

1Q22

Earnings Release

2022.05.09

Webzen Inc.



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

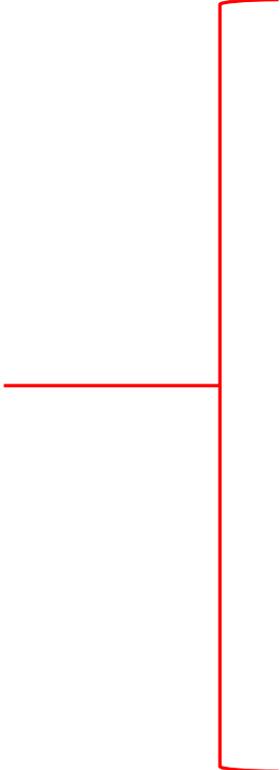
There can be no assurance that the forward-looking statements used by WEBZEN are correct as results can differ from expectations.

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

WEBZEN disclaims any duty to update the information in this material to reflect future events or circumstances.

The followings are the subsidiaries of WEBZEN Inc.

WEBZEN Inc.

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- A red bracket diagram consisting of a vertical line on the right, a horizontal line on the left, and two short horizontal lines at the top and bottom, all connected by a vertical line on the right. This diagram groups the list of subsidiaries under the 'WEBZEN Inc.' label.
- 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.**
 - WEBZEN Next Inc.**

Summary of Financial Results



[Consolidated]

(Unit : KRW million)

	1Q22	4Q21	QoQ	1Q21	YoY
Revenue	69,849	68,733	2%	78,023	-10%
Game Sales	69,802	68,687	2%	77,939	-10%
Others	47	46	3%	84	-44%
Operating Expenses	47,560	42,579	12%	40,678	17%
Operating Profit	22,289	26,154	-15%	37,344	-40%
Income before tax	26,448	30,756	-14%	42,849	-38%
Income tax expenses	7,728	8,111	-5%	11,460	-33%
Net Income	18,720	22,646	-17%	31,389	-40%
Other comprehensive income	(5)	(1,044)	-	(50)	-
Total comprehensive income	18,715	21,602	-13%	31,338	-40%

Result Analysis (Consolidated)

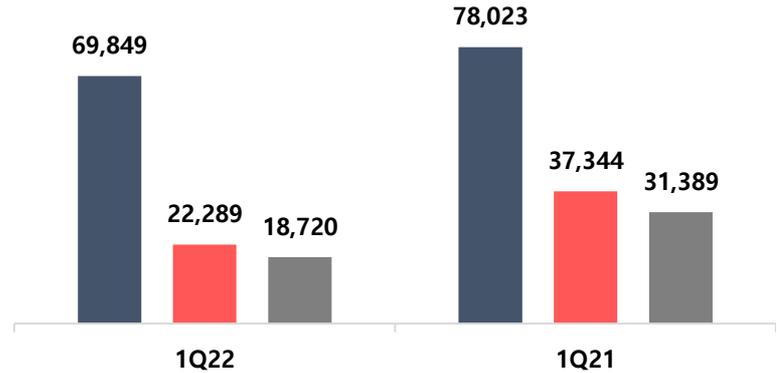
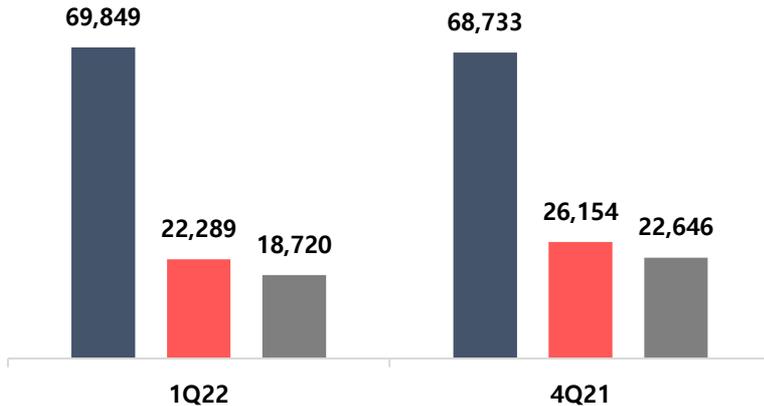
- Revenue 69.8b (QoQ +2%, YoY -10%)
- Operating Profit 22.3b (QoQ -15%, YoY -40%)
- Net Income 18.7b (QoQ -17%, YoY -40%)

(Unit : KRW million)



■ Revenue ■ Operating profit ■ Net income

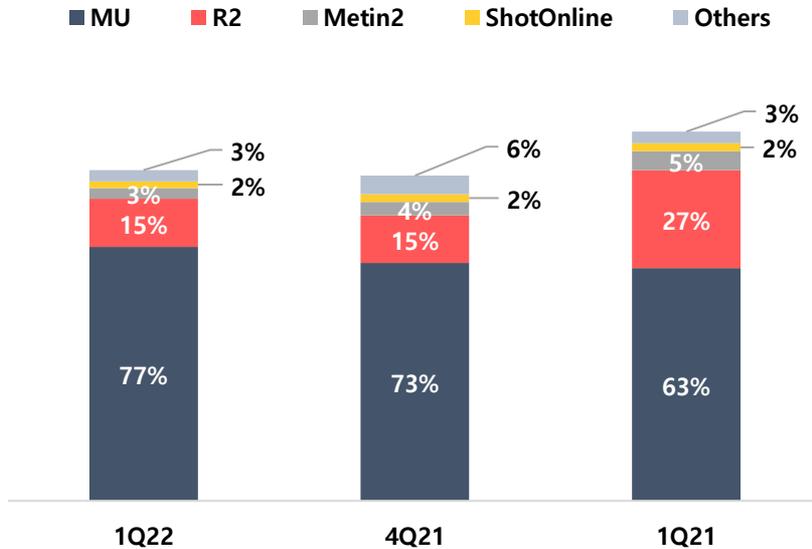
■ Revenue ■ Operating profit ■ Net income



Sales Breakdown (Consolidated)

- MU 53.6b (QoQ +7%, YoY +9%)
- R2 10.2b (QoQ +2%, YoY -51%)
- Metin2 2.3b (QoQ -21%, YoY -43%)
- ShotOnline 1.4b (QoQ -13%, YoY -18%)

Sales breakdown



(Unit : KRW million)

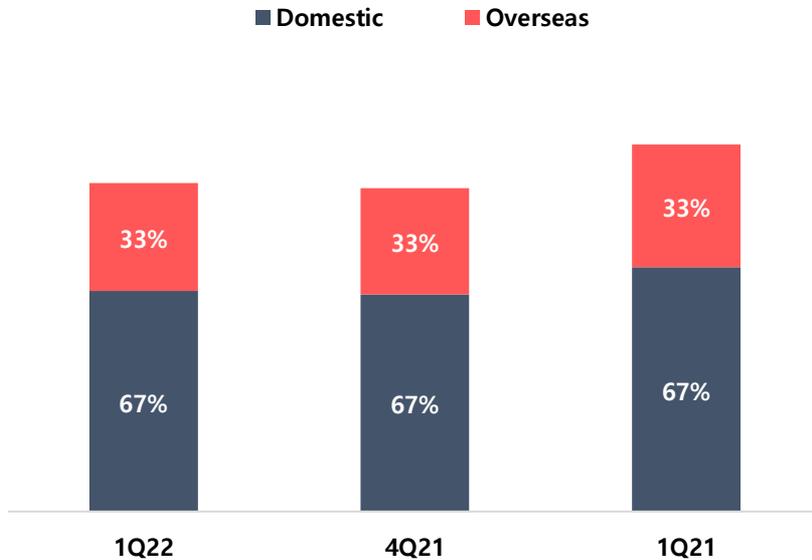
	1Q22	4Q21	1Q21
Total	69,802	68,687	77,939
MU(*)	53,615	50,253	49,155
R2(*)	10,151	9,980	20,660
Metin2	2,274	2,870	3,990
ShotOnline	1,409	1,613	1,712
Others	2,353	3,972	2,422

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

Sales Breakdown (Consolidated)

- Domestic Sales : 46.9b (QoQ +2%, YoY -10%)
- Overseas Sales : 23.0b (QoQ +2%, YoY -12%)
- Portion of Overseas : QoQ Same, YoY Same

Sales breakdown



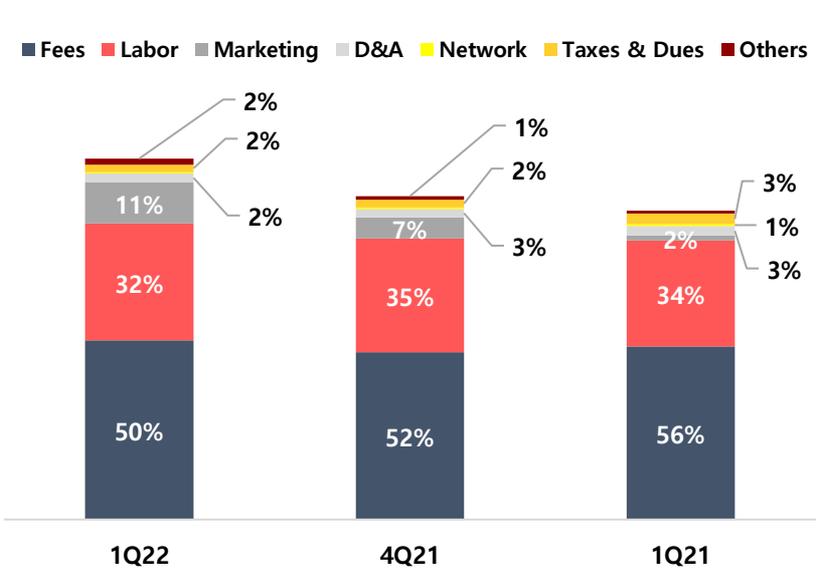
(Unit : KRW million)

	1Q22	4Q21	1Q21
Total	69,802	68,687	77,939
Domestic	46,850	46,131	51,877
Overseas	22,952	22,556	26,062

Expenses Breakdown (Consolidated)

- Operating Expenses 47.6b (QoQ +12%, YoY +17%)
 - Fees 23.6b (QoQ +7%, YoY +3%)
 - Labor tendencies 15.4b (QoQ +3%, YoY +11%)
 - Marketing 5.4b (QoQ +95%, YoY +717%)

Expenses Breakdown



(Unit : KRW million)

	1Q22	4Q21	1Q21
Total	47,560	42,579	40,678
Fees	23,590	22,053	22,813
Labor	15,423	14,948	13,947
Marketing	5,433	2,785	665
D&A	1,128	1,123	1,225
Network	209	208	263
Taxes & Dues	969	992	1,385
Others	807	470	380

Summary of F/S (Consolidated)



(Unit : KRW million)

B/S	2022.03.31	2021.12.31
Current Assets	380,449	355,239
Non-Current Assets	249,532	260,026
Total Assets	629,981	615,265
Current Liabilities	92,015	96,733
Non-Current Liabilities	12,335	12,620
Total Liabilities	104,350	109,353
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,925	149,925
Accumulated Other Comprehensive Income for Equity	403	336
Elements of Other Stockholder's Equity	(71,757)	(72,640)
Retained Earnings	427,437	408,776
Non-Controlling Interests	1,967	1,859
Total Equities	525,631	505,911
Total Liabilities and Equities	629,981	615,265

Summary of F/S (Consolidated)



(Unit : KRW million)

I/S	1Q22	4Q21	1Q21
Revenue	69,849	68,733	78,023
Game sales	69,802	68,687	77,939
Others	47	46	84
Operating expenses	47,560	42,579	40,678
Operating Profit	22,289	26,154	37,344
Profit (loss) before tax	26,448	30,756	42,849
Income tax expense	7,728	8,111	11,460
Net Income	18,720	22,646	31,389
Controlling interests	18,734	22,658	31,340
Non-controlling interests	(14)	(13)	48
Other comprehensive income	(5)	(1,044)	(50)
Total comprehensive income	18,715	21,602	31,338
Controlling interests	18,728	21,621	31,291
Non-controlling interests	(13)	(19)	48

Thank you