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2Q 2026 Earnings Release

5 August 2026

Disclaimer

Financial information for 2Q 2026 are estimates based on K-IFRS standards, and all financial and business results except for the stand-alone statement are consolidated-basis results which include subsidiary performance.

Please note that the information was prepared to cater to investors and has not yet been reviewed by an outside auditor, and hence is subject to change upon the auditor's review.

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Summary

- 2Q revenue down 35% YoY and 10% QoQ on stabilization of live titles and no new releases
- 2Q operating loss narrowed marginally QoQ on decline in one-time expense and cost savings

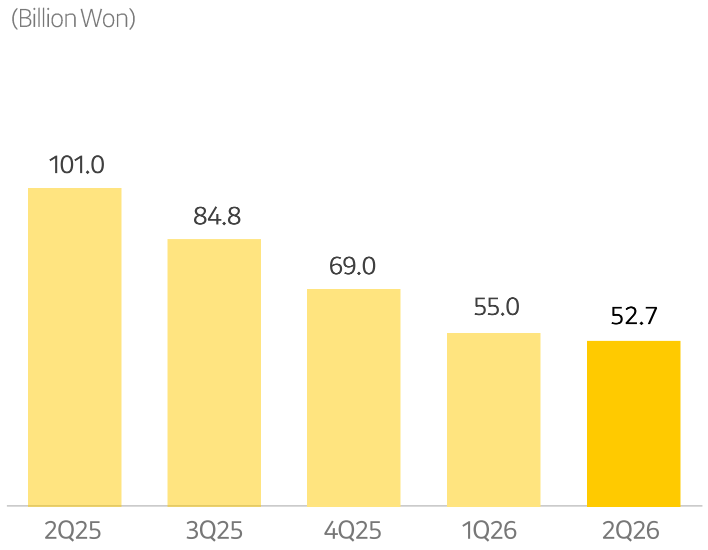
Billion Won	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ
Revenue	**115.8**	**127.5**	**98.9**	**82.9**	**75.0**	**-35.2%**	**-9.5%**
Mobile	101.0	84.8	69.0	55.0	52.7	-47.8%	-4.2%
PC	14.8	42.7	29.9	27.9	22.3	50.5%	-20.0%
OPEX	124.4	132.9	112.0	108.4	98.0	-21.2%	-9.5%
Operating Profit	**-8.6**	**-5.4**	**-13.1**	**-25.5**	**-23.0**	**Deficit Continued**	**Deficit Continued**
OPM	-7.4%	-4.3%	-13.2%	-30.7%	-30.7%	0.01%p	-23.3%p
Net Income	**-33.6**	**34.6**	**-110.7**	**-39.5**	**-57.0**	**Deficit Continued**	**Deficit Continued**
Controlling Interest	-26.1	34.0	-84.9	-30.0	-49.0	Deficit Continued	Deficit Continued

Revenue Breakdown

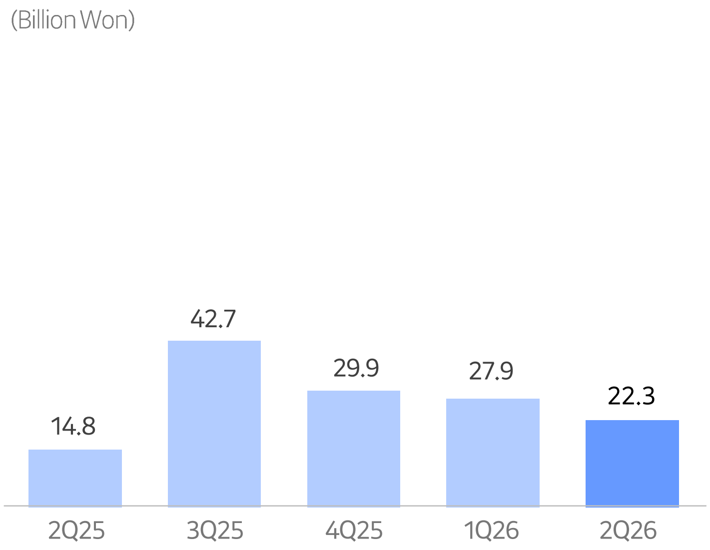
2Q Revenue reported 75.0 bn Won YoY 35.2% ▼ / QoQ 9.5% ▼

- Mobile Game : Stabilization of legacy titles and service transfer of 'R.O.M'
- PC Game : Despite seasonal weakness for 'PUBG', YoY growth continued supported by stable metrics

Mobile
(YoY 47.8% ▼ / QoQ 4.2% ▼)



PC
(YoY 50.5% ▲ / QoQ 20.0% ▼)



OPEX Breakdown

2Q Operating Expense reported 98.0 bn Won YoY 21.2% ▼ / QoQ 9.5% ▼

- Labor Cost : Ongoing effort behind operational efficiency enhancements, accompanied by one-off retirement expense
- Commissions : Variability in game revenue and one-time settlement effect
- Marketing Cost : Selective spending on major live titles and continued cost control
- Others: Continued G&A cost optimization

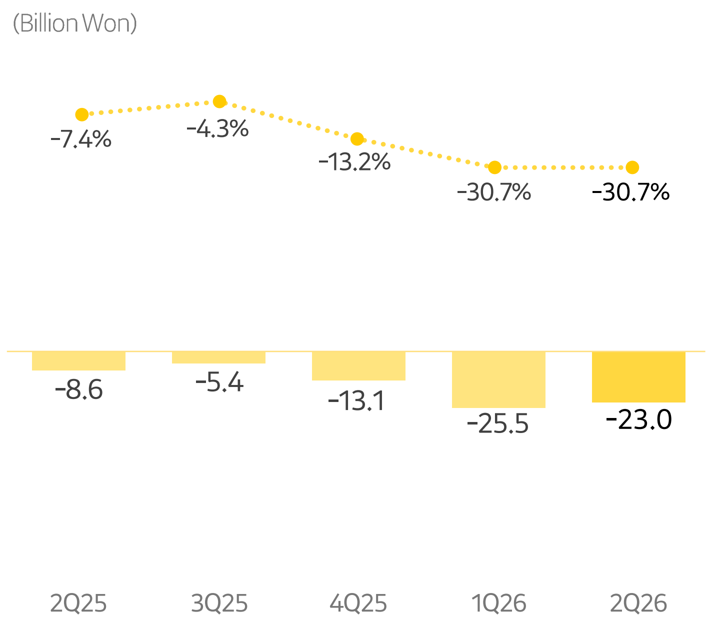
Billion Won	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ
OPEX	124.4	132.9	112.0	108.4	98.0	-21.2%	-9.5%
Labor Costs	37.0	36.7	36.5	38.7	39.2	6.2%	1.5%
Commissions	57.5	66.2	48.2	45.9	36.5	-36.4%	-20.5%
Marketing Costs	8.5	9.1	7.2	4.6	3.5	-58.7%	-24.3%
Tangible/Intangible Amortization	12.2	12.3	11.9	10.2	10.1	-17.2%	-1.6%
Others	9.3	8.7	8.2	8.9	8.7	-6.9%	-2.4%
Operating Profit	-8.6	-5.4	-13.1	-25.5	-23.0	Deficit Continued	Deficit Continued
Income Tax	-0.1	-17.6	-24.8	-6.3	-7.5	-	-

Profit

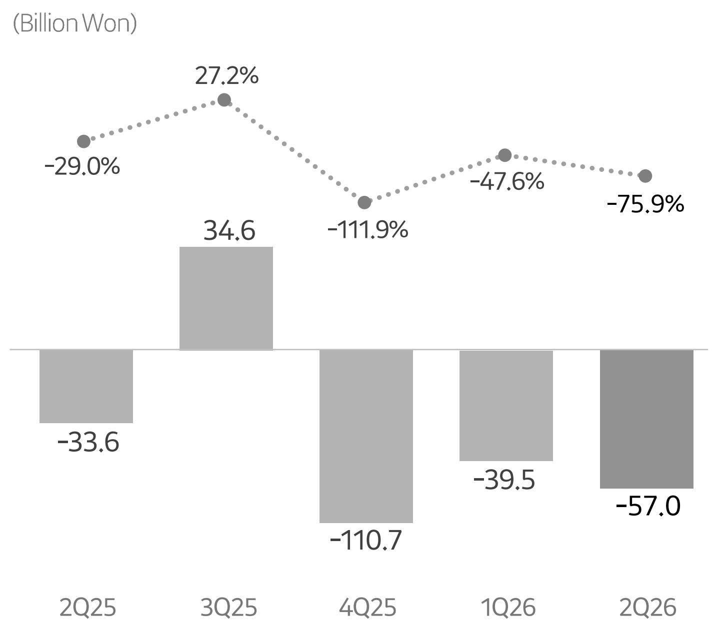
2Q Operating Loss -23.0 bn Won / Net Loss -57.0 bn Won

- Non-operating loss widened due to rise in financing cost

Operating Profit (Margin)



Net Income (Margin)



Appendix.

Pipeline

Schedule	Title	In-house /Publishing	Genre	Platform	Region
4Q26	Realm of Dokkaebi	Publishing	MMORPG	Mobile+PC	Korea
	ArcheAge Chronicle	In-house (XL Games)	Online Action RPG	PC/Console	Global
	Dungeon Arise	Publishing	Strategy Adventure RPG	Mobile	Global
1Q27	Odin Q: Valkyrie's Call	In-house (Lionheart)	MMORPG	Mobile+PC	Korea, Taiwan, etc.
	God Save Birmingham	In-house (OceanDrive)	Open-World Zombie Survival Simulator	PC/Console	Global
2Q27	Chrono Odyssey	Publishing	Online Action RPG	PC/Console	Global
	ArcheAge S: Strait of Freedom	In-house (XL Games)	MMORPG	PC	Global
TBD	Project C	In-house (Lionheart)	Subculture Growth Simulation	Mobile+PC	Korea, Japan
	Project S	In-house (Lionheart)	Third-Person PvP Shooter	PC/Console	Global

Appendix.

Financial Statement Summary

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Consolidated Balance Sheet

Million Won	2Q25	3Q25	4Q25	1Q26	2Q26
Current Asset	**1,189,517**	**1,180,363**	**941,159**	**867,224**	**1,064,896**
Cash & Cash Equivalent	429,675	560,506	789,303	712,916	858,567
Financial Asset (Fair Value)	162,530	201,374	105,160	105,600	155,554
Others	597,313	418,483	46,696	48,709	50,775
Non-Current Asset	**1,956,823**	**1,895,589**	**1,735,615**	**1,712,582**	**1,691,654**
Available-for-Sale	305,986	253,948	212,921	210,688	195,616
Investment in Associates	16,952	16,438	9,679	6,194	5,821
Intangibles	1,466,797	1,459,022	1,347,508	1,341,906	1,334,853
Others	167,088	166,181	165,508	153,795	155,364
Total Asset	**3,146,341**	**3,075,952**	**2,676,774**	**2,579,806**	**2,756,550**
Current Liabilities	**712,258**	**685,656**	**512,238**	**515,604**	**947,171**
Non-Current Liabilities	**1,000,982**	**971,280**	**964,563**	**966,963**	**526,853**
Total Liabilities	**1,713,240**	**1,656,935**	**1,477,800**	**1,482,567**	**1,474,025**
Paid-in Capital	**8,287**	**8,287**	**8,979**	**8,979**	**10,725**
Capital Surplus	**1,100,502**	**1,102,308**	**1,118,745**	**1,111,564**	**1,349,788**
Other Capital Components	**16,582**	**-38,159**	**-80,875**	**-96,671**	**-95,609**
Retained Earnings	**186,784**	**225,803**	**137,235**	**102,278**	**58,252**
Non-Controlling	**120,945**	**120,778**	**13,891**	**-33,912**	**-40,631**
Total Equity	**1,433,101**	**1,419,016**	**1,199,974**	**1,097,239**	**1,282,525**

Consolidated Income Statement

Million Won	2Q25	3Q25	4Q25	1Q26	2Q26
Revenue	**115,808**	**127,468**	**98,889**	**82,926**	**75,021**
OPEX	**124,423**	**132,914**	**111,978**	**108,385**	**-98,047**
Operating Profit	**-8,615**	**-5,447**	**-13,089**	**-25,460**	**-23,026**
Other Gains	1,221	2,056	1,465	3,412	1,180
Other Losses	16,733	4,437	121,985	4,638	1,159
Financial Income	4,094	22,108	22,688	6,751	7,179
Financial Expense	14,849	2,785	15,279	22,551	48,280
Equity Method	-879	-546	-376	-3,363	-383
EBT	**-35,760**	**10,950**	**-126,576**	**-45,848**	**-64,489**
Income Tax	-67	-17,622	-24,785	-6,344	-7,534
Net Income	**-33,587**	**34,615**	**-110,685**	**-39,504**	**-56,956**
Controlling	-26,117	34,006	-84,901	-29,956	-49,026
Non-Controlling	-7,470	609	-25,784	-9,547	-7,930

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