



November 8, 2018

Name of Company: NEXON Co., Ltd.
Representative: Owen Mahoney, Representative Director, Chief Executive Officer and President
(Stock Code: 3659, TSE First Section)
Contact: Shiro Uemura, Representative Director and Chief Financial Officer
Telephone: 03-6629-5318

Notice on the Strategic Capital and Business Partnership with Embark Studios AB, a Game Development Studio Led by Patrick Söderlund, and His Designation as Director Candidate

TOKYO – November 8, 2018 – NEXON Co., Ltd. (3659.TO) (“Nexon”), a global leader in online games, today announced that its consolidated subsidiary, Nexon US Holding Inc., has acquired the shares of Embark Studios AB (“Embark Studios”) primarily through third-party allocation of shares conducted by Embark Studios and has entered into a strategic capital and business partnership with the company, mainly for Nexon Group’s publishing of new game titles to be developed by Embark Studios. Furthermore, Nexon’s Board of Directors has today designated Patrick Söderlund as its director candidate and has decided to make him a director candidate in the proposal for the election of directors at the 17th Annual General Meeting of Shareholders scheduled for March 2019.

This is a voluntary disclosure, therefore, a part of the disclosure information has been omitted.

1. Reason for the share acquisition, business partnership, and designation as a director candidate

Nexon Group has conducted a strategic investment in Embark Studios, a newly established game development studio led by Patrick Söderlund.

As the global publisher of games to be developed by Embark Studios, Nexon Group will roll out the services of such newly developed game titles going forward.

The reason for Nexon’s designation of Patrick Söderlund as its director candidate is to leverage his knowledge and experience in game development for the development of new game titles at Nexon Group.

2. Outline of target company

(1) Company name	Embark Studios AB
(2) Business description	Game development business
(3) Location	Stockholm, Sweden
(4) Representative’s name and title	CEO, Patrick Söderlund
(5) Major shareholders and shareholding ratio	Patrick Söderlund: 100%
(6) Relationship between the listed company and the company	Capital relationship: None
	Personal relationship: None
	Transactional relationship: None

3. Number of acquired shares and state of shares owned before and after the acquisition

(1) Number of shares owned before the transfer	0 shares (ratio of voting rights owned: 0%)
(2) Number of shares acquired	217,803,030 shares
(3) Number of shares owned after the transfer	217,803,030 shares (ratio of voting rights owned: about 33%)

4. Future outlook

The impact of this share acquisition on Nexon's consolidated business performance for the fiscal year ending December 31, 2018 is immaterial.

* Patrick Söderlund's career summary:

Patrick Söderlund was the CEO of Stockholm-based DICE, which was acquired by Electronic Arts in 2006, where Söderlund held many executive roles, starting with overseeing key franchises to becoming Executive Vice President of Worldwide Studios, and most recently serving as the company's Chief Design Officer. Now at Embark's helm, Patrick Söderlund has been involved with some of the world's most popular game franchises in his two decades in interactive entertainment.