



NCSoft IR PRESENTATION

Aug 2025

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1. Industry Overview : Global Games Market Snapshot

Estimated size of
global gaming market in 2026 is
\$ 228BN

~\$150 BN
in- app purchase across
iOS and Google Play in 2024

Gaming market is
#1
among other contents industries

+4%
CAGR expected
from 2024 ~ 2027
for the global gaming market

+5%
CAGR expected
from 2023 ~ 2026
for the mobile gaming market

+2%
CAGR expected
from 2023 ~ 2026
for the console gaming market

+2%
CAGR expected
from 2023 ~ 2026
for the PC gaming market

Korea represents
8%
of the global gaming market

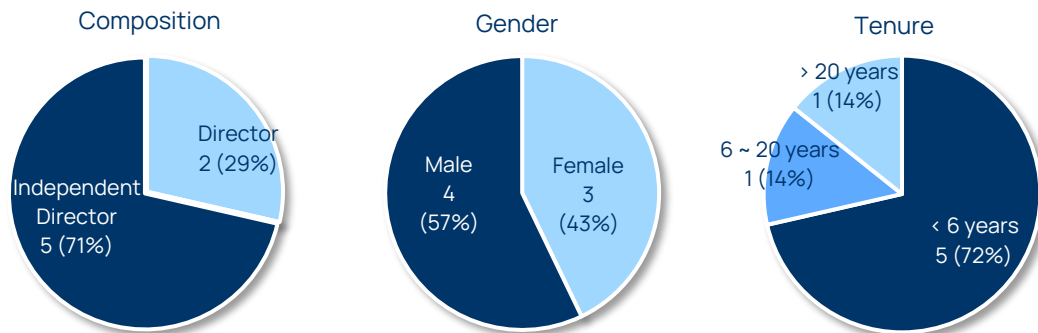
Korea gaming market is the
#4
biggest worldwide

(Source : 2024 White paper on Korean Games, Sensor Tower, Newzoo)

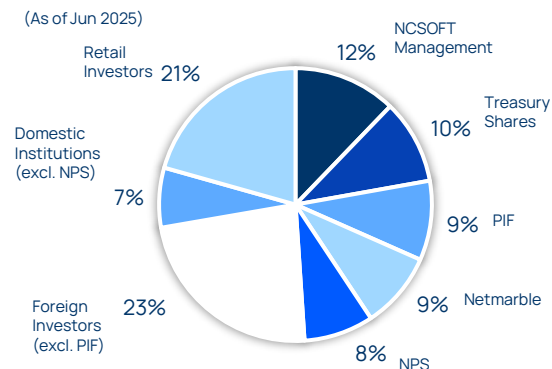
2. Company Overview : Corporate Governance

- NCSOFT's board of directors comprises 7 members, each contributing to the board's independence, diversity, and expertise

Board Composition & Skills Matrix



Ownership Structure



Director	Management/ Leadership	Investment	Accounting/ Finance	Law/Public Policy/ Risk Management	Industrial Technology/ Experience	International Relationship	ESG
Taek-Jin Kim (Co-CEO, Chair of the Board)	●				●	●	
Byung-Moo Park (Co-CEO)	●	●	●	●	●	●	
Young-Ju Choie (Chair of the Outside Director Nomination Committee)				●	●		
Kyo-Hwa Chung (Chair of the Audit Committee)				●	●	●	
Jae-Chun Choe	●			●		●	●
Jae-Ho Lee (Chair of the Compensation Committee)	●	●	●		●		
Eun-Hwa Lee	●		●	●		●	●

2. Company Overview : Yearly Revenues Trend (1998 ~ 2024)

- Since 1998, NCSOFT has built a strong asset base through the launch of high-quality MMORPGs that provide long-lifecycle live services
- Expecting the next phase of growth with the successful launch of new titles and overseas expansion

Growth with PC MMO

Conversion of PC IP to Mobile

(Unit : KRW BN)

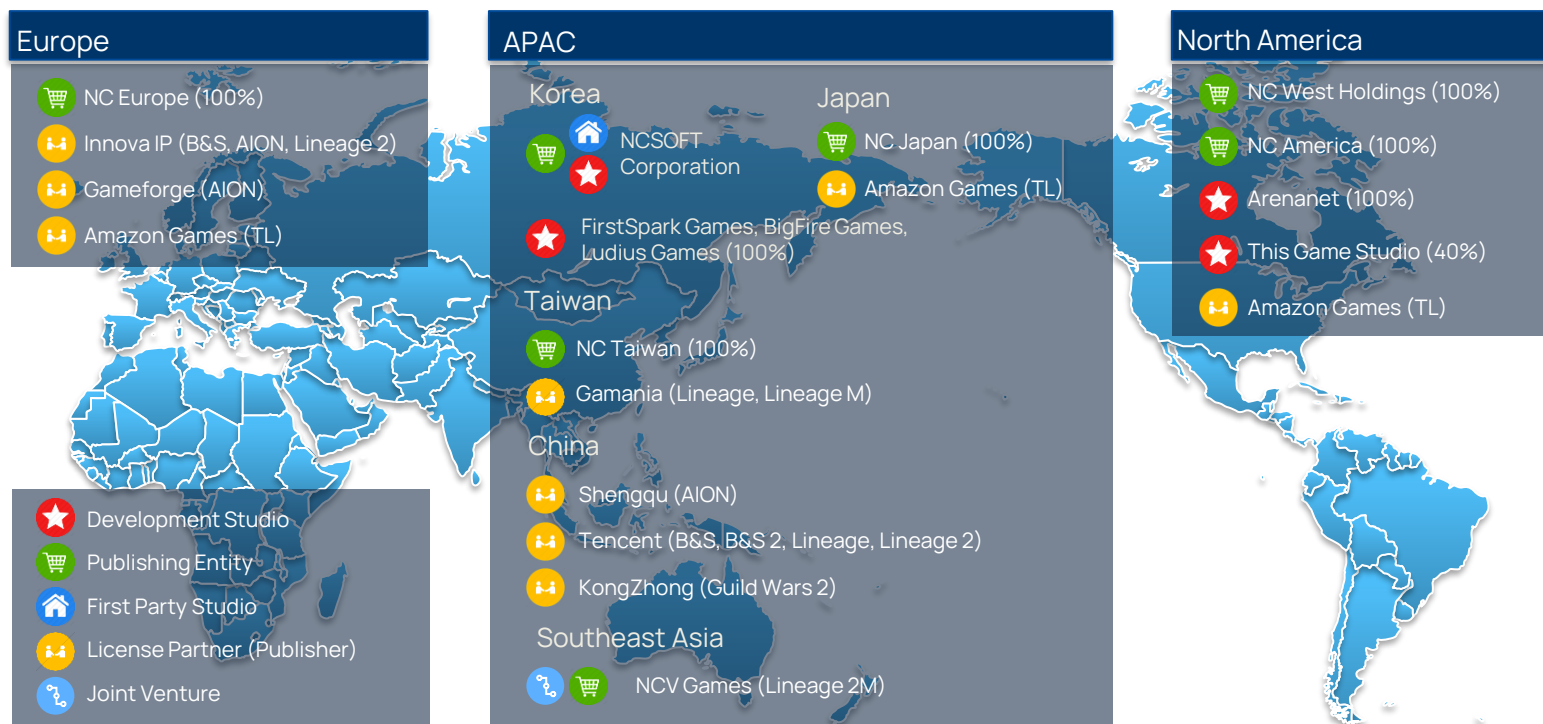
1998-2024 (26 years)
CAGR +33%



2. Company Overview : Development & Publishing Network

- Development studios in Korea and North America
- Well-organized publishing arms in major markets such as US, Taiwan, Japan and Europe

Globalized Development & Publishing Network



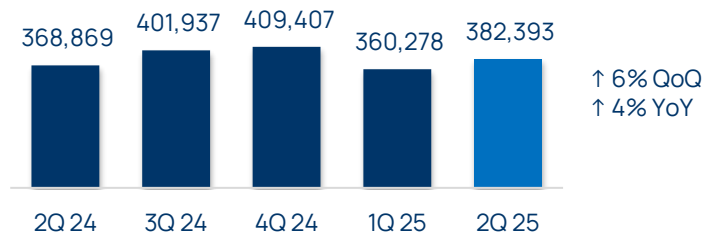
3. Financial Highlights (Quarterly)

- Q2 sales was KRW 382.4 billion, up 6% QoQ and 4% YoY
- Operating profit grew 189% QoQ to KRW 15.1 billion, supported by sales growth and other cost savings. YoY, it rose by 71%
- The period ended with a net loss, due to decline in FX-related profit/loss driven by a weaker US dollar

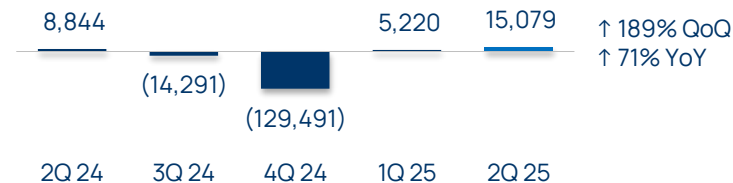
Quarterly Performance

(Unit : KRW MN)

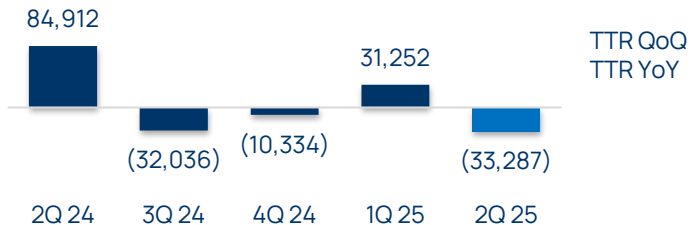
Sales



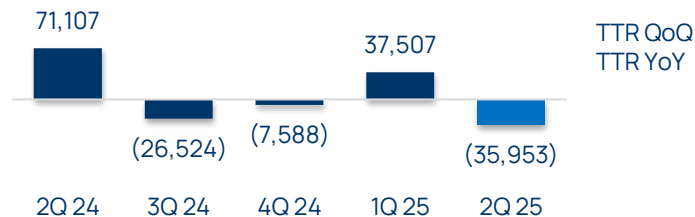
Operating Profit



Pre-tax Income



Net Income



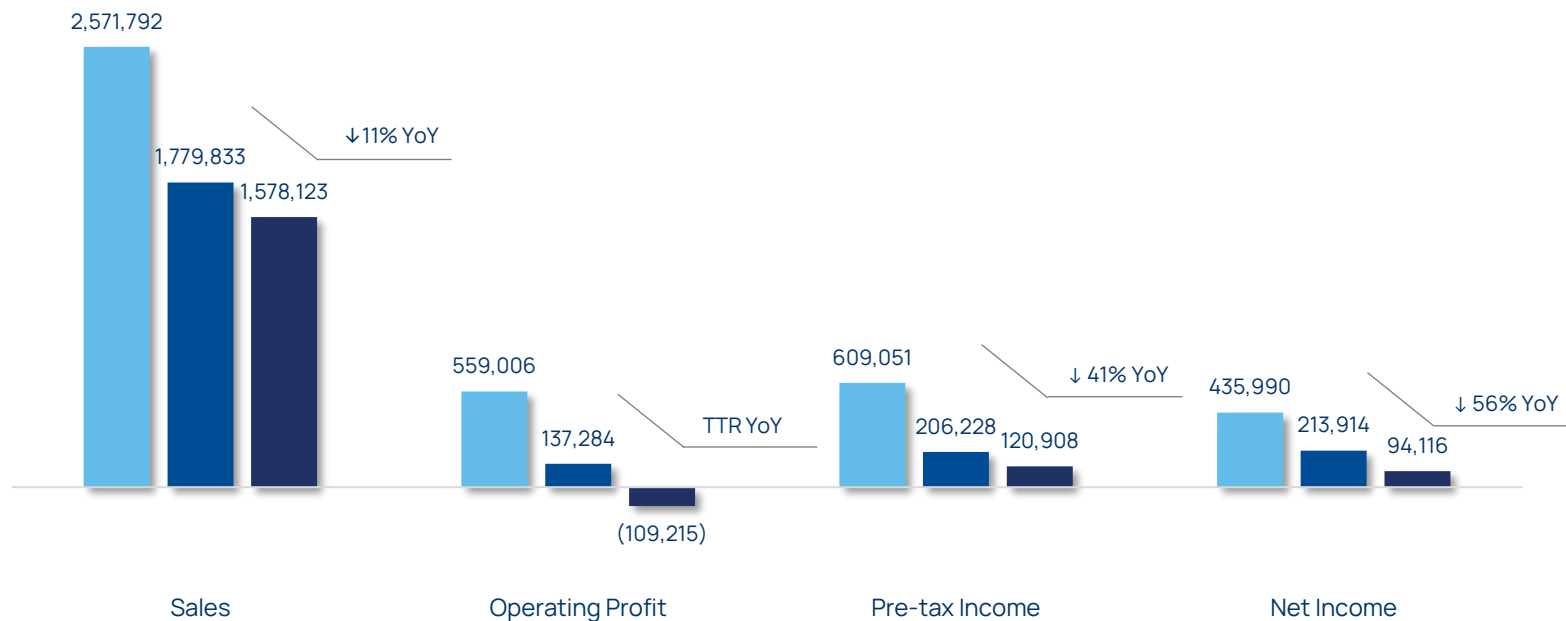
3. Financial Highlights (Yearly)

- Full-year 2024 sales recorded KRW 1,578.1 billion (YoY -11%) and operating loss was KRW 109.2 billion (TTR YoY)

Performance of Past 3 Years

(Unit: KRW MN)

■ 2022 ■ 2023 ■ 2024



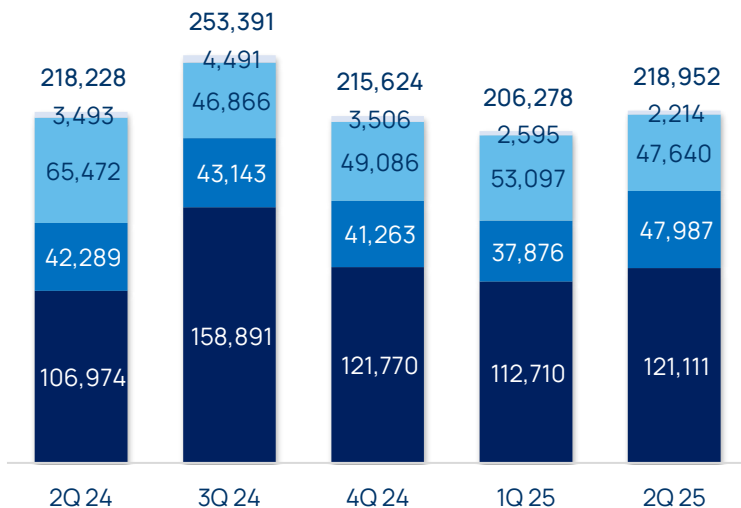
4. Sales Breakdown (Quarterly by Game)

- Q2 both mobile and PC online game sales grew quarter-over-quarter and year-over-year
- Mobile game sales rose 6% QoQ and 0.3% YoY to KRW 219.0 billion, representing 57% of total sales
- Legacy PC online game sales recorded KRW 91.7 billion, up 10% QoQ and 6% YoY, accounting for 24% of sales

Mobile Games

(Unit : KRW MN)

■ Lineage M ■ Lineage 2M ■ Lineage W ■ Blade & Soul 2

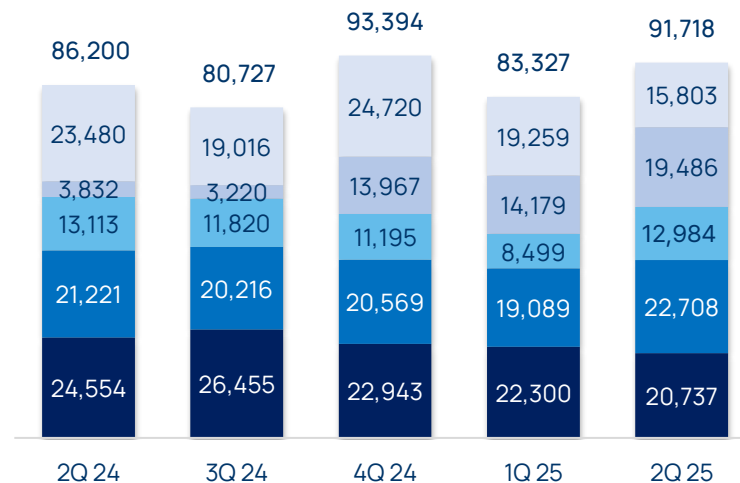


* Not including other mobile games

PC Online Games

(Unit : KRW MN)

■ Lineage ■ Lineage 2 ■ Aion ■ Blade & Soul ■ Guild Wars 2



* Not including other PC online games

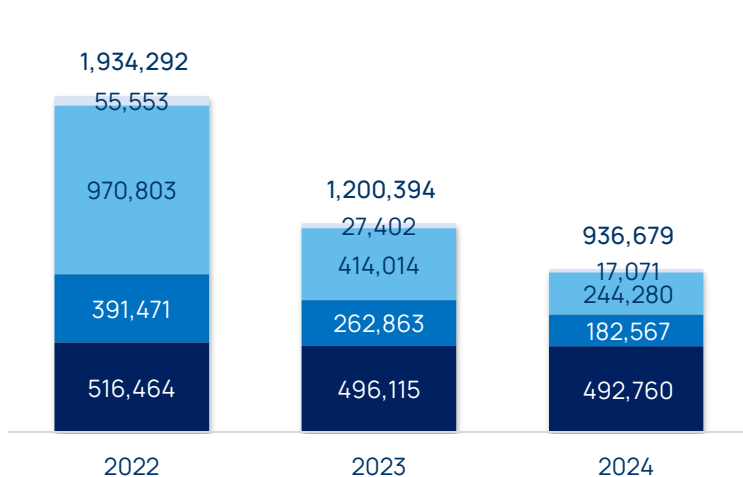
4. Sales Breakdown (Yearly by Game)

- Full-year 2024 mobile game sales declined 22% YoY to KRW 936.7 billion, accounting for 59% of total sales
- Online PC game sales declined 2% YoY to KRW 351.8 billion, representing 22% of total sales

Mobile Games

(Unit: KRW MN)

■ Lineage M ■ Lineage 2M ■ Lineage W ■ Blade & Soul 2

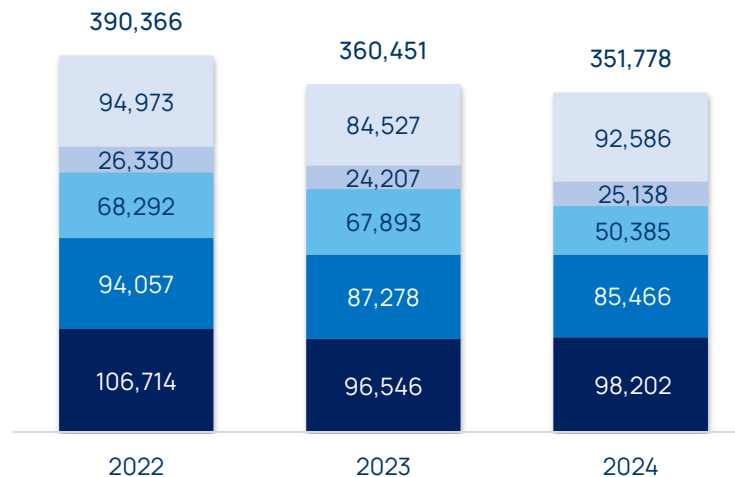


* Not including other mobile games

PC Online Games

(Unit: KRW MN)

■ Lineage ■ Lineage 2 ■ Aion ■ Blade & Soul ■ Guild Wars 2



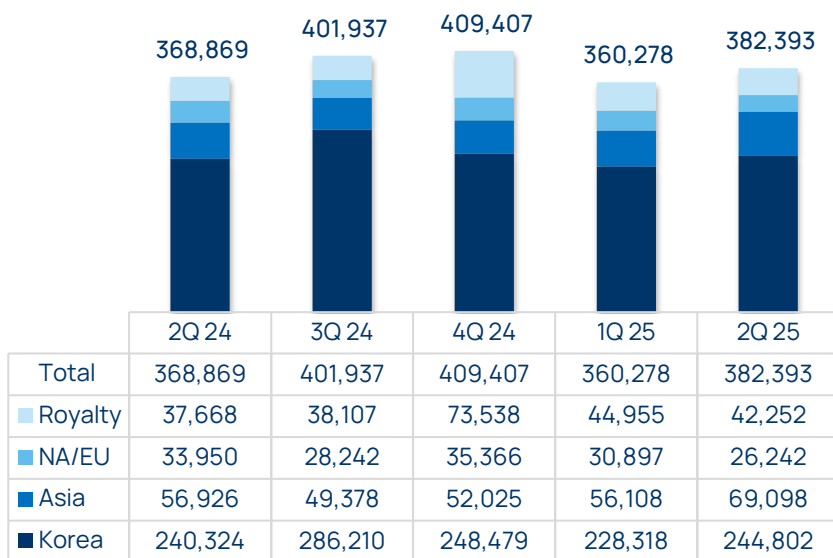
* Not including other PC online games

4. Sales Breakdown (by Region)

- Q2 Korea sales rose 7% QoQ and 2% YoY to KRW 244.8 billion, thanks to solid performance across our Legacy IPs
- Asia sales grew 23% QoQ and 21 % YoY to KRW 69.1 billion, mainly driven by the successful launch of Lineage 2M in SEA
- Royalties declined 6% QoQ but rose 12% YoY, totaling KRW 42.3 billion

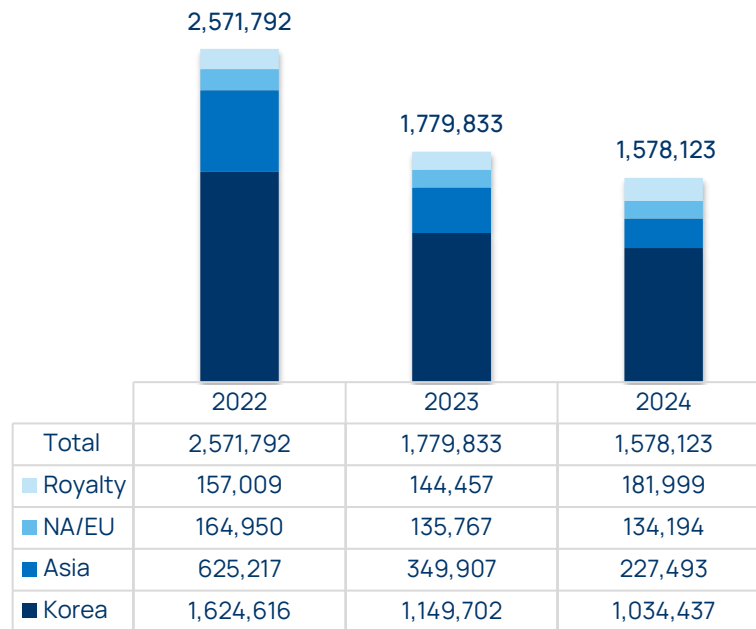
Quarterly

(Unit: KRW MN)



Yearly

(Unit: KRW MN)

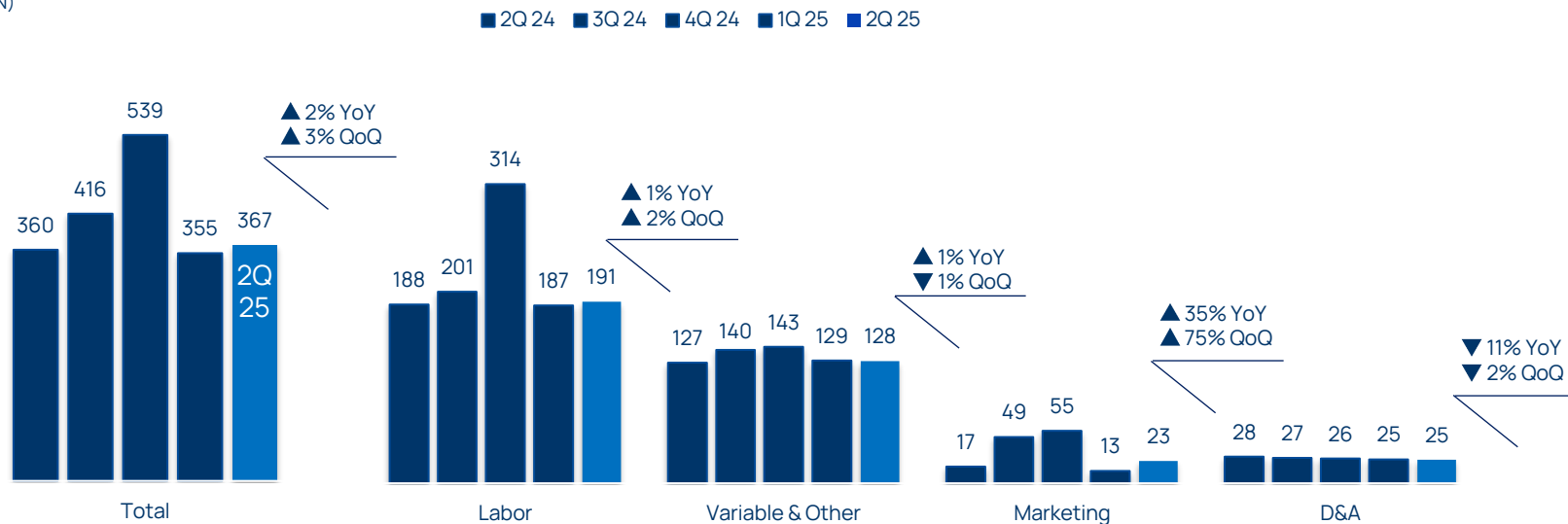


5. Cost Breakdown (Quarterly)

- Q2 total operating expenses increased 3% QoQ to KRW 367.3 billion
- Labor cost grew 2% QoQ and 1% YoY to KRW 190.8 billion
- Marketing expenses totaled KRW 23.4 billion, a 75% QoQ increase, impacted by large-scale updates and regional expansion of live-service games, as well as marketing efforts for new titles

Quarterly Operating Cost Breakdown

(Unit : KRW BN)

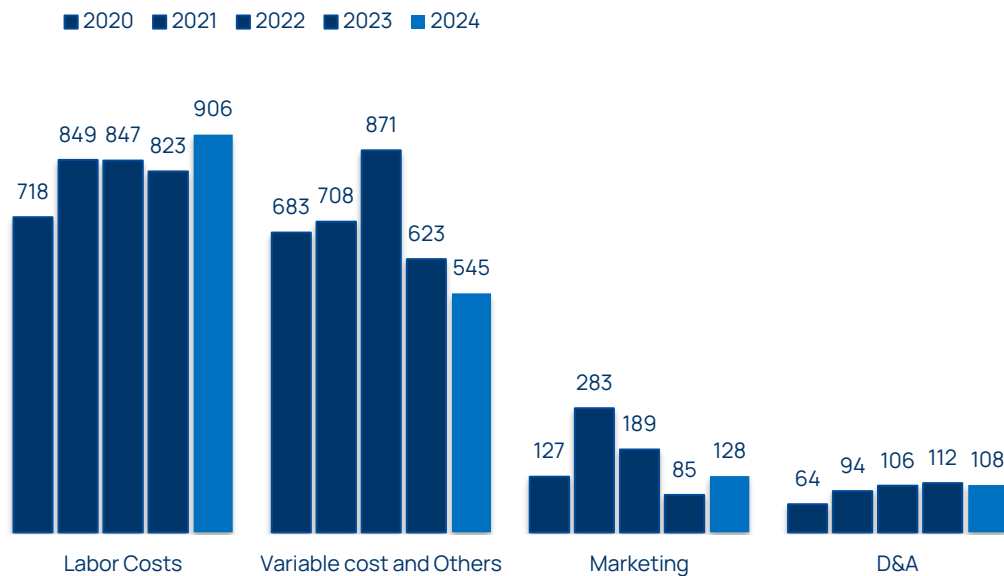


5. Cost Breakdown (Yearly)

- Full-year 2024 operating expenses totaled KRW 1,687.3 billion, up 3% YoY
- Labor costs increased 10% YoY to KRW 906.4 billion primarily on severance package payments following organizational efficiency initiatives.
- Marketing expenses rose by 51% YoY to KRW 128.2 billion, attributed to new title releases

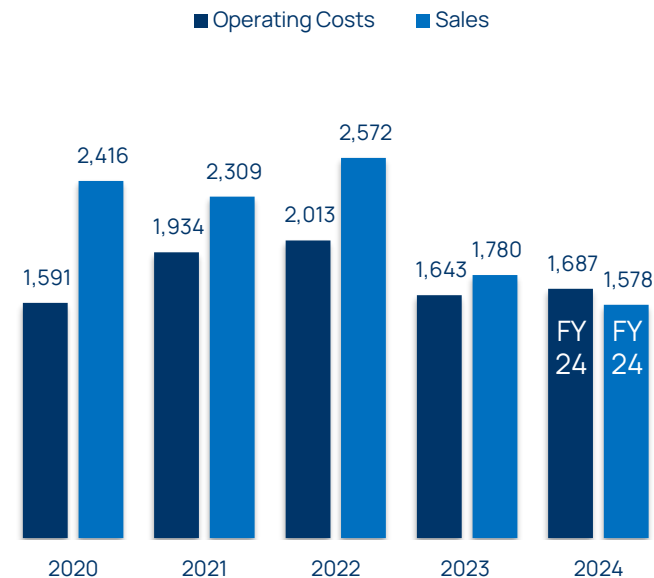
Yearly Operating Cost Breakdown

(Unit : KRW BN)



Yearly Operating Cost Vs Revenues

(Unit : KRW BN)

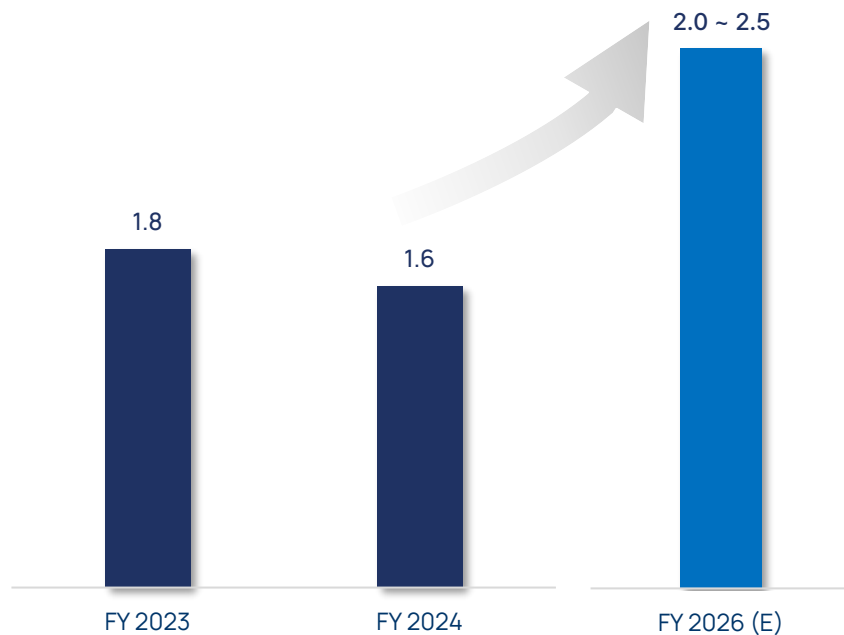


6. FY2026 Sales Guidance

- Through continued expansion of Legacy IPs and new title launches, sales in FY 2026 are expected to reach KRW 2.0 trillion, with potential upside to KRW 2.5 trillion depending on the success of the new releases

FY 2026 Sales Guidance

(Unit : KRW TN)



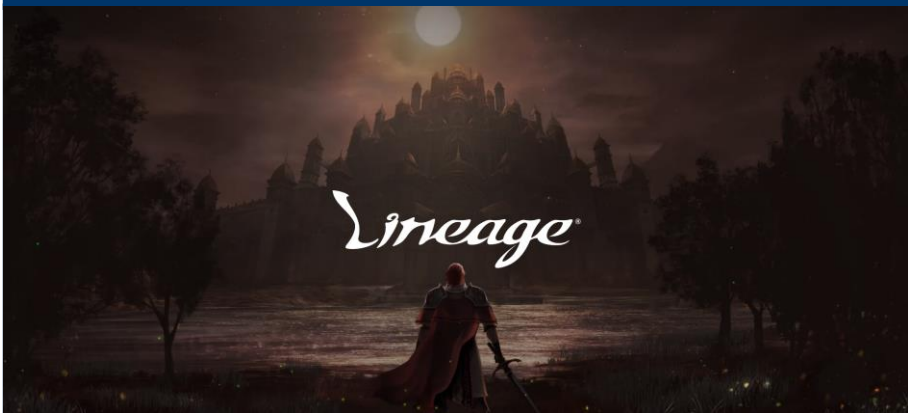
FY 2026 Sales Guidance Breakdown

(Unit : KRW TN)

Category	FY 2026 Sales Guidance
<Legacy IP> <ul style="list-style-type: none">• Diversified live game services• Regional expansion• Spin-off games• IP licensing	1.4 - 1.5
<New Titles> <ul style="list-style-type: none">• In-house developments• External IP publishing	0.6 - 1.0
Total Sales	2.0 - 2.5

7. Strength : Multiple Successful IPs

Lineage



- ✓ Launched in 1998 (remastered in 2019)
- ✓ Set the standard for Korean MMORPGs by pioneering RvR content, specifically castle siege wars
- ✓ Expanded into the mobile platform with Lineage M and Lineage W
- ✓ **IP cumulative revenue: KRW 12.9 trillion**

Lineage 2



- ✓ Launched in 2003
- ✓ Full 3D graphics MMORPG with 'seamless open world'
- ✓ Ranked first in PC cafés in Japan
- ✓ Expanded into the mobile platform with Lineage 2M
- ✓ **IP cumulative revenue: KRW 5.2 trillion**

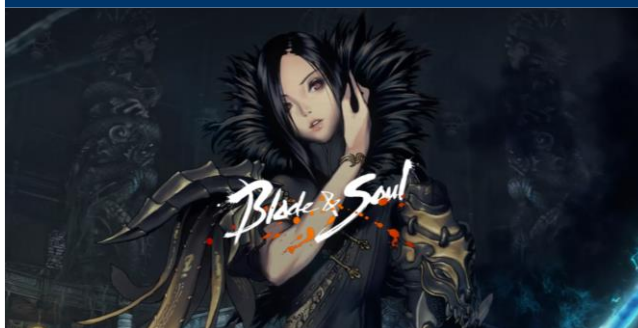
7. Strength : Multiple Successful IPs

AION



- ✓ Launched in 2008
- ✓ The first Korean game to introduce aerial PvP
- ✓ Maintained no.1 ranking in Korean PC cafés for 160 consecutive weeks
- ✓ Won the Best Online Game Award at Gamescom, and the Best MMO Game Award at Pax (2009)
- ✓ **IP cumulative revenue: KRW 2.0 trillion**

Blade & Soul



- ✓ Launched in 2012
- ✓ An action MMORPG featuring oriental martial arts (e.g. wind-walking and water dash) and a distinctive storyline and characters
- ✓ Expanded into the mobile platform with B&S 2
- ✓ **IP cumulative revenue: KRW 1.9 trillion**

Guild Wars 2

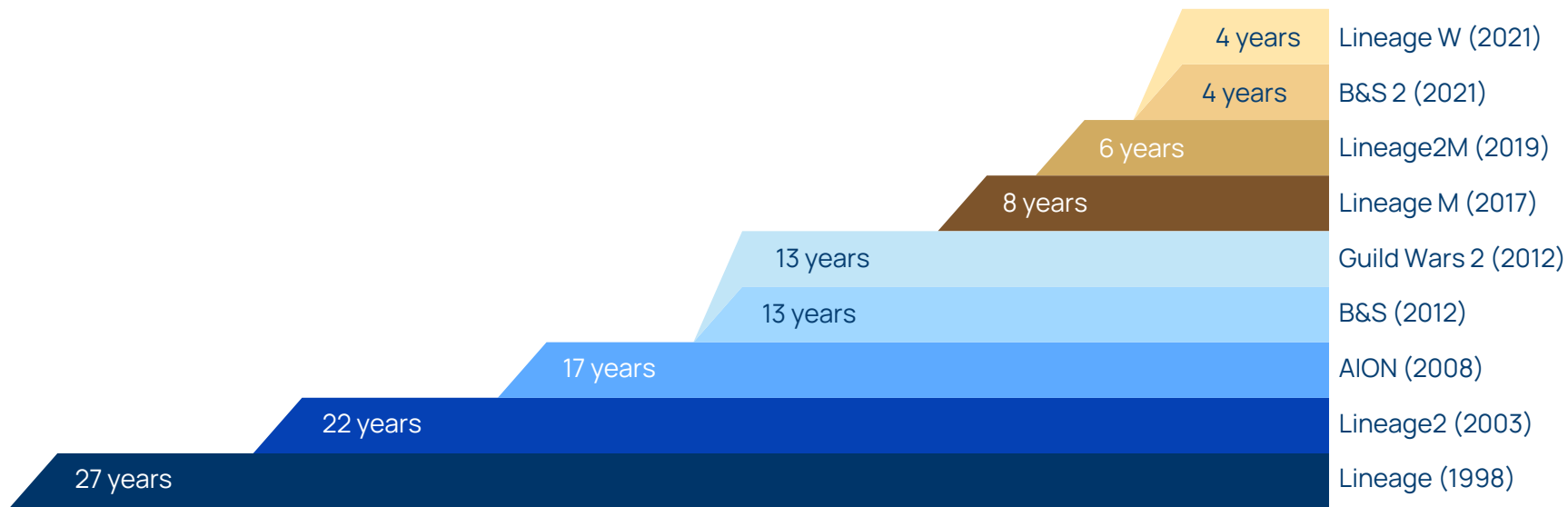


- ✓ Launched in 2012
- ✓ Released 5 expansion packs
- ✓ Offered distinct story-driven content called Living World, with a strategic combat system
- ✓ Has acquired more than 20 million users globally since its launch
- ✓ **IP cumulative revenue: KRW 1.5 trillion**

7. Strength : Expertise in Live Services

- Deliver timely and continuous content updates to extend the lifecycle of live-serviced games
- Diversify the product portfolio by unlocking the value of legacy IP to drive sustainable growth

Extending Lifecycle of Legacy IPs (# of years after its launch, by title)



7. Strength : Our Technology

Massive scale live service



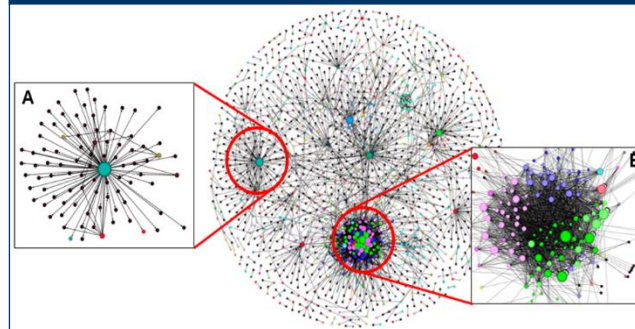
- ✓ NCSoft strives to ensure top-notch stability and connectivity as a leading developer of MMORPG technology
- ✓ For example, our efforts, including the application of the RIO (registered I/O) API to reduce CPU usage and stabilize connectivity, as well as the Level Segment Graph to significantly decrease load times, contributed to the successful release of Lineage W, achieving 1.9 million concurrent users on the first day

AI-powered development



- ✓ NCSoft established an AI research department in 2011 and has developed technologies and services tailored for the gaming industry
- ✓ Currently, AI is applied in various areas, including TTS, animation generation, translation, in-game data analysis, chatbots, among others.
- ✓ NC will continue expanding AI adoption to further enhance development efficiency, improve content quality, and strengthen customer service

Data-driven approach



- ✓ A data-driven approach, encompassing data analysis, project management, ROI, and cost management, has been central to NCSoft's efforts to improve organizational efficiency and optimize costs management
- ✓ With this approach, NCSoft aims to solidify the user base of our established games, comply with release schedules and meet external expectations with our development pipelines

8. Strategy to Achieve Growth

- NCSOFT aims for continuous sales growth driven by four key pillars: 1) Legacy IP, 2) In-house development of new IP, 3) Strategic investments in external IP, and 4) Inorganic growth through M&A

4 strategic pillars to achieve sales growth



* Note : This graph is for illustrative purposes only

8. Strategy : Unlocking Legacy IP Value

- Strengthening legacy IPs is key to building a solid foundation
- Dedicated to extending the lifecycle of our legacy IPs, expanding their global reach, and diversifying their genres

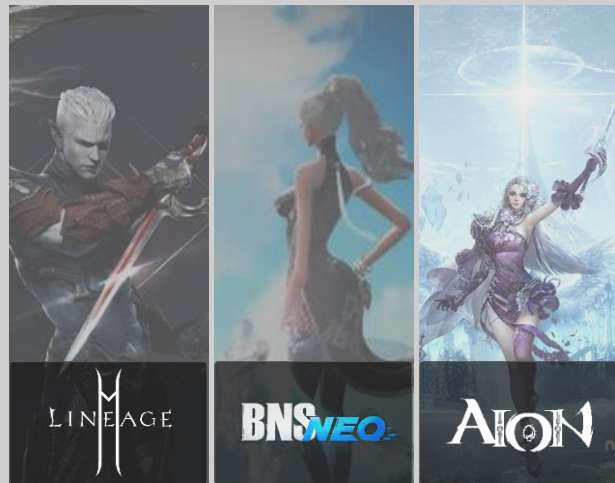
How to unlock and expand legacy IP value



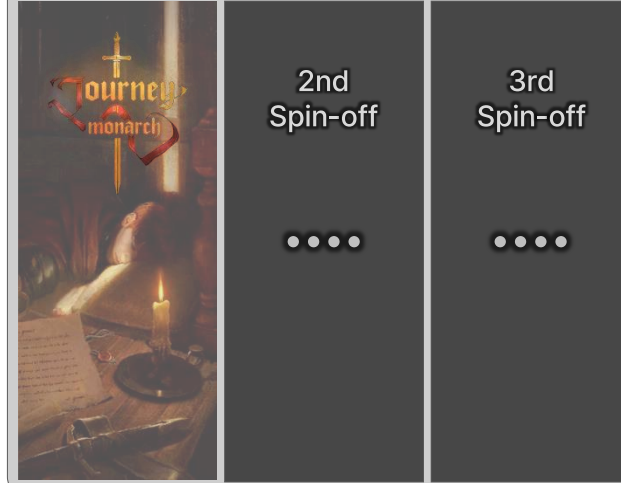
Extending Product Lifecycle



Geographical Expansion



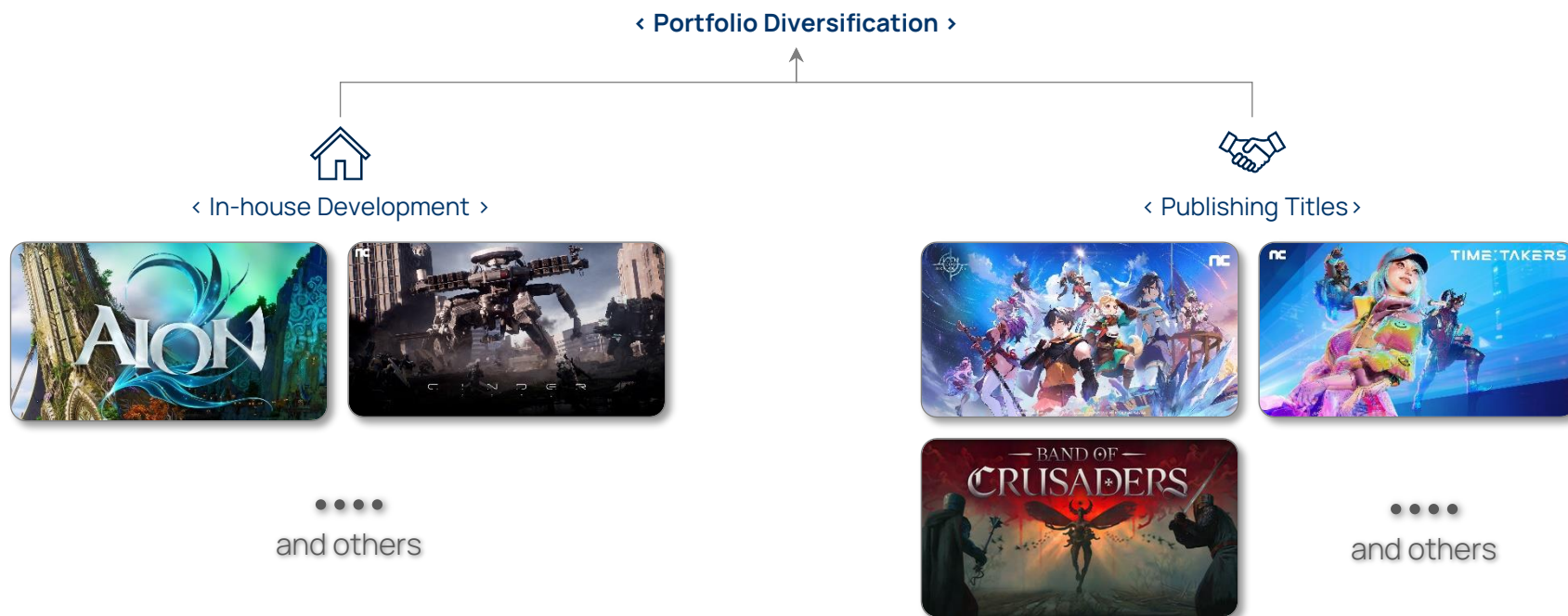
Spin-off Game Development



8. Strategy : Building a Global IP Portfolio

- Striving to continuously diversify our portfolio across IPs, genres, platforms, and regions through:
1) Innovative in-house development, and 2) Promising publishing titles

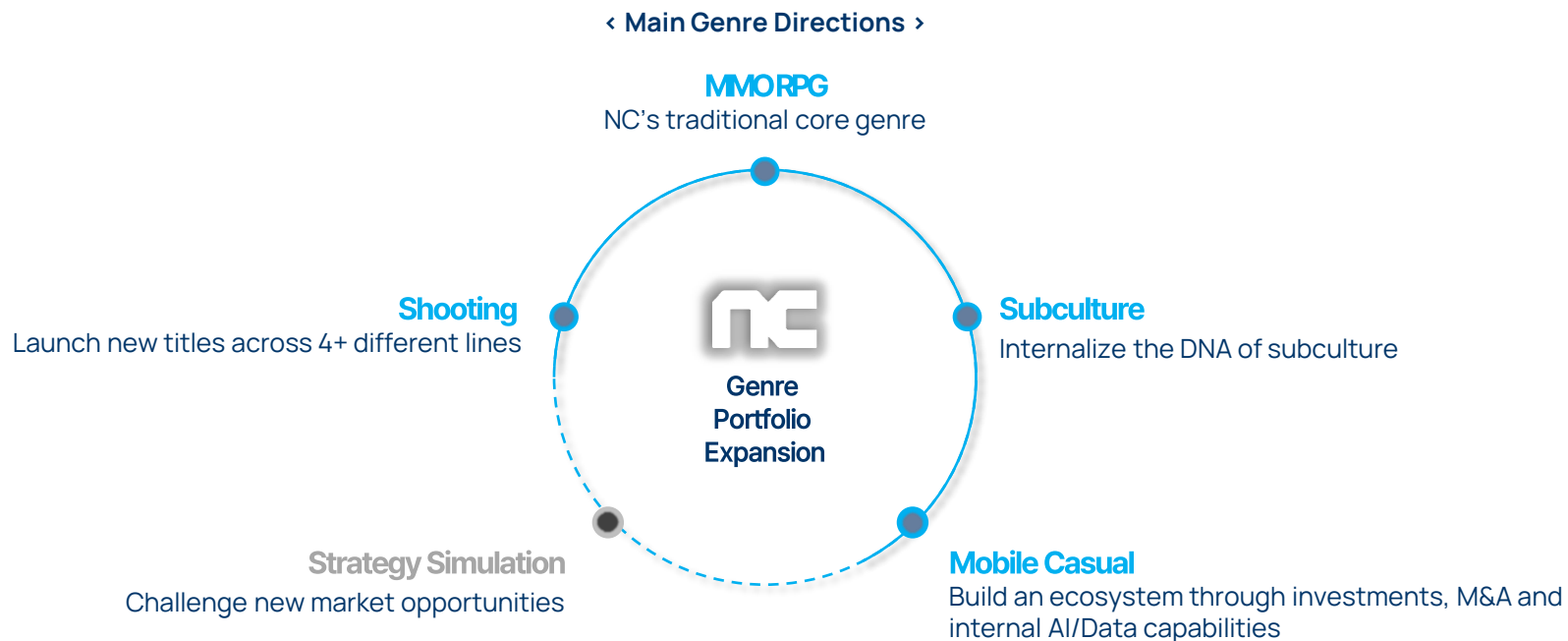
Inhouse R&D and Securing Publishing titles for Portfolio Diversification



8. Strategy : Diversifying the Genre Portfolio

- Build genre-specific clusters to create a synergy for each core genre
- Accelerate global publishing through genre-specific clusters

Building genre-specific clusters



8. Strategy : Collaboration with Partners

- Building strong relationships with global partners is one of the most effective strategies for bringing our products to audiences worldwide
- Investing in external developers through equity stakes and publishing rights will create new business opportunities and accelerate global expansion

Driving Global Expansion with Diverse Partners

Strategic Partnerships



Investment in External Partners

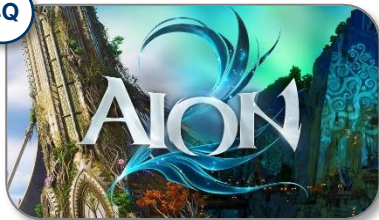


9. Game Pipeline

2025

2026 ~

4Q



1Q



'26

4 spin off games
(One title per quarter)

TBD

A global IP based
MMORPG

2Q



'26

Regional expansions

- Lineage W (SEA)
- Lineage 2M (China)
- Lineage M (China)
- AION 2 (Global)

TBD

A shooter game with
innovative concept

3Q



TBD



...
and others

10. Consolidated Financial Statements

Statement of Financial Position

	FY 2024	2Q 25
Assets		
I. Current Assets	1,788,537	1,786,299
Cash and cash equivalents	1,260,473	996,867
Short-term financial instruments	178,293	385,814
Account receivables	130,279	174,380
Other receivables	36,941	24,196
Short-term investment assets	39,816	72,589
Non-current assets held for sale	87,425	93,882
Others	55,309	38,572
II. Non-current Assets	2,165,404	2,164,609
Long-term loans	8,050	600
Other receivables	22,131	21,371
Long-term investment assets	813,452	813,505
Investment stock in associated companies	50,198	65,988
Investment property	-	-
Tangible assets	997,620	1,001,249
Intangible assets	103,873	104,100
Others	170,079	157,795
Total Assets	3,953,941	3,950,908

(Unit : KRW MN)

	FY 2024	2Q 25
Liabilities		
I. Current Liabilities	322,188	393,684
Borrowings	-	-
Account payables	70,549	100,226
Lease liabilities	45,845	48,192
Current tax liabilities	721	4,709
Other current liabilities	193,718	230,289
Liabilities held for sale	11,354	10,268
II. Non-current Liabilities	568,165	477,374
Debentures and borrowings	169,805	169,843
Defined benefit obligations	1,263	3,647
Long-term employee benefits	21,033	22,386
Lease liabilities	163,806	151,846
Others	212,256	129,652
Total Liabilities	890,353	871,059
Shareholders Equity		
Capital Stock	10,977	10,977
Other Paid-in Capital	(365,222)	(239,211)
Other Components of Equity	(61,168)	(13,481)
Retained Earnings	3,473,871	3,313,784
Non-controlling Interest	5,130	7,780
Total Stockholders Equity	3,063,589	3,079,850
Total Liabilities and Shareholders Equity	3,953,941	3,950,908

10. Consolidated Financial Statements

Income Statement

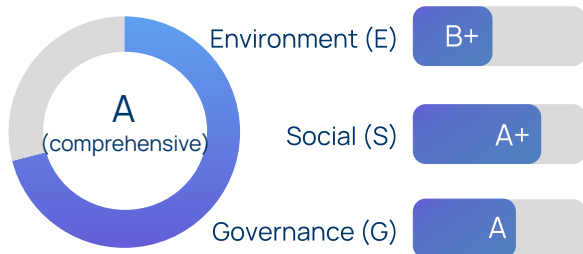
(Unit : KRW MN)

	2Q 24	3Q 24	4Q 24	1Q 25	2Q 25
Sales	368,869	401,937	409,407	360,278	382,393
Operating Expenses	360,025	416,228	538,897	355,058	367,315
Operating Income	8,844	(14,291)	(129,491)	5,220	15,079
Non-operating Income	76,069	(17,744)	119,156	26,032	(48,366)
Pre-tax Income	84,912	(32,036)	(10,334)	31,252	(33,287)
Income Tax	13,806	(5,512)	(2,746)	(6,255)	2,666
Net Income	71,107	(26,524)	(7,588)	37,507	(35,953)
Equity Attribution to the Owners of the Parent Company	70,994	(26,500)	(7,455)	37,760	(35,412)
Non-controlling Interest	112	(23)	(134)	(253)	(541)

11. NCSoft ESG Performances

KCGS ESG Ratings

■ Comprehensive Rating 2020 [B+] → 2024 [A]



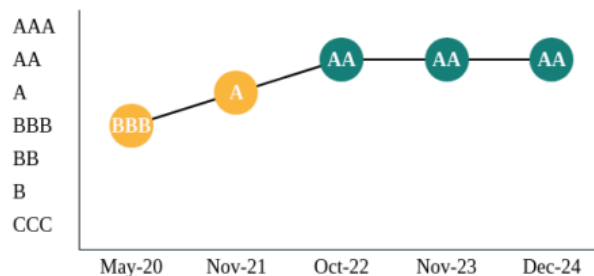
[Ref] ESG Ratings: S, A+, A, B+, B, C, D

■ Improvement Factors

- Environment (D → B+)
 - Very first disclosure of environmental data (GHGs, energy, etc.) among gaming companies
- Social (B+ → A+)
 - Disclosure of HR Data (diversity, education, etc.), Declaration of human rights policy, etc.

MSCI ESG Ratings

■ Comprehensive Rating 2020 [BBB] → 2024 [AA]



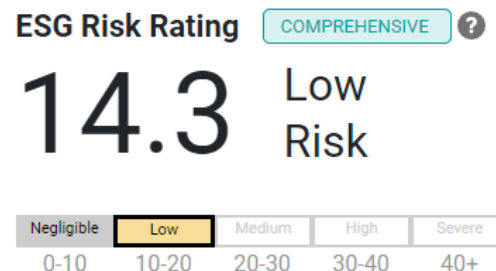
[Ref] ESG Ratings : 7 Ratings range from AAA to CCC

■ Improvement Factors

- Data privacy & Information Security
 - Information security policy of global standard
- Human Resource Development
 - Talent recruitment, gender diverse workforce

Sustainalytics ESG Risk Rating

■ Risk Rating 2021 [16.8] → 2023 [14.3]



[Ref] ESG Ratings : Indicated by risk score between 0 and 50. The lower the score, the lower the company's ESG risk

■ Improvement Factors

- Data privacy & Information security
 - Data privacy governance (education, regular audit, etc.)
- Human Resource Development
 - Disclosure of HR data (diversity, turnover rate, etc.)