

3Q23

Earnings Release

2023.11.08

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 West, Inc.
- WEBZEN Dublin Ltd.
- WEBZEN Japan Inc.
- WEBZEN Red Star Inc.
- WEBZEN Mega Stone Inc.
- WEBZEN Redcore Inc.
- WEBZEN Cube Inc.
- WEBZEN Appletree Inc.
- WEBZEN Kamp Inc.
- WEBZEN Nova Inc.
- WEBZEN Beat Inc.
- WEBZEN Next Inc.
- WEBZEN Star Inc.
- WEBZEN Red N Inc.
- RisingStar Inc.

Summary of Financial Results

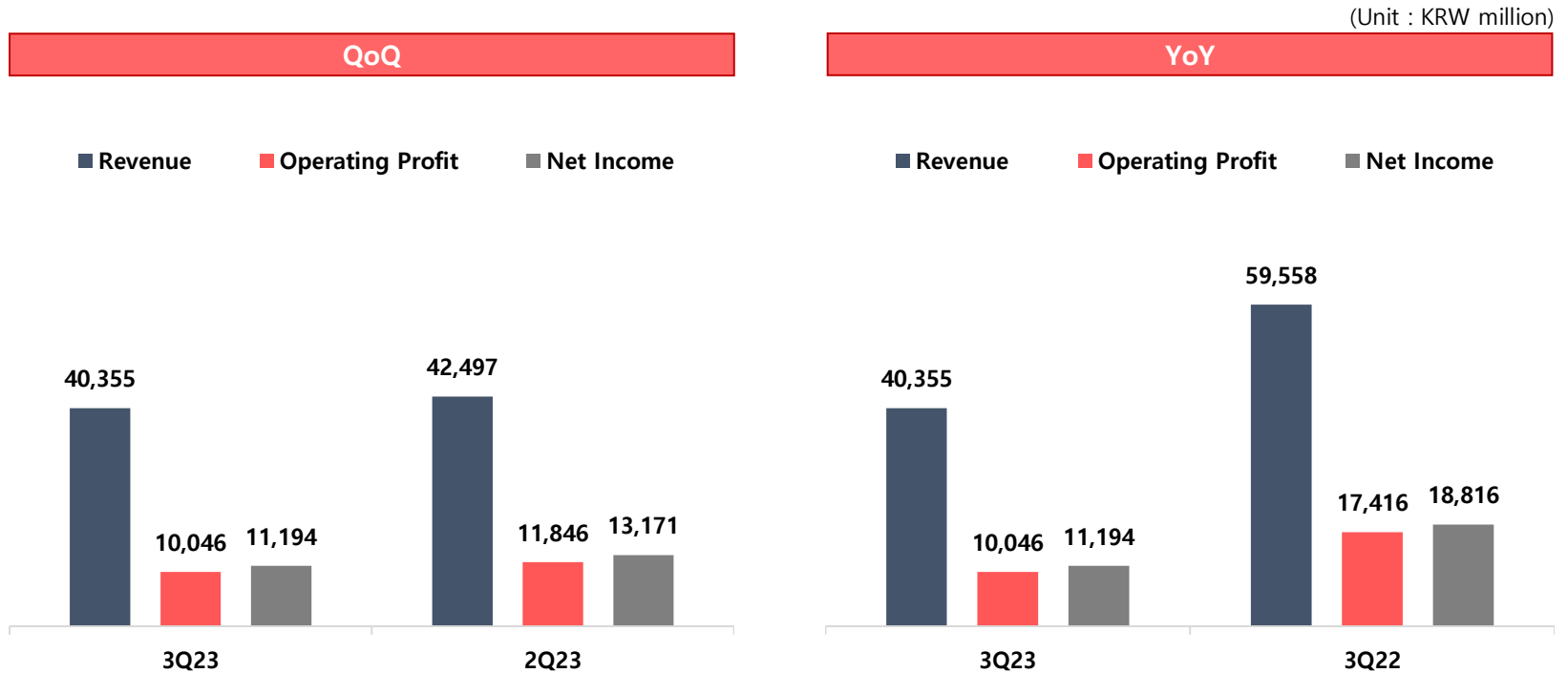
[Consolidated]

(Unit : KRW million)

	3Q23	2Q23	QoQ	3Q22	YoY
Revenue	40,355	42,497	-5%	59,558	-32%
Game Sales	40,329	42,471	-5%	59,527	-32%
Others	27	26	3%	31	-15%
Operating Expenses	30,309	30,651	-1%	42,142	-28%
Operating Profit	10,046	11,846	-15%	17,416	-42%
Income before Tax	14,456	17,293	-16%	27,393	-47%
Income Tax Expenses	3,262	4,122	-21%	8,577	-62%
Net Income	11,194	13,171	-15%	18,816	-41%
Other Comprehensive Income	(41)	(403)	-	585	-
Total Comprehensive Income	11,153	12,768	-13%	19,401	-43%

Result Analysis (Consolidated)

Revenue	40.4b	(QoQ -5%,	YoY -32%)
Operating Profit	10.0b	(QoQ -15%,	YoY -42%)
Net Income	11.2b	(QoQ -15%,	YoY -41%)

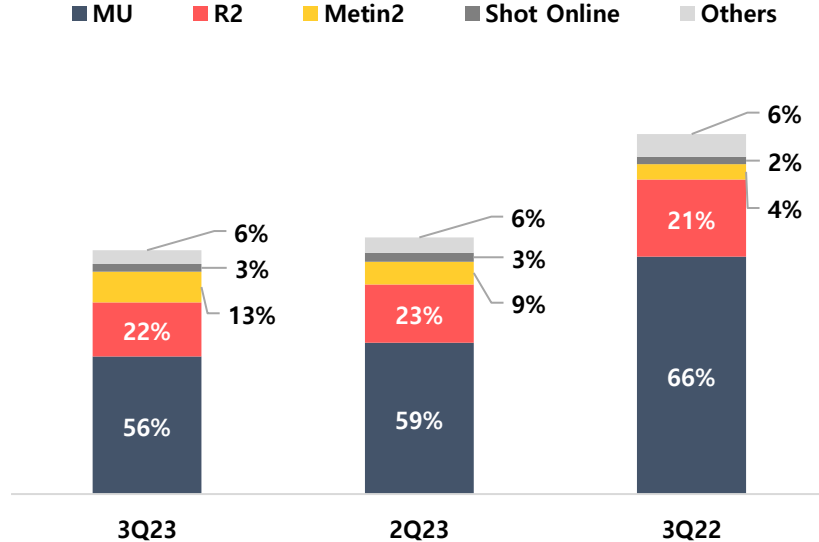


Sales Breakdown (Consolidated)



MU	22.8b	(QoQ -9%, YoY -42%)
R2	8.9b	(QoQ -7%, YoY -30%)
Metin2	5.1b	(QoQ +37%, YoY +103%)
ShotOnline	1.3b	(QoQ -15%, YoY +3%)

breakdown



(Unit : KRW million)

	3Q23	2Q23	3Q22
Total	40,329	42,471	59,527
MU(*)	22,771	25,060	39,279
R2(*)	8,939	9,639	12,775
Metin2	5,100	3,733	2,516
Shot Online	1,256	1,476	1,216
Others	2,262	2,563	3,741

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

Sales Breakdown (Consolidated)

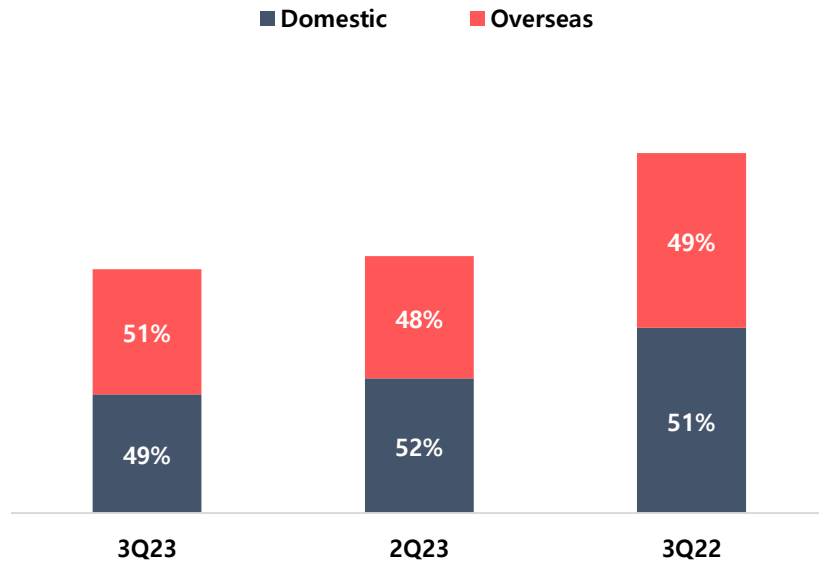


Domestic Sales 19.7b (QoQ -12%, YoY -36%)

Overseas Sales 20.7b (QoQ +2%, YoY -28%)

Portion of Overseas QoQ +3%p, YoY +2%p

breakdown



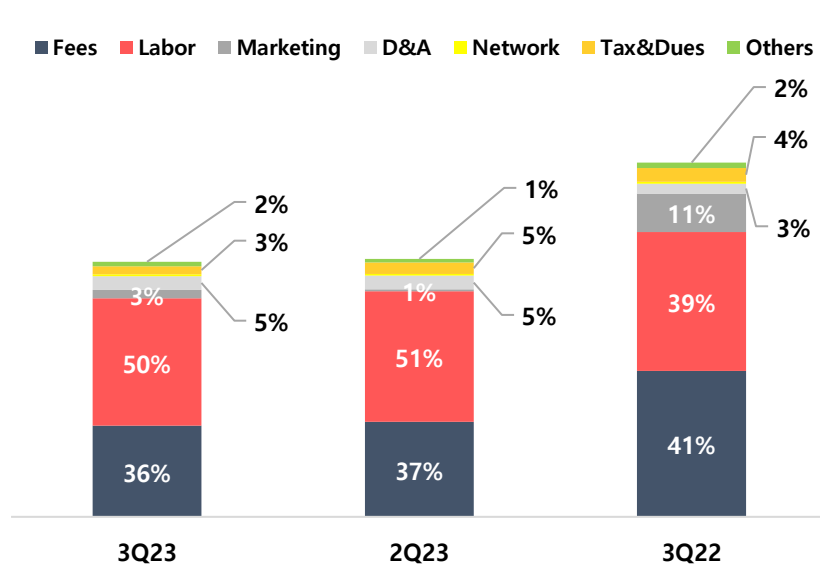
(Unit : KRW million)

	3Q23	2Q23	3Q22
Total	40,329	42,471	59,527
Domestic	19,654	22,273	30,644
Overseas	20,674	20,199	28,883

Expenses Breakdown (Consolidated)

Operating Expenses	30.3b	(QoQ -1%,	YoY -28%)
- Fees	10.8b	(QoQ -4%,	YoY -38%)
- Labor	15.2b	(QoQ -2%,	YoY -8%)
- Marketing	1.0b	(QoQ +316%,	YoY -78%)

breakdown



(Unit : KRW million)

	3Q23	2Q23	3Q22
Total	30,309	30,651	42,142
Fees	10,830	11,303	17,355
Labor	15,157	15,521	16,501
Marketing	1,004	242	4,591
D&A	1,643	1,616	1,185
Network	202	190	210
Tax & Dues	967	1,391	1,646
Others	506	389	654

Summary of F/S (Consolidated)



(Unit : KRW million)

B/S	2023.09.30	2022.12.31
Current Assets	382,556	366,112
Non-Current Assets	281,027	280,755
Total Assets	663,584	646,867
Current Liabilities	53,760	62,738
Non-Current Liabilities	5,835	9,769
Total Liabilities	59,594	72,508
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,814	149,814
Accumulated Other Comprehensive Income for Equity	1,098	438
Elements of Other Stockholder's Equity	(70,656)	(79,120)
Retained Earnings	503,877	483,328
Non-Controlling Interests	2,202	2,245
Total Equities	603,989	574,360
Total Liabilities and Equities	663,584	646,867

Summary of F/S (Consolidated)



(Unit : KRW million)

I/S	3Q23	2Q23	3Q22
Revenue	40,355	42,497	59,558
Game Sales	40,329	42,471	59,527
Others	27	26	31
Operating Expenses	30,309	30,651	42,142
Operating Profit	10,046	11,846	17,416
Profit (loss) before tax	14,456	17,293	27,393
Corporate Tax	3,262	4,122	8,577
Net Income	11,194	13,171	18,816
Other Comprehensive Income	(41)	(403)	585
Total Comprehensive Income	11,153	12,768	19,401
Controlling Interests	11,182	12,774	19,382
Non-Controlling Interests	(29)	(7)	19

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