

3Q24 Earnings Presentation

Pearl Abyss Corp.
12 Nov. 2024



Disclaimer



This presentation contains forward-looking statements that relate to our future operations, prospects, developments, strategies, business growth, and financial outlook. Forward-looking statements are identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'projects', 'could', 'should', 'will', 'continue' and other similar expressions.

All statements other than statements of historical fact could be forward-looking statements, which speak only as of the date they are made, do not guarantee future performance and are subject to certain risks, uncertainties, and other factors beyond our control and difficult to predict.

Also, Forward-looking statements are identified based on the current market situation and company's strategies, therefore, can be altered without notifications due to changes in market or the company's strategies.

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❖ Live Service

① Black Desert

- PC/Console : New content ('LTML : Seoul', New class 'Dosa')
- Mobile : New content and event (Heidel Ball, 'Azunak Arena')

② EVE

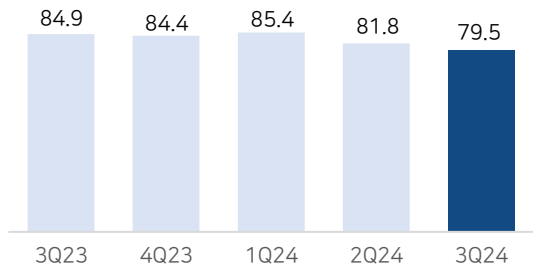
- EVE Online : PvP event (Alliance Tournament)
- EVE Vanguard : New content (Solstice)

❖ New IP

- ① **Crimson Desert** : Gamescom (B2C hands-on), 50-minutes gameplay video
- ② **Black Desert PC (China)** : Marketing (ChinaJoy 2024), Technical test
- ③ **EVE Frontier** : Play test
- ④ **EVE Galaxy Conquest** : Launch preparation

❖ Operating Revenue

(Unit: billion KRW)



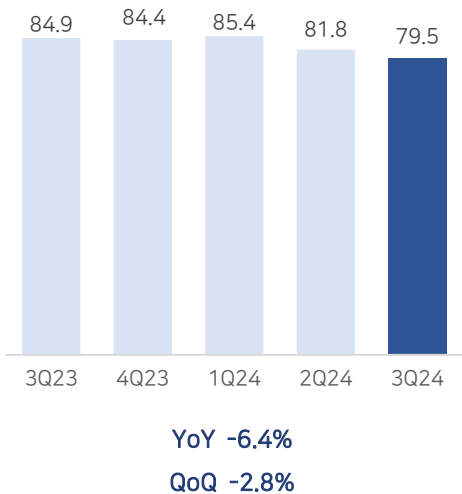
❖ 'Land of the Morning Light : Seoul'



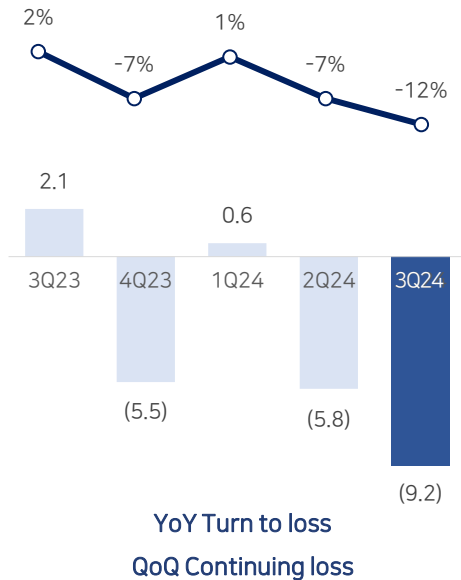
2. 3Q24 Operating Performance

❖ 3Q24 : Operating Revenue 79.5bil., Operating Loss 9.2bil., Net Loss 7.8bil. (KRW)

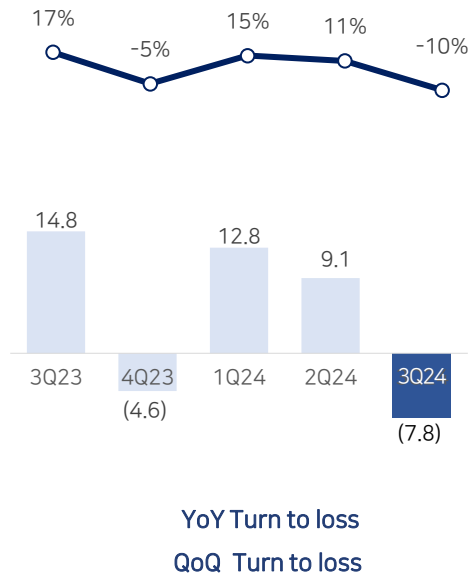
❖ Operating Revenue



❖ Operating Profit(Loss)



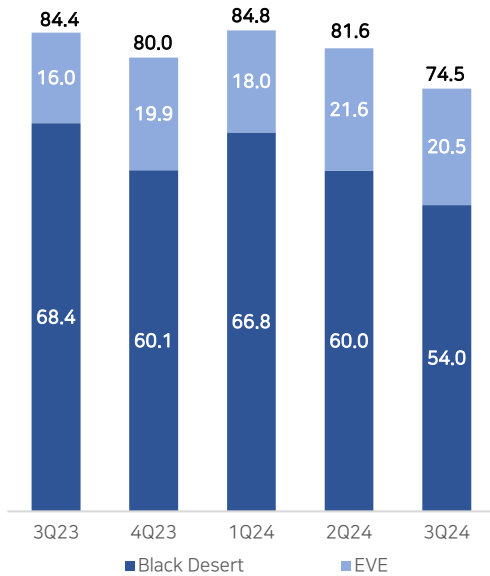
❖ Net Profit(Loss) (Unit: billion KRW, %)



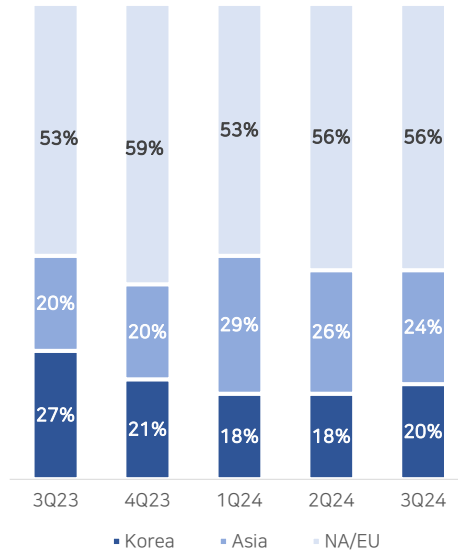
3. 3Q24 Revenue Breakdown

❖ Revenue by Core IP

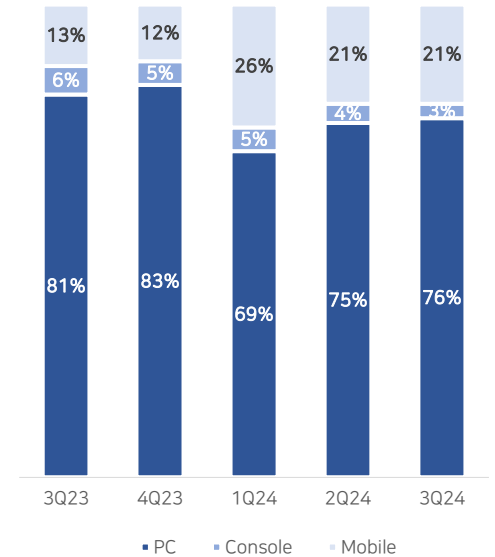
(Unit: billion KRW)



❖ Revenue by Region



❖ Revenue by Platform



(*) Black Desert/EVE IP

4. 3Q24 Operating Expenses

❖ Operating Expenses : KRW 88.7bil. (QoQ 1.2%)

❖ Operating Expense by Quarter

(Unit : million KRW, %)

	3Q23	4Q23	1Q24	2Q24	3Q24	QoQ	YoY	Ratio	% of Rev.
Operating Expenses	82,793	89,919	84,853	87,596	88,689	1.2%	7.1%	100.0%	111.6%
Labor	40,669	40,646	46,000	45,713	43,480	-4.9%	6.9%	49.0%	54.7%
Commissions	14,359	17,429	17,083	18,400	17,029	-7.5%	18.6%	19.2%	21.4%
Advertising	10,053	8,086	5,639	7,293	8,902	22.1%	-11.4%	10.0%	11.2%
D&A	6,446	6,712	6,427	6,373	6,186	-2.9%	-4.0%	7.0%	7.8%
Etc.	11,266	17,046	9,704	9,817	13,092	33.4%	16.2%	14.8%	16.5%

❖ Number of Employees

(Unit: No. of employee, %)

	3Q23	4Q23	1Q24	2Q24	3Q24	QoQ	YoY	Ratio
Employees	1,293	1,324	1,351	1,331	1,347	1.2%	4.2%	100.0%
Development	744	765	786	759	771	1.6%	3.6%	57.2%
Business / Staff	549	559	565	572	576	0.7%	4.9%	42.8%

❖ Live Service

- Black Desert
 - ✓ PC : Black Desert Festa
 - ✓ Console : New class 'Dosa'
 - ✓ Mobile : New class 'Kurenai'
 - ✓ Black Desert PC (China) : Launch (24 Oct.)
- EVE
 - ✓ EVE Online : New expansion pack 'Revenant'
 - ✓ EVE Vanguard : New content

❖ Growth Strategy

- Existing IP Expansion
 - ✓ EVE Frontier : Play test
 - ✓ EVE Galaxy Conquest : Launch (29 Oct.)
- New IP
 - ✓ Crimson Desert : Marketing (G-STAR, Global event)



Appendix



Appendix.

Consolidated Financial Statements (Statement of Financial Position)

(Unit : million KRW)

	2023.12.31	2024.09.30
Assets		
I . Current Assets	582,759	436,349
Cash and cash equivalents	235,673	203,506
Account receivables	59,479	55,085
ST financial instruments	264,750	159,176
Financial assets measured at fair value	7,193	2,387
Other current assets	15,664	16,097
Inventory assets	0	98
II . Non-Current Assets	630,121	633,994
Account receivables	3,669	3,737
LT financial instruments	126	125
Financial assets measured at fair value	118,452	137,325
Investment in affiliated companies	48,468	41,033
Tangible assets	194,435	185,173
Intangible assets	227,007	225,617
Investment property	4,634	4,592
Other non-current assets	1,306	2,138
Deferred tax asset	32,024	34,254
Total Assets	1,212,880	1,070,343

	2023.12.31	2024.09.30
Liabilities		
I . Current Liabilities	315,870	147,381
Other payables	32,872	33,096
Current portion of long-term debt	11,200	11,200
Lease liabilities	4,755	5,286
Income taxes payable	6,121	6,321
Current provisions	6	0
Other current liabilities	113,980	91,478
Current Portion of Bonds Payable	146,936	0
II . Non-Current Liabilities	172,020	177,251
Other payables	3,538	6,551
Long-term debt	70,000	70,000
Lease liabilities	14,825	11,867
Non-current provision	905	961
Other non-current liabilities	57,438	63,243
Deferred tax liabilities	25,314	24,629
Total Liabilities	487,890	324,632
Capital		
I . Capital stock	6,623	6,623
II . Capital Surplus	219,742	219,742
III . Retained Earnings	498,226	512,349
IV . Capital Adjustments	(31,712)	(29,641)
V . Accumulated Other Comprehensive Income	32,111	36,638
VI . Non-controlling Interests	0	0
Total Capital	724,990	745,711

(Unit : million KRW)

	3Q23	4Q23	1Q24	2Q24	3Q24
Revenue	84,926	84,445	85,440	81,761	79,453
Operating Expenses	82,793	89,919	84,852	87,596	88,689
Operating Profit	2,133	(5,474)	588	(5,835)	(9,236)
Financial Income	9,357	(5,158)	16,219	8,532	(8,279)
Other Income	14,067	1,970	1,027	8,991	12,723
Income from Equity Method	(2,782)	(400)	(637)	(1,612)	(1,856)
Income before Income Tax	22,775	(9,062)	17,197	10,076	(6,648)
Income Tax Expenses	7,932	(4,466)	4,395	945	1,162
Net Profit	14,843	(4,596)	12,802	9,131	(7,810)

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A stylized illustration of a diver in a dark, cavernous space. The diver is positioned in the lower center, wearing a blue and white suit with a glowing headlamp. A bright, circular light source is on the floor directly in front of the diver, casting a glow. The background is dark blue with some faint, glowing particles and a thin, vertical line extending from the top. The overall mood is mysterious and atmospheric.