

# 1Q21 Earnings Release

2021.05.07  
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 on the left side of the list, starting from a horizontal line next to 'WEBZEN Inc.' and extending to the right, then curving upwards and downwards to encompass the entire list of subsidiaries.
- 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 Warsmith Inc.
  - WEBZEN Dream Inc.
  - WEBZEN Kamp Inc.
  - WEBZEN Nova Inc.
  - WEBZEN Beat Inc.

# Summary of Financial Results

[Consolidated]

(Unit : KRW million)

	1Q21	4Q20	QoQ	1Q20	YoY
Revenue	78,023	92,566	-16%	34,359	127%
Game Sales	77,939	92,482	-16%	34,247	128%
Others	84	84	0.2%	113	-26%
Operating Expenses	40,678	53,783	-24%	24,800	64%
Operating Profit	37,344	38,783	-4%	9,560	291%
Income before tax	42,849	40,367	6%	10,610	304%
Income tax expenses	11,460	9,757	17%	3,752	205%
Net Income	31,389	30,610	3%	6,858	358%
Other comprehensive income	(128)	(422)	-	288	-
Total comprehensive income	31,261	30,188	4%	7,145	337%

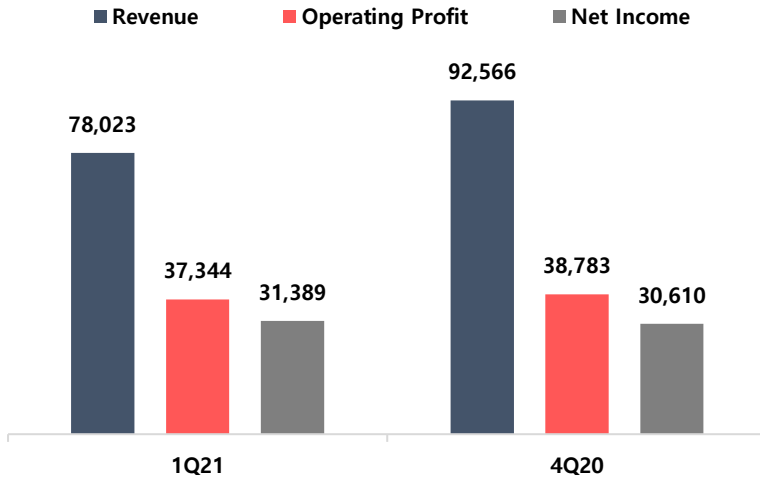
# Result Analysis(Consolidated)



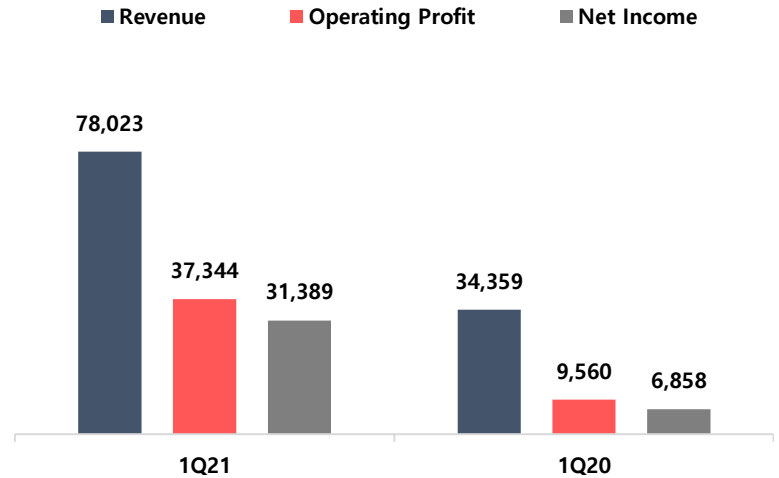
- Revenue 78.0b (QoQ -16%, YoY +127%)
- Operating Profit 37.3b (QoQ -4%, YoY +291%)
- Net Income 31.4b (QoQ +3%, YoY +358%)

(Unit : KRW million)

## QoQ



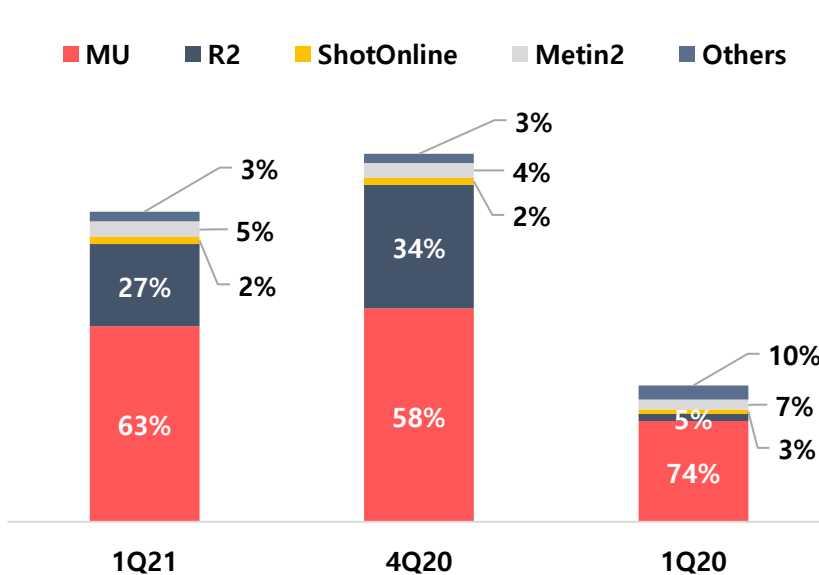
## YoY



# Sales Breakdown(Consolidated)

- MU 49.2b (QoQ -8%, YoY +94%)
- R2 20.7b (QoQ -33%, YoY +1,074%)
- ShotOnline 1.7b (QoQ -2%, YoY +57%)
- Metin2 4.0b (QoQ +8%, YoY +61%)

## Sales breakdown



(Unit : KRW million)

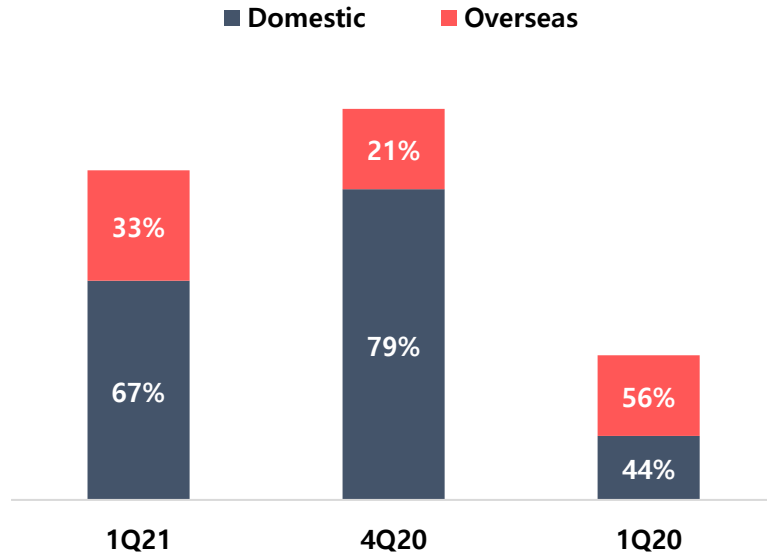
	1Q21	4Q20	1Q20
<b>Total</b>	<b>77,939</b>	<b>92,482</b>	<b>34,247</b>
MU(*)	49,155	53,599	25,367
R2(*)	20,660	31,056	1,759
ShotOnline	1,712	1,748	1,093
Metin2	3,990	3,709	2,477
Others	2,422	2,371	3,550

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

# Sales Breakdown(Consolidated)

- Domestic Sales : 51.9b (QoQ -29%, YoY +242%)
- Overseas Sales : 26.1b (QoQ +37%, YoY +37%)
- Portion of Overseas : QoQ +12%P, YoY -23%P

## Sales breakdown



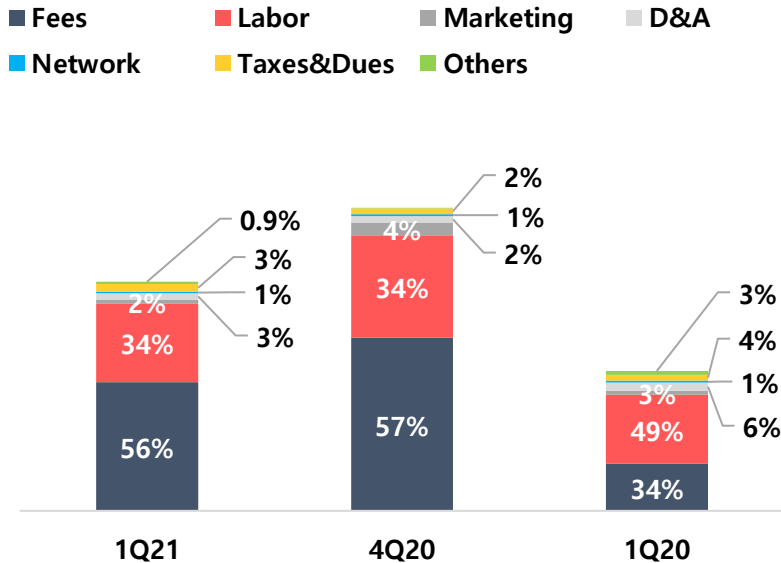
(Unit : KRW million)

	1Q21	4Q20	1Q20
<b>Total</b>	<b>77,939</b>	<b>92,482</b>	<b>34,247</b>
Domestic	51,877	73,518	15,159
Overseas	26,062	18,964	19,088

# Expenses Breakdown(Consolidated)

- Operating Expenses 40.7b (QoQ -24%, YoY +64%)
  - Fees 22.8b (QoQ -26%, YoY +173%)
  - Labor tendencies 13.9b (QoQ -23%, YoY +14%)
  - Marketing 0.7b (QoQ -71%, YoY +2%)

## Expenses Breakdown



(Unit : KRW million)

	1Q21	4Q20	1Q20
<b>Total</b>	<b>40,678</b>	<b>53,783</b>	<b>24,800</b>
Fees	22,813	30,713	8,349
Labor	13,947	18,170	12,260
Marketing	665	2,285	654
D&A	1,225	1,171	1,485
Network	263	313	330
Taxes & Dues	1,385	1,027	1,041
Others	380	104	681



# Summary of F/S(Consolidated)



(Unit : KRW million)

B/S	2021.03.31	2020.12.31
Current Assets	337,239	333,404
Non-Current Assets	225,257	209,296
<b>Total Assets</b>	<b>562,496</b>	<b>542,700</b>
Current Liabilities	80,663	92,401
Non-Current Liabilities	15,583	15,611
<b>Total Liabilities</b>	<b>96,246</b>	<b>108,012</b>
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,925	149,937
Accumulated Other Comprehensive Income for Equity	19	27
Elements of Other Stockholder's Equity	(55,794)	(56,018)
Retained Earnings	354,036	322,737
Non-Controlling Interests	409	350
<b>Total Equities</b>	<b>466,250</b>	<b>434,688</b>
<b>Total Liabilities and Equities</b>	<b>562,496</b>	<b>542,700</b>

# Summary of F/S(Consolidated)



(Unit : KRW million)

I/S	1Q21	4Q20	1Q20
Revenue	78,023	92,566	34,359
Game sales	77,939	92,482	34,247
Others	84	84	113
Operating expenses	40,678	53,783	24,800
Operating Profit	37,344	38,783	9,560
Profit (loss) before tax	42,849	40,367	10,610
Income tax expense	11,460	9,757	3,752
Net Income	31,389	30,610	6,858
Controlling interests	31,340	30,557	6,945
Non-controlling interests	48	53	(88)
Other comprehensive income	(128)	(422)	288
Total comprehensive income	31,261	30,188	7,145
Controlling interests	31,213	30,140	7,226
Non-controlling interests	48	48	(81)

**Thank you**