

3Q21

Earnings Release

2021.11.05

WEBZEN Inc.



Some contents may reflect forward-looking statements and have been prepared based on the expectations according to the data on which these statements were made.

There can be no assurance that the forward-looking statements used by WEBZEN are correct as results can differ from expectations.

Therefore, WEBZEN will not be responsible for individual investment decisions based solely on this material.

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The followings are the subsidiaries of WEBZEN Inc.

WEBZEN Inc.

WEBZEN ONNET Co., Ltd

ONNET Europe GmbH.

WEBZEN Taiwan Inc.

WEBZEN America, Inc.

WEBZEN West, Inc.

WEBZEN Dublin Ltd.

WEBZEN Japan Inc.

WEBZEN Bluerock Inc.

WEBZEN Black Engine Inc.

WEBZEN Redcore Inc.

WEBZEN Cube Inc.

WEBZEN Dream Inc.

WEBZEN Kamp Inc.

WEBZEN Nova Inc.

WEBZEN Beat Inc.

Summary of Financial Results

[Consolidated]

(Unit : KRW million)

	3Q21	2Q21	QoQ	3Q20	YoY
Revenue	66,417	71,610	-7%	106,963	-38%
Game Sales	66,371	71,524	-7%	106,879	-38%
Others	46	86	-47%	84	-45%
Operating Expenses	50,077	48,451	3%	63,473	-21%
Operating Profit	16,339	23,160	-29%	43,489	-62%
Income before Tax	20,696	26,731	-23%	45,129	-54%
Income Tax Expenses	6,281	8,329	-25%	11,144	-44%
Net Income	14,415	18,402	-22%	33,986	-58%
Other Comprehensive Income	406	175	132%	124	227%
Total Comprehensive Income	14,820	18,577	-20%	34,110	-57%

Result Analysis (Consolidated)

- Revenue 66.4b (QoQ -7%, YoY -38% based on Consolidated)
- Operating Profit 16.3b (QoQ -29%, YoY -62% based on Consolidated)
- Net Income 14.4b (QoQ -22%, YoY -58% based on Consolidated)

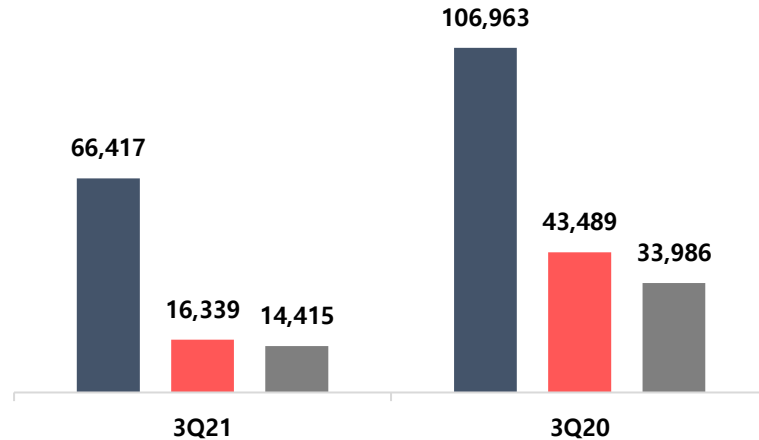
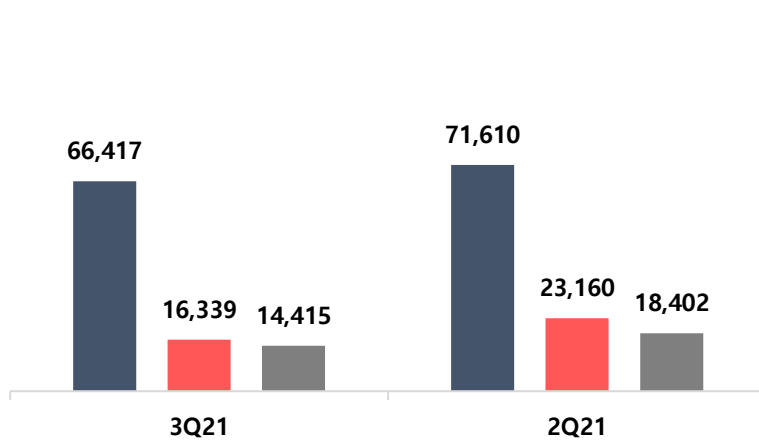
(Unit : KRW million)

QoQ

YoY

■ Revenue ■ Operating Profit ■ Net Income

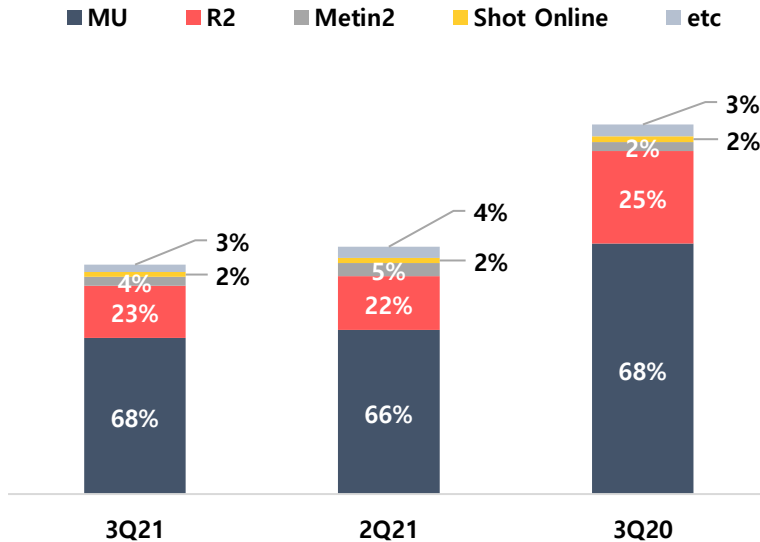
■ Revenue ■ Operating Profit ■ Net Income



Sales Breakdown (Consolidated)

- MU 45.2b (QoQ -5%, YoY -38% based on consolidated)
- R2 15.1b (QoQ -3%, YoY -44% based on consolidated)
- Shot Online 2.6b (QoQ -33%, YoY -4% based on consolidated)
- Metin2 1.4b (QoQ -9%, YoY -16% based on consolidated)

Sales breakdown



(Unit : KRW million)

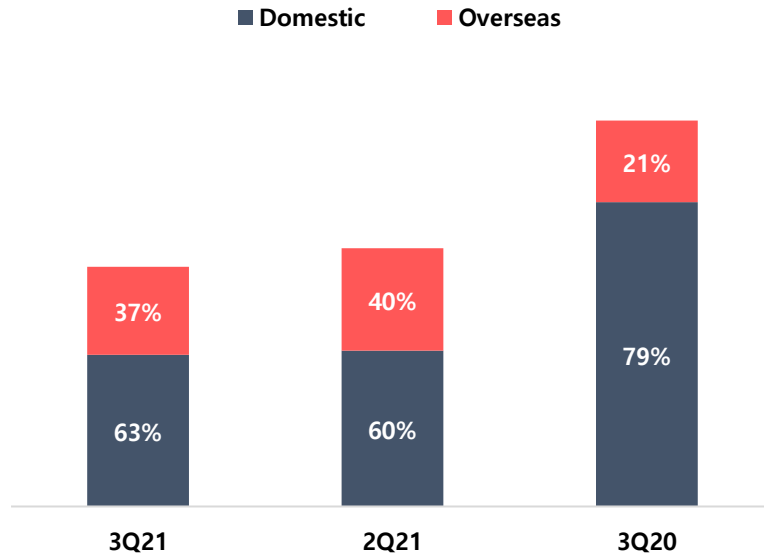
	3Q21	2Q21	3Q20
Total	66,371	71,524	106,879
MU(*)	45,211	47,483	72,433
R2(*)	15,088	15,523	26,722
Metin2	2,561	3,830	2,667
Shot Online	1,355	1,490	1,615
Others	2,156	3,197	3,443

(*) 'MU' and 'R2' include IP Games sales.

Sales Breakdown (Consolidated)

- Domestic Sales 42.0b (QoQ -3%, YoY -50% based on consolidated)
- Overseas Sales 24.4b (QoQ -14%, YoY +8% based on consolidated)
- Portion of Domestic QoQ +3%P, YoY -16%P based on consolidated

Sales breakdown



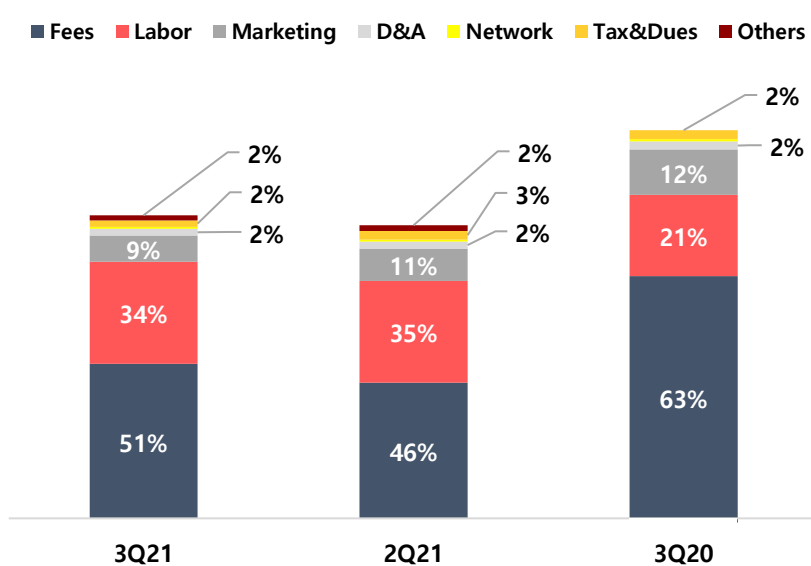
(Unit : KRW million)

	3Q21	2Q21	3Q20
Total	66,371	71,524	106,879
Domestic	42,002	43,130	84,256
Overseas	24,369	28,394	22,624

Expenses Breakdown (Consolidated)

- Operating Expenses 50.1b (QoQ +3%, YoY -21% based on consolidated)
 - Fees 25.5b (QoQ +14%, YoY -36% based on consolidated)
 - Labor tendencies 16.9b (QoQ +1%, YoY +26% based on consolidated)
 - Marketing 4.3b (QoQ -19%, YoY -42% based on consolidated)

Expenses Breakdown



(Unit : KRW million)

	3Q21	2Q21	3Q20
Total	50,077	48,451	63,473
Fees	25,543	22,458	40,060
Labor	16,855	16,768	13,402
Marketing	4,337	5,355	7,497
D&A	1,139	1,165	1,351
Network	304	333	335
Tax & Dues	1,073	1,391	1,491
Others	826	980	(662)

Summary of F/S (Consolidated)



(Unit : KRW million)

B/S	2021.09.30	2020.12.31
Current Assets	334,699	333,404
Non-Current Assets	260,443	209,296
Total Assets	595,142	542,700
Current Liabilities	89,949	92,401
Non-Current Liabilities	15,940	15,611
Total Liabilities	105,889	108,012
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,925	149,937
Accumulated Other Comprehensive Income for Equity	610	27
Elements of Other Stockholder's Equity	(66,188)	(56,018)
Retained Earnings	386,842	322,737
Non-Controlling Interests	409	350
Total Equities	489,253	434,688
Total Liabilities and Equities	595,142	542,700

Summary of F/S (Consolidated)



(Unit : KRW million)

I/S	3Q21	2Q21	3Q20
Revenue	66,417	71,610	106,963
Game Sales	66,371	71,524	106,879
Others	46	86	84
Operating Expenses	50,077	48,451	63,473
Operating Profit	16,339	23,160	43,489
Profit (loss) before tax	20,696	26,731	45,129
Corporate Tax	6,281	8,329	11,144
Net Income	14,415	18,402	33,986
Other Comprehensive Income	406	175	124
Total Comprehensive Income	14,820	18,577	34,110
Controlling Interests	14,825	18,572	33,960
Non-Controlling Interests	(5)	5	150

Thank you