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Semi-Annual Securities Report

(The Semi-annual Accounting Period of the 24th Fiscal Year)

NEXON Co., Ltd.

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【Cover】

【Document title】	Semi-annual securities report
【Clause of stipulation】	Item 1 of the table in Article 24-5 (1) of the Financial Instruments and Exchange Act of Japan
【Place of filing】	Director, Kanto Local Finance Bureau
【Filing date】	August 13, 2025
【Semi-annual accounting period】	The semi-annual accounting period of the 24th Fiscal Year (from January 1, 2025 to June 30, 2025)
【Company name】	Kabushiki Kaisha NEXON
【Company name in English】	NEXON Co., Ltd.
【Name and title of representative】	Junghun Lee, Representative Director, President and Chief Executive Officer
【Address of registered head office】	1-4-5 Roppongi, Minato-ku, Tokyo
【Telephone number】	03-6629-5318 (main)
【Name of contact person】	Shiro Uemura, Representative Director and Chief Financial Officer
【Nearest place of contact】	1-4-5 Roppongi, Minato-ku, Tokyo
【Telephone number】	03-6629-5318 (main)
【Name of contact person】	Shiro Uemura, Representative Director and Chief Financial Officer
【Place for public inspection】	Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I 【Company Information】

I. 【Overview of Company】

1 【Key Financial Data】

(Unit: Millions of yen, unless otherwise stated)

Term	23 rd FY Semi-annual period	24 th FY Semi-annual period	23 rd FY
Accounting period	From January 1, 2024 to June 30, 2024	From January 1, 2025 to June 30, 2025	From January 1, 2024 to December 31, 2024
Revenue	230,892	232,784	446,211
Profit before tax	115,673	67,545	195,987
Profit attributable to owners of parent	75,796	43,030	134,848
Comprehensive income	149,871	86,687	181,401
Total equity attributable to owners of parent	1,017,484	1,041,793	1,019,013
Total assets	1,251,699	1,275,121	1,256,771
Basic earnings per share attributable to owners of parent (yen)	90.44	53.04	161.79
Diluted earnings per share attributable to owners of parent (yen)	90.06	52.93	161.09
Ratio of equity attributable to owners of parent to total assets (%)	81.3	81.7	81.1
Cash flows from operating activities	34,309	88,059	100,968
Cash flows from investing activities	(67,856)	49,734	7,445
Cash flows from financing activities	(32,421)	(70,845)	(64,777)
Cash and cash equivalents at end of period/year	230,022	386,366	331,931

- (Notes) 1. As Nexon prepares the condensed semi-annual consolidated financial statements, information regarding changes in key financial data of the reporting company is not included herein.
2. The indicators above are based on our condensed semi-annual consolidated financial statements and consolidated financial statements prepared in compliance with the Designated International Accounting Standards (“IFRS”).
3. We have consolidated Stiftelsen Embark Incentive and NEXON Employee Benefit Trust in our condensed quarterly and semi-annual consolidated financial statements and consolidated financial statements from the three months ended September 30, 2021 and the three months ended March 31, 2023, respectively, and the ordinary shares of Nexon held by them are included in our treasury shares. Consequently, in the calculation of basic and diluted earnings per share attributable to owners of parent, the number of such treasury shares are included in the treasury shares to be deducted in the calculation of the number of basic weighted-average ordinary shares.

2 【Description of Business】

There were no significant changes in the nature of the businesses conducted by Nexon and its subsidiaries and associates (“Nexon Group”) during the six months ended June 30, 2025. Furthermore, there were no changes in major subsidiaries and associates.

II. 【Overview of Business】

1 【Business Risks】

During the six months ended June 30, 2025, no new business risks have arisen and there have been no significant changes in business risks stated in the annual securities report for the year ended December 31, 2024.

2 【Management Analysis of Financial Position, Operating Results and Cash Flows】

Any forward-looking statement herein is based on the judgment of Nexon Group's management as of the end of the current semi-annual period.

(1) Operating results

As for the global economy during the six months ended June 30, 2025, there was a sense of uncertainty as economic recovery slowed down, with some regions seemingly coming to a standstill and the impact of last-minute demand due to tariff hikes and the subsequent drop in demand was felt.

Looking ahead, the movement toward recovery may weaken as the impact of trade policy spreads. We need to pay attention to downside risks due to the impact of future U.S. policy trends including its trade policy, and the impact of fluctuations in financial and capital markets.

Under these circumstances, with its live game operations capability as a foundation, Nexon Group is centralizing its organizational structure around an IP Growth Initiative which can snowball growth within its established IP and develop new blockbusters. The new IP Growth Initiative is a strategy for creating vertical growth by revitalizing and extending established blockbusters such as *Dungeon&Fighter* and *MapleStory* with new content, on new platforms, and in new markets. The strategy includes hyperlocalization, a concept that recognizes the cultural differences between markets and deploys teams to customize content to match the unique player preferences in each region. Additionally, the strategy's horizontal growth initiatives aim to develop new blockbusters from other Nexon Group games and franchises like *Mabinogi*, plus new games in development such as *ARC Raiders*.

For the six months ended June 30, 2025, revenue increased year over year driven by revitalized momentum in key titles such as *Dungeon&Fighter* (PC) and *MapleStory*, contributions from *MABINOGE MOBILE* and *The First Berserker: Khazan*, both of which launched in March, and the successful regional expansion of *MapleStory Worlds*, despite a year-over-year revenue decrease in *Dungeon&Fighter Mobile* compared to its explosively successful launch in China in the first half of last year. Revenues by key franchises are as follows:

Dungeon&Fighter's franchise revenue decreased year over year compared to *Dungeon&Fighter Mobile*'s launch in China a year ago, which was partially offset by growth from *Dungeon&Fighter* (PC) and a contribution from *The First Berserker: Khazan*. In Korea, MAUs and PUs of *Dungeon&Fighter* (PC) both nearly doubled year over year, and revenue more than doubled year over year. In China, performance steadily improved in the six months ended June 30, 2025, as the Labor Day update and the Anniversary update resonated with players and June MAUs and PUs rose to their highest levels this year.

MapleStory's franchise revenue grew year over year driven by its PC version's strong performance in Korea and the regional expansion of *MapleStory Worlds*. For *MapleStory* in Korea, the summer update in June delivered a significant increase in active players and an all-time high market share in PC Cafes. For *MapleStory Worlds*, which expanded into Asia excluding China and Japan in April, the service was well received especially in Taiwan. These successes led to a significant year-over-year increase in revenue.

For *EA SPORTS FC™ ONLINE*, while revenue decreased year over year in the six months ended June 30, 2025, Q2 revenue grew not only year over year but also quarter over quarter, driven by a 7th anniversary content update despite typically weak seasonality.

As for other key titles, *MABINOGE MOBILE*, which launched in Korea on March 27, resonated well with players with a focus on peaceful lifestyle elements that differentiate this game from traditional combat-focused MMORPGs. Following the March launch, the game maintained its momentum with strong MAUs, PUs, and ARPPU, which significantly contributed to the results.

In terms of expenses, costs increased year over year as the decrease in HR costs due to lower performance-based bonuses was more than offset by increased royalty expenses for *MABINOGE MOBILE* and increased fees to creators for *MapleStory Worlds*. Selling, general and administrative expenses increased year over year primarily due to an

increase in R&D expenses attributable to increased headcount and increased platform fees. Other expenses decreased year over year as the impairment loss of goodwill was recorded in the first half of last year. In addition, profit before tax and profit attributable to owners of parent decreased year over year as a result of a foreign exchange loss recorded in the six months ended June 30, 2025, while a foreign exchange gain was recorded in the same period last year.

As a result, for the six months ended June 30, 2025, Nexon Group recorded revenue of ¥232,784 million (up 0.8% year over year), operating profit of ¥79,309 million (up 6.6% year over year), profit before tax of ¥67,545 million (down 41.6% year over year) and profit attributable to owners of parent of ¥43,030 million (down 43.2% year over year).

Business results by reportable segments for the six months ended June 30, 2025 are as follows:

(a) Japan

Revenue for the six months ended June 30, 2025 amounted to ¥2,679 million (down 7.6% year over year), and segment loss amounted to ¥1,844 million (segment loss of ¥1,386 million for the six months ended June 30, 2024).

(b) Korea

Revenue for the six months ended June 30, 2025 amounted to ¥212,085 million (down 0.1% year over year), and segment profit amounted to ¥83,746 million (down 5.2% year over year). Revenue in Korea includes royalty income of NEOPLE INC. (a subsidiary of NEXON Korea Corporation, our consolidated subsidiary) attributable to license agreements in China.

(c) China

Revenue for the six months ended June 30, 2025 amounted to ¥815 million (down 56.3% year over year), and segment loss amounted to ¥112 million (segment profit of ¥861 million for the six months ended June 30, 2024).

(d) North America

Revenue for the six months ended June 30, 2025 amounted to ¥14,078 million (up 45.3% year over year), and segment profit amounted to ¥1,144 million (segment loss of ¥2,193 million for the six months ended June 30, 2024).

(e) Other

Revenue for the six months ended June 30, 2025 amounted to ¥3,127 million (down 24.6% year over year), and segment loss amounted to ¥4,956 million (segment loss of ¥4,654 million for the six months ended June 30, 2024).

(2) Financial position

(a) Assets, liabilities and equity

(Assets)

Total assets as of June 30, 2025 amounted to ¥1,275,121 million, an increase of ¥18,350 million from December 31, 2024. Major components include an increase of ¥61,000 million in other financial assets, an increase of ¥54,435 million in cash and cash equivalents, a decrease of ¥58,830 million in other deposits, a decrease of ¥23,988 million in trade and other receivables, and a decrease of ¥18,710 million in deferred tax assets.

(Liabilities)

Total liabilities as of June 30, 2025 amounted to ¥223,079 million, a decrease of ¥3,167 million from December 31, 2024. Major components include a decrease of ¥1,547 million in lease liabilities, a decrease of ¥14,661 million in provisions, an increase of ¥8,518 million in trade and other payables, and an increase of ¥1,903 million in other current liabilities.

(Equity)

Equity as of June 30, 2025 totaled ¥1,052,042 million, an increase of ¥21,517 million from December 31, 2024. Major components of changes in equity include an increase of ¥43,030 million in retained earnings due to recording of profit attributable to owners of parent, an increase of ¥44,220 million in other components of equity primarily due to recording of financial assets measured at fair value through other comprehensive income, and a decrease of ¥56,188 million in purchases of treasury shares.

As a result, the ratio of equity attributable to owners of parent to total assets was 81.7% (81.1% as of December 31, 2024).

(b) Cash flows

Cash and cash equivalents (collectively, “cash”) as of June 30, 2025 was ¥386,366 million, an increase of ¥54,435 million from December 31, 2024. The increase includes ¥(12,513) million in effects of a decrease due to exchange rate changes on cash.

Cash flows from each activity for the six months ended June 30, 2025 and their significant components are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was ¥88,059 million, compared to ¥34,309 million for the six months ended June 30, 2024. Major components of the increase include profit before tax of ¥67,545 million, and a decrease in trade and other receivables of ¥23,865 million. Major components of the decrease include income taxes paid of ¥25,457 million.

Net cash provided by operating activities increased year over year due to a decrease in trade and other receivables.

(Cash flows from investing activities)

Net cash provided by investing activities was ¥49,734 million, compared to ¥67,856 million for the six months ended June 30, 2024. Major cash inflows include a net decrease in time deposits of ¥60,648 million. Major cash outflows include purchase of investments accounted for using equity method of ¥8,319 million.

Net cash used in investing activities decreased year over year due to decreases in time deposits.

(Cash flows from financing activities)

Net cash used in financing activities was ¥70,845 million, compared to ¥32,421 million for the six months ended June 30, 2024. Major cash outflows include purchases of treasury shares of ¥56,188 million.

Net cash used in financing activities increased year over year due to an increase in purchases of treasury shares.

(3) Business and financial issues to be addressed

During the six months ended June 30, 2025, there were no significant changes in business and financial issues to be addressed and no new issues have arisen.

(4) Research and development

Total research and development expense incurred during the six months ended June 30, 2025 amounted to ¥13,163 million. There were no significant changes in research and development activities during the six months ended June 30, 2025.

3 【Material Contracts, etc.】

During the six months ended June 30, 2025, no material contracts, etc. were decided on or entered into.

III. 【Information about Reporting Company】

1 【Company's Shares, etc.】

(1) 【Total number of shares】

(a) 【Authorized shares】

Class	Total number of authorized shares
Ordinary shares	1,400,000,000
Total	1,400,000,000

(b) 【Issued shares】

Class	Number of issued shares as of June 30, 2025	Number of issued shares as of filing date (August 13, 2025)	Name of financial instruments exchange on which securities are listed or authorized financial instruments business association to which securities are registered	Description
Ordinary shares	823,403,516	823,541,883	Tokyo Stock Exchange Prime Market	Shares with full voting rights, which are standard shares of Nexon with no restrictions on rights. The number of shares per trading unit is 100 shares.
Total	823,403,516	823,541,883	—	—

- (Notes) 1. “Number of issued shares as of filing date” does not include the number of shares issued upon exercise of share acquisition rights during the period from August 1, 2025 to the date on which this semi-annual securities report is filed.
2. Of the issued shares as of filing date, 14,242,343 shares are contribution in kind (shares of subsidiaries and associates: ¥23,966 million).

(2) 【Share acquisition rights】

(a) 【Share option plan】

Share acquisition rights issued during the six months ended June 30, 2025 are as follows:

Date of resolution	February 19, 2025
Category and number of eligible persons (persons)	Nexon's directors: 3
Number of share acquisition rights (units) *	1,001,219 (Note) 1
Class, description and number of underlying shares (shares) *	Ordinary shares: 1,001,219 (Notes) 2, 3
Amount to be paid upon exercise of share acquisition rights (yen) *	No cash payment or contribution of non-cash assets is required.
Exercise period of share acquisition rights *	March 6, 2025 to March 15, 2028
Issue price and the amount of share capital to be increased by issuance of shares upon exercise of share acquisition rights (yen) *	Issue price: 634 ~ 2,068 Amount of share capital to be increased: 317 ~ 1,034
Conditions for exercise of share acquisition rights *	<ul style="list-style-type: none"> • Part of the units granted shall vest after each of the Annual General Meetings of Shareholders to be held in 2025, 2026 and 2027, with the remainder to vest based on a predefined performance achievement rate during the period up to the date of the Annual General Meetings of Shareholders to be held in 2026 and 2027. • Only directors (including former directors) may exercise share acquisition rights. Specifically, the person must be a director of Nexon at the time of the exercise to be eligible, and those who are no longer a director may exercise the share acquisition rights only if they lose their position as a director due to retirement, resignation or dismissal (excluding punitive dismissal or any other event similar thereto), or death or disability, or when there is any other due reason specifically provided by the Board of Directors. • Partial exercise of share acquisition rights is not allowed.
Assignment of share acquisition rights *	Acquisition of share acquisition rights by assignment shall require the approval of the Board of Directors.
Issuance of share acquisition rights associated with Nexon's restructuring *	Not applicable

* The information above is as of the issuance of share acquisition right certificates (March 6, 2025).

- (Notes) 1. The number of underlying shares per unit of share acquisition right is one share of Nexon's ordinary shares.
2. In the event that Nexon carries out a share split (including gratis allocation) or share consolidation, the number of underlying shares shall be adjusted according to the formula outlined below. However, such adjustment shall be made only to those subject to share acquisition rights unexercised at the time of such adjustment.

$$\text{Number of shares after adjustment} = \text{Number of shares before adjustment} \times \text{Ratio of split or consolidation}$$

In addition, in case of merger, company split, share exchange, share transfer, share issuance or other events that compel the number of shares to be adjusted, the number of shares shall be adjusted to the extent reasonable taking into consideration the terms and conditions of such merger, company split, share exchange, share transfer or share issuance.

3. Any fraction less than one share included in the number of shares to be issued to the holders of the share acquisition rights who have exercised the rights shall be rounded down.

Date of resolution	March 26, 2025
Category and number of eligible persons (persons)	Nexon's director: 2
Number of share acquisition rights (units) *	10,732 (Note) 1
Class, description and number of underlying shares (shares) *	Ordinary shares: 10,732 (Notes) 2, 3
Amount to be paid upon exercise of share acquisition rights (yen) *	No cash payment or contribution of non-cash assets is required.
Exercise period of share acquisition rights *	April 11, 2025 to March 15, 2027
Issue price and the amount of share capital to be increased by issuance of shares upon exercise of share acquisition rights (yen) *	Issue price: 2,065 Amount of share capital to be increased: 1,033
Conditions for exercise of share acquisition rights *	<ul style="list-style-type: none"> • All units granted shall vest upon conclusion of the Annual General Meeting of Shareholders to be held in 2026. • Only directors (including former directors) may exercise share acquisition rights. Specifically, the person must be a director of Nexon at the time of the exercise to be eligible, and those who are no longer a director may exercise the share acquisition rights only if they lose their position as a director due to retirement, resignation or dismissal (excluding punitive dismissal or any other event similar thereto), or death or disability, or when there is any other due reason specifically provided by the Board of Directors. • Partial exercise of share acquisition rights is not allowed.
Assignment of share acquisition rights *	Acquisition of share acquisition rights by assignment shall require the approval of the Board of Directors.
Issuance of share acquisition rights associated with Nexon's restructuring *	Not applicable

* The information above is as of the issuance of share acquisition right certificates (April 11, 2025).

- (Notes)
1. The number of underlying shares per unit of share acquisition right is one share of Nexon's ordinary shares.
 2. In the event that Nexon carries out a share split (including gratis allocation) or share consolidation, the number of underlying shares shall be adjusted according to the formula outlined below. However, such adjustment shall be made only to those subject to share acquisition rights unexercised at the time of such adjustment.

$$\text{Number of shares after adjustment} = \text{Number of shares before adjustment} \times \text{Ratio of split or consolidation}$$

In addition, in case of merger, company split, share exchange, share transfer, share issuance or other events that compel the number of shares to be adjusted, the number of shares shall be adjusted to the extent reasonable taking into consideration the terms and conditions of such merger, company split, share exchange, share transfer or share issuance.

3. Any fraction less than one share included in the number of shares to be issued to the holders of the share acquisition rights who have exercised the rights shall be rounded down.

Date of resolution	March 26, 2025
Category and number of eligible persons (persons)	Nexon's director: 2
Number of share acquisition rights (units) *	42,932 (Note) 1
Class, description and number of underlying shares (shares) *	Ordinary shares: 42,932 (Notes) 2, 3
Amount to be paid upon exercise of share acquisition rights (yen) *	No cash payment or contribution of non-cash assets is required.
Exercise period of share acquisition rights *	April 11, 2025 to March 15, 2029
Issue price and the amount of share capital to be increased by issuance of shares upon exercise of share acquisition rights (yen) *	Issue price: 1,066 ~ 2,065 Amount of share capital to be increased: 533 ~ 1,033
Conditions for exercise of share acquisition rights *	<ul style="list-style-type: none"> • Part of the units granted shall vest after each of the Annual General Meetings of Shareholders to be held in 2026, 2027 and 2028, with the remainder to vest based on a predefined performance achievement rate during the period up to the date of the Annual General Meetings of Shareholders to be held in 2027 and 2028. • Only directors (including former directors) may exercise share acquisition rights. Specifically, the person must be a director of Nexon at the time of the exercise to be eligible, and those who are no longer a director may exercise the share acquisition rights only if they lose their position as a director due to retirement, resignation or dismissal (excluding punitive dismissal or any other event similar thereto), or death or disability, or when there is any other due reason specifically provided by the Board of Directors. • Partial exercise of share acquisition rights is not allowed.
Assignment of share acquisition rights *	Acquisition of share acquisition rights by assignment shall require the approval of the Board of Directors.
Issuance of share acquisition rights associated with Nexon's restructuring *	Not applicable

* The information above is as of the issuance of share acquisition right certificates (April 11, 2025).

- (Notes) 1. The number of underlying shares per unit of share acquisition right is one share of Nexon's ordinary shares.
2. In the event that Nexon carries out a share split (including gratis allocation) or share consolidation, the number of underlying shares shall be adjusted according to the formula outlined below. However, such adjustment shall be made only to those subject to share acquisition rights unexercised at the time of the adjustment.

$$\text{Number of shares after adjustment} = \text{Number of shares before adjustment} \times \text{Ratio of split or consolidation}$$

In addition, in case of merger, company split, share exchange, share transfer, share issuance or other events that compel the number of shares to be adjusted, the number of shares shall be adjusted to the extent reasonable taking into consideration the terms and conditions of such merger, company split, share exchange, share transfer or share issuance.

3. Any fraction less than one share included in the number of shares to be issued to the holders of the share acquisition rights who have exercised the rights shall be rounded down.

(b) 【Share acquisition rights for other uses】

Not applicable.

(3) 【Exercises of moving strike convertible bonds, etc.】

Not applicable.

(4) 【Changes in total numbers of issued shares, share capital and legal capital surplus】

Date	Change in total number of issued shares (shares)	Total number of issued shares (shares)	Change in share capital (million yen)	Balance of share capital (million yen)	Change in legal capital surplus (million yen)	Balance of legal capital surplus (million yen)
January 1, 2025 to February 28, 2025 (Note 1)	133,236	842,576,649	226	50,859	226	50,109
February 28, 2025 (Note 2)	(19,911,683)	822,664,966	—	50,859	—	50,109
March 1, 2025 to June 30, 2025 (Note 3)	738,550	823,403,516	779	51,638	779	50,888

(Notes) 1. The total number of issued shares increased by 133,236 shares and the amount of share capital and legal capital surplus each increased by ¥226 million, due to exercise of share acquisition rights.

2. 19,911,683 treasury shares purchased were all cancelled on February 28, 2025.

3. The total number of issued shares increased by 738,550 shares and the amount of share capital and legal capital surplus each increased by ¥779 million, due to exercise of share acquisition rights.

4. Between July 1 and July 31, 2025, the total number of issued shares increased by 138,367 shares and the amount of share capital and legal capital surplus each increased by ¥196 million, due to the exercise of share acquisition rights.

(5) 【Major shareholders】

As of June 30, 2025

Name	Address	Number of shares held (shares)	Shareholding ratio (excluding treasury shares)(%)
NXC Corporation (Standing proxy: Nexon) (Standing proxy: SMBC Nikko Securities Inc.) (Standing proxy: Citibank, N.A., Tokyo Branch)	17, EUNSU-GIL, JEJU-SI, JEJU-DO, 63141, KOREA (1-4-5 Roppongi, Minato-ku, Tokyo) (1-5-1 Marunouchi, Chiyoda-ku, Tokyo) (6-27-30 Shinjuku, Shinjuku-ku, Tokyo)	248,462,800	31.0
NXMH BV (Standing proxy: Nexon) (Standing proxy: Sumitomo Mitsui Banking Corporation) (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department) (Standing proxy: Goldman Sachs Japan Co., Ltd.)	LOUIZALAAN 326 BOX24, B-1050 ELSENE (BRUSSELS) BELGIUM (1-4-5 Roppongi, Minato-ku, Tokyo) (1-1-2 Marunouchi, Chiyoda-ku, Tokyo) (2-15-1 Konan, Minato-ku, Tokyo) (2-6-1 Toranomon, Minato-ku, Tokyo)	117,153,027	14.6
The Master Trust Bank of Japan, Ltd. (trust account)	1-8-1 Akasaka, Minato-ku, Tokyo	91,966,600	11.5
JP MORGAN CHASE BANK 380815 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (2-15-1 Konan, Minato-ku, Tokyo)	88,548,900	11.1
THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL ACCOUNT NO.1 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND (2-15-1 Konan, Minato-ku, Tokyo)	42,443,973	5.3
Custody Bank of Japan, Ltd. (trust account)	1-8-12 Harumi, Chuo-ku, Tokyo	34,197,580	4.3
STATE STREET BANK AND TRUST COMPANY 505325 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A (2-15-1 Konan, Minato-ku, Tokyo)	12,812,140	1.6
KOREA SECURITIES DEPOSITORY-SAMSUNG (Standing proxy: Citibank, N.A., Tokyo Branch)	34-6, YEUIDO-DONG, YEONGDEUNGPO-GU, SEOUL, KOREA (6-27-30 Shinjuku, Shinjuku-ku, Tokyo)	10,933,184	1.4
JPMorgan Securities Japan Co., Ltd.	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	8,034,940	1.0
STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	6,886,748	0.9
Total	—	661,439,892	82.6

(Note) According to the Amendment Report to the Large Shareholding Report made available for public inspection on June 23, 2023, Public Investment Fund is stated as holding the following number of shares as of September 26, 2022. However, it is not included in the major shareholders above as we were unable to confirm the actual number of shares held by it as of June 30, 2025.

The details of the Amendment Report to the Large Shareholding Report are as follows:

Name	Address	Number of share certificates, etc. held (shares)	Ratio of share certificates, etc. held (%)
Public Investment Fund	The Public Investment Fund Tower, the King Abdullah Financial District, Al-Aqiq District, Riyadh, 13519, Kingdom of Saudi Arabia	88,548,900	10.23

Furthermore, based on the Amendment Report to the Large Shareholding Report made available for public inspection on June 23, 2023, we have confirmed that Public Investment Fund owns 10.23% of our voting rights as of June 23, 2023 (calculated based on the number of voting rights held by all shareholders of 8,653,451 as of June 30, 2022) and has become a major shareholder of Nexon.

(6) 【Voting rights】

(a) 【Issued shares】

As of June 30, 2025

Category	Number of shares (shares)	Number of voting rights (units)	Description
Shares with no voting rights	—	—	—
Shares with restricted voting rights (Treasury shares, etc.)	—	—	—
Shares with restricted voting rights (Other)	—	—	—
Shares with full voting rights (Treasury shares, etc.)	(Treasury shares) Ordinary shares 22,467,100	—	—
Shares with full voting rights (Other)	Ordinary shares 800,910,600	8,009,106	Standard shares of Nexon with no restrictions on rights
Shares less than one unit	Ordinary shares 25,816	—	Same as above
Total number of issued shares	823,403,516	—	—
Number of voting rights held by all shareholders	—	8,009,106	—

(b) 【Treasury shares, etc.】

As of June 30, 2025

Name of shareholder	Address of shareholder	Number of shares held in own name (shares)	Number of shares held in others' names (shares)	Total number of shares held (shares)	Shareholding ratio (%)
(Treasury shares) NEXON Co., Ltd.	1-4-5 Roppongi, Minato-ku, Tokyo	22,467,100	—	22,467,100	2.7
Total	—	22,467,100	—	22,467,100	2.7

2 【Directors (and Other Officers)】

Not applicable.

IV. 【Financial Information】

1. Preparation of the condensed semi-annual consolidated financial statements

Nexon's condensed semi-annual consolidated financial statements are prepared in accordance with the International Accounting Standard No. 34 *Interim Financial Reporting* ("IAS 34"), pursuant to the provisions of Article 312 of the *Regulation on Terminology, Forms and Preparation Methods of Consolidated Financial Statements* (Ministry of Finance Order No. 28, 1976; "Consolidated Financial Statements Rules").

Nexon falls under a company in the upper section of Item 1 of the table in Article 24-5 (1) of the Financial Instruments and Exchange Act of Japan, and prepares type 1 semi-annual consolidated financial statements in accordance with Parts 1 and 5 of the Consolidated Financial Statement Rules.

In the condensed semi-annual consolidated financial statements contained herein, amounts of less than one million yen are rounded to the nearest million yen.

2. Audit certification

Pursuant to Article 193-2 (1) of the Financial Instruments and Exchange Act of Japan, Nexon's condensed semi-annual consolidated financial statements for the semi-annual period (from January 1, 2025 to June 30, 2025) were reviewed by PricewaterhouseCoopers Japan LLC.

1 【Condensed Semi-annual Consolidated Financial Statement】

(1) 【Condensed semi-annual consolidated statement of financial position】

(Unit: Millions of yen)			
	Notes	As of December 31, 2024	As of June 30, 2025
Assets			
Current assets			
Cash and cash equivalents	6	331,931	386,366
Trade and other receivables	6	88,717	64,729
Other deposits	6	268,934	210,104
Other financial assets	6	49,471	44,986
Other current assets		13,220	11,815
Total current assets		752,273	718,000
Non-current assets			
Property, plant and equipment		28,365	28,519
Goodwill	7	44,567	45,995
Intangible assets	7	34,815	35,474
Right-of-use assets		34,998	34,106
Investments accounted for using equity method	6, 12	63,669	65,642
Other financial assets	6	268,310	333,795
Other non-current assets		1,130	3,656
Deferred tax assets		28,644	9,934
Total non-current assets		504,498	557,121
Total assets		1,256,771	1,275,121

(Unit: Millions of yen)

	Notes	As of December 31, 2024	As of June 30, 2025
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	6	15,651	24,169
Deferred income	8	23,861	24,775
Income taxes payable		19,103	18,426
Lease liabilities		7,120	7,239
Other financial liabilities	6	—	2,487
Provisions		28,232	13,550
Other current liabilities		13,695	15,598
Total current liabilities		107,662	106,244
Non-current liabilities			
Deferred income	8	14,641	15,099
Lease liabilities		32,878	31,212
Other financial liabilities	6	1,089	305
Provisions		598	619
Other non-current liabilities		9,992	10,114
Deferred tax liabilities		59,386	59,486
Total non-current liabilities		118,584	116,835
Total liabilities		226,246	223,079
Equity			
Share capital	10	50,797	52,069
Capital surplus	10	30,079	31,071
Treasury shares	10	(49,158)	(53,523)
Other components of equity	7	207,098	251,318
Retained earnings		780,197	760,858
Total equity attributable to owners of parent		1,019,013	1,041,793
Non-controlling interests		11,512	10,249
Total equity		1,030,525	1,052,042
Total liabilities and equity		1,256,771	1,275,121

(2) 【Condensed semi-annual consolidated statement of profit or loss】

【For the six months ended June 30, 2024 and 2025】

(Unit: Millions of yen)

	Notes	Six months ended June 30	
		2024	2025
		(From January 1, 2024 to June 30, 2024)	(From January 1, 2025 to June 30, 2025)
Revenue	5	230,892	232,784
Cost of sales		(84,744)	(86,469)
Gross profit		146,148	146,315
Selling, general and administrative expenses		(65,145)	(68,338)
Other income		494	1,702
Other expenses	7	(7,127)	(370)
Operating profit		74,370	79,309
Finance income	5, 6	45,005	14,032
Finance costs	5, 6	(1,126)	(22,945)
Reversal of loss on revaluation	5, 7	692	—
Share of loss of investments accounted for using equity method		(3,268)	(372)
Impairment loss on equity method investments		—	(2,479)
Profit before tax		115,673	67,545
Income tax expense		(40,334)	(25,339)
Profit		75,339	42,206
Profit attributable to:			
Owners of parent		75,796	43,030
Non-controlling interests		(457)	(824)
Profit		75,339	42,206
Earnings per share (attributable to owners of parent)			
Basic earnings per share	11	¥90.44	¥53.04
Diluted earnings per share	11	¥90.06	¥52.93

(3) 【Condensed semi-annual consolidated statement of comprehensive income】

【For the six months ended June 30, 2024 and 2025】

(Unit: Millions of yen)

	Notes	Six months ended June 30	
		2024	2025
		(From January 1, 2024 to June 30, 2024)	(From January 1, 2025 to June 30, 2025)
Profit		75,339	42,206
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	6	27,075	70,542
Remeasurements of defined benefit plans		(5)	1
Gain on revaluation of intangible assets	7	6,452	1,198
Share of other comprehensive income of investments accounted for using equity method		840	2,319
Income taxes	7	(9,924)	(19,011)
Total of items that will not be reclassified to profit or loss		24,438	55,049
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		50,094	(10,568)
Total of items that may be reclassified to profit or loss		50,094	(10,568)
Total other comprehensive income		74,532	44,481
Comprehensive income		149,871	86,687
Comprehensive income attributable to:			
Owners of parent		149,777	87,661
Non-controlling interests		94	(974)
Comprehensive income		149,871	86,687

(4) 【Condensed semi-annual consolidated statement of changes in equity】

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

(Unit: Millions of yen)

	Notes	Equity attributable to owners of parent						Non-controlling interests	Total
		Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at beginning of period		47,510	26,719	(45,046)	159,857	707,227	896,267	10,308	906,575
Profit		—	—	—	—	75,796	75,796	(457)	75,339
Other comprehensive income		—	—	—	73,981	—	73,981	551	74,532
Comprehensive income		—	—	—	73,981	75,796	149,777	94	149,871
Issuance of new shares	10	1,622	1,622	—	—	—	3,244	—	3,244
Share issuance costs		—	(13)	—	—	—	(13)	—	(13)
Dividends	9	—	—	—	—	(4,214)	(4,214)	—	(4,214)
Share-based payment transactions		—	—	—	684	—	684	—	684
Forfeiture of share acquisition rights		—	—	—	(10)	8	(2)	2	—
Changes in ownership interest in subsidiaries		—	71	—	—	—	71	74	145
Purchase of treasury shares	10	—	(7)	(28,332)	—	—	(28,339)	—	(28,339)
Disposal of treasury shares	10	—	2	7	—	—	9	—	9
Cancellation of treasury shares	10	—	—	50,000	—	(50,000)	—	—	—
Transfer from other components of equity to retained earnings		—	—	—	1,463	(1,463)	—	—	—
Total transactions with owners, etc.		1,622	1,675	21,675	2,137	(55,669)	(28,560)	76	(28,484)
Balance at end of period		49,132	28,394	(23,371)	235,975	727,354	1,017,484	10,478	1,027,962

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

(Unit: Millions of yen)

	Notes	Equity attributable to owners of parent					Non-controlling interests	Total
		Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings		
Balance at beginning of period		50,797	30,079	(49,158)	207,098	780,197	11,512	1,030,525
Profit		—	—	—	—	43,030	(824)	42,206
Other comprehensive income		—	—	—	44,631	—	(150)	44,481
Comprehensive income		—	—	—	44,631	43,030	(974)	86,687
Issuance of new shares	10	1,272	1,272	—	—	—	—	2,544
Share issuance costs		—	(6)	—	—	—	—	(6)
Dividends	9	—	—	—	—	(12,382)	—	(12,382)
Share-based payment transactions		—	—	—	(390)	—	—	(390)
Forfeiture of share acquisition rights		—	—	—	(21)	13	8	—
Changes in ownership interest in subsidiaries		—	(242)	—	—	—	(297)	(539)
Purchase of treasury shares	10	—	(31)	(56,157)	—	—	—	(56,188)
Disposal of treasury shares	10	—	(1)	1,792	—	—	—	1,791
Cancellation of treasury shares	10	—	—	50,000	—	(50,000)	—	—
Total transactions with owners, etc.		1,272	992	(4,365)	(411)	(62,369)	(289)	(65,170)
Balance at end of period		52,069	31,071	(53,523)	251,318	760,858	10,249	1,052,042

(5) 【Condensed semi-annual consolidated statement of cash flows】

(Unit: Millions of yen)

	Notes	Six months ended June 30	
		2024	2025
		(From January 1, 2024 to June 30, 2024)	(From January 1, 2025 to June 30, 2025)
Cash flows from operating activities			
Profit before tax		115,673	67,545
Depreciation and amortization		4,896	5,542
Share-based payment expenses		1,720	3,717
Interest and dividend income		(12,724)	(11,860)
Interest expenses		988	1,038
Impairment losses		6,375	239
Loss (gain) on revaluation	5,7	(692)	—
Share of loss (profit) of investments accounted for using equity method		3,268	372
Impairment loss on equity method investments		—	2,479
Loss (gain) on sale of investments accounted for using equity method		—	41
Loss (gain) on valuation of securities		(6,667)	(1,158)
Loss (gain) on sale and redemption of securities		(778)	(803)
Foreign exchange loss (gain)		(13,804)	13,200
Decrease (increase) in trade and other receivables		(41,718)	23,865
Decrease (increase) in other current assets		(2,616)	344
Increase (decrease) in trade and other payables		2,652	8,776
Increase (decrease) in deferred income		(1,441)	1,383
Increase (decrease) in provisions		2,382	(14,101)
Increase (decrease) in other current liabilities		(2,795)	4,596
Increase (decrease) in loss allowances		(5,780)	18
Other		(1,201)	(2,565)
Subtotal		47,738	102,668
Interest received		9,137	9,120
Dividends received		2,620	2,757
Interest paid		(984)	(1,029)
Income taxes paid		(24,202)	(25,457)
Net cash provided by (used in) operating activities		34,309	88,059
Cash flows from investing activities			
Net decrease (increase) in restricted deposits		(6,925)	(830)
Net decrease (increase) in time deposits		(46,188)	60,648
Purchase of property, plant and equipment		(1,810)	(2,317)
Proceeds from sales of property, plant and equipment		53	22
Purchase of intangible assets		(1,164)	(818)
Payments associated with increase in long-term prepaid expenses		(743)	(2,443)
Purchase of securities by investment funds under consolidated subsidiaries		(5,678)	(7,275)
Proceeds from sale of securities by investment funds under consolidated subsidiaries		7,416	12,824
Purchase of securities		(8,910)	(2,384)
Proceeds from sales and redemption of securities		878	1,038
Purchase of investments accounted for using equity method	12	(2,016)	(8,319)
Proceeds from sale of investments accounted for using equity method		—	13
Payments for short-term loans receivable		(1,468)	(41)

(Unit: Millions of yen)

	Notes	Six months ended June 30	
		2024	2025
		(From January 1, 2024 to June 30, 2024)	(From January 1, 2025 to June 30, 2025)
Payments for long-term loans receivable		(908)	(954)
Collection of long-term loans receivable		7	6
Other		(400)	564
Net cash provided by (used in) investing activities		(67,856)	49,734
Cash flows from financing activities			
Proceeds from exercise of employee share options	10	2,269	823
Purchase of treasury shares	10	(28,339)	(56,188)
Purchase of treasury shares of subsidiaries		—	(538)
Dividends paid	9	(4,214)	(12,382)
Repayments of lease liabilities		(2,146)	(2,568)
Other		9	8
Net cash provided by (used in) financing activities		(32,421)	(70,845)
Net increase (decrease) in cash and cash equivalents		(65,968)	66,948
Cash and cash equivalents at beginning of period		280,515	331,931
Effect of exchange rate changes on cash and cash equivalents		15,475	(12,513)
Cash and cash equivalents at end of period		230,022	386,366

【Notes to condensed semi-annual consolidated financial statements】

1 Reporting entity

NEXON Co., Ltd. (“Nexon”) is a stock company incorporated in Japan. The registered head office address is 1-4-5 Roppongi, Minato-ku, Tokyo. Nexon’s condensed semi-annual consolidated financial statements are comprised of Nexon Group entities. Nexon Group is mainly engaged in the production, development, and service of PC online and mobile games. Refer to “5 Segment Information” for the description of each business.

Nexon’s parent company is NXC Corporation, which is also the ultimate parent company of Nexon Group.

2 Basis of preparation

The condensed semi-annual consolidated financial statements of Nexon Group are prepared in accordance with IAS 34 pursuant to the provisions of Article 312 of the Consolidated Financial Statements Rules, as Nexon Group satisfies all requirements for a “Specified Company Complying with Designated International Accounting Standards” as defined in Article 1-2, Item 2 of the Rules. Accordingly, these condensed semi-annual consolidated financial statements do not include all the information required in the annual consolidated financial statements and therefore should be read in conjunction with our consolidated financial statements for the year ended December 31, 2024.

Our condensed semi-annual consolidated financial statements herein were approved for disclosure on August 13, 2025, by Junghun Lee, Representative Director, President and Chief Executive Officer of Nexon, and Shiro Uemura, Representative Director and Chief Financial Officer of Nexon.

3 Material accounting policy information

The accounting policies used to prepare these condensed semi-annual consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024. Nexon Group calculated income taxes for the six months ended June 30, 2024, based on the estimated average annual effective tax rate.

4 Significant accounting estimates and judgments

The preparation of the condensed semi-annual consolidated financial statements requires the management to apply the accounting policies, as well as make judgments, estimates and assumptions that affect the amounts of assets, liabilities, revenue and expenses reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. The effects of the review of accounting estimates are recognized in the accounting period in which the estimates were reviewed and in future accounting periods.

In principle, estimates and assumptions that have significant impact on the amounts recognized in Nexon Group’s condensed semi-annual consolidated financial statements are the same as those for the consolidated financial statements for the previous fiscal year.

5 Segment information

(1) Outline of reportable segments

Reportable segments of Nexon Group are components of Nexon Group, for which separate financial statements are available, that are evaluated regularly by the board of directors in deciding how to allocate management resources and in assessing performance.

Nexon Group is engaged in production, development and distribution of PC online games and mobile games, and Nexon (in Japan) and its local consolidated subsidiaries (overseas) develop overall strategies and operate business activities for their respective products and services in each region as independent units. Accordingly, Nexon Group is comprised of geographical business segments based on production, development, and distribution of PC online games and mobile games. Nexon Group has formed its reportable segments by consolidating business segments based on the geographic location since subsidiaries in the same region, due to their business characteristics, receive similar impact of the foreign exchange fluctuation risk on their operating results and the ratio of the impact to operating results is high. There are five reportable segments: “Japan”, “Korea”, “China”, “North America” and “Other” which includes Europe and Asian countries.

Furthermore, IFRS 15 *Revenue from Contracts with Customers* is applied by Nexon Group. We have therefore presented the revenue arising from our contracts with customers by breaking it down into PC online, mobile and other revenues based on such contracts with customers.

(2) Revenue, profit or loss by reportable segment

Information on the segments of Nexon Group is as follows:

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

(Unit: Millions of yen)

	Reportable Segments					Total	Adjustments (Note 3)	Consolidated
	Japan	Korea	China	North America	Other			
Revenue								
Revenue from external customers								
PC online	2,387	120,043	1,861	6,935	4,142	135,368	—	135,368
Mobile	503	91,459	—	2,752	—	94,714	—	94,714
Other	9	788	—	6	7	810	—	810
Total revenue from external customers	2,899	212,290	1,861	9,693	4,149	230,892	—	230,892
Intersegment revenue	641	3,689	—	681	949	5,960	(5,960)	—
Total	3,540	215,979	1,861	10,374	5,098	236,852	(5,960)	230,892
Segment profit (loss) (Note 1)	(1,386)	88,356	861	(2,193)	(4,654)	80,984	19	81,003
Other income and expenses, net								(6,633)
Operating profit								74,370
Finance income and costs, net (Note 5)								43,879
Reversal of loss on revaluation (Note 6)								692
Share of loss of investments accounted for using equity method								(3,268)
Profit before tax								115,673

- (Notes) 1. Segment profit (loss) is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.
2. Price for intersegment transactions is based on the general market price.
3. Adjustments in segment profit (loss) of ¥19 million represent elimination of intersegment transactions.
4. For PC online and mobile, performance obligations are fulfilled, and revenues are recognized, over a certain period of time mainly because control over services is transferred over a certain period of time.
5. Major components of finance income are a foreign exchange gain of ¥18,879 million and a gain on reversal of loss allowances of ¥5,663 million on loans made to an equity-method company and accrued interest, which were recognized due to its consolidation.
6. Reversal of loss on revaluation recognized in profit or loss due to the revaluation of an intangible asset (investment in crypto-assets made through an exchange).

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

(Unit: Millions of yen)

	Reportable Segments					Total	Adjustments (Note 3)	Consolidated
	Japan	Korea	China	North America	Other			
Revenue								
Revenue from external customers								
PC online	2,293	144,041	815	10,907	3,115	161,171	—	161,171
Mobile	386	67,246	—	3,074	—	70,706	—	70,706
Other	0	798	—	97	12	907	—	907
Total revenue from external customers	2,679	212,085	815	14,078	3,127	232,784	—	232,784
Intersegment revenue	488	5,497	—	882	1,464	8,331	(8,331)	—
Total	3,167	217,582	815	14,960	4,591	241,115	(8,331)	232,784
Segment profit (loss) (Note 1)	(1,844)	83,746	(112)	1,144	(4,956)	77,978	(1)	77,977
Other income and expenses, net								1,332
Operating profit								79,309
Finance income and costs, net (Note 5)								(8,913)
Share of loss of investments accounted for using equity method								(372)
Impairment loss on equity method investments								(2,479)
Profit before tax								67,545

(Notes) 1. Segment profit (loss) is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

2. Price for intersegment transactions is based on the general market price.

3. Adjustments in segment profit (loss) of ¥(1) million represent elimination of intersegment transactions.

4. For PC online and mobile, performance obligations are fulfilled, and revenues are recognized, over a certain period of time mainly because control over services is transferred over a certain period of time.

5. A major component of finance costs is a foreign exchange loss of ¥21,626 million.

(3) Information on each region

Revenue from external customers is as follows.

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

	Revenue by major business			Total
	PC online	Mobile	Other	
Main regional market				
Japan	3,166	4,980	40	8,186
Korea	76,346	29,143	721	106,210
China	38,866	46,652	4	85,522
North America and Europe	8,981	7,970	12	16,963
Rest of World	8,009	5,969	33	14,011
Total	135,368	94,714	810	230,892

(Notes) 1. Revenue is broken down by country or region based on customer location.

2. Categorization by country or region is based on geographic proximity.

3. Major countries or regions contained in each regional category:

(1) North America and Europe: USA, Canada and Europe

(2) Rest of World: Central and South America and Asian countries

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

	Revenue by major business			Total
	PC online	Mobile	Other	
Main regional market				
Japan	3,607	3,320	25	6,952
Korea	94,765	29,688	805	125,258
China	36,327	28,105	19	64,451
North America and Europe	17,047	3,249	17	20,313
Rest of World	9,425	6,344	41	15,810
Total	161,171	70,706	907	232,784

(Notes) 1. Revenue is broken down by country or region based on customer location.

2. Categorization by country or region is based on geographic proximity.

3. Major countries or regions contained in each regional category:

(1) North America and Europe: USA, Canada and Europe

(2) Rest of World: Central and South America and Asian countries

6 Fair value of financial instruments

(1) Calculation method of fair value

As of December 31, 2024

(Unit: Millions of yen)

	Carrying amount				Total	Fair value
	Financial assets/liabilities measured at FVTPL (Note 1)	Financial assets/liabilities measured at FVTOCI (Note 2)	Financial assets/liabilities measured at amortized cost	Lease receivables		
Cash and cash equivalents	—	—	331,931	—	331,931	331,931
Trade and other receivables	—	—	88,073	644	88,717	88,717
Other deposits	—	—	268,934	—	268,934	268,934
Other financial assets (current)	23,500	—	25,971	—	49,471	49,471
Other financial assets (non-current)	47,750	199,569	19,701	1,290	268,310	268,310
Trade and other payables	—	—	15,651	—	15,651	15,651
Other financial liabilities (non-current)	—	—	1,089	—	1,089	1,089

(Notes) 1. Financial assets and financial liabilities measured at fair value through profit or loss

2. Financial assets and financial liabilities measured at fair value through other comprehensive income

As of June 30, 2025

(Unit: Millions of yen)

	Carrying amount				Total	Fair value
	Financial assets/liabilities measured at FVTPL (Note 1)	Financial assets/liabilities measured at FVTOCI (Note 2)	Financial assets/liabilities measured at amortized cost	Lease receivables		
Cash and cash equivalents	6,000	—	380,366	—	386,366	386,366
Trade and other receivables	—	—	63,979	750	64,729	64,729
Other deposits	—	—	210,104	—	210,104	210,104
Other financial assets (current)	18,396	—	26,590	—	44,986	44,986
Other financial assets (non-current)	46,841	269,943	16,732	279	333,795	333,795
Trade and other payables	—	—	24,169	—	24,169	24,169
Other financial liabilities (current)	—	—	2,487	—	2,487	2,487
Other financial liabilities (non-current)	—	—	305	—	305	305

(Notes) 1. Financial assets and financial liabilities measured at fair value through profit or loss

2. Financial assets and financial liabilities measured at fair value through other comprehensive income

The fair value of financial assets and financial liabilities is determined as follows. The fair value of financial instruments is estimated using market prices or by discounting future cash flows, etc. when the market price is not available.

Cash and cash equivalents, other deposits, trade and other payables

They are stated at carrying amount as it approximates fair value because of the short period of time until its maturity or settlement. Cash and cash equivalents include a jointly managed designated money trust managed by Nexon. The jointly managed designated money trust is a short-term, highly liquid investment with minimal risk of value fluctuations. Its carrying amount approximates fair value because of the short period of time from purchase to the expiration date as the contractual trust period is three months.

Trade and other receivables

The fair value is estimated based on the present value of future cash flows of receivables grouped by category discounted at an appropriate rate such as government bonds yields adjusted with credit risk. Trade and other receivables with short maturities are stated at carrying amount as it approximates fair value.

Other financial assets (current)

Marketable equity instruments and debt instruments are classified as financial assets measured at fair value through profit or loss (“FVTPL”) and measured at fair value at the end of the reporting period. Fair values are based on market prices.

Other items presented in this category are stated at carrying amount as it approximates fair value because of the short period of time until its maturity or settlement.

Other financial assets (non-current)

Stocks included in marketable securities are classified as financial assets measured at fair value through other comprehensive income (“FVTOCI”) and measured at fair value at the end of the reporting period. Fair values are based on market prices.

Unlisted stocks classified as financial assets measured at FVTOCI are measured at fair value at the end of the reporting period. Fair values are estimated primarily by discounting future cash flows.

Stocks other than the above and funds are classified as financial assets measured at FVTPL and measured at fair value at the end of reporting period.

For other items presented in this category, fair values are estimated primarily by discounting future cash flows.

Other financial liabilities (current)

They are stated at carrying amount as it approximates fair value because of the short period of time until its maturity or settlement.

Other financial liabilities (non-current)

Derivative liabilities without hedge accounting application are classified as financial liabilities measured at FVTPL and measured at fair value at the end of the reporting period.

For other items presented in this category, fair values are estimated primarily by discounting future cash flows.

(2) Financial instruments measured at fair value

IFRS 13 *Fair Value Measurement* requires fair value measurements to be categorized using the fair value hierarchy based on the significance of the inputs used to measure fair value.

The fair value hierarchy consists of the following three levels:

- Level 1: Quoted prices for identical assets or liabilities in active markets
- Level 2: Inputs made up of prices, other than quoted prices, that are observable, either directly or indirectly
- Level 3: Inputs that include unobservable prices

The level of the fair value hierarchy used to measure fair value is determined based on the lowest level input that is significant to the fair value measurement. Transfers between levels are recognized on the date of the event or change in circumstances that caused the transfer.

The following tables present the financial assets and liabilities recognized at fair value on a recurring basis in the condensed semi-annual consolidated statement of financial position classified by fair value hierarchy level.

As of December 31, 2024

(Unit: Millions of yen)

	Level 1	Level 2	Level 3	Total
Other financial assets (current)				
Financial assets measured at FVTPL				
Stocks	23,500	—	—	23,500
Other financial assets (non-current)				
Financial assets measured at FVTPL				
Stocks	—	—	2,550	2,550
Funds	—	—	45,200	45,200
Financial assets measured at FVTOCI				
Stocks	194,336	—	5,233	199,569
Total financial assets	217,836	—	52,983	270,819

As of June 30, 2025

(Unit: Millions of yen)

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents				
Financial assets measured at FVTPL				
Jointly managed designated money trust	—	6,000	—	6,000
Other financial assets (current)				
Financial assets measured at FVTPL				
Stocks	18,396	—	—	18,396
Other financial assets (non-current)				
Financial assets measured at FVTPL				
Stocks	—	—	2,589	2,589
Funds	—	—	44,252	44,252
Financial assets measured at FVTOCI				
Stocks	264,753	—	5,190	269,943
Total financial assets	283,149	6,000	52,031	341,180

The following tables present changes in financial instruments measured at fair value on a recurring basis classified as Level 3:

Six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024) (Unit: Millions of yen)				
	Other financial assets			Other financial liabilities
	Stocks	Funds	Total	Derivative liabilities without hedge accounting application
Balance at January 1	10,641	22,686	33,327	0
Gains or losses				
Profit or loss (Note 1)	—	2,844	2,844	(0)
Other comprehensive income (Note 2)	(62)	—	(62)	—
Purchases	—	8,910	8,910	—
Sales	(839)	—	(839)	—
Distribution	—	(39)	(39)	—
Transfer to investments accounted for using equity method (Note 3)	(341)	—	(341)	—
Exchange differences on translation of foreign operations	525	3,202	3,727	0
Balance at June 30	9,924	37,603	47,527	—
Unrealized gains (losses) recorded in profit or loss relating to assets and liabilities held at the end of the reporting period (Note 1)	—	2,844	2,844	—

- (Notes) 1. Gains or losses recognized in profit or loss are presented in finance income or costs.
2. Gains or losses recognized in other comprehensive income are presented in financial assets measured at fair value through other comprehensive income.
3. Transfer to investments accounted for using equity method represents a transfer from other financial assets (stocks) to investments accounted for using equity method as a result of Nexon Group gaining significant influence over an investee company by converting its redeemable convertible preference shares to ordinary shares in the six months ended June 30, 2024.

Six months ended June 30, 2025
(From January 1, 2025 to June 30, 2025)
(Unit: Millions of yen)

	Other financial assets		
	Stocks	Funds	Total
Balance at January 1	7,783	45,200	52,983
Gains or losses			
Profit or loss (Note)	59	1,003	1,062
Purchases	—	2,384	2,384
Distribution	—	(1,038)	(1,038)
Transfer to investments accounted for using equity method	(63)	(3,297)	(3,360)
Balance at June 30	7,779	44,252	52,031

Unrealized gains (losses) recorded in profit or loss relating to assets and liabilities held at the end of the reporting period (Note)

59	141	200
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(Note) Gains or losses recognized in profit or loss are presented in finance income or costs.

Fair values of financial instruments classified as Level 3 are measured by the Accounting & Finance Departments of Nexon and its consolidated subsidiaries in accordance with relevant internal rules. Fair values are measured with reasonably estimated inputs using the most appropriate valuation model determined based on the nature of the assets, etc., and a proper internal approval process is followed in making such decisions to ensure the validity of the measurements.

The valuation technique used to measure fair values of financial instruments measured at fair value on a recurring basis that are classified as Level 3 is mainly the discounted cash flow method, and the significant unobservable input is usually a discount rate. A rise or fall in discount rates result in a decrease or increase in these fair values, respectively. The effect on fair value from using reasonably possible alternative assumptions is insignificant.

(3) Material commitment

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

During the six months ended June 30, 2024, Nexon Group made additional investment in response to capital calls based on investment agreements as follows. Nexon Group had commitments to make additional investment as of June 30, 2024.

Company name	Amount of additional investment (in the six months ended June 30, 2024)	Uncalled commitments for additional investment (As of June 30, 2024)
Smash Capital Fund I L.P.	USD 53.8 million (¥8,169 million)	USD 116.4 million (¥18,743 million)

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

During the six months ended June 30, 2025, Nexon Group made additional investment in response to capital calls based on investment agreements as follows. Nexon Group had commitments to make additional investment as of June 30, 2025.

Company name	Amount of additional investment (in the six months ended June 30, 2025)	Uncalled commitments for additional investment (As of June 30, 2025)
Smash Capital Fund I L.P.	USD 12 million (¥1,735 million)	USD 83.5 million (¥12,091 million)

7 Goodwill and intangible assets

Goodwill and intangible assets consisted of the following:

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

[Carrying amount]

(Unit: Millions of yen)

	Goodwill	Intangible assets				Total
		Game copyrights (Note 1)	Software	Investment in crypto-assets (Note 3)	Other (Note 2)	
January 1, 2024	43,924	2,166	2,548	10,392	2,741	17,847
Acquisition through business combination (Note 4)	6,886	7	7	—	—	14
Additions	—	27	191	8	938	1,164
Amortization	—	(55)	(353)	—	(246)	(654)
Impairment loss (Note 5)	(6,135)	—	—	—	—	—
Gain (loss) on revaluation [profit or loss]	—	—	—	692	—	692
Gain (loss) on revaluation [other comprehensive income]	—	—	—	6,452	—	6,452
Transfers between accounts	—	85	2	—	(11)	76
Other	—	—	—	—	(419)	(419)
Exchange differences on translation of foreign operations	2,682	136	132	40	154	462
June 30, 2024	47,357	2,366	2,527	17,584	3,157	25,634

(Notes) 1. Certain game copyrights include related brands.

2. Game publishing rights are included in Other.

3. Nexon Group made an investment in bitcoins (crypto-assets) on the crypto-asset exchange (our fellow subsidiary Bitstamp Ltd.) in April 2021. This transaction falls under a related party transaction. Nexon Group revalues the investment in crypto-assets at the end of each quarter (23:59 PST of each quarter end date). Nexon Group classifies the asset in Level 2 of the fair value hierarchy and measures its fair value mainly using the quoted price on the crypto-asset exchange. The transfer between the fair value hierarchy is recognized on the date of the event or change in circumstances that caused the transfer. The carrying amount of the revaluated intangible asset (fair value before deducting transaction cost) was ¥17,519 million and the carrying amount that would have been recognized had the intangible assets been measured using the cost model subsequent to initial recognition (fair value after deducting disposal cost) was ¥11,034 million.

Beginning balance, changes during the period and ending balance of revaluation surplus on the intangible assets are as follows:

(Unit: Millions of yen)

Beginning balance	Changes during the period (revaluation)		Ending balance
	Investment in crypto-assets	Income taxes	
—	6,452	(2,833)	3,619

4. Includes goodwill of ¥6,135 million recognized due to the consolidation of Nitro Studio Co., Ltd., an equity-method company with excessive debt, in the six months ended June 30, 2024.

5. During the six months ended June 30, 2024, Nexon Group performed impairment tests based on an indication of impairment and recognized an impairment loss as realization of profits originally expected was no longer probable. This impairment loss is included in “Other expenses” in the condensed semi-annual consolidated statement of profit or loss. The details are as follows:

Item	Reportable segment	Company	Impairment loss (¥ million)
Goodwill	Korea	Nitro Studio Co., Ltd.	6,135

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

[Carrying amount]

(Unit: Millions of yen)

	Goodwill	Intangible assets				Total
		Game copyrights (Note 2)	Software	Investment in crypto-assets (Note 4)	Other (Note 3)	
January 1, 2025	44,567	2,283	2,307	25,455	4,770	34,815
Additions	—	18	168	553	39	778
Amortization	—	(68)	(285)	—	(536)	(889)
Impairment loss (Note 1)	(174)	—	—	(45)	—	(45)
Gain (loss) on revaluation [other comprehensive income]	—	—	—	1,198	—	1,198
Sale or disposal	—	—	—	(381)	—	(381)
Transfers between accounts	—	124	—	(170)	—	(46)
Exchange differences on translation of foreign operations	1,602	113	(16)	(2)	(51)	44
June 30, 2025	45,995	2,470	2,174	26,608	4,222	35,474

- (Notes) 1. During the six months ended June 30, 2025, Nexon Group performed impairment tests based on an indication of impairment and recognized an impairment loss as realization of profits originally expected was no longer probable. This impairment loss is included in “Other expenses” in the condensed semi-annual consolidated statement of profit or loss.
2. Certain game copyrights include related brands.
3. Game publishing rights are included in Other.
4. Nexon Group made an investment in bitcoins (crypto-assets) on the crypto-asset exchange (our fellow subsidiary Bitstamp Ltd.) in April 2021. Bitstamp Ltd. ceased to be a related party of Nexon Group when it became a subsidiary of a third party in June 2025. Nexon Group revalues the investment in crypto-assets at the end of each quarter (23:59 PST of each quarter end date). Nexon Group classifies the asset in Level 2 of the fair value hierarchy and measures its fair value mainly using the quoted price on the crypto-asset exchange. The transfer between the fair value hierarchy is recognized on the date of the event or change in circumstances that caused the transfer. The carrying amount of the revaluated intangible asset (fair value before deducting transaction cost) was ¥26,585 million and the carrying amount that would have been recognized had the intangible assets been measured using the cost model subsequent to initial recognition (fair value after deducting disposal cost) was ¥11,020 million.

Beginning balance, changes during the period and ending balance of revaluation surplus on the intangible assets are as follows:

(Unit: Millions of yen)

Beginning balance	Changes during the period (revaluation)		Ending balance
	Investment in crypto-assets	Income taxes	
9,627	1,198	(384)	10,441

8 Deferred income

Deferred income consisted of the following:

(Unit: Millions of yen)

	December 31, 2024		June 30, 2025	
	Current	Non-current	Current	Non-current
In-game microtransactions	21,325	1,508	22,359	1,830
Royalty	2,524	13,132	2,400	13,269
Other	12	1	16	0
Total	23,861	14,641	24,775	15,099

(Note) Deferred income falls under contract liabilities under IFRS 15 *Revenue from Contracts with Customers*.

9 Dividends

(1) Dividends paid

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

	Class of shares	Total dividend amount (¥ million)	Dividend per share (¥)	Record date	Effective date
Resolution of the Board of Directors on February 21, 2024	Ordinary shares	4,214	5.0	December 31, 2023	March 28, 2024

(Note) Total dividend amount includes dividends of ¥3 million and ¥2 million attributable to Nexon's shares owned by Stiftelsen Embark Incentive ("Foundation") and NEXON Employee Benefit Trust ("Trust"), respectively, which are our consolidated subsidiaries.

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

	Class of shares	Total dividend amount (¥ million)	Dividend per share (¥)	Record date	Effective date
Resolution of the Board of Directors on February 19, 2025	Ordinary shares	12,382	15.0	December 31, 2024	March 27, 2025

(Note) Total dividend amount includes dividends of ¥6 million and ¥31 million attributable to Nexon's shares owned by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.

(2) Dividends with the record date in the six months ended June 30 and the effective date after June 30

For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

	Class of shares	Total dividend amount	Dividend per share	Record date	Effective date
		(¥ million)	(¥)		
Resolution of the Board of Directors on August 8, 2024	Ordinary shares	6,252	7.5	June 30, 2024	September 24, 2024

(Note) Total dividend amount includes dividends of ¥4 million and ¥6 million attributable to Nexon's shares owned by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.

For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

	Class of shares	Total dividend amount	Dividend per share	Record date	Effective date
		(¥ million)	(¥)		
Resolution of the Board of Directors on August 13, 2025	Ordinary shares	12,014	15.0	June 30, 2025	September 25, 2025

(Note) Total dividend amount includes dividends of ¥6 million and ¥19 million attributable to Nexon's shares owned by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.

10 Equity and other components of equity

Total numbers of authorized shares and issued shares of Nexon are as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
	Shares	Shares
Total number of authorized shares		
Ordinary shares	1,400,000,000	1,400,000,000
Total number of issued shares		
January 1	857,453,260	842,443,413
Increase	1,247,027 (Note 1)	871,786 (Note 1)
Decrease	(17,539,739) (Note 2)	(19,911,683) (Note 2)
June 30	841,160,548	823,403,516

- (Notes) 1. An increase due to exercise of share acquisition rights.
2. A decrease due to cancellation of treasury shares.

The number of treasury shares included in the total number of issued shares stated above is as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
	Shares	Shares
Number of treasury shares		
January 1	15,809,545	19,450,212
Increase	10,764,724 (Notes 1, 2, 3)	25,420,200 (Note 7)
Decrease	(17,543,139) (Notes 4, 5)	(20,718,343) (Notes 8, 9)
June 30	9,031,130 (Note 6)	24,152,069 (Note 10)

- (Notes) 1. An increase of 10,444,500 shares due to purchase at market on the Tokyo Stock Exchange.
2. An increase of 320,188 shares due to acquisition of Nexon's stock by the Trust, our consolidated subsidiary.
3. An increase of 36 shares due to purchase demand of shares less than one unit.
4. A decrease of 17,539,739 shares due to cancellation of treasury shares.
5. A decrease of 3,400 shares due to disposal of Nexon's stock by the Foundation, our consolidated subsidiary.
6. Includes 595,708 shares and 809,586 shares of Nexon's stock owned by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.
7. An increase of 25,420,200 shares due to purchase at market on the Tokyo Stock Exchange.
8. A decrease of 19,911,683 shares due to cancellation of treasury shares.
9. Decreases of 7,360 shares and 799,300 shares due to disposal of Nexon's stock by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.
10. Includes 396,921 shares and 1,288,048 shares of Nexon's stock owned by the Foundation and the Trust, respectively, which are our consolidated subsidiaries.

11 Earnings per share

Basic and diluted earnings per share attributable to owners of parent are calculated based on the following information.

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit attributable to owners of parent (millions of yen)	75,796	43,030
Adjustments to profit used for the calculation of diluted earnings per share		
Adjustments due to dilutive shares of consolidated subsidiaries (millions of yen)	—	—
Diluted profit attributable to owners of parent (millions of yen)	75,796	43,030
Number of basic weighted-average ordinary shares (shares) (Note 1)	838,090,620	811,305,202
Dilution: Share option (shares)	3,570,695	1,731,814
Number of dilutive weighted-average ordinary shares (shares)	841,661,315	813,037,016
Earnings per share (attributable to owners of parent)		
Basic earnings per share (yen)	90.44	53.04
Diluted earnings per share (yen) (Note 2)	90.06	52.93

(Notes) 1. Nexon's ordinary shares held by our consolidated subsidiaries, the Foundation and the Trust, are included in the treasury shares deducted in the calculation of the number of basic weighted-average ordinary shares. As for the deducted treasury shares, the average number of shares during the period was 598,137 shares and 672,363 shares, respectively, for the six months ended June 30, 2024, and 400,075 shares and 1,858,977 shares, respectively, for the six months ended June 30, 2025.

2. Certain share acquisition rights issued by Nexon do not have any dilutive effect and thus are not included in the calculation of diluted earnings per share.

12 Investment accounted for using equity method

(1) Major changes in scope of equity method application

(a) For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

Not applicable.

(b) For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

Not applicable.

(2) Material commitments

Details of material commitments between Nexon Group and equity-method associates are as follows.

(a) For the six months ended June 30, 2024 (From January 1, 2024 to June 30, 2024)

During the six months ended June 30, 2024, Nexon Group made additional investment in response to capital calls based on the investment agreement with an equity-method associate as follows. Nexon Group had commitments to make additional investment in its equity-method associate as of June 30, 2024.

Equity-method associate	Amount of additional investment (in the six months ended June 30, 2024)	Uncalled commitments for additional investment (as of June 30, 2024)
Alignment Growth Fund I, LP	USD 6.4 million (¥909 million)	USD 102.2 million (¥16,459 million)

(b) For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

During the six months ended June 30, 2025, Nexon Group made additional investment in response to capital calls based on the investment agreement with an equity-method associate as follows. Nexon Group had commitments to make additional investment in its equity-method associate as of June 30, 2025.

Equity-method associate	Amount of additional investment (in the six months ended June 30, 2025)	Uncalled commitments for additional investment (as of June 30, 2025)
Alignment Growth Fund I, LP	USD 57.0 million (¥8,606 million)	USD 25.7 million (¥3,719 million)

13 Significant Subsequent events

Share buyback

Nexon's Board of Directors has approved, on August 13, 2025, the matters pertaining to the share buyback pursuant to the provisions of Article 156 as replaced and applied mutatis mutandis pursuant to the provisions of Article 165(3) of the Companies Act.

(a) Reasons for the share buyback

To improve capital efficiency and ensure flexibility of capital policy.

(b) Details of the buyback

- | | |
|--|---|
| (i) Class of shares: | Ordinary shares of Nexon |
| (ii) Total number of shares to be acquired : | 11,000,000 shares (maximum)
(1.4% of the total number of shares outstanding excluding treasury shares as of July 31, 2025) |
| (iii) Total acquisition amount of shares: | JPY 25,000 million (maximum) |
| (iv) Acquisition period: | August 14, 2025 to October 31, 2025 |
| (v) Acquisition method | Purchase at market on the Tokyo Stock Exchange |

2 【Other Information】

At the Board of Directors meeting on February 19, 2025, it was resolved to conduct dividends of surplus as follows:

- (a) Total dividends ¥12,382 million
- (b) Dividend per share..... ¥15.0
- (c) Effective date of payment demand and payment start date March 27, 2025

(Note) Payments are made to shareholders listed or recorded in our shareholder registry as of December 31, 2024.

In addition, at the Board of Directors meeting on August 13, 2025, it was resolved to conduct dividends of surplus (semi-annual dividends) as follows:

- (a) Total dividends ¥12,014 million
- (b) Dividend per share..... ¥15.0
- (c) Effective date of payment demand and payment start date September 25, 2025

(Note) Payments are made to shareholders listed or recorded in our shareholder registry as of June 30, 2025.

Part II 【Information about Reporting Company's Guarantor, etc.】

Not applicable.