

---

# **GAMEVIL'S** **3<sup>rd</sup> Quarter of 2019 Financial Results**

Nov. 08, 2019



# | Disclaimer

**Some content may reflect forward-looking statements and have been prepared based on the expectations according to the dates on which these statements were made. There can be no assurance that the forward-looking statements used by GAMEVIL are correct as results can differ from expectations. Therefore GAMEVIL will not be responsible for individual investment decisions based solely on this material. GAMEVIL disclaims any duty to update the information in this material to reflect future events or circumstances**

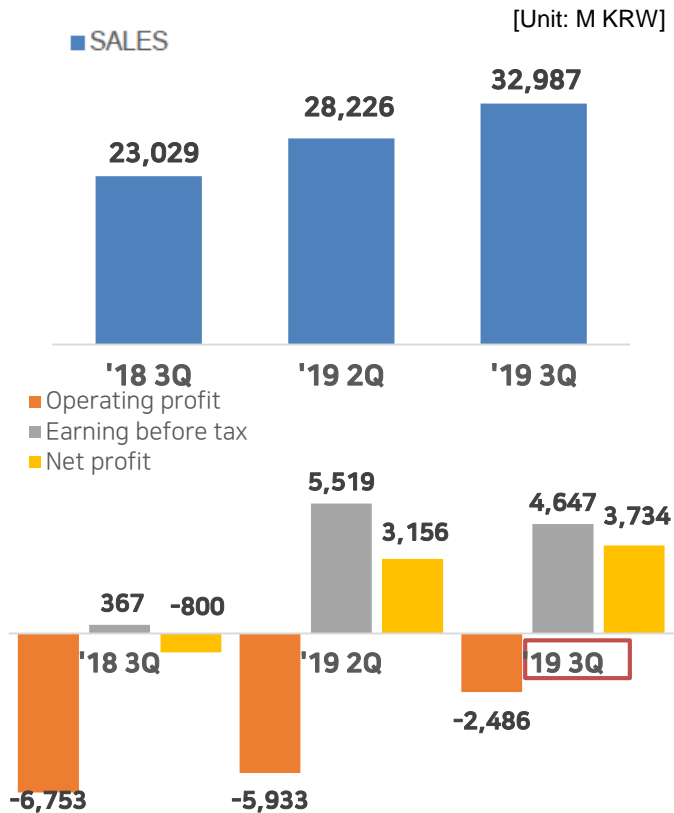
# 1. Performance Overview

**[Sales] FY19 3Q sales 33.0B KRW (Q-Q 17%↑ , Y-Y 43%↑)**

- Sales increased due to the strong performances of newly launched games.

**[Profit] FY19 3Q operating loss 2.5B KRW (Q-Q 58%↑ , Y-Y 63%↑ ), Net Profit 3.7B KRW (Q-Q 18%↑ , Y-Y Turn around)**

- Operating loss sharply decreased Q-Q and Y-Y due to increase in sales of highly profitable in-house games



[Unit: M KRW]

	2018.3Q	2019.2Q	2019.3Q	Q-Q	Y-Y
Sales	23,029	28,226	32,987	17%	43%
Operating Profit	-6,753	-5,933	-2,486	58%	63%
OP(%)	-29.3%	-21.0%	-7.5%		
Earning before tax	367	5,519	4,647	-16%	1,165%
Net profit	-800	3,156	3,734	18%	Turn around
NP(%)	-3.5%	11.2%	11.3%		

## 2. Sales Breakdown

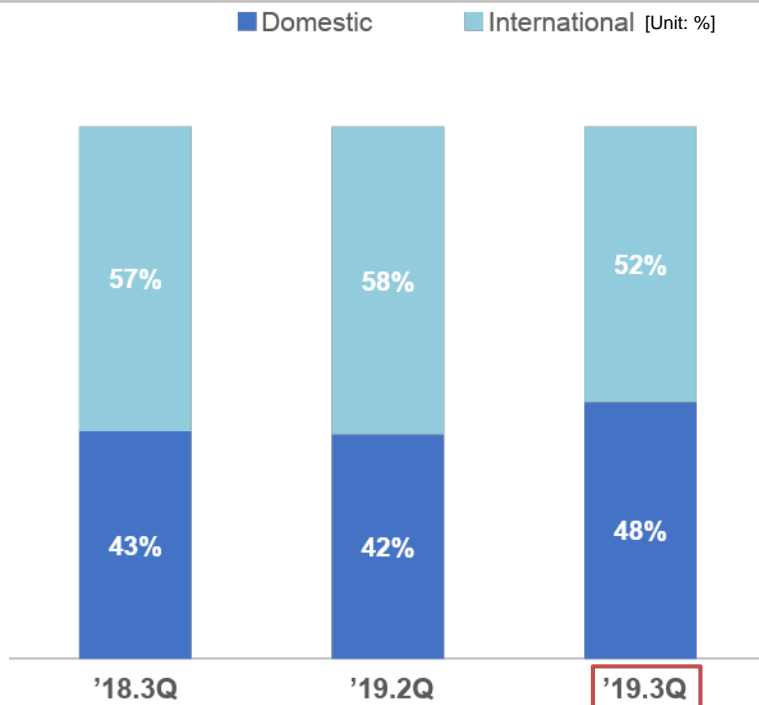
[Sales breakdown by region]

FY19 3Q Domestic sales 15.9B KRW (Q-Q 34%↑, Y-Y 62%↑)

FY19 3Q International sales 17.1B KRW (Q-Q 5% ↑, Y-Y 30%↑)

- Increased Q-Q and Y-Y, due to the success of Talion and Elune's domestic and international launch.

Proportion of Domestic and International sales



[Unit: M KRW]

	'18.3Q	'19.2Q	'19.3Q	Q-Q	Y-Y
<b>Sales</b>	23,029	28,226	32,987	17%	43%
<b>Domestic</b>	9,866	11,910	15,930	34%	62%
<b>International</b>	13,164	16,316	17,057	5%	30%
<i>Domestic (%)</i>	43%	42%	48%		
<i>International (%)</i>	57%	58%	52%		

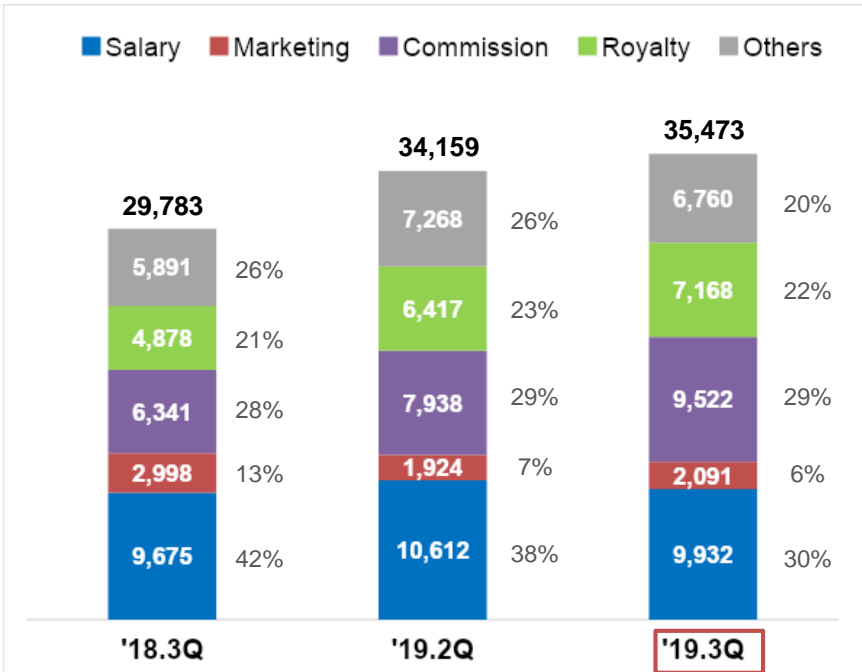
# 3. Cost Breakdown

**[Cost] Total Operating Costs for 2019 3Q have increased Q-Q by 4% to 35.5B KRW**

- **Royalty:** Royalty-to-Sales ratio decreased Q-Q as sales of in-house games increased.
- **Salary:** Q-Q decreased to 9.9 billion.
- **Others:** Q-Q decreased due to the completion of headquarter office relocation.

## Cost Breakdown & Proportion by sales

[Unit: M KRW, %]



[Unit: M KRW]

	'18.3Q	'19.2Q	'19.3Q	Q-Q	Y-Y
<b>Sales</b>	<b>23,029</b>	<b>28,226</b>	<b>32,987</b>	<b>17%</b>	<b>43%</b>
<b>Expense</b>	<b>29,783</b>	<b>34,159</b>	<b>35,473</b>	<b>4%</b>	<b>19%</b>
Salary	9,675	10,612	9,932	-6%	3%
Marketing	2,995	1,924	2,091	9%	-30%
Commission	6,341	7,938	9,522	20%	50%
Royalty	4,878	6,417	7,168	12%	47%
Others	5,891	7,268	6,760	-7%	15%

# 4. 2019 Business Strategy – Overview

- Launching new expected games in earnest, aiming to **turn to operating profit**

2019~

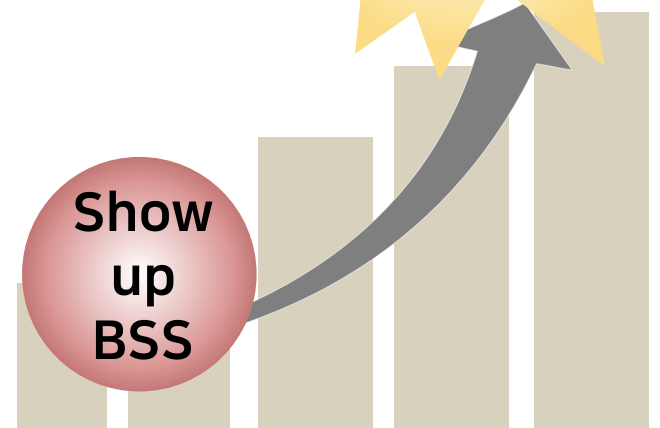
2020~



Third party



In-house



# 4. 2019 Business Strategy – Global Sports

## Return of Korea's No.1 baseball game 'Baseball Superstars':

**Korea in November 26<sup>th</sup>**

◆ An ambitious game that has been developed for three years with excellent development staff and competent members



IP power of 70Million global D/L



12<sup>th</sup> baseball game series  
(17 million downloads in Korea)

Inventive gameplay



My Own League, Magic Players,  
Various scenarios

**Aim to be first  
in the domestic  
sports genre**

Long-term hit genre

New baseball game market creation



Casual baseball game  
for the whole nation



Combining sports advantages with  
RPG characteristics

# 4. 2019 Business Strategy – Global Sports

- Leading IP based mobile game 'Project CARS GO' : **launch in FY20**



- ◆ Aims to be the No.1 mobile photorealistic racing game through realistic racing experiences and differentiated tuning systems

## Realistic car racing experience



- ✓ Project CARS GO features 50 unique racing cars
- ✓ Full-featured world-class tracks

## Differentiated Customization System



- ✓ Create your own racing car
- ✓ 80 tuning options to match track characteristics

## Aiming to be No.1 photorealistic mobile racing game



**Targeting global market in the FY20 1H**





Thank you



이 종목의 더 많은 IR정보 [확인하기](#)

**IR GO** 주주와 기업을 연결하고 응원합니다.