

Poulin | Willey | Anastopoulos Notifies Investors of Webtoon Entertainment, Inc. Pending Class Action Lawsuit

Firm announces filing of a class action lawsuit in the Central District of California for those who acquired the common stock of Webtoon Entertainment, Inc.

CHARLESTON, SC, UNITED STATES, September 11, 2024 /EINPresswire.com/ -- [Poulin | Willey | Anastopoulos](#), a leading Plaintiffs class action firm



If you wish to serve as a lead plaintiff, the Court must be moved no later than November 4, 2024."

Stuart Guber

announces the filing of a class action securities lawsuit in the United States District Court for the Central District of California on behalf of persons or entities who purchased or otherwise acquired the common stock of Webtoon Entertainment, Inc., ("Webtoon" or the "Company") (NASDAQ:WBTN) pursuant to and/or traceable to the Registration and Prospectus (collectively, the "Registration

Statement") issued in connection with the Company's June 2024 Initial Public Offering ("IPO") (the "Class"). A class action lawsuit has already been filed. If you wish to serve as lead plaintiff, you must move the Court no later than November 4, 2024.

WHY: If you purchased the common stock of Webtoon pursuant to and/or traceable to the Company's Registration Statement you may be entitled to compensation without payment of any out of pocket fees or costs through a contingency arrangement. There is no cost or obligation to participate.

WHAT'S NEXT: To join the Webtoon class action, call Stuart J. Guber, Esq. at 803-222-2222 or email Stuart J. Guber, Esq. at stuart.guber@poulinwilley.com. If you wish to serve as a lead plaintiff, you must move the Court no later than November 4, 2024. A lead plaintiff is a representative party acting on behalf of other class members in directing the litigation.

CASE DETAILS: According to the Complaint, Case 2:24-cv-07553, WEBTOON Entertainment Inc. is an entertainment company focused on mobile webcomics and visual storytelling. The Defendants named in this lawsuit include WEBTOON, its Officers and Directors, and the Underwriters of its June 2024 initial public offering. On June 27, 2024, the Company filed its prospectus on Form 424B4 with the SEC, which forms part of the Registration Statement. In the IPO, the Company sold 16,371,549 shares of common stock at a price of \$21.00 per share. The

Company received net proceeds of approximately \$308.5 million from the Offering. The proceeds from the IPO were purportedly to be used for general corporate purposes, including working capital, operating expenses, and capital expenditures.□□

The Complaint alleges that the Registration Statement made materially false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, the Complaint alleges Defendants failed to disclose to investors: (1) that the Company experienced a deceleration in advertising revenue growth; (2) that the Company experienced a deceleration in IP adaptations revenue; (3) that the Company experienced exposure to weaker foreign currencies which offset revenue growth; (4) that, as a result of the foregoing, Defendants' positive statements about the Company's business, operations, and prospects were materially misleading and/or lacked a reasonable basis.

On August 8, 2024, after the market closed, Webtoon announced its financial results for second quarter 2024, which had ended just days after the IPO closed. The Company reported revenue of \$321 million, which represented total revenue growth of only 0.1%. The Company further revealed advertising revenue declined 3.6% and IP Adaptations revenue declined 3.7%. The Company revealed its revenue and revenue growth had been "offset by the Company's significant exposure to weaker foreign currencies." Webtoon also reported a quarterly net loss of \$76.6 million, or 70 cents. 5. On this news, Webtoon's stock fell \$7.88 or 38.2%, to close at \$12.75 per share on August 9, 2024, on unusually heavy trading volume.

NO COST TO YOU: No Recovery, No Attorney's Fees, No Costs. We represent you on a fully contingent basis. There are no fees or costs to you for your participation in the lawsuit if the lawsuit is unsuccessful.

WHY POULIN | WILLEY | ANASTOPOULO: The firm is one of the leading Plaintiff class action and mass tort firms in the country. Our Director of Shareholder Services and Securities Litigation, Stuart J. Guber, has over three decades of experience successfully representing defrauded shareholders including public pension plans, Taft-Hartley union pension plans and health & welfare funds, and individual investors in class action securities litigation and securities opt-out litigation. In addition, firm partner Roy Willey IV has served as counsel in class actions and multi district litigations across the country. He brings a creative, problem-solving based approach to handling cases for consumers, investors and others harmed through no fault of their own. As a result he has been repeatedly named among [America's Top 100 High Stakes Litigators](#), Best Lawyers, and [Super Lawyers](#).

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