Q2 2026
Earnings Release

SHIFT UP

2026.08.11

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Contents

01. Q2 2026 Highlights

1	IP brand power driven by a strong fan base

2	Growing anticipation following the new title unveil

<GoV: NIKKE> Global: 3.5th anniversary results reaffirm the IP's brand power

▶ 3.5th anniversary successfully completed; peaked at No.1 revenue on Apple App Store & Google Play in both Korea and Japan

▶ Live service operating stably ahead of major 2nd half events (4th anniversary, winter event, etc.)

First reveal of <Stellar Blade: Blood Rain> confirms strong global interest in the IP

▶ First revealed at SGF (Summer Game Fest); 1.61mn views[1] on IGN's channel, top-tier among new-title reveals

▶ Targeting <Project Spirits> reveal within 2026

Note: [1]As of end of July 2026

02. Earnings Summary

Q2 Earnings

Q2 2026: Revenue KRW 55.7bn, OP KRW 28.1bn, Net profit KRW 41.7bn

(Unit: M KRW, %)

Category	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ
Operating revenue	**112,383**	**75,499**	**64,430**	**47,309**	**55,724**	**-50.4%**	**17.8%**
GoV: NIKKE	45,112	44,463	43,435	32,689	43,266	-4.1%	32.4%
Stellar Blade	65,719	27,693	17,185	12,904	8,831	-86.6%	-31.6%
Others	1,552	3,343	3,810	1,716	3,626	133.6%	111.3%
Operating expenses	**44,167**	**25,952**	**27,026**	**25,803**	**27,606**	**-37.5%**	**7.0%**
Operating profit	**68,215**	**49,548**	**37,403**	**21,506**	**28,118**	**-58.8%**	**30.7%**
Operating profit margin	*60.7%*	*65.6%*	*58.1%*	*45.5%*	*50.5%*	*-10.2%(p)*	*5.0%(p)*
Non-op. P&L	(5,629)	18,512	18,510	25,705	26,210	Turnaround	2.0%
Equity method P/L	-	-	14,841	(820)	(568)	*N/A*	30.7%
Net Profit bef. Corp. Tax	62,586	68,059	70,755	46,390	53,759	-14.1%	15.9%
Net profit	**51,306**	**54,628**	**58,649**	**37,796**	**41,736**	**-18.7%**	**10.4%**
Net profit margin	*45.7%*	*72.4%*	*91.0%*	*79.9%*	*74.9%*	*29.2%(p)*	*-5.0%(p)*

Note: Q2 2026 results are preliminary figures based on consolidated financial statements and are subject to change upon external audit

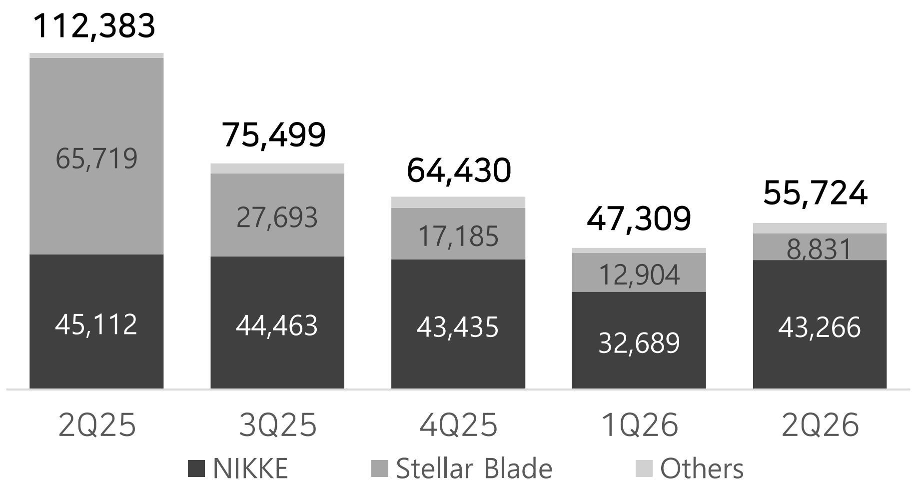
03. Revenue

Q2 Earnings

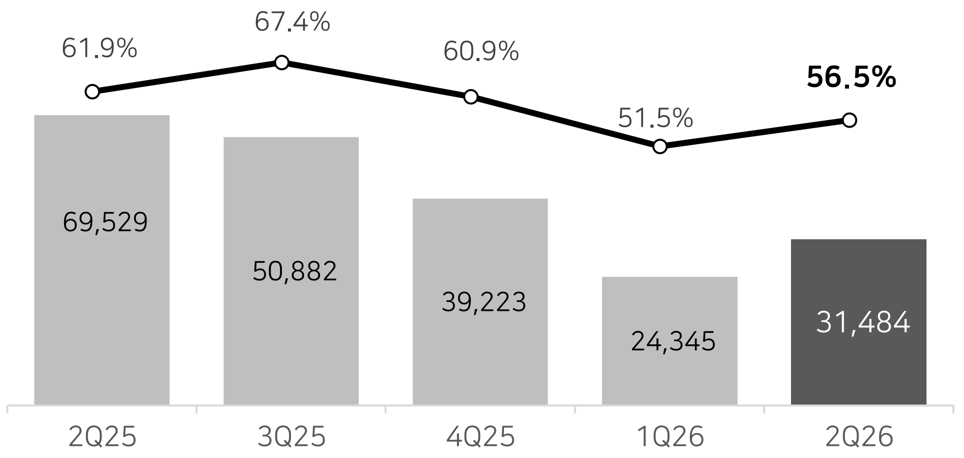
Q2 2026 revenue of KRW 55.7bn (QoQ +17.8%, YoY -50.4%1)

- <GoV: NIKKE>: 3.5th anniversary completed; solid revenue growth in its 4th year of service
  - [Global] No.1 revenue in both Korea & Japan right after the update; Global revenue up both YoY and QoQ
  - [China] Narrowing the <NIKKE: New Hope> contents gap with the global version; reinforcing the mid/long-term service base
- <Stellar Blade>: Steady-seller sales momentum sustained by sequel reveal
  - [Sales] Expanding new-user touchpoints via seasonal promotions and the sequel reveal at Summer Game Fest

▶ IP Revenue (Unit: M KRW)



▶ EBITDA (Unit: M KRW, %)



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04. Operating Expenses

Q2 Earnings

Q2 2026 operating expenses of KRW 27.6bn (QoQ +7.0%, YoY -37.5%)

- Operating expenses reflect the consolidation of UNBOUND as a subsidiary this quarter
- Labor costs fell 4.1% QoQ to KRW 15.6bn as the one-off incentive paid in the prior quarter dropped out

(Unit: M KRW, %)

Category	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ
Op. expenses	**44,167**	**25,952**	**27,026**	**25,803**	**27,606**	**-37.5%**	**7.0%**
Labor costs[1]	16,441	13,977	13,589	16,240	15,572	-5.3%	-4.1%
Variable costs[2]	25,408	9,637	5,754	4,926	6,022	-76.3%	22.2%
Fixed costs[3]	2,318	2,338	7,683	4,638	6,012	159.4%	29.6%

※ Quarterly Headcount[4]

(Unit: Persons, %)

Category	2Q25	3Q25	4Q25	1Q26	2Q26	YoY	QoQ
Total	**335**	**329**	**339**	**355**	**442**	31.9%	24.5%
Development	293	287	297	311	387	32.1%	24.4%
Exec. / Admin.	42	42	42	44	55	31.0%	25.0%

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Note: Q2 2026 results are preliminary figures based on consolidated financial statements and are subject to change upon external audit [1]Salaries, bonuses, severance, and stock-based compensation; [2]Commissions and fees, etc.; [3]Depreciation & amortization, rent, and other costs; [4]Includes independent directors and other non-executive directors (4), excludes interns; consolidated headcount basis; concurrent positions counted once

05. Operating Profit & Net Profit

Q2 Earnings

Q2 2026 OP KRW 28.1bn (QoQ +30.7%, YoY -58.8%) / Net profit KRW 41.7bn (QoQ +10.4%, YoY -18.7%)

- Net non-operating income of KRW 26.2bn, in line with the prior quarter, on FX-related gains and investment income

(Unit: M KRW, %)

Category	2Q25	3Q25	4Q25	1Q26	2Q26	Change	
						YoY	QoQ
Operating profit	**68,215**	**49,548**	**37,403**	**21,506**	**28,118**	**-58.8%**	**30.7%**
Operating profit margin	*60.7%*	*65.6%*	*58.1%*	*45.5%*	*50.5%*	*-10.2%(p)*	*5.0%(p)*
Non-op. P&L	(5,629)	18,512	18,510	25,705	26,210	Turnaround	2.0%
Equity method P&L	-	-	14,841	(820)	(568)	*N/A*	30.7%
Net Profit before corporate tax	62,586	68,059	70,755	46,390	53,759	-14.1%	15.9%
Corporate tax	11,280	13,431	12,105	8,594	12,024	6.6%	39.9%
Net profit	**51,306**	**54,628**	**58,649**	**37,796**	**41,736**	**-18.7%**	**10.4%**
Net profit margin	*45.7%*	*72.4%*	*91.0%*	*79.9%*	*74.9%*	*29.2%(p)*	*-5.0%(p)*

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06. Q&A

<Goddess of Victory: NIKKE>

Q.1 : How did <Goddess of Victory: NIKKE> perform in Q2 2026?

A.1 : <Goddess of Victory: NIKKE> once again proved the strength of its IP with the 3.5th anniversary update in April. Polished content — the event story 'STAR ANIS' built around the beloved character Anis, a new character, a 3D visual concert, special animation, and full voice acting — drew an enthusiastic global response, and right after the update <Goddess of Victory: NIKKE> hit No.1 grossing on both major app stores (Apple/Google) in Korea and Japan.

On the back of this, <Goddess of Victory: NIKKE> global revenue grew both YoY and QoQ this quarter, sustaining solid momentum in its fourth year of service. In July, we also successfully wrapped up 'Full Burst Live', a two-day band concert reinterpreting 25 signature OST tracks in rock arrangements. The concert confirmed the deep bond with our users and the cohesion of the fandom, and such IP experiences inside and outside the game continue to reinforce <Goddess of Victory: NIKKE>'s foundation for long-term success.

Q.2 : What is the outlook for <Goddess of Victory: NIKKE> going forward?

A.2 : Global user response has stayed strong from the 3.5th anniversary through the recent summer event. <Goddess of Victory: NIKKE> has repeatedly rebounded to top grossing ranks in key markets such as Korea and Japan at every major update — the 1.5th and 2nd anniversaries among them. The 3.5th anniversary results are thus not a one-off: an update-driven revenue structure has become <Goddess of Victory: NIKKE>'s own robust live-service model. The 4th anniversary update planned for H2 is being prepared with greater content volume and polish, and we expect solid revenue to continue on the fandom's strong response to our story and characters.

We also keep expanding IP touchpoints beyond the game — orchestra and band concerts, pop-up stores, and a broader merchandise lineup. These offline experiences strengthen the bond with the fandom and feed back into in-game engagement. Building on our accumulated IP brand power, we will do our utmost to repay the affection our users show us.

06. Q&A

<Stellar Blade>

Q.3 : What performance do you expect for <Stellar Blade> in H2 2026?

A.3 : <Stellar Blade> has maintained steady sales since launch, solidifying its position as a steady-seller IP in the PC/console market. This quarter, new user inflow continued on the back of seasonal promotions and the sequel reveal, keeping sales stable and in line with our expectations.

With events such as the platform expansion to Nintendo Switch 2 scheduled for H2, we expect the current sales momentum to continue.

Q.4 : What is the development status and launch timing of the next <Stellar Blade> title?

A.4 : In June, at Summer Game Fest 2026 (SGF 2026), we unveiled the official title of our next installment, <Stellar Blade: Blood Rain>, together with a 3m 30s in-game trailer. Immediately after the reveal, the trailer recorded 1.61 million cumulative views on IGN's official channel (as of end of July 2026) — one of the highest among all titles revealed at SGF 2026 — with favorable reviews across domestic and global communities and game media channels, once again proving the strength of the franchise IP's fandom.

Development of <Stellar Blade: Blood Rain> is progressing smoothly toward the quality level we are targeting. Under the principle of securing sufficient development time to deliver the highest level of polish, we will disclose further information about the game in stages. We will do our best to live up to our users' heightened expectations.

Q.5 : What differentiates <Stellar Blade: Blood Rain>, and what results do you expect?

A.5 : <Stellar Blade: Blood Rain> amplifies the combat praised in its predecessor while further strengthening the world and story. Starting with this title, we move to a self-publishing model under which SHIFT UP publishes directly, leading a marketing strategy that fully expresses the IP's identity. Building on the proven fandom and steady-seller status of the original and on our self-publishing capabilities, we aim to reach global users more closely and surpass the previous title's results.

06. Q&A

<Others>

Q.6 : What is the development status and reveal timing of <Project Spirits>?

A.6 : <Project Spirits>, SHIFT UP's next flagship title and a core pipeline project, is progressing smoothly under an efficient and well-structured development process, and we are targeting to unveil it in H2 2026. We ask for the continued interest and support of global users for our new IP, <Project Spirits>.

Q.7 : With competition intensifying in subculture games, what is <Project Spirits>' competitive edge?

A.7 : <Project Spirits> is a AAA-class title built on an 'Eastern fantasy' universe, targeting a global cross-platform live service. We are focused on delivering a highly polished game that brings together the development capabilities and live-service experience we have accumulated.

Q.8 : There is news of hiring for a new project — what kind of game is it?

A.8 : Beyond advancing our existing IPs, we are developing additional new IPs — besides those already announced — that can leverage SHIFT UP's strengths. We will continue to invest in development and pipeline diversification; this recruitment is likewise aimed at building our next growth lineup, and details will be shared in due course in consideration of the development stage.

Q.9 : What is the outlook for the upward trend in labor and other operating expenses?

A.9 : We are gradually adding the personnel needed for new IP development and for internalizing PC/console publishing capabilities. Together with the effect of consolidating UNBOUND, consolidated operating expenses — labor costs in particular — are expected to rise in stages. As this is a preemptive investment in future growth, we will manage the balance with profitability under a disciplined cost-execution policy.

Appendix: Summary Financial Statements (Consolidated)

Q2 Earnings

Balance Sheet

(Unit: M KRW)

Category	FY13 (Prior)	FY14 (Current)
Assets	**1,083,336**	**1,110,351**
Current assets	781,867	753,980
Non-current assets	301,468	356,372
Liabilities	**162,145**	**127,625**
Current liabilities	95,497	58,371
Non-current liabilities	66,648	69,254
Stockholders' equity	**921,191**	**982,726**
Capital stock	11,792	11,814
Capital surplus	532,236	533,834
Retained earnings	410,501	472,818
Other comprehensive income	13,675	13,528
Capital adjustment	(47,013)	(49,269)
Total equity & liabilities	**1,083,336**	**1,110,351**

Income Statement

(Unit: M KRW)

Category	2Q25	3Q25	4Q25	1Q26	2Q26
Revenue	**112,383**	**75,499**	**64,430**	**47,309**	**55,724**
Operating exp.	44,167	25,952	27,026	25,803	27,606
Operating profit	**68,215**	**49,548**	**37,403**	**21,506**	**28,118**
Non-operating revenue	8,165	17,094	23,958	36,196	34,810
Non-operating expense	13,794	(1,417)	5,448	10,492	8,600
Equity method income (loss)	-	-	14,841	(820)	(568)
Net profit bef. corporate tax	62,586	68,059	70,755	46,390	53,759
Corporate tax	11,280	13,431	12,105	8,594	12,024
Net profit	**51,306**	**54,628**	**58,649**	**37,796**	**41,736**

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