

1H24 Earnings Release

Aug 7, 2024

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.



1H24 Result Analysis

Summary of Financial Results

[Consolidated]

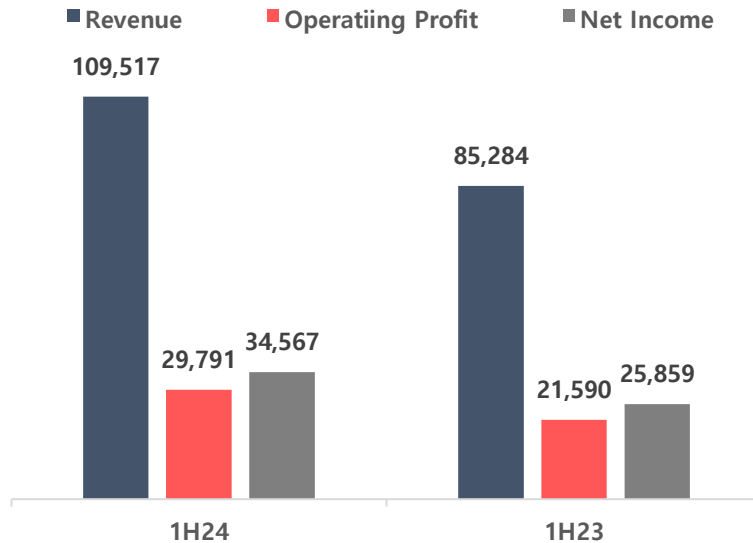
(Unit : KRW million)

IS	1H24	1H23	YoY	G/R
Revenue	109,517	85,284	24,233	28%
Game Sales	109,290	85,233	24,057	28%
Others	227	51	176	345%
Operating Expenses	79,726	63,694	16,031	25%
Operating Profit	29,791	21,590	8,201	38%
Income before Tax	42,222	34,117	8,105	24%
Income Tax Expenses	7,655	8,259	(604)	-7%
Net Income	34,567	25,859	8,708	34%
Other Comprehensive Income	405	327	78	24%
Total Comprehensive Income	34,972	26,186	8,786	34%

Result Analysis (Consolidated)

Revenue	109.5b	(YoY +28%)
Operating Profit	29.8b	(YoY +38%)
Net Income	34.6b	(YoY +34%)

YoY



(Unit : KRW million)

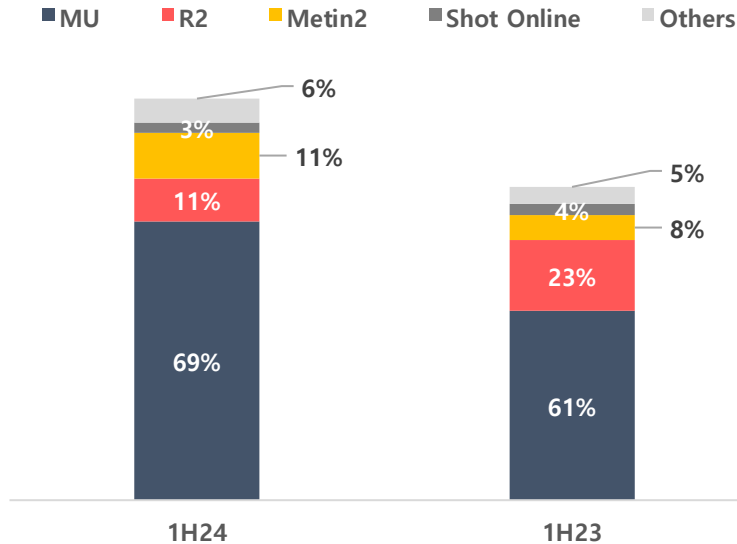
	1H24	1H23	G/R
Revenue	109,517	85,284	28%
Operating Profit	29,791	21,590	38%
Net Income	34,567	25,859	34%

Sales Breakdown (Consolidated)



MU	75.9b	(YoY +47%)
R2	11.7b	(YoY -39%)
Metin2	12.4b	(YoY +81%)
Shot Online	2.8b	(YoY -8%)

breakdown



(Unit : KRW million)

	1H24	1H23	G/R
Total	109,290	85,233	28%
MU(*)	75,873	51,576	47%
R2(*)	11,678	19,181	-39%
Metin2	12,413	6,842	81%
Shot Online	2,799	3,040	-8%
Others	6,528	4,595	42%

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

Sales Breakdown (Consolidated)

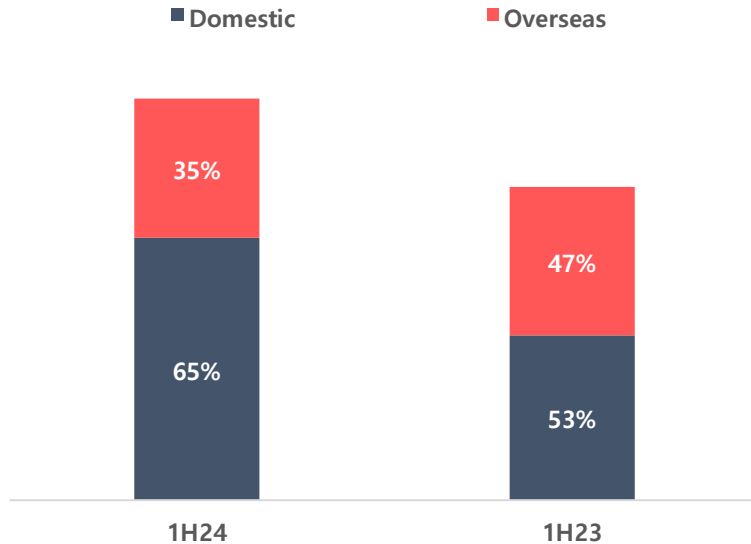


Domestic Sales 71.4b (YoY +59%)

Overseas Sales 37.9b (YoY -6%)

Portion of Domestic YoY +12%p

breakdown



(Unit : KRW million)

	1H24	1H23	G/R
Total	109,290	85,233	28%
Domestic	71,366	44,840	59%
Overseas	37,925	40,394	-6%

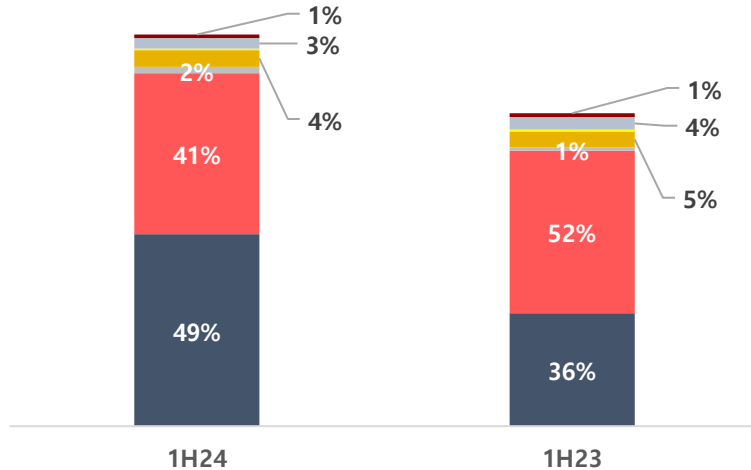
Expenses Breakdown (Consolidated)

Operating Expenses	79.7b	(YoY +25%)
- Fees	39.1b	(YoY +70%)
- Labor	32.8b	(YoY -1%)
- Marketing	1.3b	(YoY +94%)

breakdown

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

(Unit : KRW million)



	1H24	1H23	G/R
Total	79,726	63,694	25%
Fees	39,087	23,010	70%
Labor	32,784	33,101	-1%
Marketing	1,263	650	94%
D&A	3,415	3,242	5%
Network	341	369	-8%
Taxes & Dues	2,113	2,560	-17%
Others	722	763	-5%



2Q24 Result Analysis

Summary of Financial Results

[Consolidated]

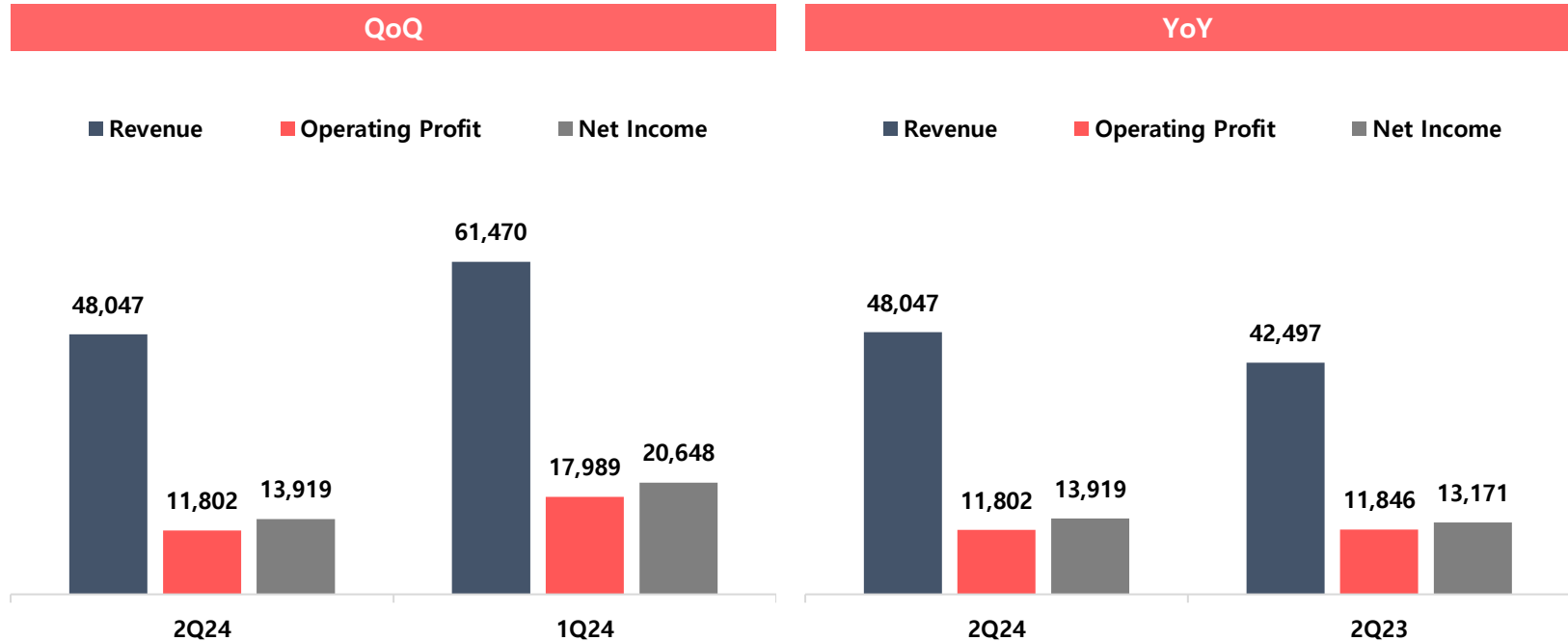
(Unit : KRW million)

IS	2Q24	1Q24	QoQ	2Q23	YoY
Revenue	48,047	61,470	-22%	42,497	13%
Game Sales	47,933	61,357	-22%	42,471	13%
Others	114	113	1%	26	340%
Operating Expenses	36,244	43,481	-17%	30,651	18%
Operating Profit	11,802	17,989	-34%	11,846	-0.4%
Income before Tax	18,512	23,710	-22%	17,293	7%
Income Tax Expenses	4,593	3,062	50%	4,122	11%
Net Income	13,919	20,648	-33%	13,171	6%
Other Comprehensive Income	178	227	-22%	(403)	-
Total Comprehensive Income	14,097	20,875	-32%	12,768	10%

Result Analysis (Consolidated)

Revenue	48.0b	(QoQ -22%, YoY +13%)
Operating Profit	11.8b	(QoQ -34%, YoY -0.4%)
Net Income	13.9b	(QoQ -33%, YoY +6%)

(Unit : KRW million)

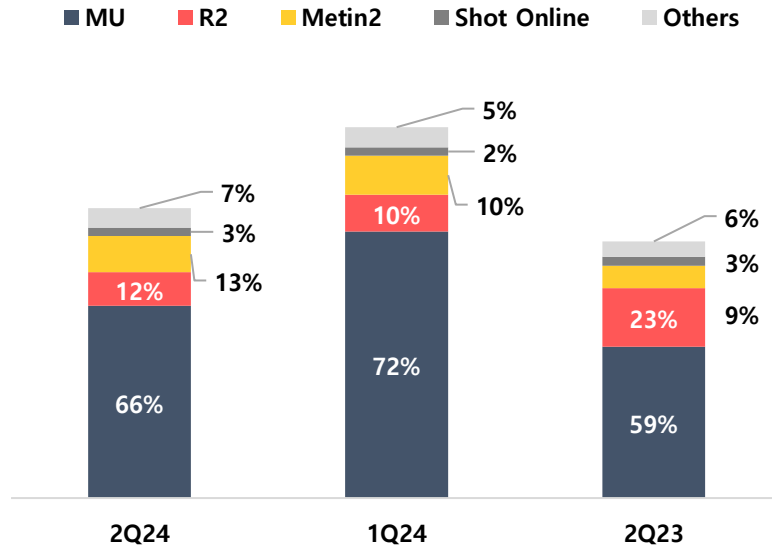


Sales Breakdown (Consolidated)



MU	31.8b	(QoQ -28%,	YoY +27%)
R2	5.6b	(QoQ -9%,	YoY -42%)
Metin2	6.0b	(QoQ -7%,	YoY +61%)
Shot Online	1.4b	(QoQ -2%,	YoY -6%)

breakdown



(Unit : KRW million)

	2Q24	1Q24	2Q23
Total	47,933	61,357	42,471
MU(*)	31,804	44,068	25,060
R2(*)	5,555	6,122	9,639
Metin2	5,992	6,421	3,733
Shot Online	1,386	1,413	1,476
Others	3,196	3,332	2,563

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

Sales Breakdown (Consolidated)



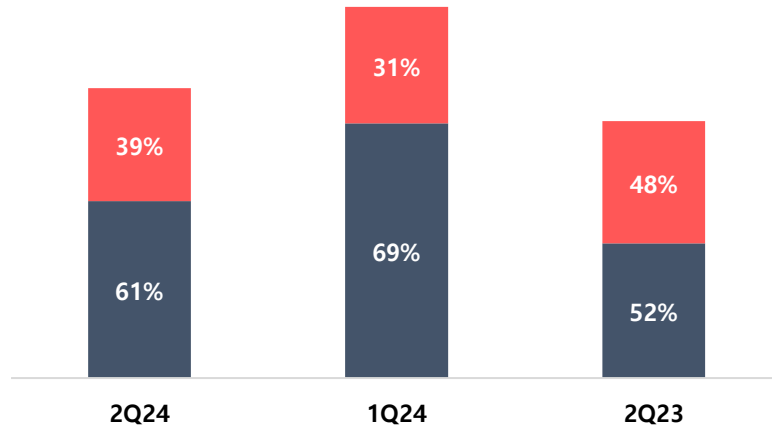
Domestic Sales 29.3b (QoQ -31%, YoY +31%)

Overseas Sales 18.7b (QoQ -3%, YoY -8%)

Portion of Domestic QoQ -8%p, YoY +9%p

breakdown

■ Domestic ■ Overseas



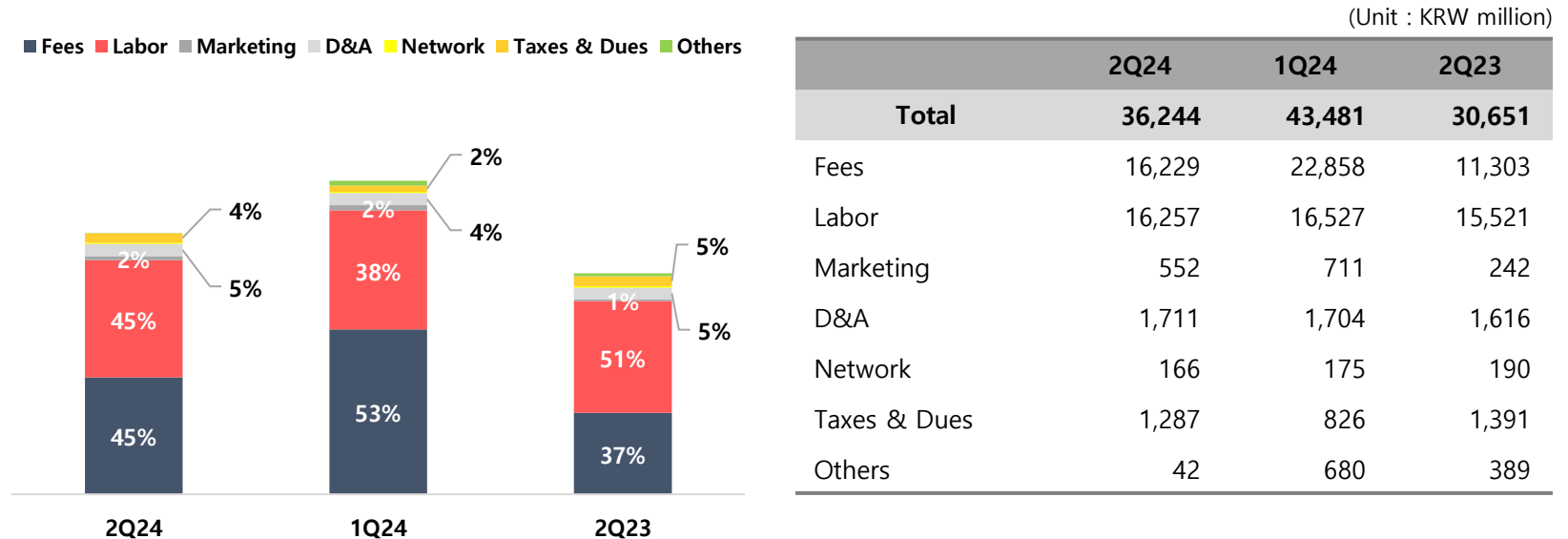
(Unit : KRW million)

	2Q24	1Q24	2Q23
Total	47,933	61,357	42,471
Domestic	29,262	42,104	22,273
Overseas	18,671	19,254	20,199

Expenses Breakdown (Consolidated)

Operating Expenses	36.2b	(QoQ -17%,	YoY +18%)
- Fees	16.2b	(QoQ -29%,	YoY +44%)
- Labor	16.3b	(QoQ -2%,	YoY +5%)
- Marketing	0.6b	(QoQ -22%,	YoY +129%)

breakdown



Summary of F/S (Consolidated)



(Unit : KRW million)

B/S	2024.06.30	2023.12.31
Current Assets	449,699	382,363
Non-Current Assets	277,999	320,700
Total Assets	727,698	703,064
Current Liabilities	70,174	72,676
Non-Current Liabilities	7,114	6,489
Total Liabilities	77,289	79,165
Contributed Equity	17,655	17,655
Capital Surplus for Equity	149,814	149,814
Accumulated Other Comprehensive Income for Equity	1,718	1,171
Elements of Other Stockholder's Equity	(70,214)	(70,592)
Retained Earnings	549,300	523,642
Non-Controlling Interests	2,136	2,208
Total Equities	650,409	623,899
Total Liabilities and Equities	727,698	703,064

Summary of F/S (Consolidated)



(Unit : KRW million)

I/S	2024		2023	
	2Q	1H	2Q	1H
Revenue	48,047	109,517	42,497	85,284
Game Sales	47,933	109,290	42,471	85,233
Others	114	227	26	51
Operating Expenses	36,244	79,726	30,651	63,694
Operating Profit	11,802	29,791	11,846	21,590
Profit (loss) before tax	18,512	42,222	17,293	34,117
Corporate Tax	4,593	7,655	4,122	8,259
Net Income	13,919	34,567	13,171	25,859
Other Comprehensive Income	178	405	(403)	327
Total Comprehensive Income	14,097	34,972	12,768	26,186
Controlling Interests	14,146	35,045	12,774	26,203
Non-Controlling Interests	(49)	(73)	(7)	(17)

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Thank you