S.Korea's largest games maker goes public

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Mobile games maker Netmarket's shares opened at at 165,000 won (about $146) on the Korea Stock Exchange, May 12, 2017

South Korea's biggest mobile games maker Netmarble went public in Seoul Friday as it seeks overseas acquisitions, with early trading valuing the firm at around $12 billion.

Netmarble's Lineage 2 is a hugely popular massively multiplayer online role-playing game (MMORPG) with a mediaeval setting.

The firm's shares opened at 165,000 won (about $146) on the Korea Stock Exchange, giving it a market capitalisation of 13.3 trillion won ($11.8 billion), overtaking games publisher NCSoft Corp, which is valued at 8.7 trillion won.

Netmarble sold 20 percent of its shares in the flotation and said earlier that it would use up to 1.68 trillion won of the proceeds for mergers and acquisitions.

"Netmarble's IPO is the new beginning and the company will make an effort to become a global game company," CEO Kwon Young-sig told reporters on Friday.

With borrowings, the firm could have a warchest of as much as five trillion won, he said, adding: "If there are any developers that could produce synergy with Netmarble, we will pursue mergers and acquisitions actively."

Netmarble plans to launch its hit game "Lineage 2 Revolution" in China in the fourth quarter of this year.

In a bid to expand its presence in the North American market, Netmarble in February completed the acquisition of Kabam's Vancouver studio in a deal estimated to be worth around $700-800 million.

California-headquartered Kabam is a world leader in free mobile MMOPRGs and the Vancouver unit makes Marvel Contest of Champions.

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