



INVESTOR PRESENTATION Q4 2023

Owen Mahoney President and CEO | **Shiro Uemura** CFO | **Junghun Lee** Director

February 8th, 2024 NEXON Co., Ltd.

CEO Highlights



Key Franchises

Confident in Long-Term Trajectory, Despite Short-Term Challenges

Major Titles	Short-Term Challenges	Long-Term Approach
China <i>Dungeon&Fighter</i>	<ul style="list-style-type: none">▪ Trended as expected until late December when an unexpected imbalance in the in-game economy occurred▪ The imbalance is carrying over into Q1 and we are seeing soft performance of packaged-item sales from the Lunar New Year update (1/11)	<ul style="list-style-type: none">▪ In 2024, we will not only double the amount of new content added in 2023, but also accelerate the update process▪ This will include the renewal of existing characters, introduction of new characters, renovation of the existing item system, collaboration with popular IP, plus more raids, and other high-end content to stimulate player engagement and balance the in-game economy
Korea <i>MapleStory</i>	<ul style="list-style-type: none">▪ In November, a promotional video made by a production company in Korea created a controversy, which led to negative consumer reaction▪ In January, the Korean Fair Trade Commission imposed sanctions alleging that Nexon had, in the past, engaged in an unfair trade practice. This news negatively impacted the <i>MapleStory</i> community	<ul style="list-style-type: none">▪ To create a more enjoyable experience, Nexon discontinued sales of a major probability-based item and transitioned to a business model that offers the same experience, paid for with in-game currency rather than a cash transaction.▪ We anticipate this transition will have a short-term negative impact on revenue but believe it will result in a long-term improvement in player satisfaction and engagement

THE FINALS



THE FINALS

Successful Launch Embodies Our Long-Term Strategy

- ① Over 10 million global downloads in just two weeks with little marketing; broke into the top 5 most popular games on Steam
- ① Achieved outperforming bookings while having greater-than-expected deferred revenue
- ① Plan to introduce Season 2 in March; expect to stimulate player engagement and generate steady revenues
- ① Embark working closely with Nexon Korea's world-class Live Operations team; the East-West cross-company collaboration is a unique, key element of Nexon's long-term strategy



CFO Highlights



Q4 2023 Results

Q4 2023 Result Highlights

Record-Setting Q4 Revenues Driven by *MapleStory*, *Wars of Prasia*, *MapleStory: The Legends of Maple*¹, and *THE FINALS*

Revenues

- Below outlook due to shortfalls in *MapleStory* in Korea, *FC ONLINE*², *Dungeon&Fighter* in China
- Roughly flat Y/Y. Growth from *MapleStory* and contributions from *Wars of Prasia*, *MapleStory: The Legends of Maple*¹ in China, and *THE FINALS* were offset by decreases from *Dungeon&Fighter*, *FC ONLINE*² and *HIT2*

Operating Income

- Below outlook due to revenue underperformance and one-time expenses such as
 - Change of retention incentive plan, which resulted in an additional expense of ¥3.3 billion
 - Impairment loss of ¥1.4 billion primarily on prepaid royalties
 - Recognition of ¥1.3 billion penalty imposed by the Korean FTC
- Y/Y decrease due to increases in HR costs³ and marketing expenses

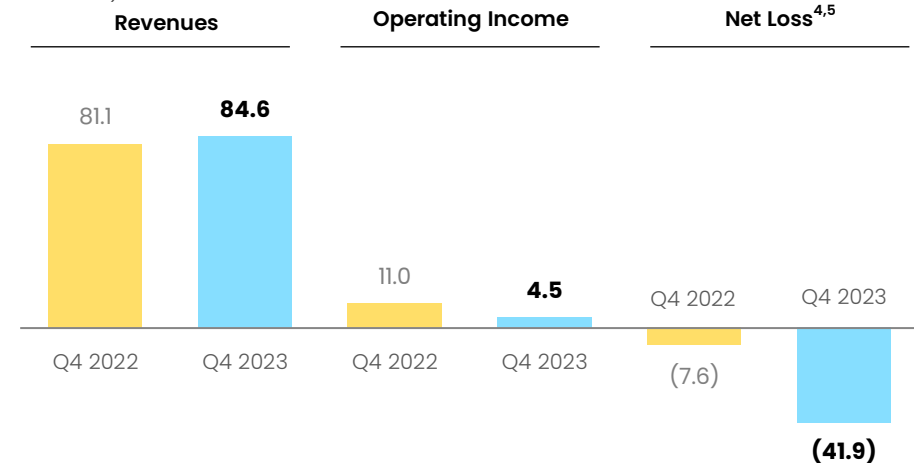
Net Loss^{4,5}

- Below outlook due to operating income underperformance, ¥9.3 billion FX loss on U.S. dollar-denominated cash deposits, and an impairment loss of ¥44.4 billion on the AGBO investment booked as an equity-method company

(Unit: ¥ millions, except per share data)

	Q4 2022	Q4 2023 Outlook		Q4 2023	YoY %
Revenues	¥81,095	¥87,921 ~	¥96,158	¥84,577	4%
PC ⁶	54,152	61,370 ~	66,582	59,804	10%
Mobile	26,943	26,551 ~	29,576	24,773	(8%)
Operating income	10,968	11,364 ~	17,819	4,546	(59%)
Net loss^{4,5}	(7,591)	8,857 ~	13,878	(41,887)	na
Earnings (Loss) per share ⁵	(8.79)	10.44 ~	16.36	(49.47)	
Exchange rates					
100 KRW/JPY	10.42	11.09	11.09	11.22	8%
CNY/JPY	19.95	20.69	20.69	20.59	3%
USD/JPY	141.59	149.60	149.60	147.89	4%

(Unit: ¥ billions)



¹ Official title of *MapleStory M* in China.

² Official title is *EA SPORTS FC™ ONLINE* (PC) and *EA SPORTS FC™ ONLINE M* (mobile).

³ HR costs includes HR cost (COGS), HR cost (SG&A) and R&D (SG&A).

⁴ Net profit/loss refers to net profit/loss attributable to owners of the parent.

⁵ As a result of finalizing the provisional accounting treatment for a certain investment where the equity method is applied, "Equity loss of affiliates, equity method companies" decreased by 0.3 billion yen and "Net loss" decreased by 0.3 billion yen in Q4 2022. There is no financial impact on the annual performance of 2022.

⁶ PC revenues include other revenues besides PC online games and mobile games.

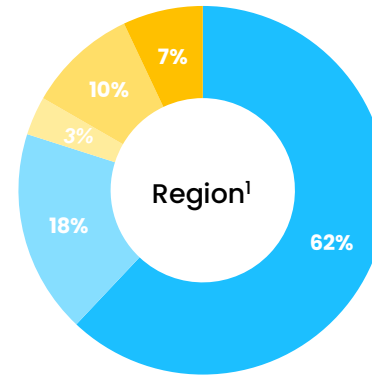
Q4 2023 Revenue Breakdown

Q4 2023 Financial Results

(Unit: ¥ millions)

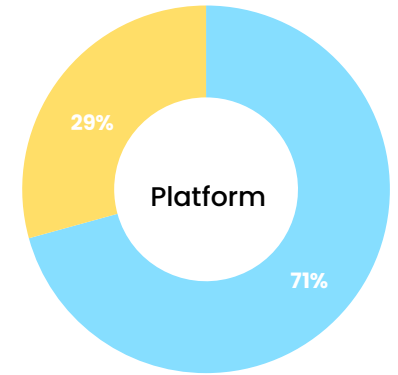
	Q4 2022	Q4 2023		YoY % Change	
		As-Reported	Constant Currency ⁴	As-Reported	Constant Currency ⁴
Revenue by Region¹					
Korea	¥50,951	¥52,462	¥48,734	3%	(4%)
China	17,692	15,133	14,420	(14%)	(18%)
Japan	2,788	2,879	2,770	3%	(1%)
North America and Europe	4,588	8,162	7,702	78%	68%
Rest of World ²	5,076	5,941	5,540	17%	9%
Nexon Total	81,095	84,577	79,166	4%	(2%)
Revenue by Platform					
PC ³	54,152	59,804	56,087	10%	4%
Mobile	26,943	24,773	23,079	(8%)	(14%)
Nexon Total	81,095	84,577	79,166	4%	(2%)
FX Rate					
100 KRW/JPY	10.42	11.22	10.42	8%	
CNY/JPY	19.95	20.59	19.95	3%	
USD/JPY	141.59	147.89	141.59	4%	

Q4 2023 Revenue Breakdown



Region¹

- Korea 62%
- China 18%
- Japan 3%
- North America & Europe 10%
- Rest of World² 7%



Platform

- PC³ 71%
- Mobile 29%

1 Based on regions where the revenue originates; not a representation of revenues according to Nexon entities.

2 "Rest of World" includes other Asian countries as well as Central and South American countries.

3 PC revenues include other revenues besides PC online games and mobile games.

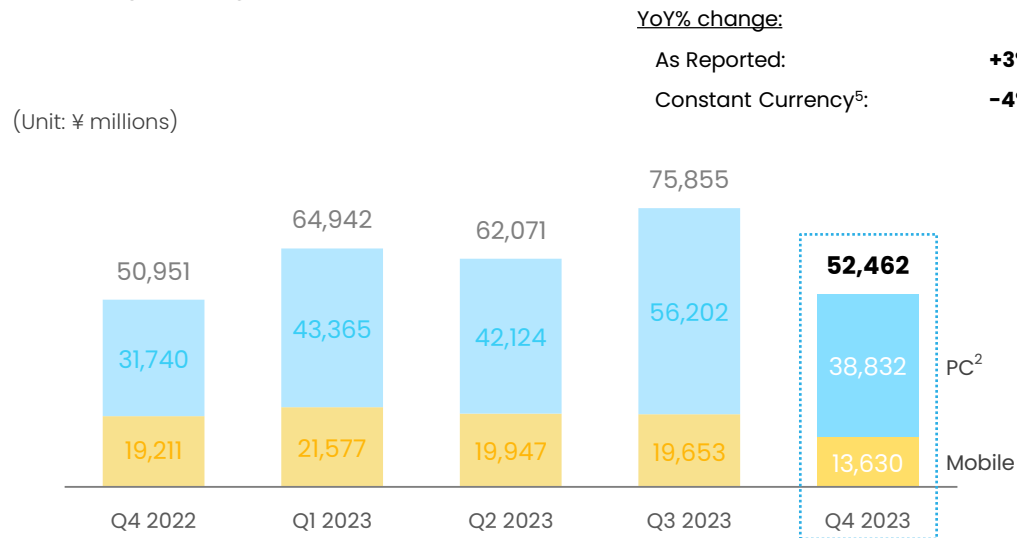
4 Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

Q4 2023 Korea / China – Highlights

Korea

Below outlook due to lower-than-expected performances of *MapleStory* and *FC ONLINE*¹

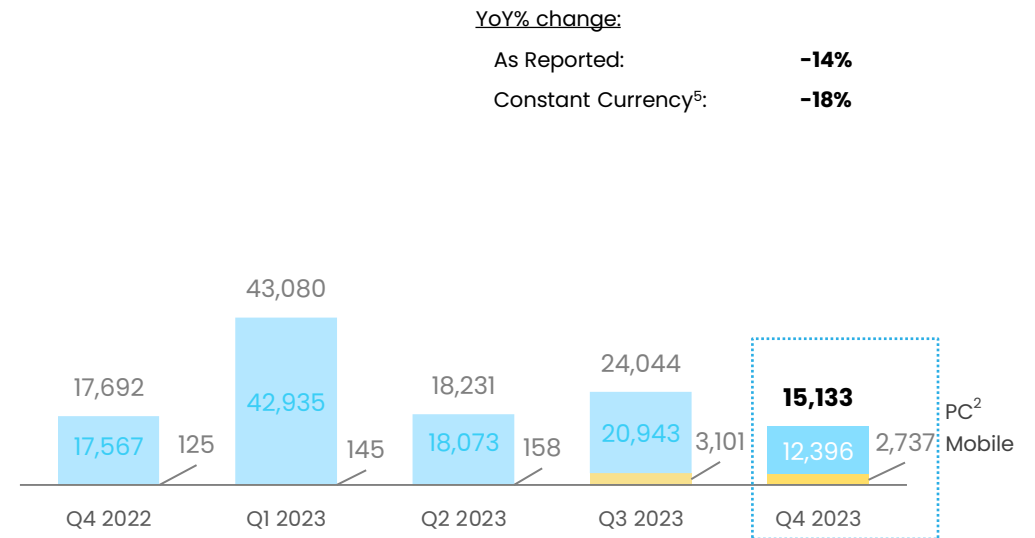
- PC² revenues up 22% Y/Y
 - *MapleStory*: Grew 54% Y/Y while it was lower than expected. A promotional video made by a production company in Korea created a controversy, which led to negative consumer reactions. While addressing player concerns, we suspended marketing and throttled back on monetization
 - *FC ONLINE*¹: Below outlook as the content update offered in Q4 did not resonate with players to the degree we had expected. Decreased Y/Y due to a tough comparison with last year's Q4 when the World Cup was held
- Mobile revenues decreased 29% Y/Y; decreased 31% Q/Q
 - Continued growth from *FC MOBILE*³ and *Blue Archive* as well as a contribution from *Wars of Prasia* were more than offset by revenue decreases from *HIT2* and *Dungeon&Fighter Mobile*



China

Below outlook and down Y/Y due to *Dungeon&Fighter*

- *Dungeon&Fighter*:
 - Down Y/Y; below outlook
 - The game was trending as expected until late December when we experienced an unexpected imbalance in the in-game economy, which resulted in lower-than-expected revenue
 - Y/Y MAUs, paying users and ARPPU decreased. MAUs dropped modestly relative to paying users and ARPPU
 - Q/Q MAUs, paying users and ARPPU decreased due to seasonality
- *MapleStory: The Legends of Maple*⁴: Decreased Q/Q



¹ Official title is EA SPORTS FC™ ONLINE (PC) and EA SPORTS FC™ ONLINE M (mobile).

² PC revenues include other revenues besides PC online games and mobile games.

³ Official title is EA SPORTS FC™ MOBILE.

⁴ Official title of *MapleStory M* in China.

⁵ Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

Q4 2023 Japan / North America and Europe / Rest of World¹ – Highlights

Japan

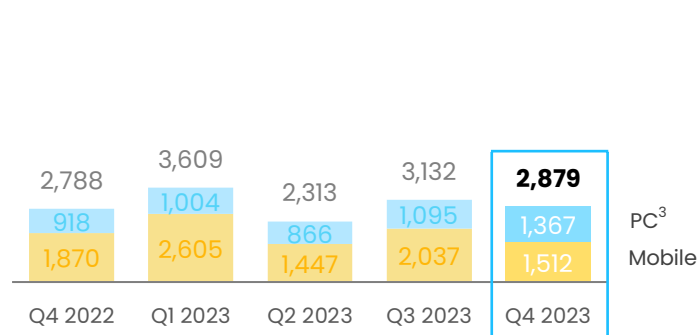
Results as planned

- Growth in *MapleStory* and *Blue Archive* as well as a contribution from *DAVE THE DIVER* were offset by decreases from older mobile titles

(Unit: ¥ millions)

YoY% change:

As Reported: **+3%**
Constant Currency²: **-1%**



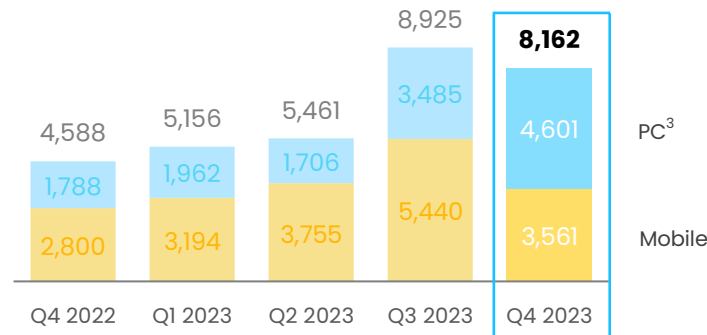
North America and Europe

Lower than expected due to deferred revenues from *THE FINALS*

- While bookings from *THE FINALS* were well above our expectations, deferred revenue was also higher than expected
- Benefited from *THE FINALS* and *DAVE THE DIVER*
- *MapleStory* and *MapleStory M* grew Y/Y

YoY% change:

As Reported: **+78%**
Constant Currency²: **+68%**



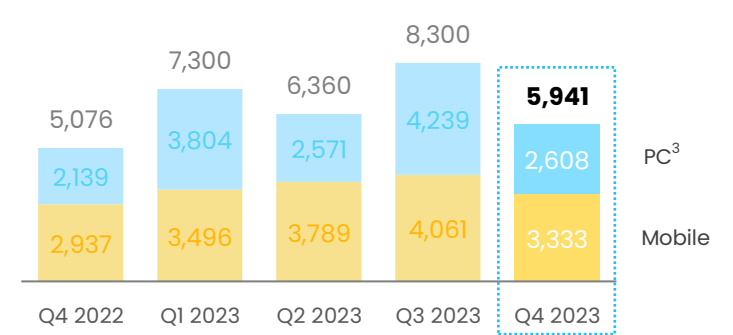
Rest of World¹

Results as planned

- A contribution from *HIT2* and growth in *Blue Archive* were partially offset by decreases in *MapleStory* and other mobile titles

YoY% change:

As Reported: **+17%**
Constant Currency²: **+9%**



¹ "Rest of World" includes other Asian countries as well as Central and South American countries.

² Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

³ PC revenues include other revenues besides PC online games and mobile games.

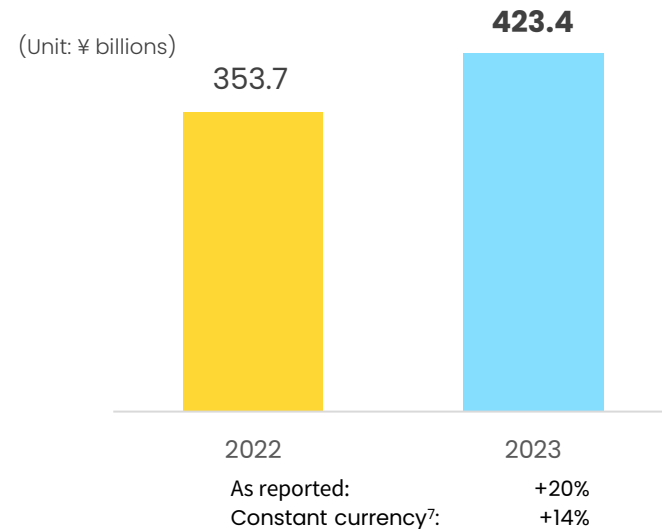
FY 2023 Results

FY 2023 Financial Results

Record-breaking Revenues and Operating Income Driven by Strong Growth in Major Franchises and Successful Launch of New Games

Revenues

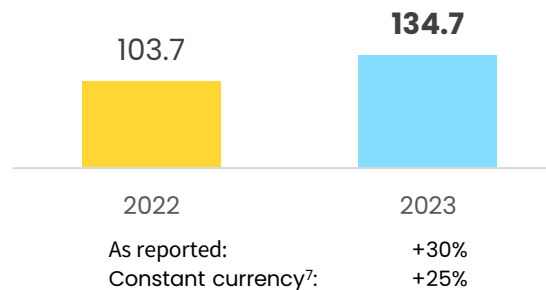
- PC¹ revenues grew 25% Y/Y
 - MapleStory* achieved record full-year revenue in its 20th year
 - FC ONLINE*² marked record full-year revenues for the fifth year in a row
 - China *Dungeon&Fighter* achieved solid growth
- Mobile revenues grew 9% Y/Y; significant growth in *FC MOBILE*³ and *Blue Archive*
- Strong contributions from *Wars of Prasia*, *DAVE THE DIVER*, *MapleStory: The Legends of Maple*⁴ in China and *THE FINALS*



¹ PC revenues include other revenues besides PC online games and mobile games
² Official title is *EA SPORTS FC™ ONLINE* (PC) and *EA SPORTS FC™ ONLINE M* (mobile).
³ Official title is *EA SPORTS FC™ MOBILE*.
⁴ Official title of *MapleStory M* in China.

Operating Income

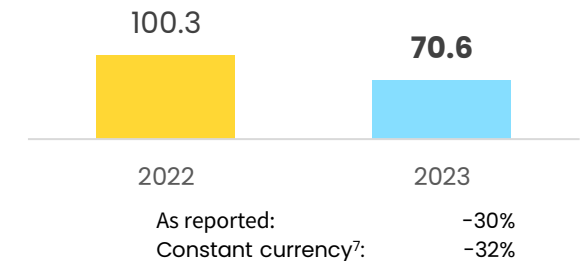
- Increased Y/Y driven by revenue increases
- Operating income margin went up from 29% last year to 32%, driven by strong top-line growth
- HR costs⁵ increased Y/Y as we made further investments in new talent for both new and live games, as well as performance-based bonuses for the strong 2023



⁵ HR costs includes HR cost (COGS), HR cost (SG&A) and R&D (SG&A).
⁶ Net income refers to net income attributable to owners of the parent.
⁷ Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

Net Income⁶

- Decreased Y/Y primarily due to
 - Decreased FX gain; recording a gain of ¥10.4 billion in 2023 vs. ¥41.7 billion in 2022
 - Impairment loss of ¥44.4 billion on the AGBO investment
 - Increased tax expense; recording an expense of ¥54.8 billion in 2023 vs. ¥40.5 billion in 2022

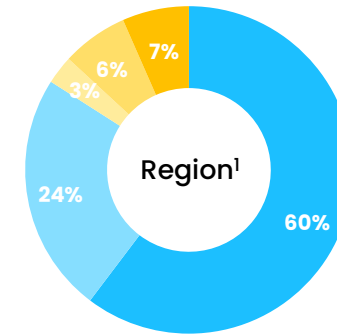


FY 2023 Financial Results

(Unit: ¥ millions)

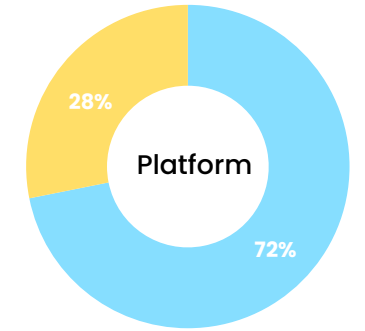
	2022	2023		YoY % Change	
		As-Reported	Constant Currency ⁵	As-Reported	Constant Currency ⁵
Revenue by Region¹					
Korea	¥212,900	¥255,330	¥241,170	20%	13%
China	86,391	100,488	97,406	16%	13%
Japan	10,523	11,933	11,519	13%	9%
North America and Europe	20,051	27,704	26,039	38%	30%
Rest of World ²	23,849	27,901	26,358	17%	11%
Nexon Total	353,714	423,356	402,492	20%	14%
Revenue by Platform					
PC ³	243,912	304,178	289,919	25%	19%
Mobile	109,802	119,178	112,573	9%	3%
Nexon Total	353,714	423,356	402,492	20%	14%
Operating income	103,696	134,745	129,293	30%	25%
Net income⁴	100,339	70,609	68,143	(30%)	(32%)
Earnings per share	114.74	82.89			

FY2023 Revenue Breakdown



Region¹

- Korea 60%
- China 24%
- Japan 3%
- North America & Europe 6%
- Rest of World² 7%



Platform

- PC³ 72%
- Mobile 28%

¹ Based on regions where the revenue originates; not a representation of revenues according to Nexon entities.

² "Rest of World" includes other Asian countries as well as Central and South American countries.

³ PC revenues include other revenues besides PC online games and mobile games.

⁴ Net income refers to net income attributable to owners of the parent.

⁵ Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

Q1 2024 Outlook

Q1 2024 Financial Outlook

Expect a Y/Y revenue decline in our major franchises

Revenues

- Constant currency¹ down 27% to 19%
- Expect Y/Y decreases in China *Dungeon&Fighter*, *FC ONLINE*², and Korea *MapleStory*
- Despite the anticipated Y/Y decrease, Q1 2024 is expected to be the second-highest Q1 revenue in Nexon history

(Unit: ¥ millions, except per share data)

	Q1 2023	Q1 2024 Outlook		YoY %	
Revenues	¥124,087	¥97,122	~ ¥107,112	(22%)	~ (14%)
PC ⁵	93,070	71,956	~ 79,146	(23%)	~ (15%)
Mobile	31,017	25,166	~ 27,966	(19%)	~ (10%)
Operating income	56,275	15,158	~ 23,360	(73%)	~ (58%)
Net income⁴	52,791	16,354	~ 22,919	(69%)	~ (57%)
Earnings per share	61.63	19.47	~ 27.29		
FX Rate Assumptions					
100 KRW/JPY	10.41	11.06	11.06	6%	
CNY/JPY	19.34	20.49	20.49	6%	
USD/JPY	132.34	147.06	147.06	11%	

Forex sensitivity⁶: Every one Japanese yen move against the U.S. dollar would have the following impact on our financials for Q1 2024

Revenues 0.69 billion yen
Operating Income 0.19 billion yen

Operating Income

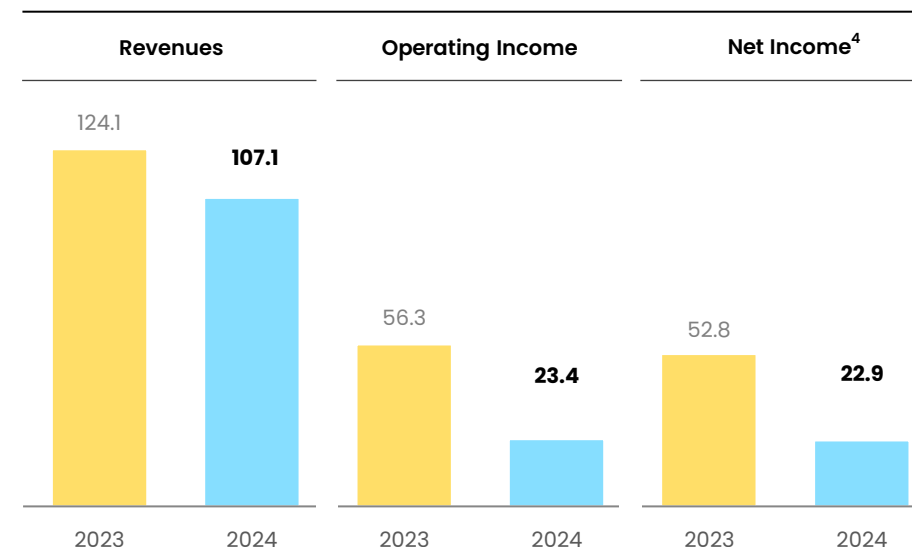
- Expect a Y/Y decrease primarily due to revenue decrease
- Expect increases in HR costs³, cloud service costs, outsourcing costs as well as one-time losses

Net Income⁴

- Expect a Y/Y decrease primarily due to operating income decrease
- In Q1 2023, we recorded a ¥5.6 billion FX gain primarily on U.S. dollar-denominated cash deposits and ¥2.9 billion gain on valuation of securities

(Unit: ¥ billions)

Q1 2024 (High-end)



¹ Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

² Official title is EA SPORTS FC™ ONLINE (PC) and EA SPORTS FC™ ONLINE M (mobile).

³ HR costs includes HR cost (COGS), HR cost (SG&A) and R&D (SG&A).

⁴ Net income refers to net income attributable to owners of the parent.

⁵ PC revenues include other revenues besides PC online games and mobile games.

⁶ In most situations, the exchange rates of both the South Korean Won and the Chinese Yuan are linked to the U.S. Dollar. For simplicity, forex sensitivity is calculated based on the assumption that Korean Won and Chinese Yuan move similarly against Japanese Yen when there is an exchange rate movement in U.S. Dollar and Japanese Yen.

Q1 2024 Korea / China Outlook

Korea

Expect revenues to decrease Y/Y due to *FC ONLINE*¹, *MapleStory*, and mobile titles

- PC²: Expect to decrease Y/Y
 - Expect *FC ONLINE*¹ to decrease due to the tough comparison with Q1 2023 when enduring excitement from the World Cup contributed to record-setting quarterly revenue
 - Expect *MapleStory* to decrease as we expect short-term negative impact on revenue due to our decision of discontinuing the sales of a major probability-based item and transitioning to a business model that offers the same experience, paid for with in-game currency rather than cash
- Mobile: Expect to decrease Y/Y due to *FC ONLINE M*¹ and *HIT2*

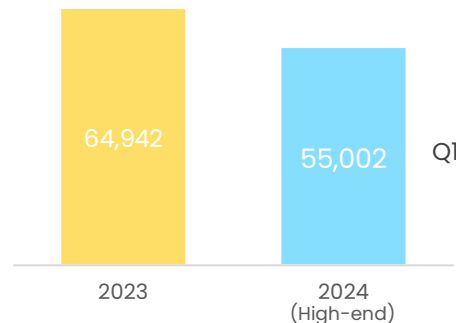
China

Expect revenues to decrease due to *Dungeon&Fighter*

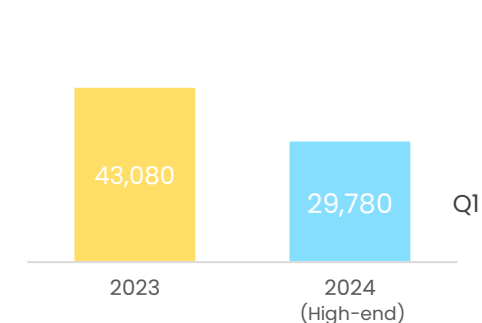
- *Dungeon&Fighter*
 - The imbalance issues that affected the game's economy in late December carried over into Q1; as a result, packaged-item sales from the Lunar New Year update (1/11~) have not performed as expected
 - Throughout 2024, we will not only double the amount of new content introduced in 2023, but also accelerate the update process; this includes the renewal of existing characters, the introduction of new characters, renovation of the existing item system, collaboration with popular IPs, plus more raids, and other high-end content to stimulate player engagement and balance the in-game economy
- *MapleStory: The Legends of Maple*⁴
 - Expect to maintain its momentum and contribute to Q1

(Unit: ¥ millions)

Q1 2023	Q1 2024 Outlook		YoY % Change	
	Actual	Low-end ~ High-end	As-Reported	Constant Currency ³
64,942	51,041 ~ 55,002	(21%) ~ (15%)	(26%) ~ (20%)	



Q1 2023	Q1 2024 Outlook		YoY % Change	
	Actual	Low-end ~ High-end	As-Reported	Constant Currency ³
43,080	25,642 ~ 29,780	(40%) ~ (31%)	(44%) ~ (35%)	



¹ Official title is *EA SPORTS FC™ ONLINE* (PC) and *EA SPORTS FC™ ONLINE M* (mobile).

² PC revenues include other revenues besides PC online games and mobile games.

³ Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

⁴ Official title of *MapleStory M* in China.

Q1 2024 Japan / North America and Europe / Rest of World¹ Outlook

Japan

Expect revenues to decrease Y/Y

- Expect a Y/Y increase in *MapleStory*
- Expect Y/Y decreases in *Blue Archive* and terminated mobile titles

North America and Europe

Expect revenues to increase significantly Y/Y

- Expect a steady contribution from *THE FINALS*
- Expect a Y/Y increase in *MapleStory*

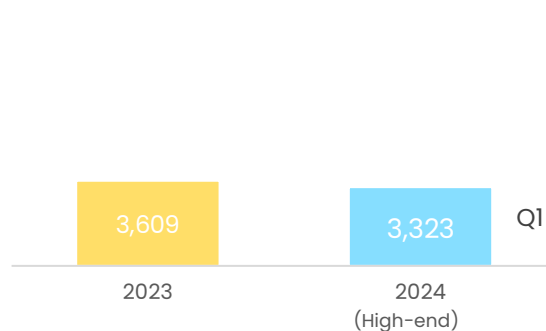
Rest of World¹

Expect revenues to increase Y/Y

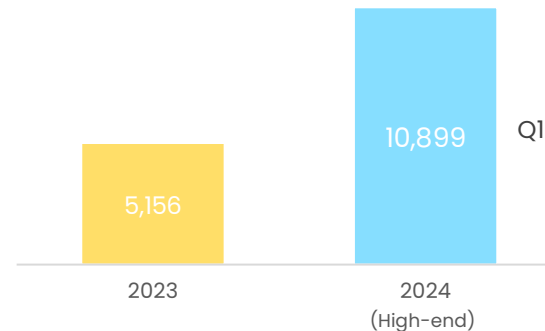
- Expect to benefit from *HIT2* and *THE FINALS*

(Unit: ¥ millions)

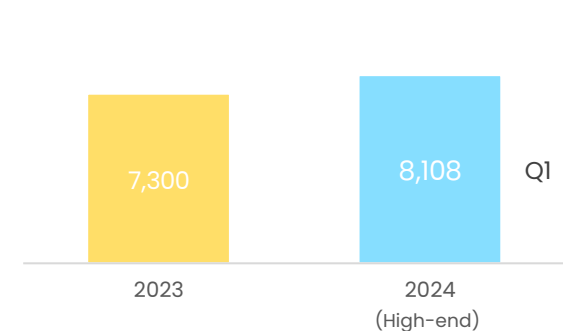
Q1 2023	Q1 2024 Outlook		YoY % Change	
Actual	Low-end	High-end	As-Reported	Constant Currency ²
3,609	2,976	~ 3,323	(18%) ~ (8%)	(20%) ~ (11%)



Q1 2023	Q1 2024 Outlook		YoY % Change	
Actual	Low-end	High-end	As-Reported	Constant Currency ²
5,156	9,985	~ 10,899	94% ~ 111%	77% ~ 93%



Q1 2023	Q1 2024 Outlook		YoY % Change	
Actual	Low-end	High-end	As-Reported	Constant Currency ²
7,300	7,478	~ 8,108	2% ~ 11%	(4%) ~ 4%



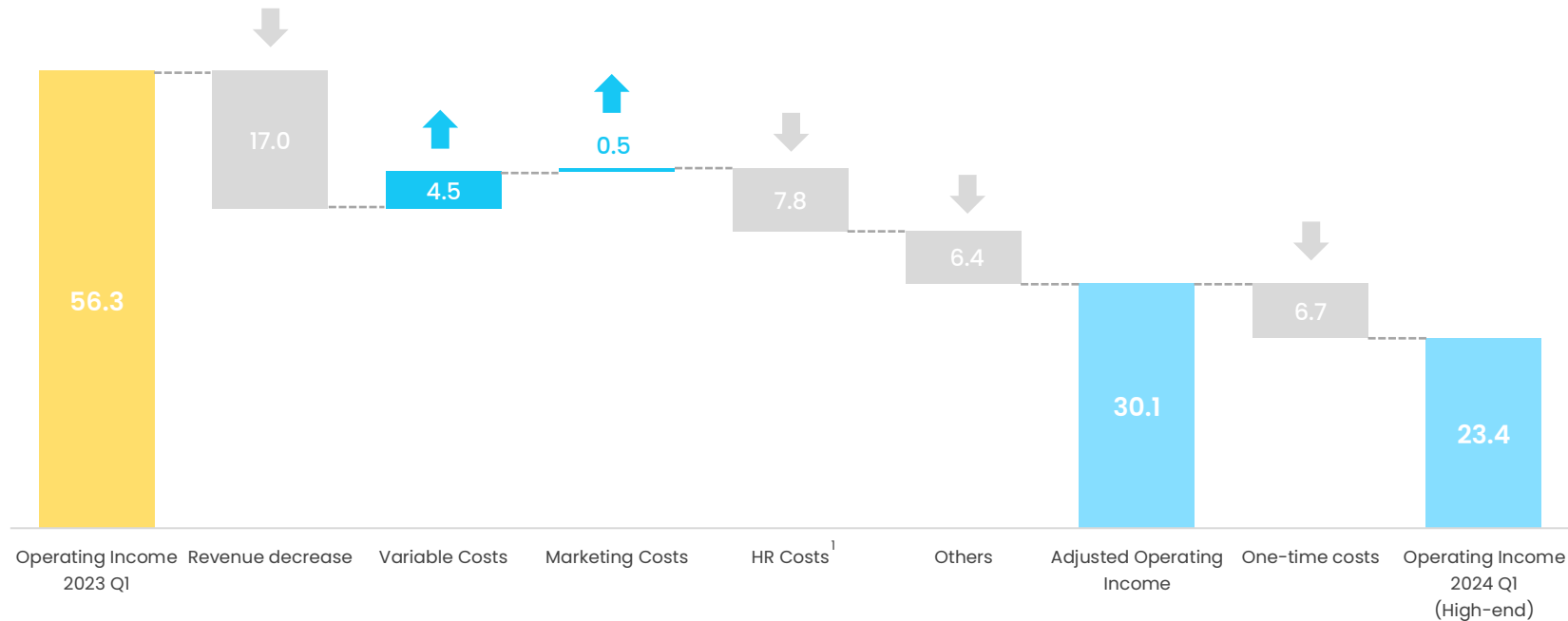
¹ Rest of World* includes other Asian countries as well as Central and South American countries.

² Constant currency is a non-GAAP measure used to show performance unaffected by fluctuations in foreign currency exchange rates. Constant-currency basis amounts are calculated using the average foreign currency exchange rates for the comparable period in the prior year and applied to the current period. As an example, we calculate royalty revenues from China *Dungeon&Fighter* by applying the same CNY/USD, USD/KRW and KRW/JPY exchange rates from last year's same fiscal quarter.

Q1 2024 Operating Income & Cost Outlook

(Unit: ¥ billions)

Y/Y Operating Income Comparison (High-end)



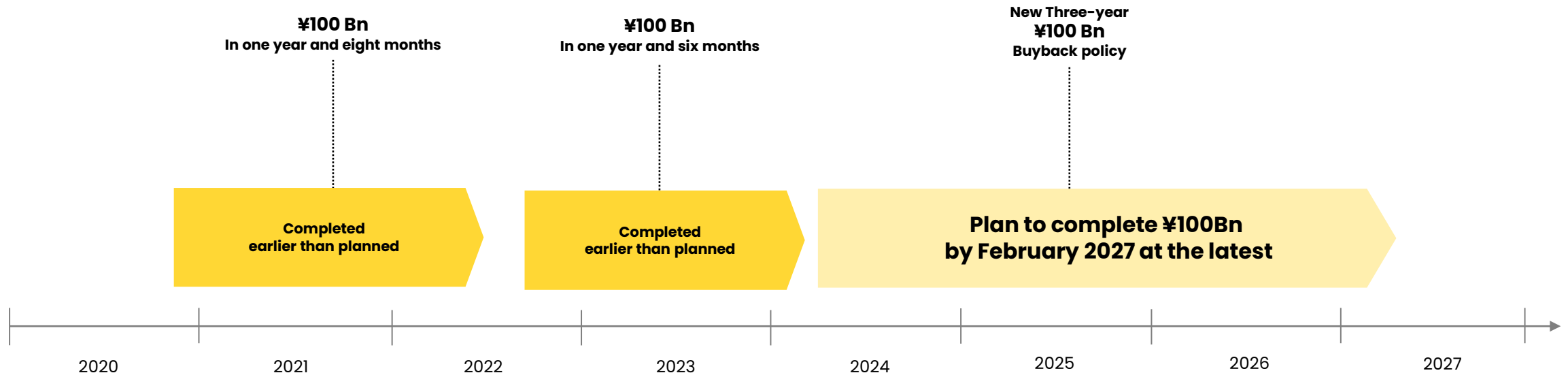
- ↓ Decreased revenues
- ↑ Decreased variable costs
- ↑ Slightly decreased marketing costs
- ↓ Increased HR costs¹ primarily related to headcount increase for new game development
- ↓ Others include:
 - Increased cloud service costs
 - Increased outsourcing fees
- ↓ One-time costs related to the reorganization of some of our group companies

¹ HR costs includes HR cost (COGS), HR cost (SG&A) and R&D (SG&A).

Shareholder Return

Buy-back

- We completed the 100-billion yen share repurchase policy that we announced on August 9th, 2022 in January 2024; we accelerated the program and completed it in less than 1.5 years
- The Board of Directors approved a new share repurchase policy to buy back up to 100 billion yen over the next three years
- Conduct the share repurchase by February 2027 by considering several factors including investment opportunities, financial and market conditions



2024 Content Update Schedule

TITLE	2024 Q1	2024 Q2
China Dungeon&Fighter	<ul style="list-style-type: none"> • Lunar New Year Update (January 11th) • Character Renewal (February, March) • Renovation of the Existing Items (March) 	<ul style="list-style-type: none"> • Labor Day Update (April) • Collaboration with Popular IP (April) • Anniversary Update (June)
Korea MapleStory	<ul style="list-style-type: none"> • The 6th job change - Mastery Core (January 18th) • Epic Dungeon: High Mountain (February 22nd) 	<ul style="list-style-type: none"> • The 21st Anniversary Update (April)
FC ONLINE	<ul style="list-style-type: none"> • TOTY - "Team of the Year" (January 20th) 	<ul style="list-style-type: none"> • TOTS - "Team of the Season" (TBD)
THE FINALS	<ul style="list-style-type: none"> • Season 2 Release (March) 	<ul style="list-style-type: none"> • TBU

¹ Official title is EA SPORTS FC™ ONLINE (PC) and EA SPORTS FC™ ONLINE M (mobile).

* The 2024 update schedule is subject to change depending on various operational factors

Pipeline¹

PC ONLINE MOBILE CONSOLE

KOREA CHINA JAPAN NORTH AMERICA & REST OF THE WORLD



Dungeon&Fighter Mobile²



The First Descendant



ARC Raiders



MABINOGI MOBILE²



Wakerunners



The First Berserker. Khazan^{2,6}



MapleStory N^{2,4}



HIT The World



MapleStory Worlds^{2,3}



NAKWON: LAST PARADISE



OVERKILL^{2,5,7}



1 Chart is illustrative excerpt of pipeline.

2 Games based on original IP.

3 MapleStory Worlds is a content making platform in which users can use MapleStory assets to create their own game and share it with other players.

4 MapleStory N is a PC based MMORPG that combines blockchain technology with MapleStory IP.

5 Tentative title.

6 PC 3D action RPG based on Dungeon&Fighter universe.

7 PC 3D side-scrolling action RPG based on Dungeon&Fighter universe.

8 The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders.

Appendix



Financials

Summary of Results and Key Operational Metrics

(Unit: ¥ millions, except per share data)

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	YoY%
(By Region)									
Korea	¥47,880	¥51,248	¥62,821	¥50,951	¥64,942	¥62,071	¥75,855	¥52,462	3%
China	29,761	19,238	19,700	17,692	43,080	18,231	24,044	15,133	(14%)
Japan	2,794	2,149	2,792	2,788	3,609	2,313	3,132	2,879	3%
North America and Europe	4,699	5,738	5,026	4,588	5,156	5,461	8,925	8,162	78%
Rest of World ¹	5,900	5,749	7,124	5,076	7,300	6,360	8,300	5,941	17%
(By Platform)									
PC ²	67,730	55,578	66,452	54,152	93,070	65,340	85,964	59,804	10%
Mobile	23,304	28,544	31,011	26,943	31,017	29,096	34,292	24,773	(8%)
Revenue	91,034	84,122	97,463	81,095	124,087	94,436	120,256	84,577	4%
Operating income	38,520	22,684	31,524	10,968	56,275	27,614	46,310	4,546	(59%)
Net income (loss) ^{3,4}	40,261	26,472	41,197	(7,591)	52,791	24,538	35,167	(41,887)	NA
Earnings per share ⁴	45.35	30.11	47.63	(8.79)	61.63	28.80	41.28	(49.47)	
FX rate									
100 KRW/JPY	9.65	10.29	10.34	10.42	10.41	10.46	11.02	11.22	8%
CNY/JPY	18.30	19.61	20.21	19.95	19.34	19.56	19.97	20.59	3%
USD/JPY	116.20	129.57	138.37	141.59	132.34	137.37	144.62	147.89	4%
PC and Console KPI									
MAU (millions)	13.4	13.7	14.1	14.3	15.5	14.3	14.1	17.4	22%
Pay Rate	22.5%	22.7%	21.0%	20.6%	22.5%	22.5%	23.7%	18.2%	
ARPPU (as-reported)	12,606	9,108	11,040	8,929	15,074	9,553	11,230	8,104	(9%)

¹ "Rest of World" includes other Asian countries as well as Central and South American countries.

² PC revenues include other revenues besides PC online games and mobile games.

³ Net income (loss) refers to net income (loss) attributable to owners of the parent.

⁴ As a result of finalizing the provisional accounting treatment for a certain investment where the equity method is applied, "Equity loss of affiliates, equity method companies" decreased by 1.8 billion yen in Q2 2022, increased by 2.1 billion yen in Q3 2022, and decreased by 0.3 billion yen in Q4 2022. Consequently, "Net income (loss)" increased by 1.8 billion yen in Q2 2022, decreased by 2.1 billion yen in Q3 2022, and increased by 0.3 billion yen in Q4 2022. There is no financial impact on the annual performance of 2022.

COGS and SG&A¹

(Unit: ¥ millions)

	FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total Cost of Revenue¹	¥21,924	¥24,966	¥28,131	¥30,757	¥34,233	¥32,804	¥35,908	¥34,993
Royalty ²	9,013	9,142	11,186	10,679	14,529	11,206	11,378	8,768
HR cost (COGS) ³	8,671	10,960	11,451	13,958	13,861	14,857	17,681	19,504
Other (COGS) ⁴	4,240	4,864	5,494	6,120	5,843	6,741	6,849	6,721
Total SG&A¹	30,475	34,322	36,528	37,972	32,883	34,283	37,720	42,854
HR cost	7,423	7,835	8,297	9,501	5,690	7,274	7,690	8,765
PG fee ⁵	8,480	10,909	11,201	9,507	10,448	9,828	11,625	9,084
R&D	5,790	6,637	6,449	7,054	5,944	5,666	6,093	6,916
Marketing/advertising expenses	4,856	5,564	6,734	8,563	6,709	7,219	7,669	11,380
Depreciation and amortization	1,065	934	996	752	795	907	910	1,696
Other	2,861	2,443	2,851	2,595	3,297	3,389	3,733	5,013
Other Income⁶	160	136	122	157	344	583	293	513
Other Expense⁷	275	2,286	1,402	1,555	1,040	318	611	2,697
Includes: impairment loss	241	2,219	1,389	1,489	1,026	287	353	1,374

¹ Breakdown of COGS and SG&A are unaudited.

² Royalty includes royalties paid to third-party developers in order for us to obtain the right to publish their games.

³ HR cost includes salaries, bonuses and benefits for our live game developers, who support post launch servicing, updating and support for our games.

⁴ Other (COGS) primarily consists of depreciation and amortization of assets related to existing games, connection fees (mainly comprised of co-location and datacenter fees, internet bandwidth and access fees), and the costs of purchasing and maintaining our servers and computer equipment.

⁵ PG fee in SG&A includes commissions made to external payment gateway companies when users purchase in-game items in PC Online games that we service. It also includes mobile carrier-related commissions we pay regarding our Japanese mobile browser games, commissions we pay to Apple/Google regarding our mobile native games globally, commissions we pay to Steam regarding our PC online games globally and platform commission fees related to mobile browser games.

⁶ Other Income includes other non-operating income, reversal of deferred revenue, gain on sale of properties, gain on change in equity and gain on step acquisition.

⁷ Other Expense includes other non-operating expenses, loss on sale/disposal of properties, loss on impairment of tangible fixed assets, loss on impairment of intangible assets, loss on impairment of other fixed assets and loss on change in equity. It also includes impairment loss of game IPs and goodwill.

P&L Below Operating Income

(Unit: ¥ millions)

	FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Operating Income	¥38,520	¥22,684	¥31,524	¥10,968	¥56,275	¥27,614	¥46,310	¥4,546
Finance Income ¹	23,308	31,844	30,312	5,590	14,075	16,763	13,204	7,108
Finance Costs ²	3,695	4,176	641	30,111	422	322	6,294	11,246
(Loss) / reversal of loss on revaluation ³	339	(5,334)	487	(848)	2,719	463	(822)	3,893
Equity profit / (loss) of affiliates, equity method companies ⁴	(1,271)	(1,555)	(5,822)	(1,598)	(744)	(1,691)	461	(1,536)
Impairment loss of investments accounted for using equity method	-	-	-	-	-	-	-	(44,425)
Income / (loss) before Income Tax ⁴	57,201	43,463	55,860	(15,999)	71,903	42,827	52,859	(41,660)
Tax expense	17,082	17,280	14,743	(8,570)	18,637	18,372	17,374	462
Non-controlling interests	(142)	(289)	(80)	162	475	(83)	318	(235)
Net income / (loss) ^{4,5}	40,261	26,472	41,197	(7,591)	52,791	24,538	35,167	(41,887)

¹ Finance Income includes interest income primarily on cash deposits. 2022 Q1, Q2, Q3 and 2023 Q1, Q2, Q3 Finance Income includes FX conversion gains related to foreign currency deposits and accounts receivable.

² 2022 and 2023 Q4 Finance Costs are primarily caused by FX conversion loss related to foreign currency deposits and accounts receivable.

³ Loss / reversal of loss on revaluation refers to loss / reversal of loss on revaluation of cryptocurrency.

⁴ As a result of finalizing the provisional accounting treatment for a certain investment where the equity method is applied, "Equity loss of affiliates, equity method companies" decreased by 1.8 billion yen in Q2 2022, increased by 2.1 billion yen in Q3 2022, and decreased by 0.3 billion yen in Q4 2022. Consequently, "Income/(loss) before Income Tax" and "Net income (loss)" each increased by 1.8 billion yen in Q2 2022, decreased by 2.1 billion yen in Q3 2022, and increased by 0.3 billion yen in Q4 2022. There is no financial impact on the annual performance of 2022.

⁵ Net income / (loss) refers to net income / (loss) attributable to owners of the parent.

Cash Flow Statement

(Unit: ¥ millions)

	12 months ended December 31, 2022	12 months ended December 31, 2023
Cash flows from operating activities	¥130,144	¥128,712
Cash flows from investing activities	(10,918)	(188,367)
Cash flows from financing activities	(105,859)	(78,554)
Net increase / (decrease) in cash and cash equivalents	13,367	(138,209)
Cash and cash equivalents at beginning of fiscal year	365,239	409,368
Effect of exchange rate change on cash and cash equivalents	30,762	9,356
Cash and cash equivalents at end of fiscal year	409,368	280,515

Balance Sheet

(Unit: ¥ millions)

	December 31, 2022	December 31, 2023		December 31, 2022	December 31, 2023
Asset			Liability		
Current Assets			Current liabilities		
Cash and cash equivalents	¥409,368	¥280,515	Current tax liabilities	23,697	17,932
Other deposits	162,490	316,243	Current borrowings	-	-
Other current assets	70,171	92,748	Others	59,437	71,442
Total current assets	642,029	689,506	Total current liabilities	83,134	89,374
Noncurrent assets			Noncurrent liabilities		
Tangible assets	26,885	28,854	Non-current borrowings	-	-
Goodwill	40,136	43,924	Others	92,169	102,154
Intangible assets	9,655	17,847	Total noncurrent liabilities	92,169	102,154
Investments accounted for using equity method	83,595	58,120	Total liabilities	175,303	191,528
Other non-current financial assets	162,514	179,199			
Others	78,035	80,653	Shareholders' equity		
Total noncurrent assets	400,820	408,597	Capital stock	38,972	47,510
Total assets	1,042,849	1,098,103	Capital surplus	18,331	26,719
			Treasury shares	(16,464)	(45,046)
			Other equity interest	114,012	159,857
			Retained earnings	703,342	707,227
			Non-controlling interests	9,353	10,308
			Total equity	867,546	906,575
			Total liabilities and total equity	1,042,849	1,098,103

P&L by Reporting Segment¹

(Unit: ¥ millions)

	FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan								
Revenue from external customers	¥1,270	¥1,017	¥1,205	¥1,210	¥1,258	¥1,072	¥1,291	¥1,347
Segment profit/(loss)	(3,075)	(2,757)	(2,405)	(2,406)	(542)	(1,610)	(1,359)	(1,042)
Korea								
Revenue from external customers	85,375	79,085	91,501	75,257	117,877	89,590	114,093	76,222
Segment profit/(loss)	43,044	30,270	37,473	18,468	59,945	33,321	51,644	13,946
China								
Revenue from external customers	899	719	836	887	1,081	647	689	771
Segment profit/(loss)	506	288	364	398	633	190	217	260
North America								
Revenue from external customers	3,077	3,023	3,535	3,450	3,432	2,948	3,851	4,715
Segment profit/(loss)	(615)	(1,561)	(1,515)	(2,526)	(1,554)	(2,713)	(1,795)	(2,301)
Others								
Revenue from external customers	413	278	386	291	439	179	332	1,522
Segment profit/(loss)	(1,224)	(1,401)	(1,125)	(1,561)	(1,509)	(1,950)	(2,149)	(4,188)
Adjustments								
Revenue from external customers	-	-	-	-	-	-	-	0
Segment profit/(loss)	(1)	(5)	12	(7)	(2)	111	70	55
Total								
Revenue from external customers	91,034	84,122	97,463	81,095	124,087	94,436	120,256	84,577
Segment profit/(loss)	38,635	24,834	32,804	12,366	56,971	27,349	46,628	6,730

¹ Representation based on location of Nexon's entities; not based on regions where the revenue originates.

NJ Corporate Entity Financial Statement¹ (1)

(Unit: ¥ millions)

Income Statement	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Revenue	¥5,208	¥5,927	¥7,024	¥6,016	¥5,411	¥5,898	¥5,872
Cost of revenue	3,134	3,438	3,510	3,249	2,681	3,040	3,092
Gross profit	2,074	2,489	3,514	2,767	2,730	2,858	2,780
SG&A	6,736	6,941	9,447	7,910	7,893	11,269	13,158
Operating profit / (loss)	(4,662)	(4,452)	(5,933)	(5,143)	(5,163)	(8,411)	(10,378)
Non-operating income	636	5,049	15,646	32,565	47,902	94,274	87,912
Includes: dividend income	22	4,612	15,025	30,313	46,460	87,397	76,891
Non-operating expenses	1,826	1,969	9,352	4,063	2,802	1,700	4,747
Ordinary income / (loss)	(5,852)	(1,372)	361	23,359	39,937	84,163	72,787
Extraordinary income	852	58	109	635	189	1,007	8,417
Extraordinary losses	39,573	9,643	138	77	647	78	1,123
Income / (loss) before income taxes	(44,573)	(10,957)	332	23,917	39,479	85,092	80,081
Tax expense	(201)	234	755	1,520	2,327	6,425	6,600
Net income / (loss)	(44,372)	(11,191)	(423)	22,397	37,152	78,667	73,481

¹ Excerpt of NEXON Co., Ltd.'s standalone financial statements included in Annual Securities Report (Yuuka Shouken Houkokusho). Annual Securities Report for FY2023 will be released in late March 2024. Please note NEXON Co., Ltd.'s standalone financial statements are based on J-GAAP (Nexon Group's consolidated financial statements are based on IFRS).

NJ Corporate Entity Financial Statement¹ (2)

(Unit: ¥ millions)

Balance Sheet	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Current assets	¥52,632	¥42,946	¥55,209	¥45,374	¥85,462	¥144,774	¥135,225
Includes: cash and cash equivalents	49,531	41,868	53,096	43,100	83,523	143,334	131,959
Non-current assets	6,438	5,494	4,836	17,630	17,851	44,903	35,848
Property, plant and equipment	74	7	3	1	6	5	1
Intangible assets	-	-	-	-	-	-	-
Investments and other assets	6,364	5,487	4,833	17,629	17,845	44,898	35,847
Total assets	59,070	48,440	60,045	63,004	103,313	189,677	171,073
Current liabilities	2,341	1,796	2,303	2,037	2,085	4,376	4,523
Non-current liabilities	448	457	415	363	469	468	640
Total liabilities	2,789	2,253	2,718	2,400	2,554	4,844	5,163
Shareholder's equity	50,669	41,230	50,838	53,133	92,510	174,099	149,456
Capital stock	3,307	9,183	14,199	17,757	22,470	34,167	38,881
Capital surplus	88,621	43,021	36,846	39,981	21,720	33,417	38,131
Includes: other capital surplus	86,064	34,588	23,397	22,974	-	-	-
Retained earnings	(41,259)	(10,974)	(206)	22,614	48,320	122,547	87,243
Includes: other retained earnings	(41,476)	(11,191)	(423)	22,397	48,103	122,330	87,026
Treasury shares	(0)	-	(0)	(27,219)	(0)	(16,032)	(14,799)
Valuation and translation adjustments	77	(10)	(21)	(28)	(21)	(15)	460
Subscription rights to shares	5,535	4,967	6,510	7,499	8,270	10,749	15,994
Total net assets	56,281	46,187	57,327	60,604	100,759	184,833	165,910
Statement of changes in equity (excerpt)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Payment of dividends	(4,352)	-	-	-	(4,418)	(4,440)	(8,785)
Acquisition of treasury shares	(5,000)	(10,000)	(1)	(27,218)	(2,783)	(16,032)	(98,767)
Cancellation of treasury shares	5,000	10,000	-	-	30,002	-	100,000

¹ Excerpt of NEXON Co., Ltd.'s standalone financial statements included in Annual Securities Report (Yuuka Shouken Houkokusho). Annual Securities Report for FY2023 will be released in late March 2024. Please note NEXON Co., Ltd.'s standalone financial statements are based on J-GAAP (Nexon Group's consolidated financial statements are based on IFRS).

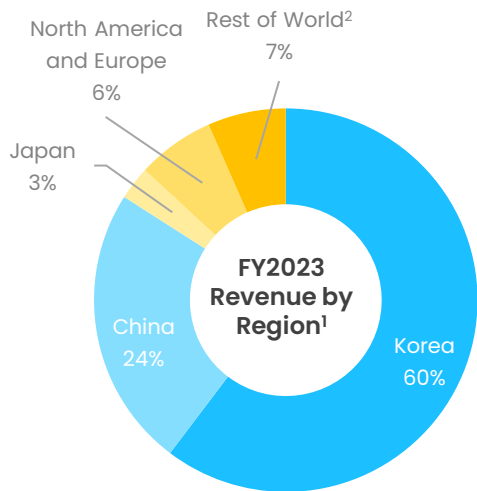
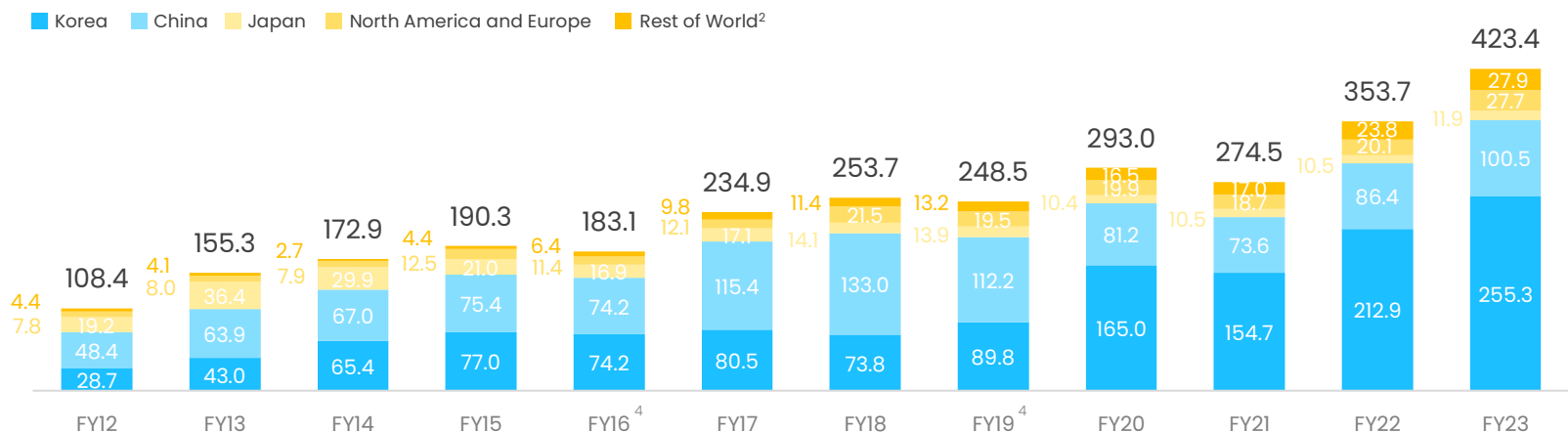
Number of Employees by Reporting Segment

Full-time employees	March 31	June 30	September 30	December 31	March 31	June 30	September 30	December 31
	2022	2022	2022	2022	2023	2023	2023	2023
Japan	269	274	271	266	270	268	255	266
Korea	5,555	5,750	5,991	6,044	6,216	6,397	6,570	6,675
China	202	203	195	194	191	192	190	190
North America	357	383	411	423	435	441	446	440
Others	425	457	497	540	576	624	646	660
Total	6,808	7,067	7,365	7,467	7,688	7,922	8,107	8,231

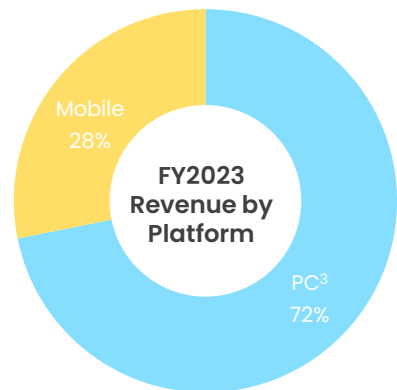
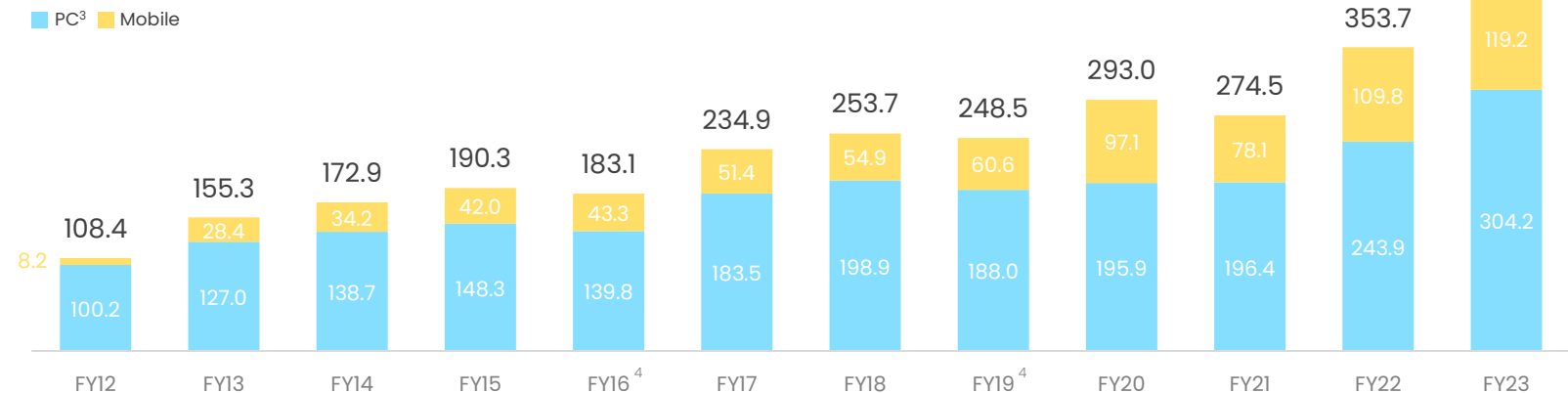
Historical Financials

(Unit: ¥ billions)

Revenue by Region¹



Revenue by Platform



¹ Based on regions where the revenue originates; not a representation of revenues according to Nexon entities.

² "Rest of World" includes other Asian countries as well as Central and South American countries.

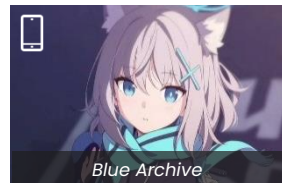
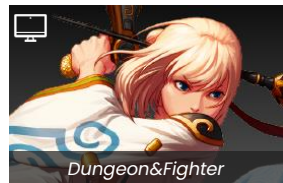
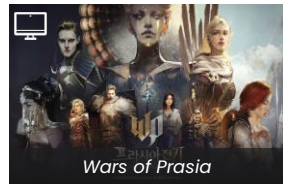
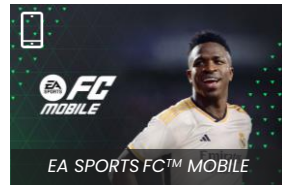
³ PC revenues include other revenues besides PC online games and mobile games.

⁴ FY16 and FY19 grew Y/Y on a constant currency basis.

Key Titles by Region¹

PC³ MOBILE CONSOLE

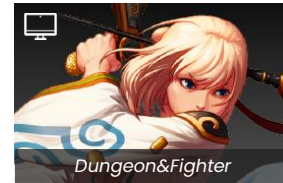
Korea



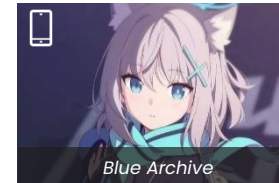
PC³

MOBILE

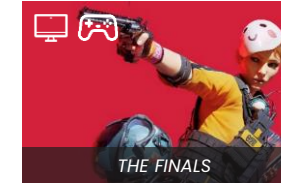
China



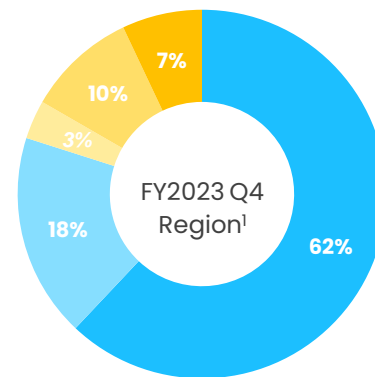
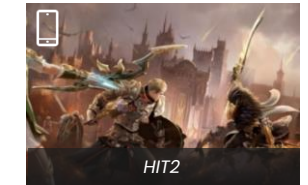
Japan



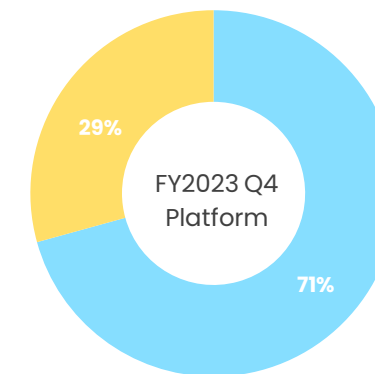
N. America and Europe



Rest of World²



- Korea 62%
- China 18%
- Japan 3%
- North America & Europe 10%
- Rest of World² 7%



- PC³ 71%
- Mobile 29%

¹ Based on regions where the revenue originates; not a representation of revenues according to Nexon entities.

² "Rest of World" includes other Asian countries as well as Central and South American countries.

³ PC revenues include other revenues besides PC online games and mobile games.

⁴ Official title of *MapleStory M* in China.

⁵ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders

NEXON IP



Dungeon&Fighter Franchise

LTD Overview



-  Launched 2005
-  Over 850 million registered users worldwide
-  Life-to-date gross revenue well over \$22 billion USD
-  Gross revenue several billion dollars more than life-to-date box office of *Star Wars* and *Harry Potter* series; more than double the revenue of the entire *Avengers* series¹
-  Constantly evolving for 18 years with new characters, skills and communities
-  Mobile version launched in Korea on March 24, 2022. Awarded Game of the Year from the Korean Association of Game Industry in 2022
-  Easy-to-learn, hard-to-master accessibility, action-packed gameplay and iconic, pixelated art make *Dungeon&Fighter* one of the world's most popular and enduring game franchises






¹ Life-to-date global box office revenues as of February 7th, 2024 sourced from BoxOfficeMojo.com

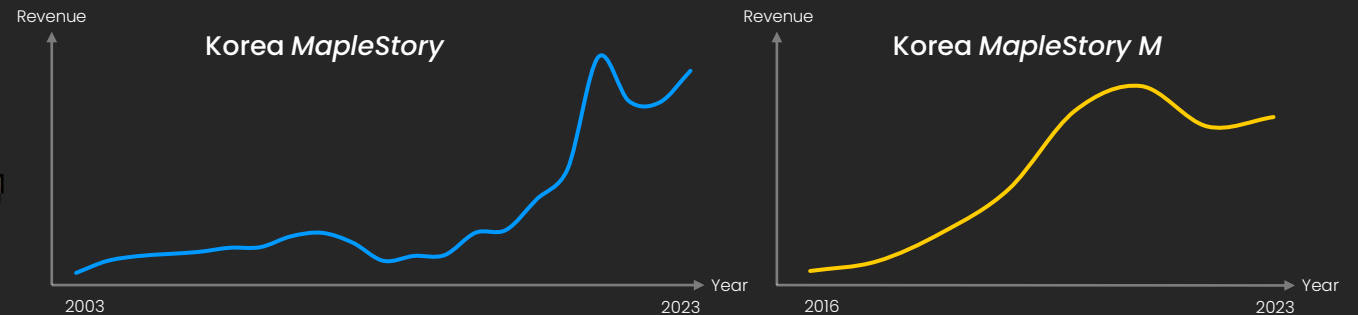
² The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders



MapleStory Franchise

LTD Overview

-  Launched 2003
-  Over 190 million registered users worldwide.
In Korea, player registration equals to 45% of the population
-  Life-to-date franchise revenue over \$5 billion USD
-  Combined PC and mobile revenue exceeds global box office of the movie franchise *Frozen* – one of Disney's biggest¹
-  An easy-to-learn, hard-to-master MMORPG with cross-cultural appeal that has been growing players and revenue over 20 years. Players love personalizing their characters



¹ Life-to-date global box office revenues as of February 7th, 2024 sourced from BoxOfficeMojo.com







² The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders



KartRider Franchise

LTD Overview







-  Launched 2004
-  Registered users over 380 million PC platform alone
-  Over half of all Korean population; over 45% of Taiwanese population has played the game
-  Combined PC and mobile Life-to-date gross revenue over \$1.0 billion
-  A fast-paced online casual racing game with easy-to-learn, hard-to-master UI, and a universe of compelling characters which can be stylized to the player's taste
-  *KartRider: Drift* started its service in Q1 2023

¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders



Sudden Attack






LTD Overview

-  Launched 2005
-  Registered users over 23 million
-  Life-to-date revenue over \$0.8 billion
-  Highly accessible online First-Person Shooter with fast, visceral action

1 The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders



The Kingdom of the Winds Franchise LTD Overview

-  Launched 1996
-  Registered users over 26 million
-  World's longest-running graphic MMORPG. Over 27 year service period
-  Mobile version launched on July 15, 2020. Highest ranking #1 on iOS and #2 on AOS
-  A popular and enduring MMORPG based on historical comic about the Goguryeo Dynasty

¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders



Mabinogi

LTD Overview



Launched 2004



Registered users over 20 million



Life-to-date revenue over \$0.7 billion



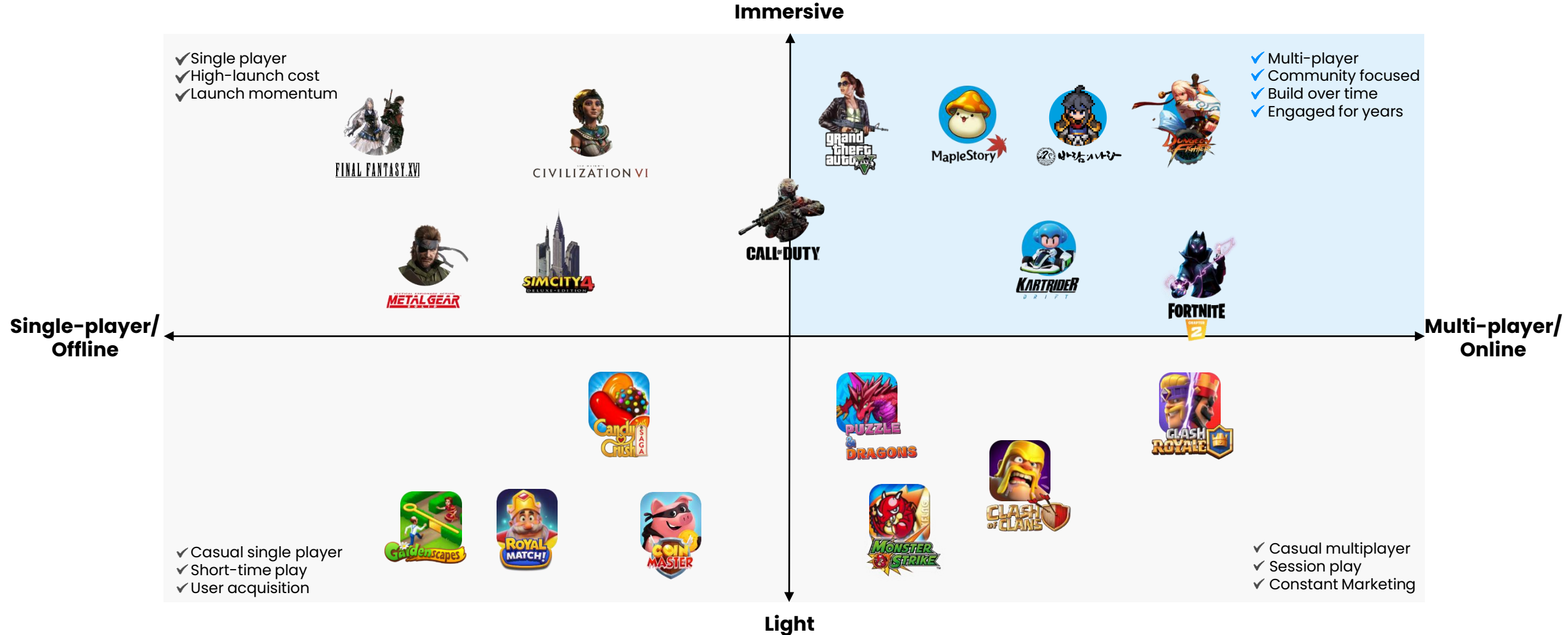
MMORPG with life-oriented content and contemporary music, fashion, and cooking. Highly differentiated from existing battle-focused games that saturate the market

¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders

NEXON's Business

Global Leader in Virtual Worlds

Players Tastes Evolving to Deeply Immersive Online Virtual Worlds



¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders.

² The categorization of the games shown in this material is based on our own view. It may not necessarily reflect the common views in the market.

Nexon Focus

1
**FOCUS ON
VIRTUAL WORLDS**

2
**PLATFORM
EXPANSION**

3
**LEVERAGE
OUR OWN IP**

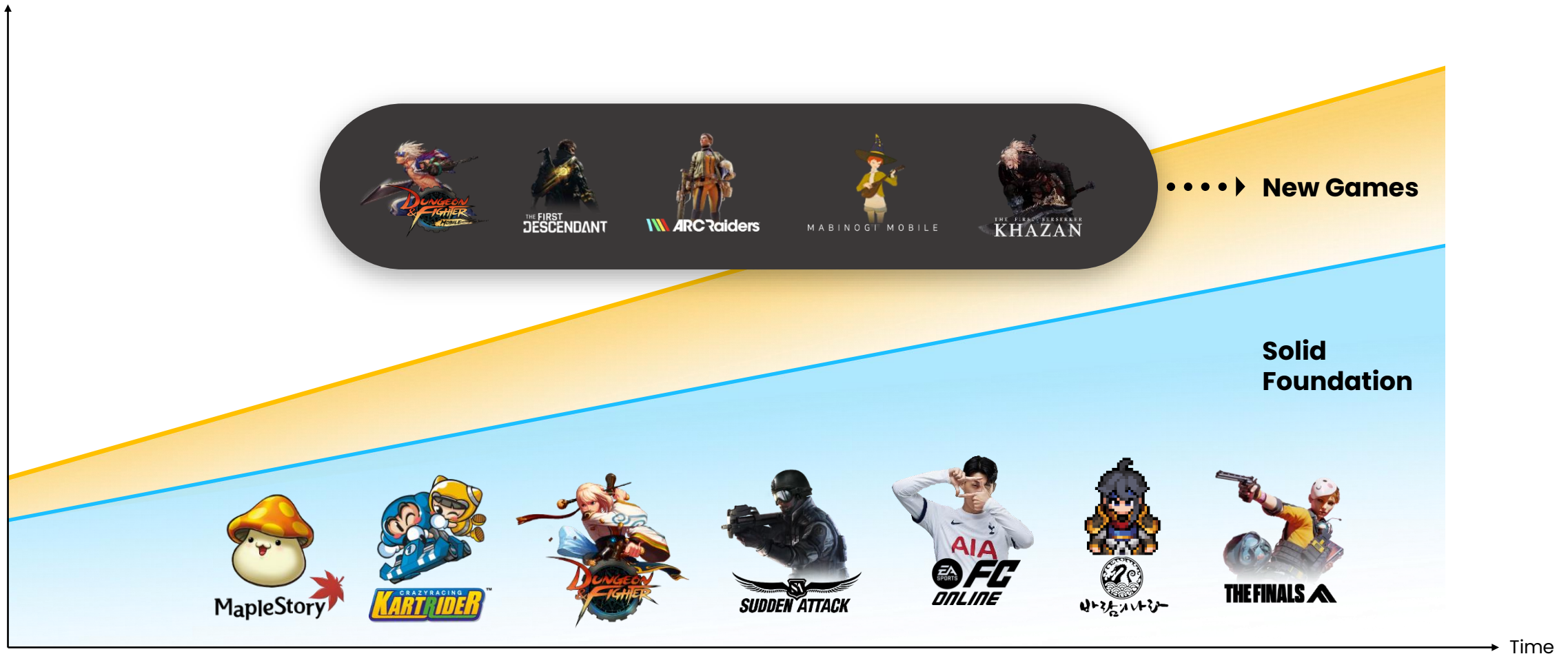
4
**INVEST IN NEW IP
AND TECHNOLOGY**

¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders.

Solid Foundation. Significant Upside Opportunities

Big Growth Opportunities Layered on Top of Core Business

REVENUE

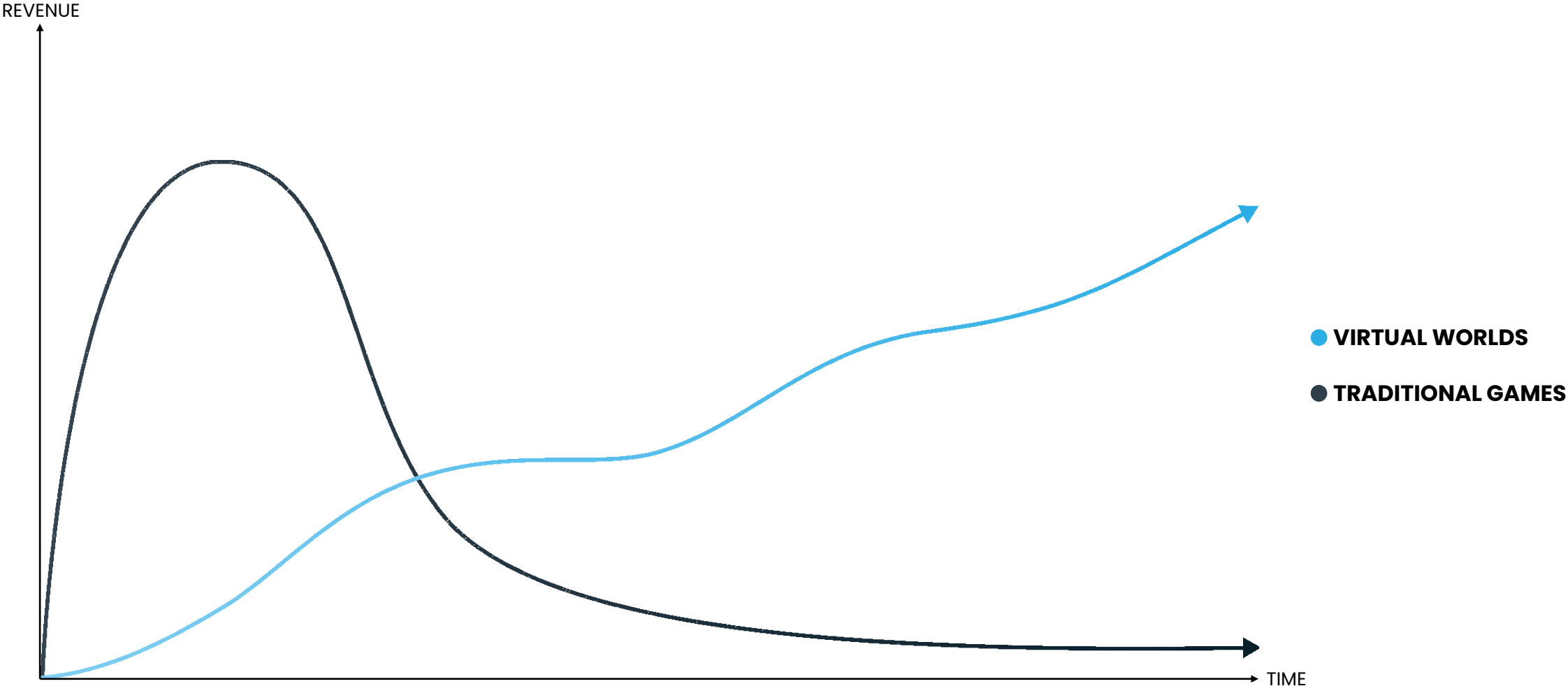


2024

¹ The letters, graphics, symbols, logos and other marks, and illustrations, characters and other works, which are shown in this material are trademarks, registered trademarks, copyrighted works or other legally protected materials owned by respective right holders.

Mental Model of Virtual Worlds

Virtual Worlds Can Grow Over a Period of Years Despite the Near-term Ups and Downs



Glossary of Terms

Term / Abbreviation	Meaning
FPS (first person shooter)	A game in which the player plays from the point of view of the game character in three-dimensional graphics
MMORPG (massively multiplayer online role playing game)	An online role-playing game that has a “massive” number (usually several hundred or more) of players who play concurrently
MAU (monthly active user)	Monthly total number of users who logged in and played Nexon’s PC online games. MAU in this presentation is the quarterly average of such numbers. Nexon’s PC online games include game developed and serviced by Nexon group, games developed by Nexon group and serviced by non-Nexon group publishers, and game developed by non Nexon group acquired publishing rights.
ARPPU (average revenue per paying user)	The amount obtained by dividing monthly PC online game gross revenues by the number of monthly paying users. ARPPU in this presentation is the quarterly average of such numbers. Gross revenues used in the calculation are in-game sales, and exclude other revenues included in PC revenues such as sales from PC café time charge.
Pay Rate	The percentage rate obtained by dividing the number of monthly paying users by the number of monthly active users. Pay rate in this presentation is calculated using the quarterly average of such numbers.
MCCU (maximum concurrent users)	The maximum number of users concurrently accessing a game at a particular moment. MCCU is generally used to measure the popularity of a game
Closed Beta Test (CBT)	A trial version (beta version) of a game offered for a certain period of time to a limited number of users or groups. A Limited Beta Test is an even smaller-scale trial mode of a game with fewer numbers of users or group
Open Beta Test (OBT)	A trial version (beta version) of a game a certain period of time without restrictions on participation. OBT is usually conducted after CBT.
Tier One Update	Large scale update to existing PC games typically launched in Q1 or Q3 around peak season
Tier Two Update	Smaller update to existing PC games released throughout the year

Disclaimer

This presentation is prepared to offer reference information about NEXON group to the investors and is intended to generally provide investors and analysts with financial and operational information about Nexon, but not to solicit or recommend any sale or purchase of stock or other securities of Nexon. NEXON Co., Ltd. (“Nexon”) has not verified and would assume no responsibility for the accuracy, appropriation, or completeness thereof. This presentation does not contain all relevant information relating to Nexon or the sale of its shares, including, without limitation, the information that would be stated under the captions “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business” in an annual report. Any investment decision with respect to any shares of Nexon should be made solely upon the basis of the information contained in the disclosure documents and is qualified in its entirety by reference to the detailed information appearing in the disclosure documents.

This presentation includes non-GAAP and non-IFRS financial measures, including but not limited to key performance indicators, as well as ratios calculated on the basis thereof. These non-GAAP and non-IFRS financial measures should not be considered in isolation or as a substitute for the most directly comparable financial measures included in our consolidated financial statements and presented in accordance with IFRS.

This presentation includes forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “anticipate”, “assume”, “believe”, “estimate”, “expect”, “forecast”, “may”, “plan”, “potential”, “predict”, “seek”, “should”, or “will”, or by other similar terminology. These statements discuss expectations, identify strategies, contain projections of Nexon’s financial condition or results of operations or state other forward-looking information. The forward-looking statements in this presentation are subject to various risks, uncertainties and assumptions about Nexon’s business and results of operations. The expectations expressed in these forward-looking statements may not be achieved, and actual results could differ materially from and be worse than expectations. Potential risks and uncertainties that could cause actual results to differ materially from expectations include, without limitation:

Disclaimer

- Continued growth and popularity of Nexon's key titles;
- Nexon's ability to maintain favorable relationships with key licensing partners;
- Nexon's continued ability to offer games in China, through local partners or otherwise;
- Nexon's ability to compete effectively in the online games industry;
- Nexon's ability to address hacking, viruses, security breaches and other technical challenges;
- Fluctuations in currency exchange rates;
- Nexon's ability to maintain and further develop its brand name;
- Effective acquisition of new companies, businesses, technologies and games from third parties and the possibility of recognizing impairment losses;
- Continued growth of the online games market, including the underlying infrastructure, and free-to-play/item-based revenue generation model;
- Nexon's ability to adapt to new technologies;
- Nexon's ability to enter into licensing arrangements for third-party titles on terms favorable to it;
- Effective defense of Nexon's intellectual property; and
- Legislative, regulatory, accounting and taxation changes in the countries in which Nexon operates.

Nexon does not intend, and disclaims any duty, to update or revise any forward-looking statements contained in this presentation to reflect new information, future events or otherwise.

We caution you not to place undue reliance on the forward-looking statements contained in this presentation.

Q1 2024 Earnings Release Schedule

Q1 2024 financial results are scheduled for release on

Tuesday, May 14th, 2024.

Nexon management is scheduled to host an earnings conference call for investors, analysts and the media on the same day.

Details of the earnings conference call will be available on our IR website about a month prior to the release.

