

# JOYMAX

## 3Q FY2020 Earnings Results

INVESTOR RELATIONS

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# Disclaimer

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The financial information under this document is the sales performance of Wemade Co., Ltd. (the "Company") written in accordance with K-IFRS. The result of 2Q 2020 is provided as reference to investors, and some parts of this document are subject to change due to result of external audit.

This document contains forward-looking statements regarding financial situation and performance, as well as information related to plans and goals of the executives of the Company and its subsidiaries. Forward-looking statements include predictive information of the Company, and it may be changed by unknown risks, uncertainties and other factors which may influence the actual results or performance of the Company.

This document is written based on the current financial status. Please note that the actual results and performance of the Company may be materially different than those expressed in this document. The Company has no liability to outwardly perform based on new information or incidents which may be occurred in the future.

- **Joymax (Consolidated)**

FLERO Games Co., Ltd., Joy Studio Co., Ltd., IDLE idea factory Co., Ltd.

# 3Q FY2020 Earnings Results

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# 1. 3Q 2020 Summary Consolidated Results

- Revenue (+9% QoQ, +26% YoY) : Up 9% QoQ, 26% YoY thanks to release of new mobile games
- Operating Income (-2% QoQ, +51% YoY) : Reduced operating loss YoY
- Net Income (Deficit continues QoQ, YoY) : Deficit continues QoQ, YoY due to equity method loss and interest expense increase

[Unit: Million won]

	3Q'20	2Q'20	QoQ	3Q'19	YoY
<b>Revenue</b>	<b>9,574</b>	<b>8,782</b>	<b>9%</b>	<b>7,581</b>	<b>26%</b>
<b>Operating Expenses</b>	<b>10,952</b>	<b>10,136</b>	<b>8%</b>	<b>10,407</b>	<b>5%</b>
<b>Operating Income</b>	<b>-1,378</b>	<b>-1,354</b>	<b>Deficit continues</b>	<b>-2,826</b>	<b>Deficit continues</b>
Non-Operating Income(loss)	-1	62	-	17	-
Financial Income(loss)	-315	-284	-	86	-
Equity Method	-445	-239	-	-111	-
<b>Income before tax</b>	<b>-2,140</b>	<b>-1,815</b>	<b>Deficit continues</b>	<b>-2,833</b>	<b>Deficit continues</b>
Income tax	-6	178	-103%	-41	85%
<b>Net Income</b>	<b>-2,134</b>	<b>-1,993</b>	<b>Deficit continues</b>	<b>-2,792</b>	<b>Deficit continues</b>

\* Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding

## 2. Sales Breakdown (By Platform)

- Mobile (+19% QoQ, +24% YoY) : Jumped 19% QoQ, 24% YoY mainly on release of new mobile games
- Online (-27% QoQ, +55% YoY) : Down 27% QoQ on decrease in sales of several existing games but up 55% YoY
- Others (-17% QoQ, -13% YoY) : Fell QoQ due to decrease in In-app advertisement sales

[Unit: Million won]

	3Q'20	2Q'20	QoQ	3Q'19	YoY
Mobile	8,130	6,828	19%	6,548	24%
Online	1,244	1,712	-27%	805	55%
Others(AD sales)	200	242	-17%	229	-13%
Total	9,574	8,782	9%	7,581	26%

※ Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding.

## 3. Operating Expenses

- Operating Expenses (+8% QoQ, +5% YoY) : Rose 8% QoQ mainly on increase in marketing expenses related to release of new games

- 3Q'20 Operating Expenses

[Unit: Million won]

	3Q'20	2Q'20	QoQ	3Q'19	YoY
Labor*	4,208	4,337	-3%	4,607	-9%
Service Fee	3,678	3,539	4%	3,612	2%
Marketing	2,165	1,428	52%	994	118%
Depreciation	397	390	2%	464	-14%
Taxes	135	123	10%	107	26%
Others	369	317	16%	622	-41%
<b>Total</b>	<b>10,952</b>	<b>10,136</b>	<b>8%</b>	<b>10,407</b>	<b>5%</b>

\* Includes wage, retirement benefits, employee benefits, stock compensation cost

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## 4. Summary Consolidated Financial Statements

### • Consolidated Balance Sheet

[Unit: KRW Bn]

	2018	2019	3Q'20
<b>Total Assets</b>	<b>41.4</b>	<b>27.2</b>	<b>28.6</b>
Current Assets	24.7	15.5	18.2
Non-current Assets	16.7	11.7	10.3
<b>Total Liabilities</b>	<b>20.2</b>	<b>22.6</b>	<b>28.3</b>
Current Liabilities	19.8	22.4	28.1
Non-current Liabilities	0.4	0.2	0.2
<b>Total Equity</b>	<b>21.2</b>	<b>4.5</b>	<b>0.2</b>
Capital Stock	4.3	4.3	4.3
Retained Earnings	-17.1	-31.0	-35.7
<b>Total Liabilities &amp; Equity</b>	<b>41.4</b>	<b>27.2</b>	<b>28.6</b>

### • Consolidated Income Statement

[Unit: KRW Bn]

	2018	2019	3Q'20
<b>Revenue</b>	<b>28.8</b>	<b>30.5</b>	<b>28.1</b>
Operating Expenses	41.4	41.4	31.2
<b>Operating Profit</b>	<b>-12.7</b>	<b>-11.0</b>	<b>-3.1</b>
Non-operating Income(loss)	-26.9	-5.2	-1.0
Income before tax	-39.6	-16.2	-4.1
Income tax	2.1	-0.2	0.2
<b>Net Income</b>	<b>-41.7</b>	<b>-16.0</b>	<b>-4.3</b>
Controlling Interest	-38.4	-13.9	-4.6
Non-controlling Interest	-3.3	-2.1	0.3

※ Above consolidated Income Statement figures are YTD figures

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