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Consolidated Financial Results
for the Three Months Ended March 31, 2026
[IFRS]

May 14, 2026

Company name: NEXON Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Stock code: 3659

URL: <https://www.nexon.co.jp/en/ir/>

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Scheduled date of commencing dividend payments: -

Supplementary briefing material on financial results: Yes

Financial results briefing: Yes (online earnings presentation for institutional investors, analysts and media)

(Amounts are rounded to nearest million yen)

1. Consolidated Financial Results for the Three Months Ended March 31, 2026 (from January 1, 2026 to March 31, 2026)

(1) Consolidated Operating Results (cumulative)

(% changes year-over-year)

(Millions of yen)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
Three months ended March 31, 2026	152,234	33.6%	58,163	39.8%	75,230	94.4%	56,374	114.2%	57,225	117.8%	29,886	273.3%
Three months ended March 31, 2025	113,934	5.1%	41,611	42.8%	38,701	(28.6)%	26,323	(26.8)%	26,272	(26.9)%	8,007	(88.2)%

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2026	72.33		72.02	
Three months ended March 31, 2025	32.12		32.07	

(2) Consolidated Financial Position

(Millions of yen)

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of March 31, 2026	1,385,050	1,068,368	1,061,170	76.6%
As of December 31, 2025	1,410,188	1,065,918	1,057,544	75.0%

2. Dividends

(Yen)

	Annual Dividends				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Year	Total
FY 2025	—	15.00	—	30.00	45.00
FY 2026	—				
FY 2026 (Forecast)		30.00	—	30.00	60.00

(Note) Revision of most recently announced dividend forecasts: No

3. Consolidated Financial Results Forecast for the Six Months Ending June 30, 2026 (from January 1, 2026 to June 30, 2026)

(% changes year-over-year)

(Millions of yen)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
											Yen
2nd Quarter (cumulative)	259,190	11.3%	74,222	(6.4)%	94,403	39.8%	71,558	69.5%	73,309	70.4%	92.64
	~	~	~	~	~	~	~	~	~	~	~
	271,905	16.8%	83,507	5.3%	103,688	53.5%	78,652	86.4%	80,402	86.8%	101.60

(Note) As it is difficult to reasonably estimate financial results for the year ending December 31, 2026 at the moment, only the financial results forecast for the six months ending June 30, 2026 is disclosed. Also, as it is difficult to estimate specific figures, disclosure is made with a range. For details, please refer to “1. Overview of Operating Results, etc. (3) Explanation on Future Forecast Information including Consolidated Financial Results Forecast” on page 4 of the Appendix.

*(Notes)

(1) Significant Changes in the Scope of Consolidation during the Period : No

(2) Changes in Accounting Policies and Changes in Accounting Estimates

1) Changes in accounting policies required by IFRS: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

(Note) For details, please refer to “2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(6) Notes to Condensed Quarterly Consolidated Financial Statements (Changes in Accounting Policies)” on page 14 of the Appendix.

(3) Number of Shares Issued (ordinary shares)

1) Total number of shares issued at the end of the period (including treasury shares):

As of March 31, 2026: 792,711,875 shares

As of December 31, 2025: 827,160,972 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2026: 1,436,510 shares

As of December 31, 2025: 35,753,527 shares

3) Average number of shares during the period (cumulative):

Three months ended March 31, 2026: 791,146,763 shares

Three months ended March 31, 2025: 817,899,493 shares

(Note) “Total number of treasury shares at the end of the period” includes Nexon’s shares held by our consolidated subsidiaries, Stiftelsen Embark Incentive and NEXON Employee Benefit Trust (as of March 31, 2026: 1,436,510 shares; as of December 31, 2025: 1,500,327 shares). The number of treasury shares deducted in the calculation of the average number of shares during the period includes Nexon’s shares held by the consolidated subsidiaries (as of March 31, 2026: 1,429,373 shares; as of March 31, 2025: 2,489,789 shares).

* Review of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: No

* Explanation of the Proper Use of Financial Results Forecasts and Other Notes

(Caution Concerning Forward-Looking Statements)

The forward-looking statements including the financial results forecast herein are based on information currently available to the Company and certain assumptions that can be deemed reasonable, and are not intended as the Company’s commitment to achieve such forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. For conditions prerequisite to the financial results forecast and the points to be noted in the use thereof, please refer to “1. Overview of Operating Results, etc. (3) Explanation on Future Forecast Information including Consolidated Financial Results Forecast” on page 4 of the Appendix.

(Method of Obtaining Supplementary Briefing Material on Financial Results)

The supplementary briefing materials on quarterly financial results are available on the Company’s website.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period

During the three months ended March 31, 2026, the global economy continued to gradually recover although some regions appear to be weak. However, uncertainty is rising in the global economy, including the situation in the Middle East.

Looking ahead, we expect a moderate recovery to continue despite some regional variations. Regardless, we need to pay attention to the impact of the Middle East situation, fluctuations in financial and capital markets, and U.S. policy trends.

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. It is also aiming to improve structural profitability by doing a review of its product portfolio. The IP Growth Initiative formulated in 2024 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* and *ARC Raiders*, plus new games in development.

For the three months ended March 31, 2026, we achieved record-breaking quarterly revenue and operating profit primarily driven by a contribution from *ARC Raiders*, released globally in October 2025, and growth of the *MapleStory* franchise. Revenues by key franchises are as follows:

Dungeon&Fighter franchise revenue decreased year over year due to the impact of a decline in *Dungeon&Fighter Mobile*, which was partially offset by growth from *Dungeon&Fighter* (PC). In China, a major New Year update drove year-over-year revenue growth in *Dungeon&Fighter* (PC). On the other hand, revenue decreased in Korea compared to Q1 2025 when we achieved year-over-year 93% growth.

MapleStory franchise revenue increased by 42% year over year driven by a contribution from *MapleStory: Idle RPG* launched in November 2025 and growth from *MapleStory Worlds*. *MapleStory Worlds*' expansion into Asia in April 2025, excluding China and Japan, drove its year-over-year revenue increase. For *MapleStory: Idle RPG*, refunds were made to players in connection with the coding error discovered in FY2025. Consequently, revenue and operating profit decreased by approximately ¥6.7 billion and ¥3.5 billion, respectively, in Q1 2026, but the game has successfully attracted new players and continued to grow. The refunds were completed in March.

FC franchise revenue increased year over year driven by the New Year update and a major event to decide the Team of the Year, voted on by players of the game.

As for other key titles, *MABINOGE MOBILE*, which launched in Korea in March 2025, continued to contribute to the results. *ARC Raiders*, which globally launched in October 2025, has also maintained its momentum, selling 4.6 million units in Q1 2026 and achieving a total of 15.5 million units sold from its release to March 31, 2026. The game has now sold over 16 million units.

In terms of expenses, costs increased year over year due to the increased HR costs due to higher headcount, increased royalty expenses for *MABINOGE MOBILE* and *MapleStory: Idle RPG*, and increased fees to creators for *MapleStory Worlds*. Selling, general and administrative expenses increased year over year primarily due to an increase in platform fees for *ARC Raiders* and *MapleStory: Idle RPG*, and an increase in marketing expenses associated with new titles. In addition, profit before tax and profit attributable to owners of parent increased year over year as a result of a foreign exchange gain recorded in the three months ended March 31, 2026, while a foreign exchange loss was recorded in Q1 2025.

As a result, for the three months ended March 31, 2026, Nexon Group recorded revenue of ¥152,234 million (up 33.6% year-over-year), operating profit of ¥58,163 million (up 39.8% year-over-year), profit before tax of ¥75,230 million (up 94.4% year-over-year) and profit attributable to owners of parent of ¥57,225 million (up 117.8% year-over-year).

Business results by reportable segments for the three months ended March 31, 2026 are as follows:

(a) Japan

Revenue for the three months ended March 31, 2026 amounted to ¥1,404 million (down 11.4% year-over-year), and segment loss amounted to ¥216 million (segment loss of ¥665 million for the three months ended March 31, 2025).

(b) Korea

Revenue for the three months ended March 31, 2026 amounted to ¥101,769 million (down 3.2% year-over-year), and segment profit amounted to ¥38,570 million (down 13.1% year-over-year). Revenue in Korea include 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 three months ended March 31, 2026 amounted to ¥698 million (up 59.9% year-over-year), and segment profit amounted to ¥327 million (up 2,298.2% year-over-year).

(d) North America

Revenue for the three months ended March 31, 2026 amounted to ¥7,472 million (up 39.5% year-over-year), and segment profit amounted to ¥1,161 million (segment loss of ¥114 million for the three months ended March 31, 2025).

(e) Other

Revenue for the three months ended March 31, 2026 amounted to ¥40,891 million (up 2,706.3% year-over-year), and segment profit amounted to ¥19,065 million (segment loss of ¥2,126 million for the three months ended March 31, 2025).

(2) Overview of Financial Position for the Period

(a) Assets, liabilities and equity

(Assets)

Total assets as of March 31, 2026 amounted to ¥1,385,050 million, a decrease of ¥25,138 million from December 31, 2025. Major components include a decrease of ¥44,612 million in cash and cash equivalents, a decrease of ¥20,816 million in trade and other receivables, a decrease of ¥40,450 million in other financial assets, and an increase of ¥78,111 million in other deposits.

(Liabilities)

Total liabilities as of March 31, 2026 amounted to ¥316,682 million, a decrease of ¥27,588 million from December 31, 2025. Major components include a decrease of ¥13,072 million in deferred income, a decrease of ¥11,101 million in provisions, a decrease of ¥16,159 million in other current liabilities, and an increase of ¥16,392 million in income taxes payable.

(Equity)

Equity as of March 31, 2026 totaled ¥1,068,368 million, an increase of ¥2,450 million from December 31, 2025. Major components of changes in equity include an increase of ¥57,225 million in retained earnings due to recording of profit attributable to owners of parent, a decrease of ¥46,827 million in other components of equity primarily due to recording of exchange differences on translation of foreign operations, and a decrease of ¥23,787 million in retained earnings due to dividend of surplus.

As a result, the ratio of equity attributable to owners of parent to total assets was 76.6% (75.0% as of December 31, 2025).

(b) Cash flows

Cash and cash equivalents (collectively, “cash”) as of March 31, 2026 was ¥454,256 million, a decrease of ¥44,612 million from December 31, 2025. The decrease includes ¥(5,001) million in effects of a decrease due to exchange rate changes on cash.

Cash flows from each activity for the three months ended March 31, 2026 and their significant components are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was ¥53,015 million, compared to ¥49,285 million for the three months ended March 31, 2025. Major components of the increase include profit before tax of ¥75,230 million, a decrease in trade and other receivables of ¥19,835 million. Major components of the decrease include a foreign exchange gain of ¥11,925 million, and a decrease in provisions of ¥10,653 million.

Net cash provided by operating activities increased year over year due to an increase in profit before tax.

(Cash flows from investing activities)

Net cash used in investing activities was ¥64,145 million, compared to ¥12,183 million used in the three months ended March 31, 2025. Major cash outflows include a net increase in time deposits of ¥89,360 million. Major cash inflows include an increase in proceeds from sale and redemption of securities of ¥40,682 million.

Net cash used in investing activities increased year over year due to an increase in time deposits.

(Cash flows from financing activities)

Net cash used in financing activities was ¥28,481 million, compared to ¥38,297 million for the three months ended March 31, 2025. Major cash outflows include dividends paid of ¥22,957 million.

Net cash used in financing activities decreased year over year due to decrease in dividends paid.

(3) Explanation on Future Forecast Information including Consolidated Financial Results Forecast

In our consolidated business outlook, we disclose our expectations for the following quarter as a range to provide more accurate information to our shareholders and investors, since it is difficult to derive full-year consolidated forecasts due to uncertainties in projecting the speed of growth of PC online game and mobile game markets in which Nexon Group’s main businesses operate, and because our revenue is largely dependent on such uncertain factors as users’ preferences and whether or not we have any hit titles. “Consolidated Financial Results Forecast for the Six Months Ending June 30, 2026” is the sum of our actual consolidated financial results for the three months ended March 31, 2026 and our consolidated business outlook for the three months ending June 30, 2026. Please refer to the table below for our consolidated financial results forecast for the three months ending June 30, 2026.

For the six months ending June 30, 2026, Nexon Group expects consolidated revenue in the range of ¥259,190~271,905 million (up 11.3%~16.8% year-over-year), operating profit in the range of ¥74,222~83,507 million (down 6.4%~up 5.3% year-over-year), profit before tax in the range of ¥94,403~103,688 million (up 39.8%~53.5% year-over-year), profit in the range of ¥71,558~78,652 million (up 69.5%~86.4% year-over-year), profit attributable to owners of parent in the range of ¥73,309~80,402 million (up 70.4%~86.8% year-over-year), and basic earnings per share in the range of ¥92.64~101.60. Nexon Group operates its businesses around the world, in Japan, South Korea, China, the United States and other countries. Major exchange rates for Q2 2026 are expected to be 1 U.S dollar=¥159.33, 100 South Korean Won=¥10.74 and 1 Chinese Yuan=¥23.22. In general, the exchange rates of the Korean Won and the Chinese Yuan to Japanese Yen are assumed to be linked to the exchange rate of U.S. Dollar to Japanese Yen. Based on this assumption, we expect that every one Japanese Yen move against the U.S. Dollar will have an impact of approximately ¥710 million on revenue and approximately ¥142 million on operating profit for the three months ending June 30, 2026.

In the three months ending June 30, 2026, we anticipate continued growth from the MapleStory franchise and a contribution from *ARC Raiders*, which globally launched in October 2025, while we expect year-over-year revenue decreases from the *Dungeon&Fighter* franchise and *MABINOGI MOBILE*. As a result, we expect overall revenue to decrease year over year in the three months ending June 30, 2026. Outlook by key franchise is as follows.

The *Dungeon&Fighter* franchise revenue is expected to decline year over year. For *Dungeon&Fighter* (PC), while the April new season update in China contributed to improved player engagement including DAUs, we

anticipate a year-over-year revenue decrease due to lower-than-expected progress in monetization. Looking ahead, we plan to rebuild momentum on the June anniversary update. In Korea, we also expect year-over-year revenue decline due to multiple updates including the March new season update not having gained enough support from players, as well as high comparison with Q2 2025, when revenue more than doubled year over year. For *Dungeon&Fighter Mobile*, a level cap update in March contributed in returning lapsed players to the game. However, as player engagement did not sustain, we expect Q2 revenue to be down year over year. We plan to acquire new and lapsed players through the second anniversary update in May and accelerate the deployment of content updates, co-developed with Tencent, from the second half of the year.

The MapleStory franchise revenue is expected to grow year over year. For Korea *MapleStory*, active users have grown year over year since the anniversary update introduced in March, and we expect continued solid player engagement leading into the summer update scheduled for June. However, we expect revenue to decrease year over year due to a high comparison with Q2 2025. For global *MapleStory*, we expect performance to remain solid in Q2 supported by dedicated localized content. For *MapleStory Worlds*, we expect a year-over-year decline due to a challenging comparison with the Taiwan launch last year. On the other hand, we anticipate continued revenue contribution from *MapleStory: Idle RPG*, launched in November 2025, as we expect the game to maintain solid engagement supported by a major event tied to the half-year anniversary in April.

For the FC franchise, we expect year-over-year revenue decline as we restrain monetization and focus on attracting users through the *EA SPORTS FC™ ONLINE* 8th anniversary update and the World Cup which starts in June.

As for other major titles, we expect a revenue decrease from *MABINOGI MOBILE*, launched in March 2025, due to a high comparison with its strong start in the year-ago quarter. For *ARC Raiders*, launched in October 2025, we expect it to keep contributing to revenue while settling down going forward as the sales of one-time purchase games tend to be concentrated in the early stages of release.

On the cost side in the three months ending June 30, 2026, we anticipate a year-over-year increase due to increased HR costs due to a headcount increase and marketing costs for strongly performing titles such as *MapleStory: Idle RPG*.

Our business outlook is based on information currently available to us, which includes various uncertainties. Therefore, actual performance may vary from our outlook due to changes in the business condition.

(Reference)

Consolidated financial results forecast for the three months ending June 30, 2026 (from April 1, 2026 to June 30, 2026)

(% changes from the previous fiscal year)

(Millions of yen)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
2nd Quarter	106,956	(10.0)%	16,059	(57.4)%	19,174	(33.5)%	15,184	(4.4)%	16,084	(4.0)%	Yen
	~	~	~	~	~	~	~	~	~	~	20.32
	119,671	0.7%	25,343	(32.8)%	28,458	(1.3)%	22,278	40.3%	23,177	38.3%	29.28

2. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

	(Millions of yen)	
	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	498,868	454,256
Trade and other receivables	86,295	65,479
Other deposits	342,239	420,350
Other financial assets	44,995	40,905
Other current assets	19,449	15,864
Total current assets	991,846	996,854
Non-current assets		
Property, plant and equipment	32,928	31,705
Goodwill	49,945	47,911
Intangible assets	36,705	33,049
Right-of-use assets	46,735	45,694
Investments accounted for using equity method	63,740	73,271
Other financial assets	145,883	109,523
Other non-current assets	3,633	3,239
Deferred tax assets	38,773	43,804
Total non-current assets	418,342	388,196
Total assets	1,410,188	1,385,050

	(Millions of yen)	
	As of December 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	42,253	31,070
Deferred income	55,437	41,614
Income taxes payable	46,192	62,584
Lease liabilities	20,830	20,143
Other financial liabilities	3,073	10,686
Provisions	18,417	7,302
Other current liabilities	37,093	20,934
Total current liabilities	223,295	194,333
Non-current liabilities		
Deferred income	15,783	16,534
Lease liabilities	31,315	30,886
Other financial liabilities	286	277
Provisions	630	644
Other non-current liabilities	12,148	11,982
Deferred tax liabilities	60,813	62,026
Total non-current liabilities	120,975	122,349
Total liabilities	344,270	316,682
Equity		
Share capital	58,191	61,782
Capital surplus	36,645	40,195
Treasury shares	(93,820)	(3,064)
Other components of equity	191,317	144,490
Retained earnings	865,211	817,767
Total equity attributable to owners of parent	1,057,544	1,061,170
Non-controlling interests	8,374	7,198
Total equity	1,065,918	1,068,368
Total liabilities and equity	1,410,188	1,385,050

(2) Condensed Quarterly Consolidated Statement of Profit or Loss

For the three months ended March 31, 2025 and 2026

(Millions of yen)

	Three months ended March 31	
	2025	2026
	(From January 1, 2025 to March 31, 2025)	(From January 1, 2026 to March 31, 2026)
Revenue	113,934	152,234
Cost of sales	(39,244)	(50,132)
Gross profit	74,690	102,102
Selling, general and administrative expenses	(33,165)	(42,989)
Other income	250	422
Other expenses	(164)	(1,372)
Operating profit	41,611	58,163
Finance income	6,876	19,973
Finance costs	(6,642)	(1,218)
Share of loss of investments accounted for using equity method	(1,500)	(1,688)
Impairment loss on equity method investments	(1,644)	—
Profit before tax	38,701	75,230
Income tax expense	(12,378)	(18,856)
Profit	26,323	56,374
Profit attributable to:		
Owners of parent	26,272	57,225
Non-controlling interests	51	(851)
Profit	26,323	56,374
Earnings per share		
(attributable to owners of parent)	(Yen)	(Yen)
Basic earnings per share	32.12	72.33
Diluted earnings per share	32.07	72.02

(3) Condensed Quarterly Consolidated Statement of Comprehensive Income
For the three months ended March 31, 2025 and 2026

	(Millions of yen)	
	Three months ended March 31	
	2025	2026
	(From January 1, 2025 to March 31, 2025)	(From January 1, 2026 to March 31, 2026)
Profit	26,323	56,374
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	33,687	998
Remeasurements of defined benefit plans	6	4
Gain on revaluation of intangible assets	(3,967)	(4,548)
Share of other comprehensive income of investments accounted for using equity method	2,417	8,470
Income taxes	(8,064)	811
Total of items that will not be reclassified to profit or loss	24,079	5,735
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(42,395)	(32,223)
Total of items that may be reclassified to profit or loss	(42,395)	(32,223)
Total other comprehensive income	(18,316)	(26,488)
Comprehensive income	8,007	29,886
Comprehensive income attributable to:		
Owners of parent	8,590	31,070
Non-controlling interests	(583)	(1,184)
Comprehensive income	8,007	29,886

(4) Condensed Quarterly Consolidated Statement of Changes in Equity

For the three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)

(Millions of yen)

	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	50,797	30,079	(49,158)	207,098	780,197	1,019,013	11,512	1,030,525
Profit	—	—	—	—	26,272	26,272	51	26,323
Other comprehensive income	—	—	—	(17,682)	—	(17,682)	(634)	(18,316)
Comprehensive income	—	—	—	(17,682)	26,272	8,590	(583)	8,007
Issuance of new shares	716	716	—	—	—	1,432	—	1,432
Share issuance costs	—	(2)	—	—	—	(2)	—	(2)
Dividends	—	—	—	—	(12,382)	(12,382)	—	(12,382)
Share-based payment transactions	—	—	—	178	—	178	—	178
Forfeiture of share acquisition rights	—	—	—	(20)	12	(8)	8	—
Changes in ownership interest in subsidiaries	—	(84)	—	—	—	(84)	(103)	(187)
Purchase of treasury shares	—	(6)	(24,811)	—	—	(24,817)	—	(24,817)
Disposal of treasury shares	—	(1)	16	—	—	15	—	15
Cancellation of treasury shares	—	—	50,000	—	(50,000)	—	—	—
Total transactions with owners, etc.	716	623	25,205	158	(62,370)	(35,668)	(95)	(35,763)
Balance at end of period	51,513	30,702	(23,953)	189,574	744,099	991,935	10,834	1,002,769

For the three months ended March 31, 2026 (From January 1, 2026 to March 31, 2026)

(Millions of yen)

	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	58,191	36,645	(93,820)	191,317	865,211	1,057,544	8,374	1,065,918
Profit	—	—	—	—	57,225	57,225	(851)	56,374
Other comprehensive income	—	—	—	(26,155)	—	(26,155)	(333)	(26,488)
Comprehensive income	—	—	—	(26,155)	57,225	31,070	(1,184)	29,886
Issuance of new shares	3,591	3,591	—	—	—	7,182	—	7,182
Share issuance costs	—	(32)	—	—	—	(32)	—	(32)
Dividends	—	—	—	—	(23,787)	(23,787)	—	(23,787)
Share-based payment transactions	—	—	—	(1,946)	—	(1,946)	—	(1,946)
Forfeiture of share acquisition rights	—	—	—	(281)	273	(8)	8	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	(0)	(0)
Purchase of treasury shares	—	(6)	(9,312)	—	—	(9,318)	—	(9,318)
Disposal of treasury shares	—	216	249	—	—	465	—	465
Cancellation of treasury shares	—	(219)	99,819	—	(99,600)	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(18,445)	18,445	—	—	—
Other	—	(0)	—	—	—	(0)	—	(0)
Total transactions with owners, etc.	3,591	3,550	90,756	(20,672)	(104,669)	(27,444)	8	(27,436)
Balance at end of period	61,782	40,195	(3,064)	144,490	817,767	1,061,170	7,198	1,068,368

(5) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended March 31	
	2025	2026
	(From January 1, 2025 to March 31, 2025)	(From January 1, 2026 to March 31, 2026)
Cash flows from operating activities		
Profit before tax	38,701	75,230
Depreciation and amortization	2,718	3,275
Share-based payment expenses	1,939	276
Interest and dividend income	(5,708)	(5,326)
Interest expenses	533	528
Impairment losses	41	869
Share of loss (profit) of investments accounted for using equity method	1,500	1,688
Impairment loss on equity method investments	1,644	—
Loss (gain) on sale of investments accounted for using equity method	40	—
Loss (gain) on valuation of securities	1,691	247
Loss (gain) on sale and redemption of securities	(1,066)	348
Foreign exchange loss (gain)	3,250	(11,925)
Decrease (increase) in trade and other receivables	15,262	19,835
Decrease (increase) in other current assets	(4,484)	3,164
Increase (decrease) in trade and other payables	1,640	(3,931)
Increase (decrease) in deferred income	983	(11,488)
Increase (decrease) in provisions	(8,260)	(10,653)
Increase (decrease) in other current liabilities	2,120	(7,920)
Increase (decrease) in loss allowances	109	(7)
Other	(291)	(189)
Subtotal	52,362	54,021
Interest received	4,152	4,206
Dividends received	700	16
Interest paid	(529)	(521)
Income taxes paid	(7,400)	(4,707)
Net cash provided by (used in) operating activities	49,285	53,015
Cash flows from investing activities		
Net decrease (increase) in restricted deposits	(22)	(379)
Net decrease (increase) in time deposits	11,964	(89,360)
Purchase of property, plant and equipment	(1,015)	(1,284)
Proceeds from sale of property, plant and equipment	12	23
Purchase of intangible assets	(225)	(7,827)
Payments associated with increase in long-term prepaid expenses	(1,361)	(302)
Purchase of securities by investment funds under consolidated subsidiaries	(4,302)	(5,337)
Proceeds from sale of securities by investment funds under consolidated subsidiaries	8,667	5,834
Purchase of securities	(316)	(2,699)
Proceeds from sale and redemption of securities	1,026	40,682
Purchase of investments accounted for using equity method	(1,489)	(3,521)
Payments for long-term loans receivable	(948)	—
Collection of long-term loans receivable	3	3
Other	189	22
Net cash provided by (used in) investing activities	12,183	(64,145)

	(Millions of yen)	
	Three months ended March 31	
	2025	2026
	(From January 1, 2025 to March 31, 2025)	(From January 1, 2026 to March 31, 2026)
Cash flows from financing activities		
Proceeds from exercise of employee share options	48	4,999
Purchase of treasury shares	(24,817)	(9,318)
Purchase of treasury shares of subsidiaries	(187)	—
Dividends paid	(12,049)	(22,957)
Repayments of lease liabilities	(1,306)	(1,420)
Other	14	215
Net cash provided by (used in) financing activities	(38,297)	(28,481)
Net increase (decrease) in cash and cash equivalents	23,171	(39,611)
Cash and cash equivalents at beginning of period	331,931	498,868
Effect of exchange rate changes on cash and cash equivalents	(14,149)	(5,001)
Cash and cash equivalents at end of period	340,953	454,256

(6) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Significant Matters Forming the Basis for Preparing Condensed Quarterly Consolidated Financial Statements)

The condensed quarterly consolidated financial statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. However, some disclosures in IAS 34 *Interim Financial Reporting* have been omitted in accordance with Article 5, Paragraph 5 of the Standards for the Preparation of Quarterly Financial Statements, etc.

(Changes in Accounting Policies)

(Changes in accounting policies required by IFRS)

The accounting policies used to prepare these condensed consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2025 unless otherwise noted, except for the new standards applied as listed below.

Nexon Group has applied the following standards since Q1 2026, but the application of these standards did not have material impacts on the three months ended March 31, 2026.

Standards	Title	Overview of New or Revised Standard
IFRS 9	Financial Instruments	• Clarified the classification of financial assets with ESG-linked features and when financial instruments are derecognized when settled using electronic payment systems
IFRS 7	Financial Instruments: Disclosures	
IFRS 9	Financial Instruments	• Narrow-scope amendments to help companies to better report the financial effects of nature-dependent electricity contracts
IFRS 7	Financial Instruments: Disclosures	

(Notes on Segment Information)

(a) 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 the Company (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.

(b) Revenue, profit or loss by reportable segment

Information on the segments of Nexon Group is as follows:

For the three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)

(Millions of yen)

	Reportable Segments					Total	Adjustments (Note 3)	Consolidated
	Japan	Korea	China	North America	Other			
Revenue								
Revenue from external customers								
PC online	1,327	69,366	437	4,601	1,457	77,188	—	77,188
Mobile	258	35,335	—	745	—	36,338	—	36,338
Other	0	399	—	9	—	408	—	408
Total revenue from external customers	1,585	105,100	437	5,355	1,457	113,934	—	113,934
Intersegment revenue	233	2,969	—	355	495	4,052	(4,052)	—
Total	1,818	108,069	437	5,710	1,952	117,986	(4,052)	113,934
Segment profit (loss) (Note 1)	(665)	44,402	14	(114)	(2,126)	41,511	14	41,525
Other income and expenses, net								86
Operating profit								41,611
Finance income and costs, net								234
Share of loss of investments accounted for using equity method								(1,500)
Impairment loss on equity method investments								(1,644)
Profit before tax								38,701

(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 ¥14 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.

For the three months ended March 31, 2026 (From January 1, 2026 to March 31, 2026)

(Millions of yen)

	Reportable Segments					Total	Adjustments (Note 3)	Consolidated
	Japan	Korea	China	North America	Other			
Revenue								
Revenue from external customers								
PC online	1,402	67,937	698	5,712	40,865	116,614	—	116,614
Mobile	—	32,996	—	1,672	—	34,668	—	34,668
Other	2	836	—	88	26	952	—	952
Total revenue from external customers	1,404	101,769	698	7,472	40,891	152,234	—	152,234
Intersegment revenue	161	11,670	—	380	862	13,073	(13,073)	—
Total	1,565	113,439	698	7,852	41,753	165,307	(13,073)	152,234
Segment profit (loss) (Note 1)	(216)	38,570	327	1,161	19,065	58,907	206	59,113
Other income and expenses, net								(950)
Operating profit								58,163
Finance income and costs, net(Note 5)								18,755
Share of loss of investments accounted for using equity method								(1,688)
Profit before tax								75,230

(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 ¥206 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 income is foreign exchange gain of ¥14,537 million.

(c) Information on each region

Revenue from external customers are as follows:

For the three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)

	Revenue by major business			(Millions of yen)
	PC online	Mobile	Other	Total
Main regional market				
Japan	2,025	1,940	4	3,969
Korea	42,141	11,730	381	54,252
China	19,509	18,066	5	37,580
North America and Europe	8,831	2,022	3	10,856
Rest of World	4,682	2,580	15	7,277
Total	77,188	36,338	408	113,934

(Notes) 1. Revenue is classified into country or region category based on the customers' location.

2. The category of country or region is based on geographic proximity.

3. Main countries or regions in each category:

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

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

For the three months ended March 31, 2026 (From January 1, 2026 to March 31, 2026)

	Revenue by major business			(Millions of yen)
	PC online	Mobile	Other	Total
Main regional market				
Japan	2,052	1,482	4	3,538
Korea	40,924	15,780	777	57,481
China	23,024	8,360	9	31,393
North America and Europe	40,422	3,989	54	44,465
Rest of World	10,192	5,057	108	15,357
Total	116,614	34,668	952	152,234

(Notes) 1. Revenue is classified into country or region category based on the customers' location.

2. The category of country or region is based on geographic proximity.

3. Main countries or regions in each category:

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

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

(Significant Subsequent Events)

Share buyback

Nexon's Board of Directors has approved, on May 14, 2026, 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) Reason 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: | 14,000,000 shares (maximum)
(1.8% of the total number of shares outstanding excluding
treasury shares as of April 30, 2026) |
| (iii) Total acquisition amount of shares: | JPY 30,000 million (maximum) |
| (iv) Acquisition period: | May 15, 2026 to July 31, 2026 |
| (v) Acquisition method: | Purchase at market on the Tokyo Stock Exchange |