

# KRAFTON Inc Q2FY24 Report Overview

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## Goals and Objectives of the Research

Research Objective: To perform a comparative analysis of the Q2FY24 quarterly report and those of previous periods.

Research Tasks:

- Gather comprehensive financial and corporate information pertaining to the company for Q2FY24;
- Analyze the collected information;
- Conduct a comparative assessment of the report for the Q2FY24 with reports for previous quarters up to the Q2FY23;
- Formulate conclusions based on the analyzed data.

## Disclaimers

The information collected in this report reflects data from the company's public reports and is not questioned or verified via other sources. In other words, information from the company's public reports is taken and used as is.

If additional information from other sources is used or if the data used is reflective of the researcher's personal opinion, this will be labeled accordingly.

The calculations of quarterly results presented in the [Data40.com](https://data40.com) report are based on consolidated, unaudited financial statements for 3, 6, and 9 months. These quarterly result calculations are provided for informational purposes only and should not be used as a guide for assessing the materiality of the information.

The provided public company quarterly reports are unaudited.

## Document Markup

- FY - Financial Year;
- Q - Quarter;
- H - Half;
- KRAFTON - KRAFTON, Inc;
- QoQ - Quarter-over-Quarter;
- This report uses the American number format: a period is used as the decimal separator, while commas separate thousands;
- Year-over-year (YoY) calculations of relative values were not performed in cases where last year's profit changed to a loss in the current year and vice versa within the scope of the current report;
- KRAFTON, Inc Q2FY24 Report Period is from April 1 to June 30, 2024.

## Conclusions

### General Information

Parameter	KRAFTON, Inc
Website	<a href="https://krafton.com">krafton.com</a>
Country (location)	<a href="#">KOR</a>
Country (issuer)	<a href="#">KOR</a> *
Year of foundation	<a href="#">2007</a> **
Founder	<a href="#">Byung-Gyu Chang</a>
Sector	<a href="#">Communication Services</a> *
Type	Public
Year of IPO	<a href="#">2021</a> *
Stock market	<a href="#">KRX</a>
Ticker	<a href="#">259960</a> *
Previous Annual Report from Data40	-
Previous Quarterly Report from Data40	-

\*Note: To access the registry, enter "259960" in the "Search Issue" field and click on the magnifying glass icon.

\*\* Note: KRAFTON was created in November 2018 to serve as the parent company for Bluehole, founded by Chang Byung-Gyu in Seoul in March 2007, and its subsidiaries.<sup>1</sup>

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<sup>1</sup> [KRAFTON Web, History](#)

## About Company<sup>2 3 4</sup>

KRAFTON was created in November 2018 to serve as the parent company for Bluehole. KRAFTON Inc is a Korea-based company in game software development and service. The company conducts online, mobile and console game production as well as domestic and international publishing business. The company provides games such as Battleground, Tera. The company works [with 11 studios](#) and is part of the KRX 300 index.

## Conference Call Information<sup>5</sup>

KRAFTON held a [conference call](#) on **August 12, 2024**, addressing the **Q2FY24** results.

## Public Quarterly Reports Calendar FY24-25<sup>6</sup>

Quarter	Period	Date
FY24		
Q1	Jan 1, 2024 to Mar 31, 2024	May 7, 2024
Q2	Apr 1, 2024 to Jun 30, 2024	Aug 12, 2024
Q3	Jul 1, 2024 to Sep 30, 2024	Nov 6, 2024 (Projected)
Q4 and FY24	Oct 1, 2024 to Dec 31, 2024	Feb 5, 2025 (Projected)
FY25		
Q1	Jan 1, 2025 to Mar 31, 2025	May 6, 2025 (Projected)
Q2	Apr 1, 2025 to Jun 30, 2025	Aug 6, 2025 (Projected)
Q3	Jul 1, 2025 to Sep 30, 2025	TBA
Q4 and FY25	Oct 1, 2025 to Dec 31, 2025	TBA

Follow the announcements of the release of new reports on the website [Data40.com](#) in the [Calendars by Financial reports section of DATA40.com](#).

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<sup>2</sup> [KRAFTON Web, About](#)

<sup>3</sup> [KRAFTON Web, Studios](#)

<sup>4</sup> [Wikipedia, KRAFTON](#)

<sup>5</sup> [KRAFTON Web, Press Release](#)

<sup>6</sup> [Marketscreener, Krafon Calendar](#)

## Highlights and Metrics

### Q2FY24 Highlights<sup>7 8 9</sup>

- **Net Revenue** of 707,023 million KRW, increase by 6.17% compared to 665,909 million KRW in Q1FY24 and increase by 82.67% compared to 387,050 million KRW in Q2FY23;
- **Operating Income** of 332,109 million KRW, increase by 6.96% compared to 310,501 million KRW in Q1FY24 and increase by 152.63% compared to 131,460 million KRW in the comparable prior-year period;
- **Total Net Income** of 341,932 million KRW, decreased by 2.30% compared to 349,992 million KRW in Q1FY24 and increased by 165.50% compared to 128,789 million KRW in the comparable prior-year period;
- **EPS Basic and Diluted** of 7,496 KRW and 7,447 KRW respectively;
- **Total Equity** amounted to 6,095,442 million KRW, an increase of 2.97% compared to 5,919,834 million KRW in Q1FY24 and an increase of 13.26% compared to 5,382,016 million KRW in Q2FY23;
- **Total Assets** amounted to 7,146,534 million KRW, an increase of 3.29% compared to 6,919,235 million KRW in Q1FY24 and an increase of 11.70% compared to 6,397,977 million KRW in Q2FY23.

### Acquisitions and Divestitures

In Q2FY24, the company did not make any acquisitions or divestitures.

### Business Overview<sup>10</sup>

“PUBG IP Franchise. Solid Performance on PC and Mobile, Sustaining Growth as a Global Franchise IP. Key Updates:

- **PUBG BATTLEGROUNDS:**
  - Erangel Classic Mode;
  - NewJeans Collaboration;
- **PUBG MOBILE:**
  - Myriam Fares Collaboration;
  - Upgradable X-Suit Skin;
- **BATTLEGROUNDS MOBILE INDIA:**
  - UC Bonus Challenge;
  - Cricket Team Collaboration”.

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<sup>7</sup> [KRAFTON Q2FY24 Press Release, p.10](#)

<sup>8</sup> [KRAFTON Consolidated Q2FY24 Report, p.53](#)

<sup>9</sup> [KRAFTON Consolidated Q2FY23 Report, p.53](#)

<sup>10</sup> In this chapter, quotes are used from the [KRAFTON Q2FY24 Press Release, p.4](#)

## New Games Lineup<sup>11</sup>

Announced Games	
Title	Launch date
<a href="#">Dark and Darker Mobile</a>	4QFY24
<a href="#">InZOI</a>	Aug 21 - Aug 26, 2024 (demo)

## Business Outlook<sup>12</sup>

“Expansion in India as a Future Growth Initiative, and Exploring New Gameplay Through AI:

- Localized Marketing and Content, Broadening Esports;
- Discovering New Gameplay With AI Technology”.

“Mid-to-Long term Strategy: Aiming Sustainable Growth based on PUBG IP Franchise and Securing Big IPs.

PUBG IP Franchise Expansion:

- Product Synergy
  - New PUBG IP Games in Various Genres and Platforms;
  - Synergy with Core Product;
- Fandom Expansion
  - Expand to Global Fans;
  - Reach New Generations and Under-teen audiences;

Securing New IPs with Franchise Potential:

- In-house Development
  - Increased Production;
  - Production Efficiency by Verifying Gameplay and Marketability;
- 2PP Investments / M&A
  - Observe and Evaluate IPs;
  - Quick Results based on Publishing;
  - Growth through Efficient M&A”.

<sup>11</sup> [KRAFTON Q2FY24 Press Release, p.5](#)

<sup>12</sup> In this chapter, quotes are used from the [KRAFTON Q2FY24 Press Release, p.7-8](#)

Stock Information

About Shares

Total Shares Outstanding - 47,889,253 (as of June 30, 2024).<sup>13</sup>

TradingView Retrospective Q2FY24<sup>14</sup>



Date	Open Price, KRW	Highest Price, KRW	Lowest Price, KRW	Close Price, KRW
Apr 1, 2024	252,000	253,500	248,000	250,500
Jun 28, 2024	280,500	284,000	271,000	281,500

Q2FY24 Price MAX: 299,000 KRW (June 24, 2024).

Q2FY24 Price MIN: 225,000 KRW (April 25, 2024).

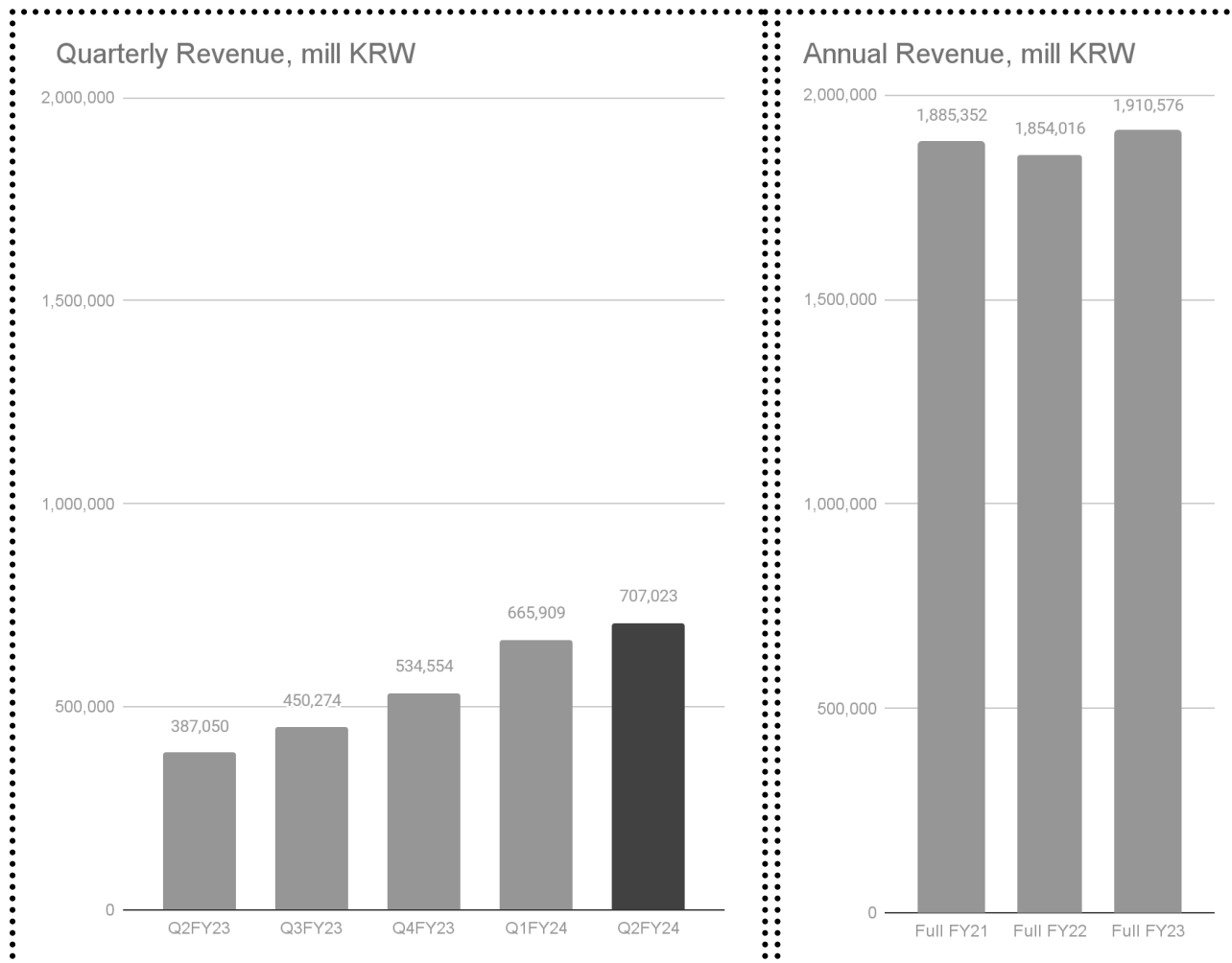
<sup>13</sup> [KRAFTON Consolidated Q2FY24 Report, p.10](#)

<sup>14</sup> [Tradingview, KRAFTON Chart](#)

## Financial Statements

### Revenue Retrospective

KRAFTON Inc Revenue Retrospective<sup>15 16 17 18 19</sup>



<sup>15</sup> [KRAFTON Consolidated Q2FY24 Report, p.53](#)

<sup>16</sup> [KRAFTON Consolidated Q1FY24 Report, p.52](#)

<sup>17</sup> [KRAFTON Consolidated Annual Report 2023, p.50](#)

<sup>18</sup> [KRAFTON Consolidated Q3FY23 Report, p.52](#)

<sup>19</sup> [KRAFTON Consolidated Q2FY23 Report, p.53](#)



## Sales by Platforms

### Sales Volume by Platforms<sup>20 21 22 23 24</sup>

(In million, except Percentages)

Parameter	Q2FY24, KRW	QoQ, %	Q1FY24, KRW	QoQ, %	Q4FY23, KRW	QoQ, %	Q3FY23, KRW	QoQ, %	Q2FY23, KRW	YoY, %
PC	191,325	-21.49	243,685	45.84	167,087	37.76	121,286	3.64	117,023	63.49
Mobile	499,929	24.27	402,292	17.39	342,702	10.89	309,057	26.21	244,871	104.16
Console	8,766	-23.59	11,473	-34.01	17,386	44.51	12,031	-36.75	19,020	-53.91
Other	7,003	-17.21	8,459	14.64	7,379	-6.59	7,900	28.75	6,136	14.13
<b>Total Consolidated Revenue</b>	<b>707,023</b>	<b>6.17</b>	<b>665,909</b>	<b>24.57</b>	<b>534,554</b>	<b>18.72</b>	<b>450,274</b>	<b>16.33</b>	<b>387,050</b>	<b>82.67</b>

<sup>20</sup> [KRAFTON Consolidated Q2FY24 Report, p.25](#)

<sup>21</sup> [KRAFTON Consolidated Q1FY24 Report, p.24](#)

<sup>22</sup> [KRAFTON Consolidated Annual Report 2023, p.24](#)

<sup>23</sup> [KRAFTON Consolidated Q3FY23 Report, p.23](#)

<sup>24</sup> [KRAFTON Consolidated Q2FY23 Report, p.23](#)

Net Revenue Structure Percentages

Parameter	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %	Q2FY23, %
PC	27.06	36.59	31.26	26.94	30.23
Mobile	70.71	60.41	64.11	68.64	63.27
Console	1.24	1.72	3.25	2.67	4.91
Other	0.99	1.27	1.38	1.75	1.59

## Sales per Region

Sales by Region<sup>25 26 27 28 29</sup>

(In million, except Percentages)

Parameter	Q2FY24, KRW	QoQ, %	Q1FY24, KRW	QoQ, %	Q4FY23, KRW	QoQ, %	Q3FY23, KRW	QoQ, %	Q2FY23, KRW	YoY, %
Korea	43,410	17.47	36,953	31.20	28,166	-1.87	28,703	43.96	19,938	117.72
Asia	620,221	9.77	565,022	25.44	450,429	17.94	381,928	20.70	316,421	96.01
Americas/Europe	40,227	-31.95	59,116	12.74	52,436	35.86	38,595	-16.78	46,375	-13.26
Other	3,165	-34.31	4,818	36.76	3,523	236.16	1,048	-75.72	4,316	-26.67
<b>Total Consolidated Revenue</b>	<b>707,023</b>	<b>6.17</b>	<b>665,909</b>	<b>24.57</b>	<b>534,554</b>	<b>18.72</b>	<b>450,274</b>	<b>16.33</b>	<b>387,050</b>	<b>82.67</b>

<sup>25</sup> [KRAFTON Consolidated Q2FY24 Report, p.28](#)

<sup>26</sup> [KRAFTON Consolidated Q1FY24 Report, p.27](#)

<sup>27</sup> [KRAFTON Consolidated Annual Report 2023, p.27](#)

<sup>28</sup> [KRAFTON Consolidated Q3FY23 Report, p.26](#)

<sup>29</sup> [KRAFTON Consolidated Q2FY23 Report, p.26](#)

### Sales by Region Percentages

Parameter	Q2FY24, %	Q1FY24, %	Q4FY23, %	Q3FY23, %	Q2FY23, %
Korea	6.14	5.55	5.27	6.37	5.15
Asia	87.72	84.85	84.26	84.82	81.75
Americas/Europe	5.69	8.88	9.81	8.57	11.98
Other	0.45	0.72	0.66	0.23	1.12

### Dividend Information<sup>30</sup>

There were no preferred or other dividends declared for the six months ended June 30, 2024. The company does not pay dividends.

<sup>30</sup> [KRAFTON Consolidated Annual Report 2023, p.273-274](#)

## Balance Sheet<sup>31 32 33 34</sup>

(In million, except Percentages)

Parameter	at Jun 30, 2024, KRW	QoQ, %	at Mar 31, 2024, KRW	QoQ, %	at Dec 31, 2023, KRW	QoQ, %	at Sep 30, 2023, KRW	QoQ, %	at Jun 30, 2023, KRW	YoY, %
Assets										
Total Current Assets	4,436,541	2.44	4,330,775	9.24	3,964,417	-5.44	4,192,283	4.63	4,006,830	10.72
Total Non-Current Assets	2,709,993	4.70	2,588,461	4.54	2,476,040	-0.06	2,477,617	3.62	2,391,147	13.33
Total Assets	7,146,534	3.29	6,919,235	7.43	6,440,457	-3.44	6,669,900	4.25	6,397,977	11.70
Liabilities										
Total Current Liabilities	685,890	6.41	644,579	23.79	520,691	-1.68	529,597	7.52	492,559	39.25
Total Non-Current Liabilities	365,202	2.93	354,823	-1.70	360,946	-31.84	529,568	1.18	523,401	-30.23
Total Liabilities	1,051,092	5.17	999,402	13.36	881,636	-16.76	1,059,165	4.25	1,015,961	3.46
<b>Total Equity</b>	<b>6,095,442</b>	<b>2.97</b>	<b>5,919,834</b>	<b>6.49</b>	<b>5,558,820</b>	<b>-0.93</b>	<b>5,610,735</b>	<b>4.25</b>	<b>5,382,016</b>	<b>13.26</b>

<sup>31</sup> [KRAFTON Consolidated Q2FY24 Report, p.51-52](#)

<sup>32</sup> [KRAFTON Consolidated Q1FY24 Report, p.50-51](#)

<sup>33</sup> [KRAFTON Consolidated Q3FY23 Report, p.50-51](#)

<sup>34</sup> [KRAFTON Consolidated Q2FY23 Report, p.51](#)

## Income Statement<sup>35 36 37 38 39</sup>

(In million, except EPS data and Percentages)

Parameter	Q2FY24, KRW	QoQ, %	Q1FY24, KRW	QoQ, %	Q4FY23, KRW	QoQ, %	Q3FY23, KRW	QoQ, %	Q2FY23, KRW	YoY, %
Revenue	707,023	6.17	665,909	24.57	534,554	18.72	450,274	16.33	387,050	82.67
Total Operating Expense	374,914	5.49	355,408	-4.00	370,227	41.84	261,015	2.12	255,590	46.69
Operating Income	332,109	6.96	310,501	88.95	164,327	-13.17	189,259	43.97	131,460	152.63
Net Income	341,932	-2.30	349,992	-	-12,826	-	211,943	64.57	128,789	165.50
EPS Basic	7,496 KRW	-1.03	7,574	-	(251) KRW	-	4,586 KRW	65.32	2,774 KRW	170.22
EPS Diluted	7,447 KRW	-1.10	7,530	-	(254) KRW	-	4,567 KRW	65.41	2,761 KRW	169.72

<sup>35</sup> [KRAFTON Consolidated Q2FY24 Report, p.53](#)

<sup>36</sup> [KRAFTON Consolidated Q1FY24 Report, p.52](#)

<sup>37</sup> [KRAFTON Consolidated Annual Report 2023, p.56](#)

<sup>38</sup> [KRAFTON Consolidated Q3FY23 Report, p.52](#)

<sup>39</sup> [KRAFTON Consolidated Q2FY23 Report, p.53](#)

## Cashflow Statement<sup>†40 41 42 43 44</sup>

(In million, except Percentages)

Parameter	Q2FY24, KRW	QoQ, %	Q1FY24, KRW	QoQ, %	Q4FY23, KRW	QoQ, %	Q3FY23, KRW	QoQ, %	Q2FY23, KRW	YoY, %
Cash flows from operating activities	186,966	-14.61	218,968	0.44	217,999	20.21	181,344	52.19	119,153	56.91
Cash flows from investing activities	-152,563	163.35	-57,932	-86.75	-437,340	403.24	-86,904	155.40	-34,027	348.36
Cash flows from financing activities	-206,904	832.38	-22,191	40.98	-15,741	2.86	-15,304	-91.35	-176,914	16.95

<sup>40</sup> [KRAFTON Consolidated Q2FY24 Report, p.55-56](#)

<sup>41</sup> [KRAFTON Consolidated Q1FY24 Report, p.54-55](#)

<sup>42</sup> [KRAFTON Consolidated Annual Report 2023, p.172-173](#)

<sup>43</sup> [KRAFTON Consolidated Q3FY23 Report, p.110-111](#)

<sup>44</sup> [KRAFTON Consolidated Q2FY23 Report, p.109](#)

## News<sup>45</sup>

April 4, 2024 - [KRAFTON'S LATEST 'DARK AND DARKER MOBILE' TEASER UNVEILS NEW WAYS TO PLAY.](#)

April 10, 2024 - [PUBG: BATTLEGROUNDS Adds Destructible Terrain with Update 29.1.](#)

April 25, 2024 - [PUBG: BATTLEGROUNDS gets nostalgic with new Erangel Classic map on 14 May.](#)

April 30, 2024 - [ANTICIPATED LIFE SIMULATION GAME INZOI REVEALS NEW FEATURES IN DEVELOPMENT ROADMAP VIDEO.](#)

May 2, 2024 - [Defense Derby's May Update Introduces New Faction League and Duo Mode.](#)

May 8, 2024 - [KRAFTON achieves record-high sales of 665.9 billion KRW \(390.4M GBP\) in 1Q24.](#)

May 30, 2024 - [Defense Derby's June Update Introduces New Martial Tiger Unit.](#)

June 3, 2024 - [PUBG: BATTLEGROUNDS Announces Collaboration with Global Music Sensation NewJeans.](#)

June 11, 2024 - ['DARK AND DARKER MOBILE' ANNOUNCES GLOBAL BETA TEST FOR AUGUST.](#)

June 17, 2024 - [KRAFTON ANNOUNCES THE LAUNCH OF THE PUBG WEST PARTNERS HUB.](#)

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<sup>45</sup> [KRAFTON Web, News](#)



# Analyst's Opinion

## Summary

KRAFTON was created in November 2018 to serve as the parent company for Bluehole. KRAFTON Inc is a Korea-based company in game software development and service. The company conducts online, mobile and console game production as well as domestic and international publishing business. The company provides games such as Battleground, Tera. The company works [with 11 studios](#) and is part of the KRX 300 index.

Shares of KRAFTON trade on the KRX under the ticker symbol 259960. Total Shares Outstanding 47,889,253 as of June 30, 2024. The range in which the company's shares were traded for Q2FY24 was from 225,000 KRW to 299,000 KRW. The opening price on April 1, 2024, was 252,000 KRW. The closing price on June 28, 2024, was 281,500 KRW. The company does not pay dividends.

In Q2FY24, the company did not make any acquisitions or divestitures.

Total Revenue in Q2FY24 of 707,023 million KRW, an increase of 6.17% compared to 665,909 million KRW in Q1FY24 and an increase of 82.67% compared to 387,050 million KRW in Q2FY23.

Sales by Region in Q2FY24: 6.14% from Korea at 43,410 million KRW, 87.72% from Asia at 620,221 million KRW, 5.69% from Americas/Europe at 40,227 million KRW, and 0.45% from Other at 3,165 million KRW.

Sales by Platforms in Q2FY24: 27.06% from PC at 191,325 million KRW, 70.71% from Mobile at 499,929 million KRW, 1.24% from Console at 8,766 million KRW and 0.99% from Other at 7,003 million KRW.

Operating Income in Q2FY24 was 332,109 million KRW, an increase of 6.96% compared to 310,501 million KRW in Q1FY24 and an increase of 152.63% compared to 131,460 million KRW in the comparable prior-year period.

Total Equity as of June 30, 2024, amounted to 6,095,442 million KRW, which is 2.97% higher than the Total Equity as of March 31, 2024, which stood at 5,919,834 million KRW and 14.85% higher than the Total Equity as of June 30, 2023, which was 5,307,115 million KRW.

Planned release date of Q3FY24 November 6, 2024.

Follow the announcements of the release of new reports on the website [Data40.com](https://data40.com) in the [Calendars by section DATA40.com](#).

## Sources List

- [KRAFTON Inc. Web](#)
- [Wikipedia](#)
- [MarketScreener](#)
- [KRX](#)
- [TradingView](#)
- [KRAFTON Press Release Q2FY24](#)
- [KRAFTON Consolidated Q2FY24 Report](#)
- [KRAFTON Consolidated Q1FY24 Report](#)
- [KRAFTON Consolidated Annual Report 2023](#)
- [KRAFTON Consolidated Q3FY23 Report](#)
- [KRAFTON Consolidated Q2FY23 Report](#)
- [Data40](#)

## META



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