

1Q23

Earnings Release

May 11, 2023
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.

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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 West, Inc.

WEBZEN Dublin Ltd.

WEBZEN Japan Inc.

WEBZEN Bluerock Inc.

WEBZEN Black Engine Inc.

WEBZEN Redcore Inc.

WEBZEN Cube Inc.

WEBZEN Appletree Inc. (former, WEBZEN Dream Inc.)

WEBZEN Kamp Inc.

WEBZEN Nova Inc.

WEBZEN Beat Inc.

WEBZEN Next Inc.

WEBZEN Star Inc.

Summary of Financial Results



[Consolidated]

(Unit : KRW million)

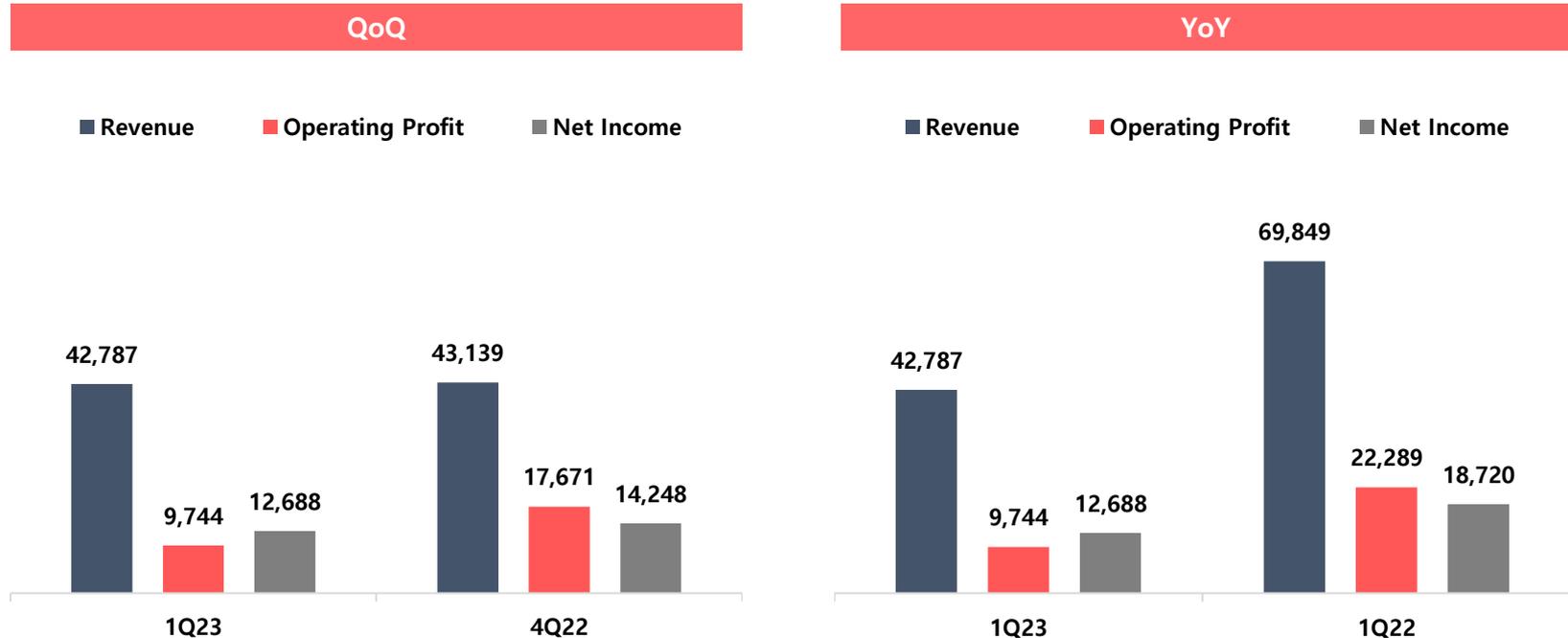
	1Q23	4Q22	QoQ	1Q22	YoY
Revenue	42,787	43,139	-1%	69,849	-39%
Game Sales	42,762	43,114	-1%	69,802	-39%
Others	25	25	-0.1%	47	-46%
Operating Expenses	33,043	25,468	30%	47,560	-31%
Operating Profit	9,744	17,671	-45%	22,289	-56%
Income before tax	16,824	21,278	-21%	26,448	-36%
Income tax expenses	4,136	7,030	-41%	7,728	-46%
Net Income	12,688	14,248	-11%	18,720	-32%
Other comprehensive income	730	1,375	-47%	(5)	-
Total comprehensive income	13,418	15,624	-14%	18,715	-28%

Result Analysis (Consolidated)



Revenue	42.8b	(QoQ -1%,	YoY -39%)
Operating Profit	9.7b	(QoQ -45%,	YoY -56%)
Net Income	12.7b	(QoQ -11%,	YoY -32%)

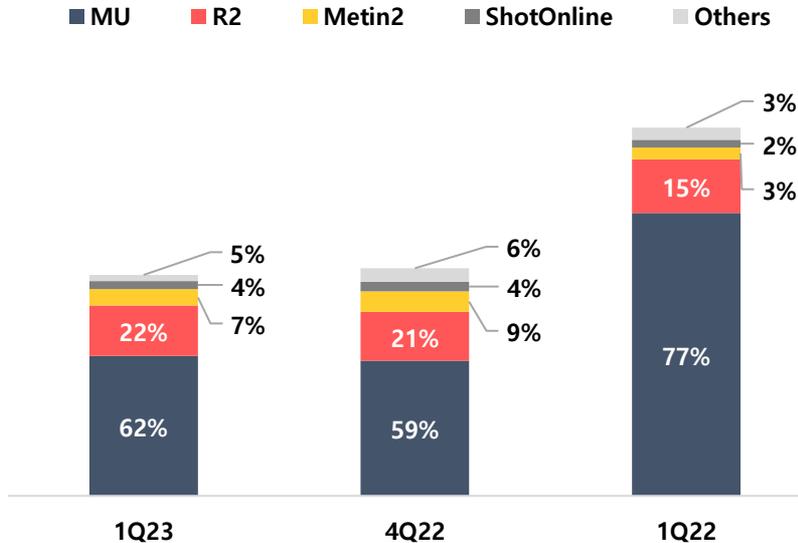
(Unit : KRW million)



Sales Breakdown (Consolidated)

MU	26.5b	(QoQ +3%,	YoY -51%)
R2	9.5b	(QoQ +4%,	YoY -6%)
Metin2	3.1b	(QoQ -21%,	YoY +37%)
ShotOnline	1.6b	(QoQ -15%,	YoY +11%)

Sales breakdown



(Unit : KRW million)

	1Q23	4Q22	1Q22
Total	42,762	43,114	69,802
MU(*)	26,516	25,638	53,615
R2(*)	9,542	9,203	10,151
Metin2	3,109	3,929	2,274
ShotOnline	1,564	1,842	1,409
Others	2,032	2,503	2,353

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

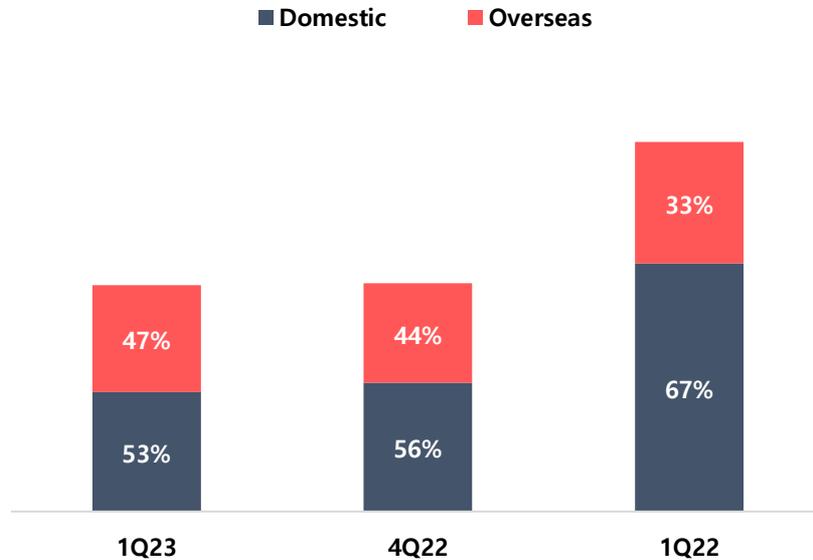
Sales Breakdown (Consolidated)

Domestic Sales 22.6b (QoQ -7%, YoY -52%)

Overseas Sales 20.2b (QoQ +8%, YoY -12%)

Portion of Overseas QoQ +3%p, YoY +14%p

Sales breakdown



(Unit : KRW million)

	1Q23	4Q22	1Q22
Total	42,762	43,114	69,802
Domestic	22,567	24,329	46,850
Overseas	20,195	18,785	22,952

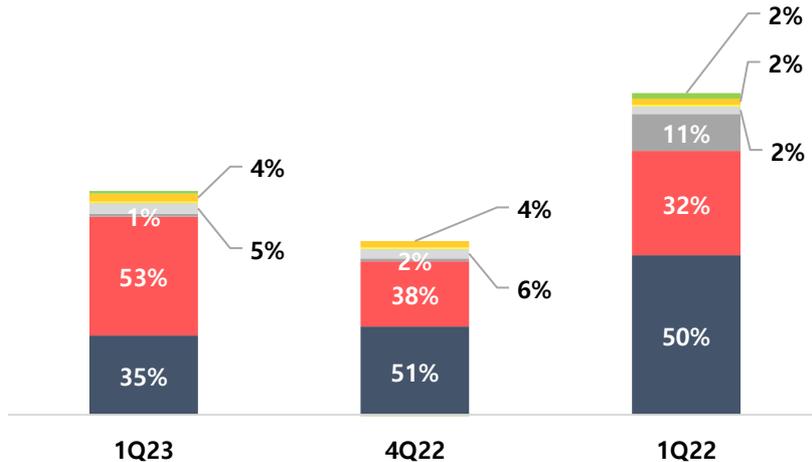
Expenses Breakdown (Consolidated)

Operating Expenses	33.0b	(QoQ +30%, YoY -31%)
- Fees	11.7b	(QoQ -10%, YoY -50%)
- Labor	17.6b	(QoQ +83%, YoY +14%)
- Marketing	0.4b	(QoQ -4%, YoY -92%)

Expenses Breakdown

■ Fees ■ Labor ■ Marketing ■ D&A ■ Network ■ Taxes&Dues ■ Others

(Unit : KRW million)



	1Q23	4Q22	1Q22
Total	33,043	25,468	47,560
Fees	11,707	13,050	23,590
Labor	17,580	9,617	15,423
Marketing	408	424	5,433
D&A	1,626	1,432	1,128
Network	179	187	209
Taxes & Dues	1,168	959	969
Others	375	(201)	807

Summary of F/S (Consolidated)



(Unit : KRW million)

B/S	2023.03.31	2022.12.31
Current Assets	397,332	366,112
Non-Current Assets	264,182	280,755
Total Assets	661,514	646,867
Current Liabilities	73,941	62,738
Non-Current Liabilities	7,788	9,769
Total Liabilities	81,729	72,508
Contributed Equity	17,655	17,655
Capital Surplus for Equity	153,696	149,814
Accumulated Other Comprehensive Income for Equity	1,123	438
Elements of Other Stockholder's Equity	(74,819)	(79,120)
Retained Earnings	479,895	483,328
Non-Controlling Interests	2,235	2,245
Total Equities	579,785	574,360
Total Liabilities and Equities	661,514	646,867

Summary of F/S (Consolidated)



(Unit : KRW million)

I/S	1Q23	4Q22	1Q22
Revenue	42,787	43,139	69,849
Game sales	42,762	43,114	69,802
Others	25	25	47
Operating expenses	33,043	25,468	47,560
Operating Profit	9,744	17,671	22,289
Profit (loss) before tax	16,824	21,278	26,448
Income tax expense	4,136	7,030	7,728
Net Income	12,688	14,248	18,720
Controlling interests	12,698	14,251	18,734
Non-controlling interests	(10)	(3)	(14)
Other comprehensive income	730	1,375	(5)
Total comprehensive income	13,418	15,624	18,715
Controlling interests	13,429	15,625	18,728
Non-controlling interests	(11)	(1)	(13)

Thank you