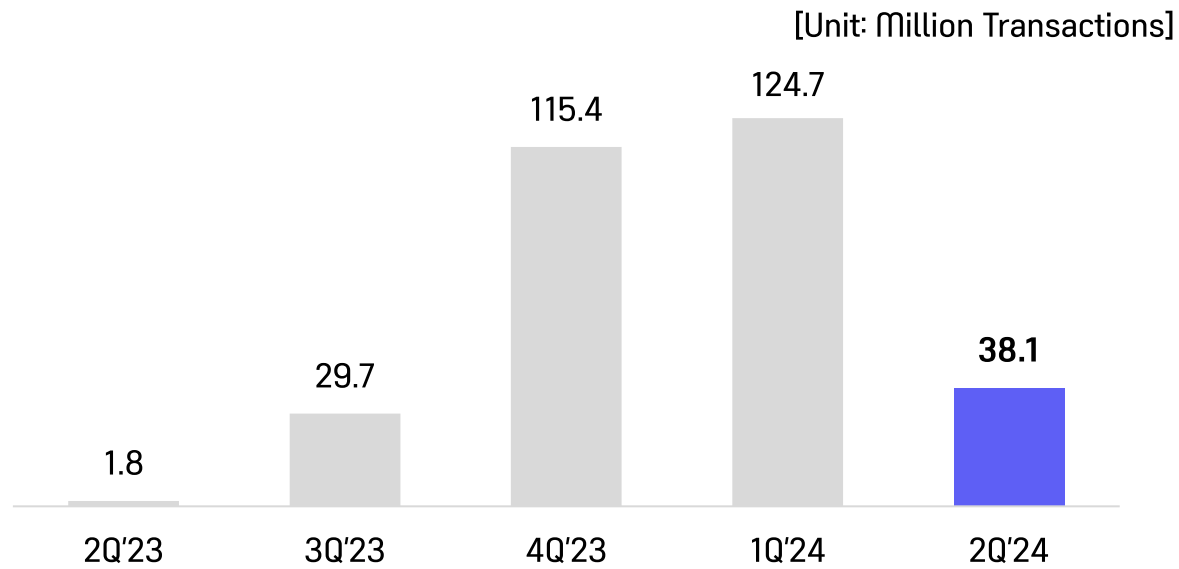
Quarterly Operating Expenses & % Total

[Unit: Million KRW]

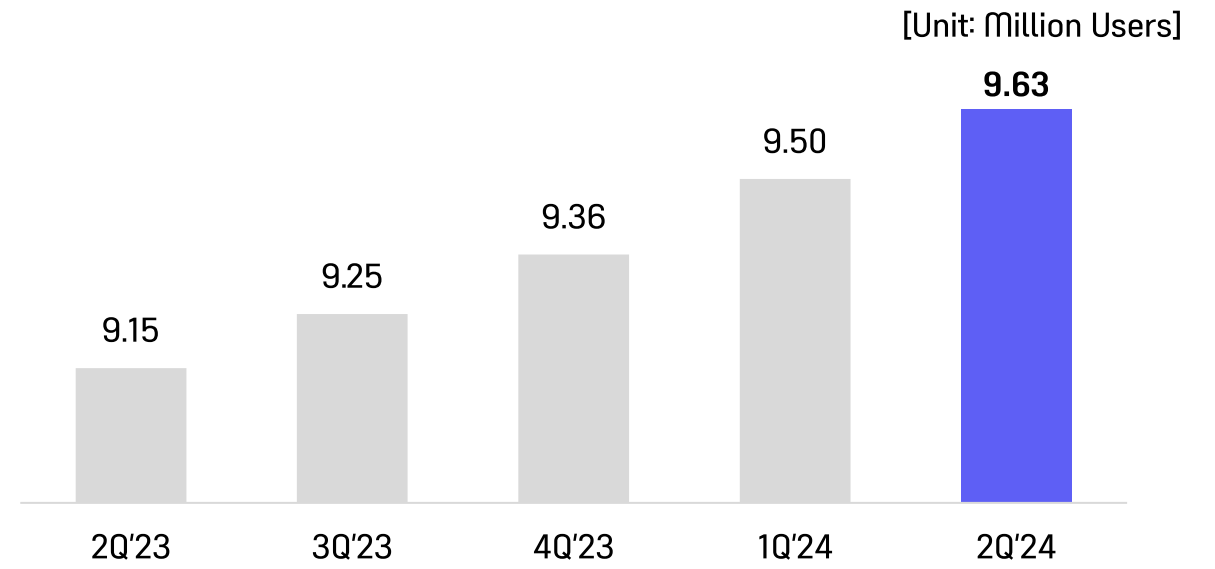


Blockchain Business Key Indicators

WEMIX3.0 Transactions ¹⁾



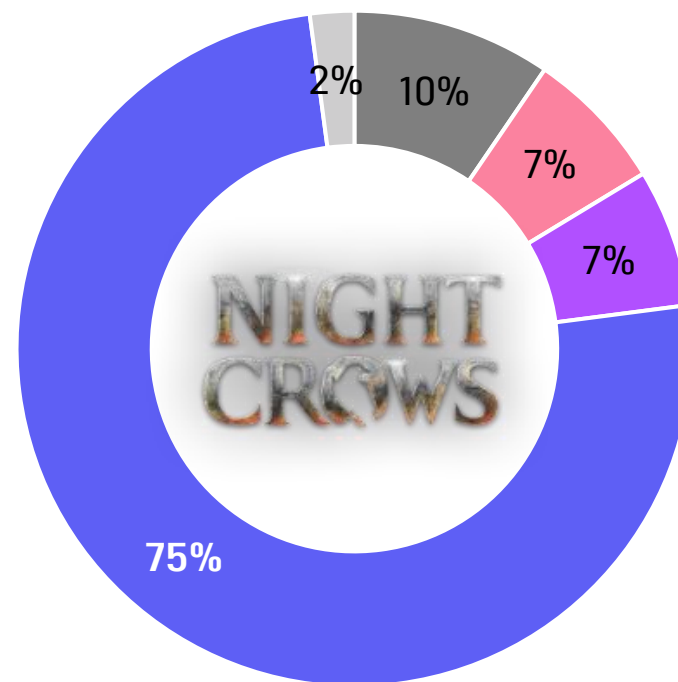
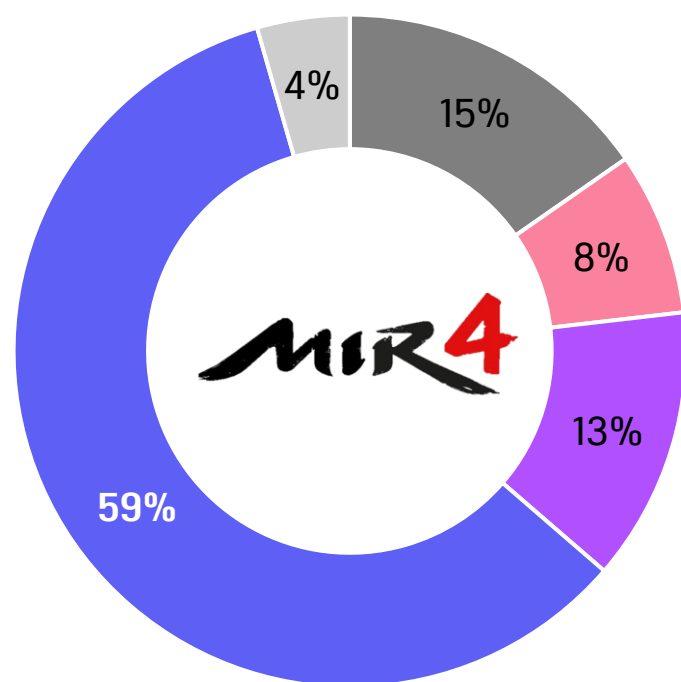
PLAY Wallet Registered Users



1) The chart highlights the total number of transactions on the WEMIX3.0 blockchain. (Source: WEMIX SCAN)

Top Blockchain Games Revenue Distribution, by Region

[As of 2Q24]



- Asia (ex-Korea, Mainland China)
- NA
- SA
- EU
- Others (Russia, Australia etc.)

Upcoming Game Titles

2024 Upcoming Game Titles



Fantastic Baseball (Released) Sports/Baseball



Night Crows Global (Released) MMORPG

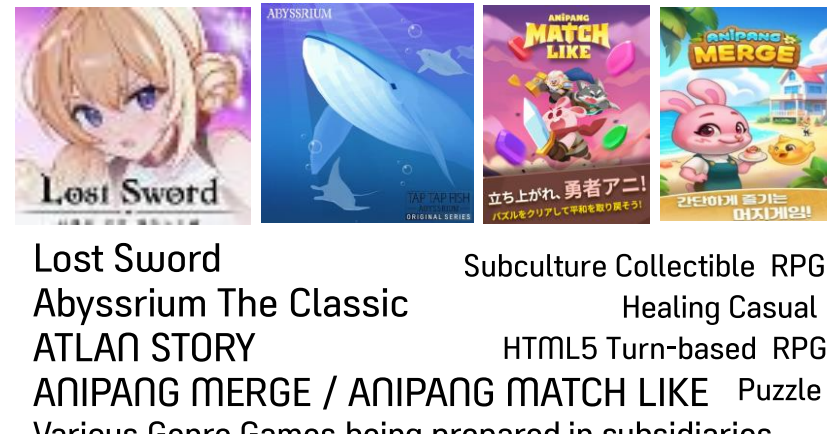


LEGEND OF YMIR MMORPG

Sports Game
(Game name TBD) Sports



MIR 4/ M China MMORPG



Lost Sword Subculture Collectible RPG
 Abyssrium The Classic Healing Casual
 ATLAN STORY HTML5 Turn-based RPG
 ANIPANG MERGE / ANIPANG MATCH LIKE Puzzle
 Various Genre Games being prepared in subsidiaries

Upcoming Titles from 2025



LEGEND OF YMIR Global MMORPG



MIR 5 MMORPG

THIS MEANS WAR FPS
(Tentative)

Summary of Consolidated Financial Statements

Consolidated Balance Sheet

[Unit: 100 Million KRW]

	2022	2023	2Q'24
Total Assets	14,298	14,177	13,446
Current Assets	4,054	4,220	3,087
Non-current Assets	10,245	9,957	10,359
Total Liabilities	8,955	10,170	10,005
Current Liabilities	7,227	8,895	9,653
Non-current Liabilities	1,728	1,275	352
Total Equity	5,343	4,008	3,441
Capital Stock	172	172	173
Retained Earnings	1,812	155	-395
Total Liabilities & Equity	14,298	14,177	13,446

Consolidated Income Statement

[Unit: 100 Million KRW]

	2022	2023	2Q'24
Revenue	4,635	6,053	3,327
Operating Expenses	5,484	7,157	3,945
Operating Income	-849	-1,104	-618
Non-operating Income	-968	-497	122
Income before Tax	-1,817	-1,601	-495
Income Tax	41	466	90
Net Income	-1,858	-2,067	-585
Controlling Interest	-1,854	-2,005	-516
Non-controlling Interest	-3	-62	-69

1) The figures in consolidated income statement are based on cumulative figures.

2) Any discrepancies between the totals and the sums of the amounts are due to rounding.

THANK YOU



INVESTOR RELATIONS