

The background of the slide features several characters from the game Ragnarok Online. On the left, a male character with white hair and a red cape is shown in a dynamic pose, along with a female character with green hair and a purple outfit. Below them is a female character with long blue hair wearing ornate golden armor. On the right side, there is a female character with long blonde hair in a red and white outfit, and a male character with brown hair in a red and gold outfit. In the foreground on the right, a male character with red hair is depicted in detailed silver and gold armor, holding a large sword. The background is decorated with light blue geometric shapes, including triangles and polygons.

2019 1Q IR PRESENTATION

Investor Relations

May 2019



Disclaimer

These materials have been prepared by GRAVITY Co., Ltd. ("Gravity" or the "Company"). The statements contained in this presentation have not been independently verified. No representations or warranties, express or implied, are made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in these materials. Neither the Company nor any of its affiliates, advisers or representatives accepts any responsibility whatsoever for any loss or damage arising from any information presented or contained in these materials.

The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed. The presentations do not constitute an offer or invitation to purchase or subscribe for any shares or other securities of the Company and neither any part of the materials nor any information or statement contained therein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Certain statements or other disclosure content in these presentation materials may include, in addition to historical information, "forward-looking statements" within the meaning of the "safe-harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by the use of forward-looking terminology, such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "project," or "continue" or the negative thereof or other similar words, although not all forward-looking statements will contain these words. These forward-looking statements are based on our current assumptions, expectations and projections about future events. All forward-looking statements involve risks and uncertainties that may cause our actual performance, financial condition or results of operations to be materially different from those suggested by the forward-looking statements, including, but not limited to, our ability to diversify revenue; our ability to collect, and in a timely manner, license fees and royalty payments from overseas licensees; our ability to acquire, develop, license, launch, market or operate commercially successful online games; our ability to compete effectively in a highly competitive industry; our ability to anticipate and access technological developments in our industry; our ability to recruit and retain quality employees as we grow; our ability to implement our growth strategies; and economic and political conditions globally. Investors should consider the information contained in our submissions and filings with the United States Securities and Exchange Commission (the "SEC") including our annual report for the fiscal year ended December 31, 2017 on Form 20-F, together with such other documents that we may submit to or file with the SEC from time to time, including on Form 6-K. The forward-looking statements speak only as of this press release and we assume no duty to update them to reflect new, changing or unanticipated events or circumstances.

Contents

2019 1Q Updates

- 01 Successful Landing of Ragnarok M: Eternal Love
- 02 Ragnarok M: Eternal Love Events and Updates
- 03 Various Activities through Global Marketing
- 04 Preparing the service for Japan in 2019

2019 Business Strategy

- 05 Sustainable Growth of Company Value with the Expansion of Global Ragnarok IP
- 06 Various Genre of Game Portfolio based RO IP
- 07 IP License and Publishing Business

2019 1Q Analysis

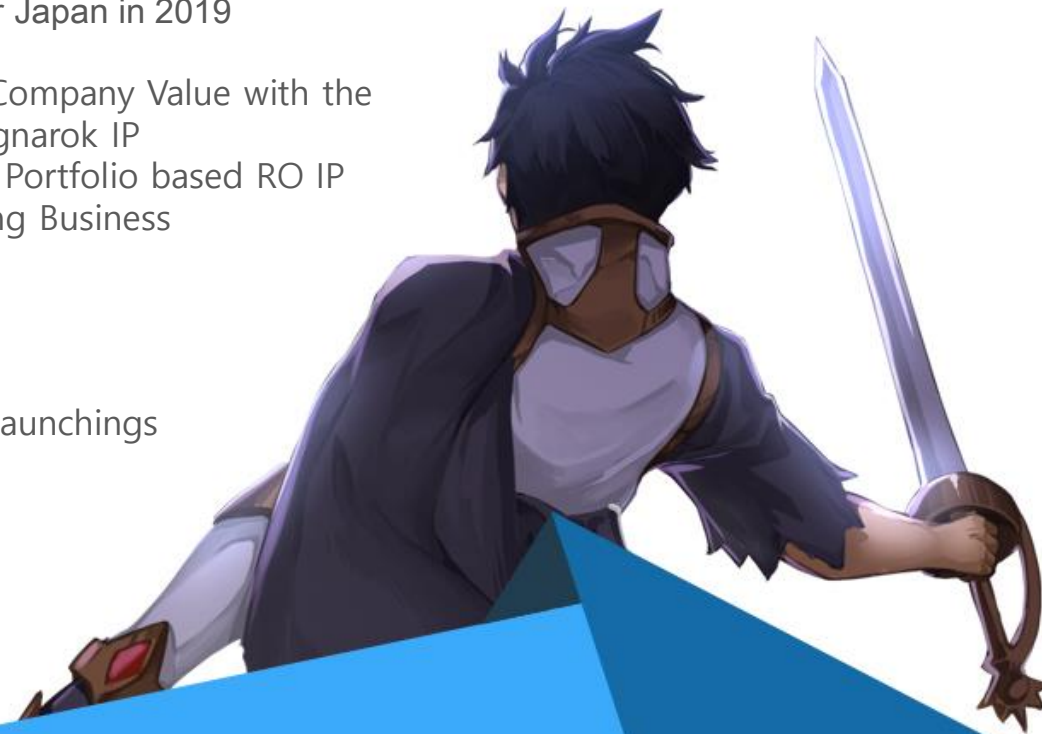
- 08 Operation Results Trend
- 09 Revenues Breakdown

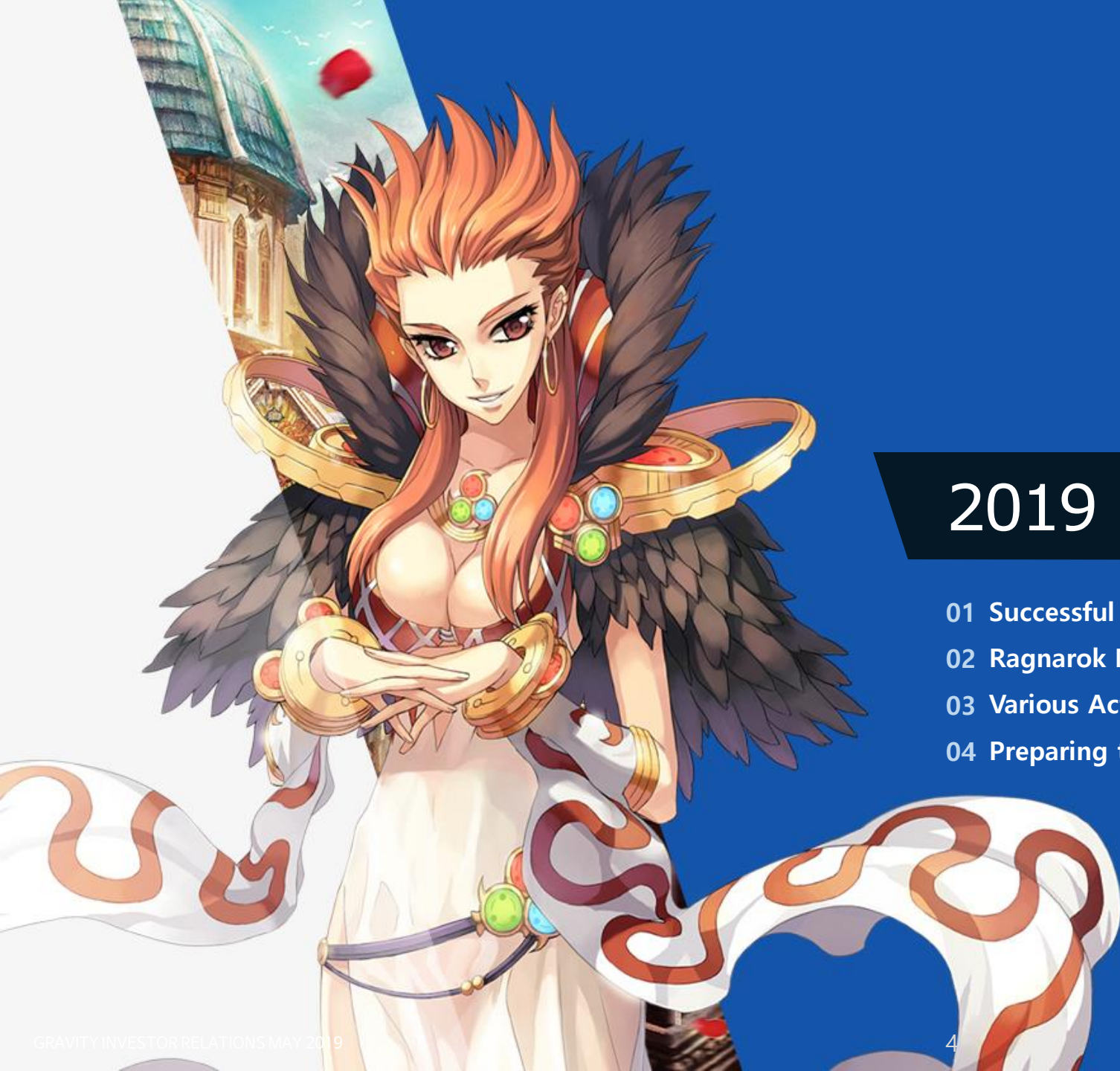
Gravity Outlook

- 10 2019 Major Upcoming Launchings
- 11 Global Market Strategy

Exhibits

- 01 Company Overview
- 02 Financial Statements
- 03 Subsidiaries





2019 1Q Updates

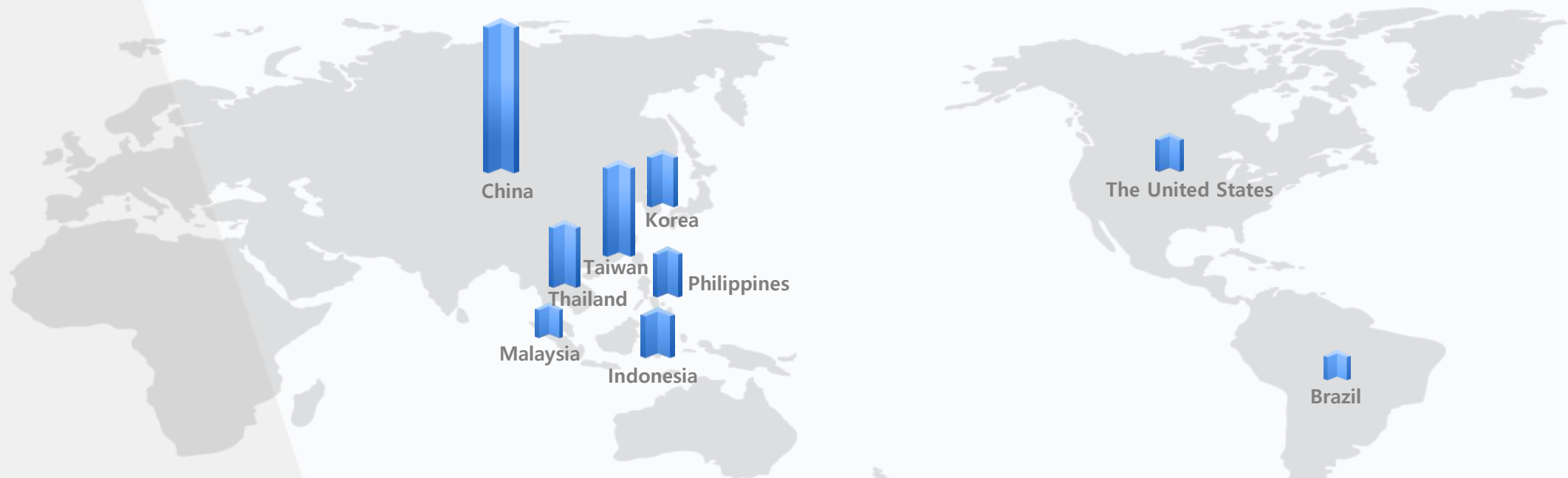
- 01 Successful Landing of Ragnarok M: Eternal Love
- 02 Ragnarok M: Eternal Love Events and Updates
- 03 Various Activities through Global Marketing
- 04 Preparing the service for Japan in 2019

Successful Landing of Ragnarok M: Eternal Love

Becoming a Global Mobile Game, Ragnarok M: Eternal Love

- ▶ After soft landing of Ragnarok M: Eternal Love on Taiwan, Korea, Southeast Asia, North, South America/Oceania, contribute to 2018 Mobile Revenue
- ▶ Hit more than 24 million downloads all over the world (as of March 31, 2019)

Main Country's Cumulative Downloads (as of March 31, 2019)



01

Ragnarok M: Eternal Love In Korea the First Anniversary Events

- Date: March 14~29
- The new users has increased about 5 times after the first anniversary events and marketing.

02

Episode 6.0 Update

- Date : China in June, Taiwan/Korea in July
- New Area: Laboratory
- New NPC : Egnigem Cenia, Seyren Windsor, Margaretha Sorin
- New Party Dungeon: Thanatos Tower 1F
- New Housing System and Loon System

03

Open a New Server in China

- Date : April 11
- After the release of the game in China in March 2017, DAU (Daily Active Users) has increased 2 times with proving the brand power of Ragnarok IP



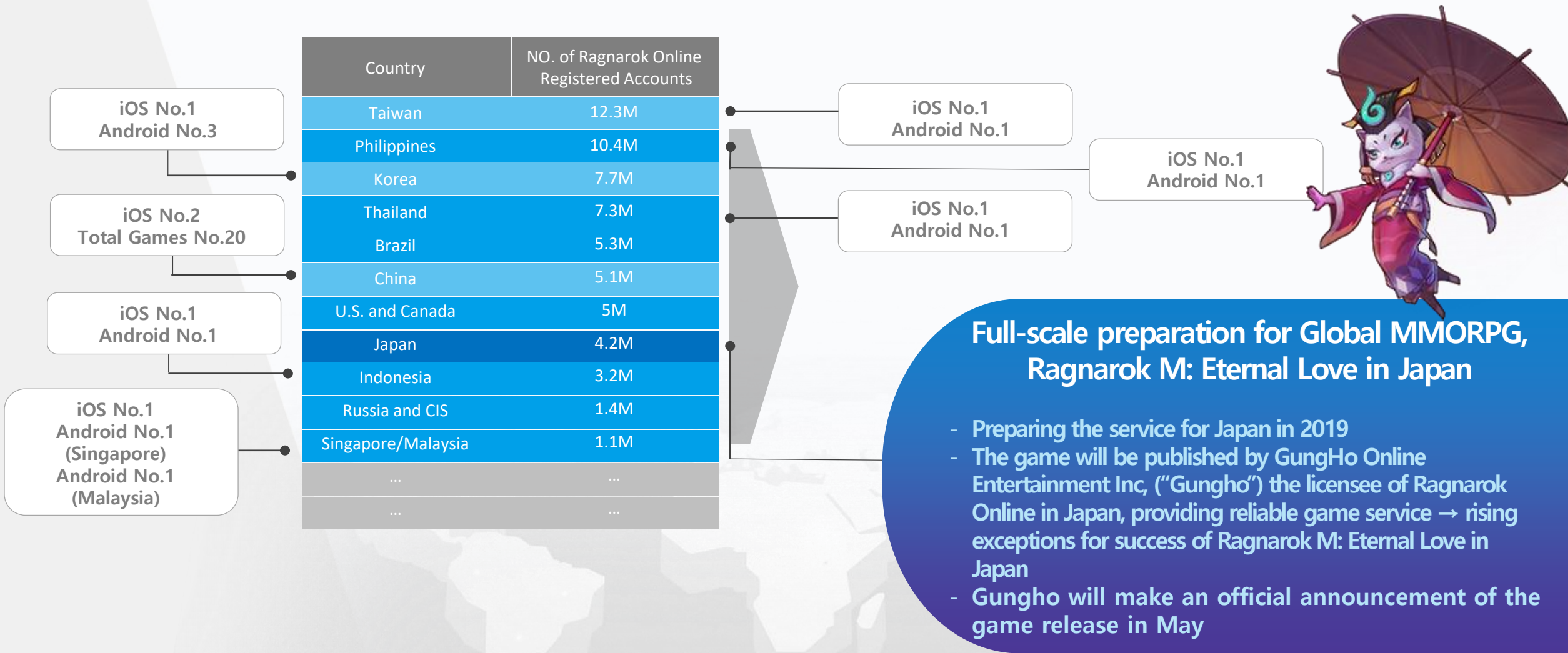
- ✓ Increasing new/dormant users acquisition and improving retention through the first anniversary events and marketing
- ✓ Satisfaction user's interests as providing multiple contents through major episode updates

Various Activities through Global Marketing

Ragnarok M: Eternal Love Live China Shanghai/Guangzhou, Thailand Bangkok, The Philippines Manila, Indonesia Jakarta ended successfully



- ✓ April 4~6: China Shanghai/Guangzhou (Concert tickets were sold out in 2 minutes)
- ✓ April 20: Thailand, April 27: The Philippines, May 4: Indonesia
- ✓ After all 5 concerts, about 7,000 people participating in events such as costume play and Gatcha zone
- ✓ Communicating with users and improving users' satisfactions through Global Marketing





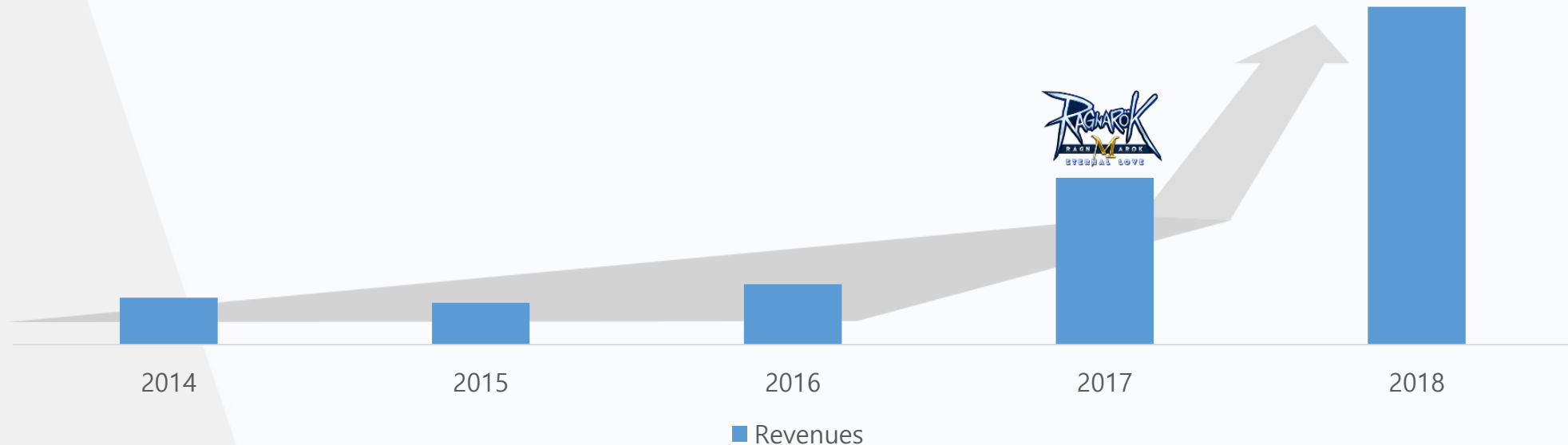
2019 Business Strategy

- 05 Sustainable Growth of Company Value with the Expansion of Global Ragnarok IP
- 06 Various Genre of Game Portfolio based RO IP
- 07 IP License and Publishing Business

Sustainable Growth of Company Value with the Expansion of Global Ragnarok IP

- ▶ As the company has grown in earnest, the value of company go up as well with the launch of Ragnarok M: Eternal Love in Taiwan in October 2017, Korea in March 2018, Southeast Asia in October 2018, North/South America/Oceania in January 2019.
- ▶ In the long term, sustainable growth of company value with extending various genre of line up , entering into overseas market, and expanding IP license business and character business

Yearly Revenues Trend Since 2014



Various Genre of Game Portfolio based RO IP



  **Ragnarok CRUSH(Puzzle Game):**
iOS: March 21 (73 regions),
AOS: March 26 (61 regions)



Ragnarok Web MMORPG
(3D New Version): Expect to launch in Taiwan/Hong Kong/Macau during the second quarter of 2019



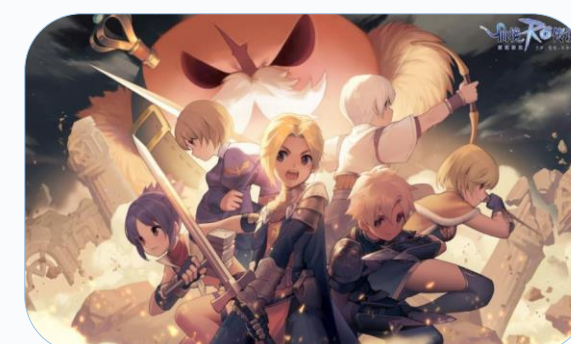
  **Ragnarok Mobile Adventurer**
(3D ARPG): Plan to launch in 2019



  **Ragnarok: Spear of Odin**
(Action MORPG) (Ragnarok Dungeon Survivor)
: Plan to launch in Taiwan/Hong Kong/Macau in 2019



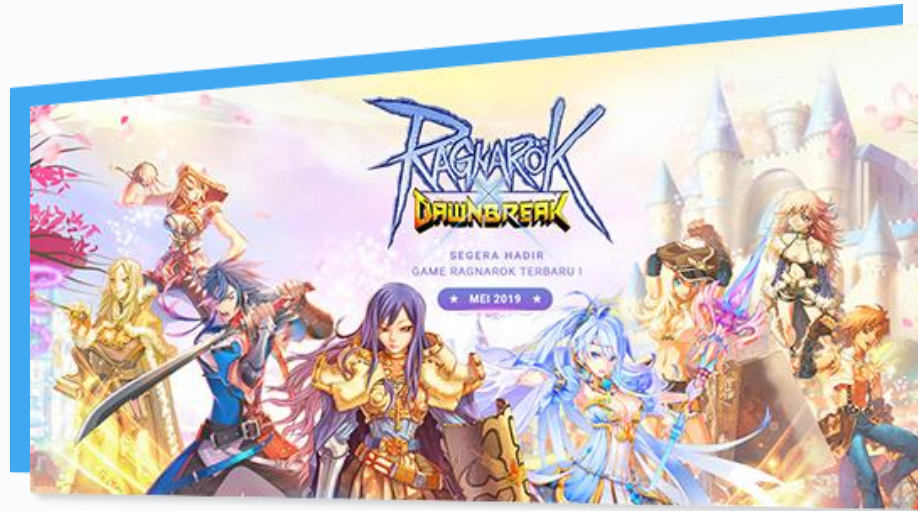
RO Click H5(Idle Game):
Korea on April 9 2019
/Global Market in 2019



  **Ragnarok M: First Love**
(MMORPG): Plan to launch in 2019

IP License and Publishing Business

RO X Dawn Break for Indonesia



RO X Dawn of Break (MO RPG)

Intro :

- Diverse characters, fairy, heroes' items with various scenario and contents
- A collaboration with Ragnarok's characters and contents

Date : Plan to launch in Indonesia on 14 May, 2019

Preparing the other
games based on
Ragnarok IP



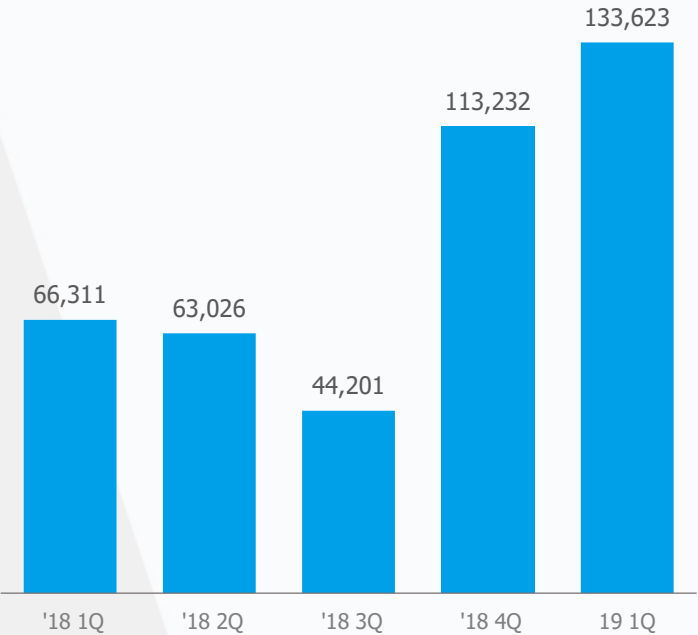
2019 1Q Analysis

08 Operation Results Trend

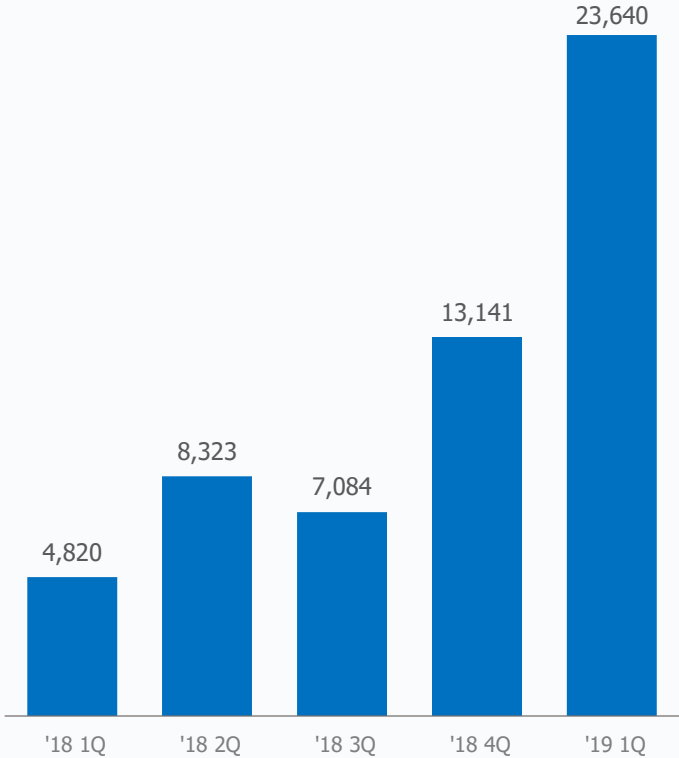
09 Revenues Breakdown

(In millions of KRW)

Revenues



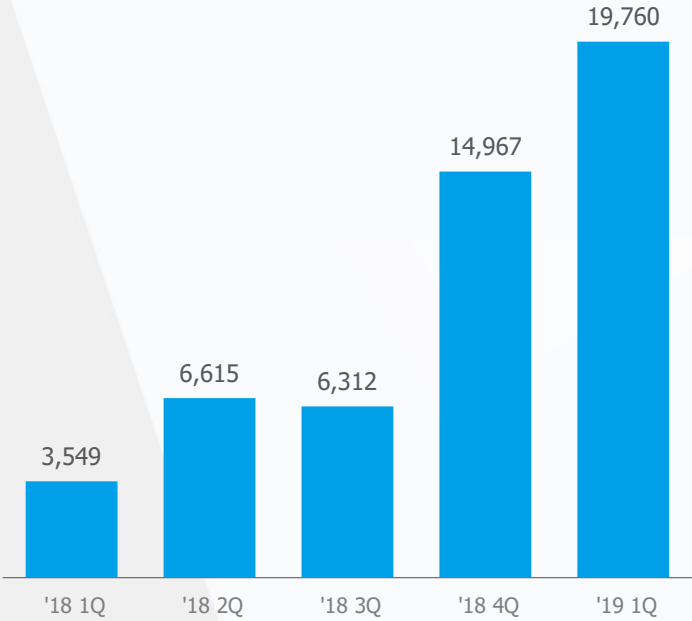
Operating Profit



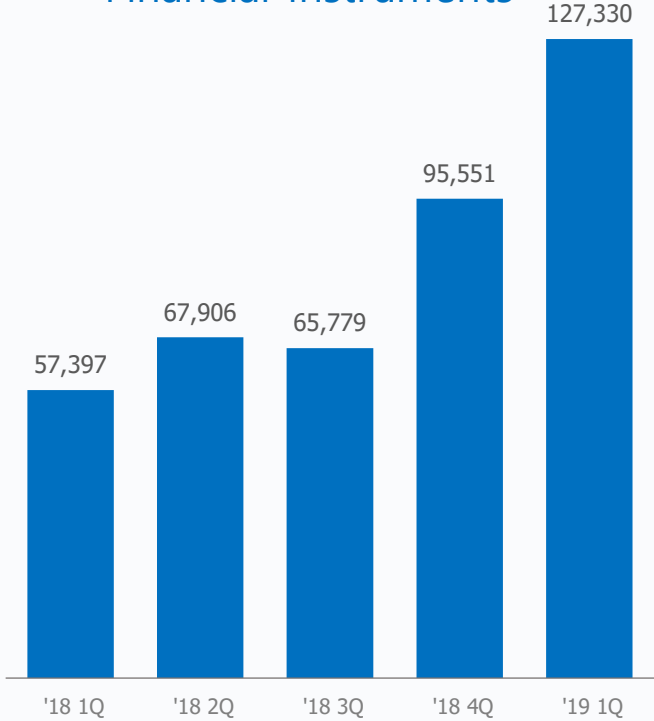
❖ Recorded the HIGHEST quarterly revenues and operating profit since it listed in NASDAQ in 2005 ❖

(In millions of KRW)

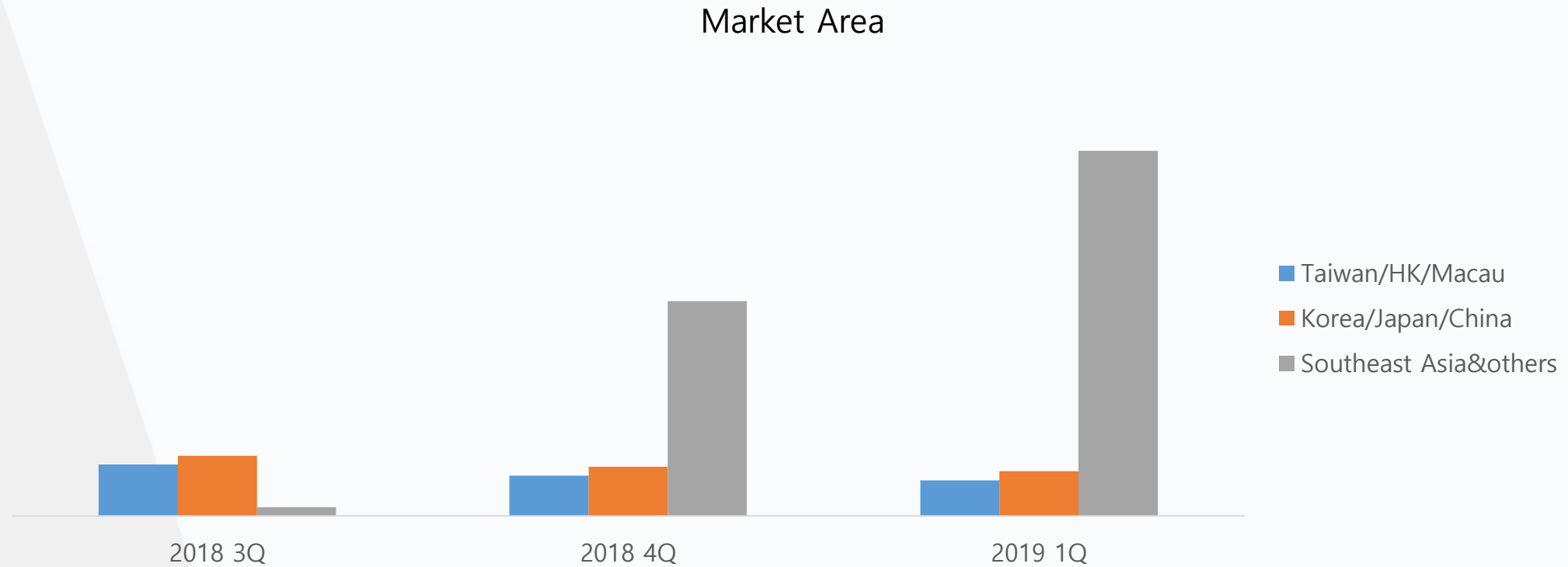
Net Profit



Cash and Short-term Financial Instruments

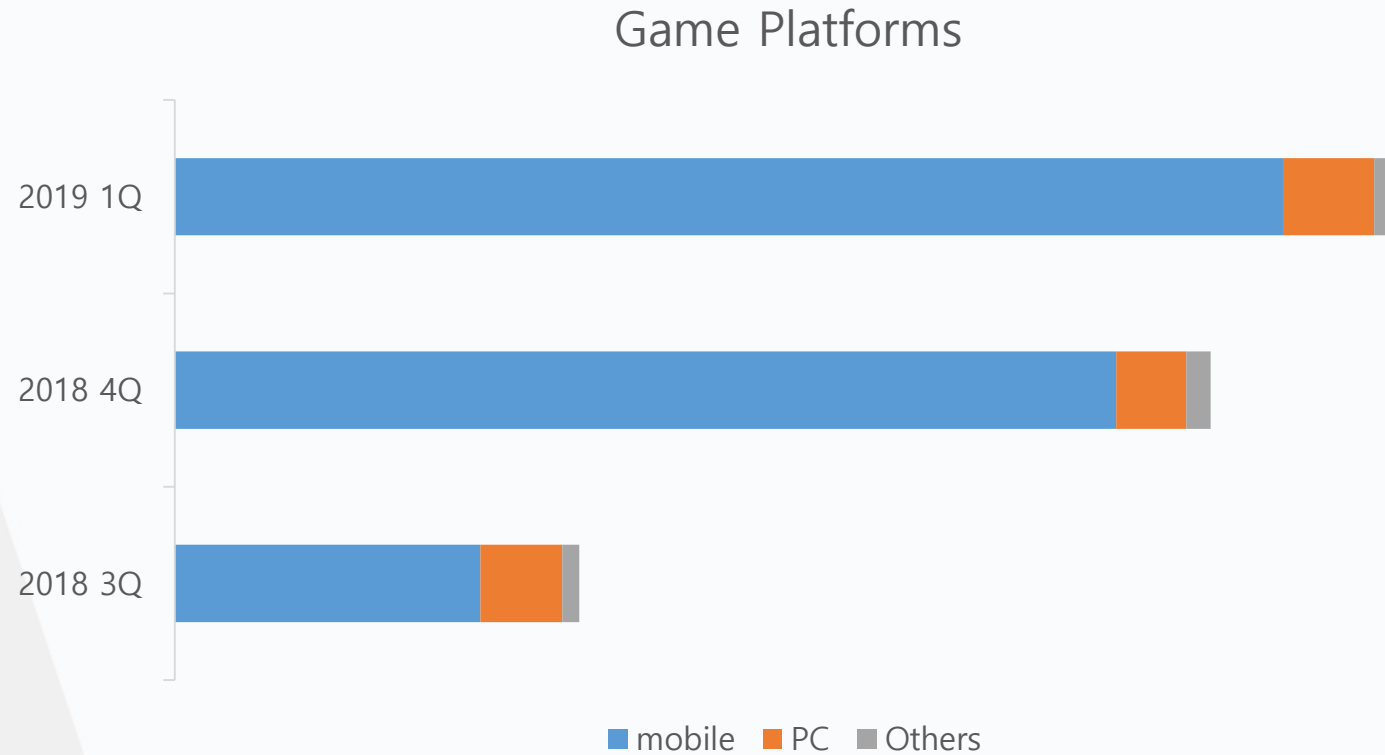


Revenues Breakdown



Growth in Sales for 2018 4Q and 2019 1Q because of the Launch of Ragnarok M: Eternal Love in Southeast Asia and North/South America/Oceania in an order

Revenues Breakdown



Continues Revenue Growth in both Online and Mobile Games



Gravity as a Leading Service Provider in Online and Mobile Game Markets



2019 Gravity Outlook

10 2019 Major Upcoming Launchings

11 Global Market Strategy

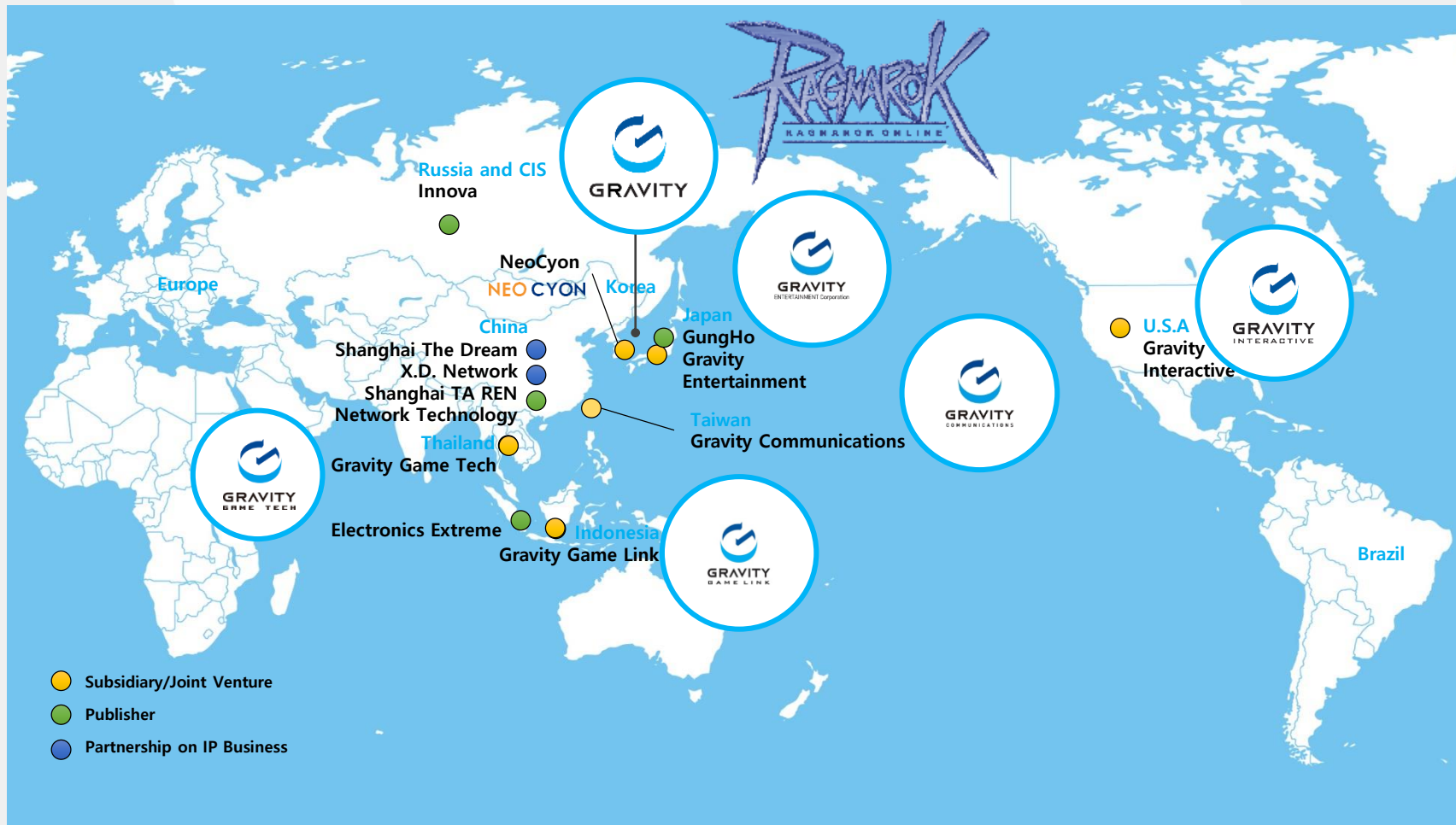
Upcoming Launchings



Platform	Game	Plan	Schedule	Market
PC	Ragnarok Zero	Additional launching	2019	TBD
Web Browser	Ragnarok Web MMORPG (3D New Version)	New launch	2Q 2019	Taiwan/Hong Kong/Macau
Mobile	Ragnarok M (MMORPG)	Additional launching	2019	Japan
Mobile	Ragnarok: Spear of Odin (MO RPG)	New launch	2019	Taiwan/Hong Kong/Macau
Mobile	Mobile games based on Ragnarok IP	New launch	2019	TBD
Mobile	Ragnarok Adventurer (3D MORPG)	New launch	2019	TBD
HTML5	RO Click H5(Idle Game)	New launch	2019	Global Markets



Global Market Strategy



Strategic Plans for Global Market

- Thailand subsidiary: Plan to directly service Ragnarok Online and other games in Thailand, Myanmar, Cambodia, Laos
- Indonesia Joint Venture: targeting Indonesia Market
→ Strengthen Market Power in Southeast Asia
- US Subsidiary: Expand the global service to North America, South America, and Oceania
- Global business targeting more than 80 countries along with Ragnarok IP
→ Expansion and buildup
- Own growth engine through opportunity to find a new business



Exhibits

- 01 Company Overview
- 02 Financial Statements
- 03 Subsidiaries

- Date of Establishment

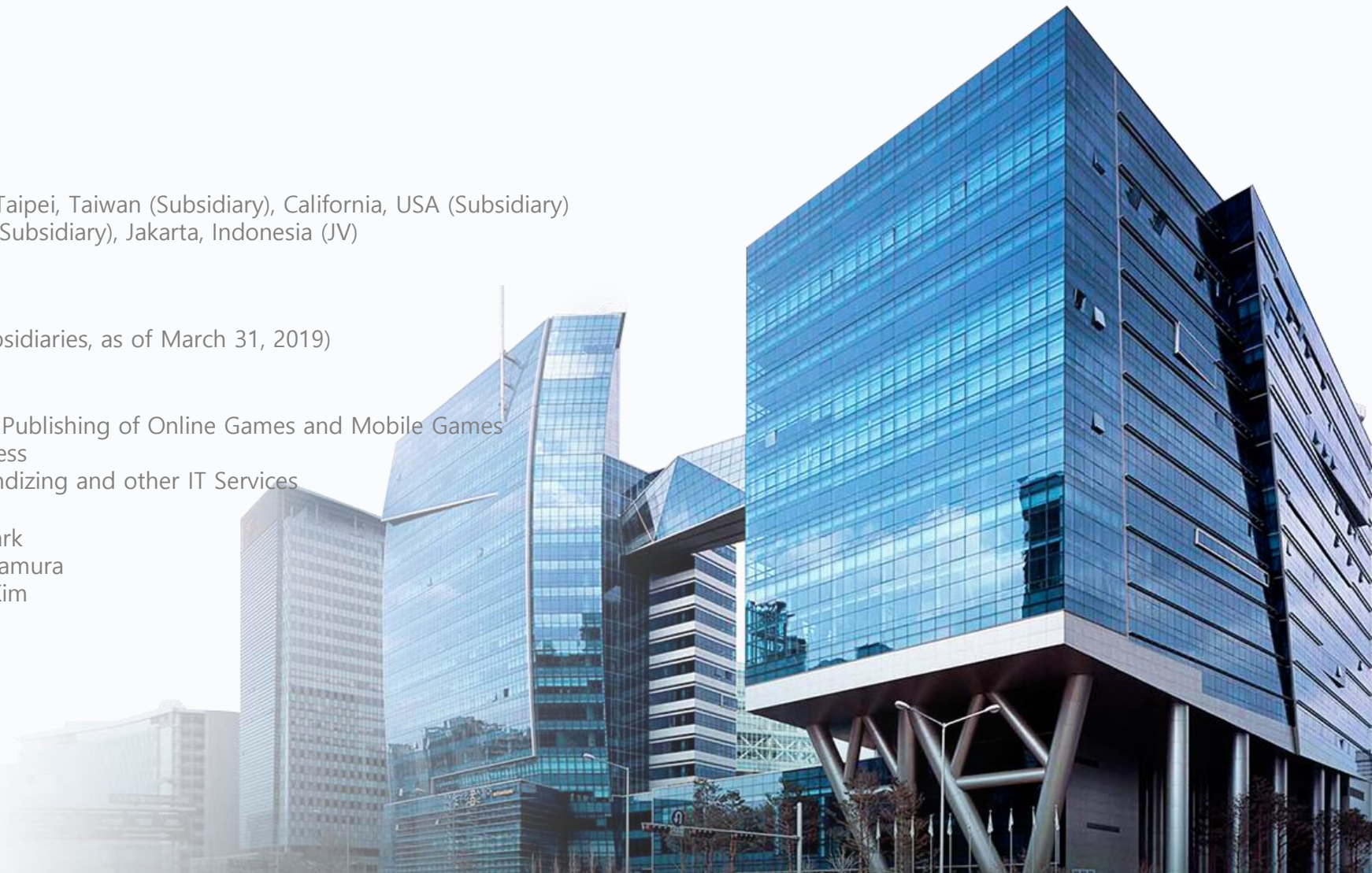
April 4, 2000
- Location

Seoul, Korea(HQ), Taipei, Taiwan (Subsidiary), California, USA (Subsidiary)
Bangkok, Thailand(Subsidiary), Jakarta, Indonesia (JV)
- Employees

578 (Including Subsidiaries, as of March 31, 2019)
- Business Area

Development and Publishing of Online Games and Mobile Games
IP Licensing Business
Character merchandizing and other IT Services
- Management

CEO Hyun Chul Park
COO Yoshinori Kitamura
CFO Heung Gon Kim



Financial Statements

Consolidated Statements of Comprehensive Income (IFRS)

(In millions of KRW except share and per share data)

Account	2018 1Q	2018 2Q	2018 3Q	2018 4Q	2019 1Q
	(unaudited)				
Revenues	66,311	63,026	44,201	113,232	133,623
Online games—subscription revenue	8,896	6,116	6,005	4,880	6,256
Online games—royalties and license fees	4,619	3,208	2,961	2,768	3,720
Mobile games and applications	51,396	51,790	33,387	102,916	121,147
Character merchandising, animation and other revenue	1,400	1,912	1,848	2,668	2,500
Cost of revenues	45,784	43,150	29,806	91,304	101,237
Gross Profit	20,527	19,876	14,395	21,928	32,386
Total operating expenses	15,707	11,553	7,311	8,787	8,746
SG&A	13,827	9,470	5,602	5,921	6,665
R&D expenses	1,874	1,742	1,760	2,642	1,877
Other expenses (income)	6	341	(51)	224	204
Operating Profit	4,820	8,323	7,084	13,141	23,640
Finance income	590	892	58	533	1,062
Financial costs	(293)	(573)	187	(323)	(313)
Profit before income tax expense	5,117	8,642	7,329	13,351	24,389
Income Tax Expense	1,593	2,042	1,024	(1,606)	4,627
Profit for the period	3,524	6,600	6,305	14,957	19,762
Profit (loss) attributable to:					
Non controlling interest	(25)	(15)	(7)	(10)	2
Owners of the Parent Company	3,549	6,615	6,312	14,967	19,760
Earnings (loss) per share—basic and diluted:	511	952	908	2,154	2,844
Earnings (loss) per ADS—basic and diluted:	511	952	908	2,154	2,844

Financial Statements

Consolidated Statement of Financial Position (IFRS)

(In millions of KRW except share and per share data)

Account	2018 1Q	2018 2Q	2018 3Q	2018 4Q	2019 1Q
	(unaudited)			(audited)	(unaudited)
Assets	111,792	108,198	98,756	173,174	198,031
Current Assets	104,748	101,137	90,956	160,168	181,789
Cash and cash equivalents	57,397	67,906	65,779	95,551	127,330
Account receivables, net	41,811	28,008	20,751	60,664	50,691
Others	5,540	5,223	4,426	3,953	3,768
Non Current Assets	7,044	7,061	7,800	13,006	16,242
Property and equipment, net	972	1,329	1,615	1,498	5,148
Intangible asset	947	520	526	1,163	1,022
Deferred tax assets	3,037	3,036	3,036	7,413	6,978
Other non-current financial assets	1,384	1,453	1,492	1,494	1,497
Others	704	723	1,131	1,438	1,597
Liabilities	64,010	54,119	38,418	97,622	102,440
Current Liabilities	57,464	48,043	33,532	93,521	97,303
Account Payables	38,248	29,028	18,720	71,928	75,127
Deferred Revenue	14,639	15,177	12,361	16,476	14,395
Others	4,578	3,838	2,451	5,117	7,781
Non Current Liabilities	6,546	6,076	4,886	4,101	5,137
Equity	47,782	54,079	60,338	75,552	95,591
Share capital	3,474	3,474	3,474	3,474	3,474
Capital surplus	27,164	27,164	27,140	27,141	27,140
Other components of equity	220	(83)	(118)	138	244
Retained earnings (Accumulated deficit)	17,511	24,126	30,438	45,405	65,165
Non-controlling interest	(587)	(602)	(596)	(606)	(432)
Total Liabilities and Equity	111,792	108,198	98,756	173,174	198,031

Subsidiaries



GRAVITY
ENTERTAINMENT CORPORATION

Gravity Entertainment Corporation

- Game Service in Japan



GRAVITY
COMMUNICATIONS

Gravity Communications Co., Ltd.

- Strategical Planning for Asian Markets



GRAVITY
GAME TECH

Gravity Game Tech Co., Ltd

- IP Licensing Business
- Online/Mobile Game Service in Thailand

Gravity Co., Ltd.



GRAVITY
INTERACTIVE

Gravity Interactive, Inc.

- Steam Service
- Operation of warpportal.com
- Global Mobile Game Service
- Global Online Game Service



GRAVITY
GAME LINK

Gravity Game Link Co., Ltd

- A Joint Venture with Lyto
- IP Licensing Business
- Online/Mobile Game Service in Indonesia

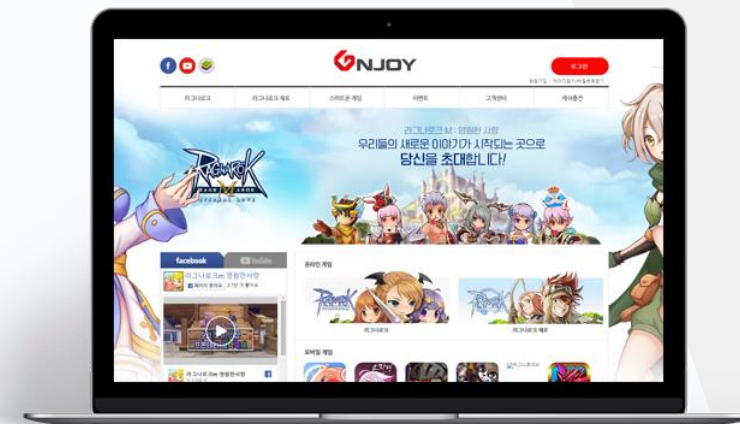
NEO CYON

NeoCyon, Inc.

- Mobile Games Development
- Mobile Game Service in Korea
- B2B IT Service

Gravity Co., Ltd.

- Online and Mobile Game Development
- Ragnarok Online Service in Korea
- Online and Mobile Game Service in Korea
- IP Licensing Business
- Global Business Planning and Marketing



Game Portal Site: **GnJoy.com**



Investor Relations Contact Information

Heung Gon Kim
Chief Financial Officer

Sang Eun Sung
IR Manager



Contact Information

Address | 15F, 396 World Cup buk-ro,
Mapo-gu, Seoul 121-795, Korea

E-mail | ir@gravity.co.kr

Tel | +82 - 2 - 2132 - 7800~7801

Fax | +82 - 2 - 2132 - 7070



Gravity along with Ragnarok,
We are dedicated to grow as a Global Leading Game Company

Thank You